

**MINUTES OF THE MEETING  
OF THE  
ASSEMBLY COMMITTEE ON GROWTH AND INFRASTRUCTURE**

**Eighty-Second Session  
May 2, 2023**

The Committee on Growth and Infrastructure was called to order by Chair Howard Watts at 1:30 p.m. on Tuesday, May 2, 2023, in Room 3143 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:**

Assemblyman Howard Watts, Chair  
Assemblywoman Tracy Brown-May, Vice Chair  
Assemblyman Max Carter  
Assemblywoman Jill Dickman  
Assemblywoman Danielle Gallant  
Assemblyman Bert Gurr  
Assemblywoman Heidi Kasama  
Assemblywoman Elaine Marzola  
Assemblywoman Brittney Miller  
Assemblyman Cameron (C.H.) Miller  
Assemblywoman Sarah Peters  
Assemblywoman Shondra Summers-Armstrong

**COMMITTEE MEMBERS ABSENT:**

None

**GUEST LEGISLATORS PRESENT:**

Senator Skip Daly, Senate District No. 13

**STAFF MEMBERS PRESENT:**

Jann Stinnesbeck, Committee Policy Analyst  
Jessica Dummer, Committee Counsel  
Connie Barlow, Committee Manager

Minutes ID: 970



Kathy Biagi, Committee Secretary  
Garrett Kingen, Committee Assistant

**OTHERS PRESENT:**

Garrett C. Weir, General Counsel, Public Utilities Commission of Nevada  
Paul Maguire, Engineering Manager, Public Utilities Commission of Nevada  
Scott Leedom, Director of Public Affairs, Southwest Gas Corporation  
Nic Ciccone, Legislative Relations Program Manager, Office of the City Manager,  
City of Reno  
Craig Madole, CEO, Associated General Contractors of America, Nevada Chapter  
Thomas A. Morley, representing Laborers Local 872 and Laborers Local 169  
Marc Ellis, President, Communications Workers of America Local 9413  
Kevin Linderman, Vice President-Operations, Q&D Construction  
Bill Wellman, representing Las Vegas Paving Corporation  
Steve Blakely, Vice President, Road and Highway Builders LLC  
Taylor Polan, Area Manager, Granite Construction  
Glen Leavitt, Director of Government Affairs, Nevada Contractors Association  
Andy Donahue, Market Representative, Southern Nevada Laborers-Employers  
Cooperation and Education Trust  
Kylie Tokunaga, Project Manager, Ames Construction  
Jake McNeill, representing Laborers' International Union of North America  
Local 169  
Alex Tanchek, representing International Brotherhood of Electrical Workers  
Local 1245  
Danny Thompson, representing International Brotherhood of Electrical Workers  
Local 396  
Susie Martinez, Executive Secretary-Treasurer, Nevada State AFL-CIO  
Will Adler, representing International Brotherhood of Electrical Workers Local 1245  
Cody Hoskins, Political Director, Service Employees International Union Local 1107  
Russ Janes, representing Nevada State AFL-CIO  
Liz Sorenson, President, Nevada State AFL-CIO  
Edward Gooddrich, representing International Alliance of Theatrical Stage  
Employees, Moving Picture Technicians, Artists and Allied Crafts of the  
United States, Its Territories and Canada Local 363  
Maritza Flores, Private Citizen  
Sue Bird, Private Citizen  
Robert Sumlin, International Association of Machinists and Aerospace Workers  
Local Lodge SC711  
Clarence McCarthy, representing National Association of Letter Carriers, Branch 709  
Dionne Klug, representing United Food and Commercial Workers Local 711  
Warren B. Hardy II, representing Associated Builders and Contractors, Nevada  
Chapter  
Paige Barnes, representing Lumen Technologies

**Chair Watts:**

[Roll was taken. Rules and protocol were explained.] Good afternoon. We are going to jump right into this agenda. We have four bills on our agenda today. We are going to take them in order. We have several bills from Senator Daly today. We will begin with Senate Bill 27 (1st Reprint), which revises provisions regarding excavations in areas containing subsurface installations. We will welcome the Public Utilities Commission of Nevada (PUCN). With that, I will open the hearing on S.B. 27 (R1).

**Senate Bill 27 (1st Reprint): Revises provisions relating to excavations in areas containing subsurface installations. (BDR 40-224)**

**Garrett C. Weir, General Counsel, Public Utilities Commission of Nevada:**

Today, we are presenting Senate Bill 27 (1st Reprint). I have with me Paul Maguire, who is the manager of the Engineering Division for the Commission, which is responsible for much of the work involved in enforcing the federal pipeline safety regulations. With that, I will hand over the floor to Mr. Maguire, who will walk you through the bill.

**Paul Maguire, Engineering Manager, Public Utilities Commission of Nevada:**

Nevada's call before you dig law, or one call law, is outlined in *Nevada Revised Statutes* (NRS) Chapter 455 [page 2, [Exhibit C](#)]. Nevada was one of the first states to have an effective and enforceable damage prevention law. That law has resulted in dramatic improvements to the amount of excavation damage and has provided protection of underground utility facilities. However, NRS Chapter 455 exempts hand tools from being considered excavation damage. What that means is people digging, if it is with a hand shovel, whether it be a shovel, a stake, they do not have to call [page 3]. There have been several near-miss incidents. The most public one was in California in 2019, when a home exploded and a utility worker was killed because a solar developer installed solar panels on the roof, drove their six-foot ground rod into the ground, hitting the gas service, which is right next to the house, causing the house to explode. We have had numerous incidents of these. Both NV Energy and Southwest Gas have had these incidents where electrical contractors, solar developers, and landscapers have driven rods into pipelines, causing uncontrolled gas releases.

The exemption is also inconsistent with federal law [page 4]. A lot of states were not enforcing their damage prevention laws, so in 2015 the federal government passed their own and stated we are going to defer it to the states, but if you do not have a law that is consistent with ours and you are not enforcing yours, we will come in and enforce ours. Luckily, Nevada has been found to be adequate for the ten years running in which the federal government has come in and audited the state law. It is also inconsistent with Occupational Safety and Health Administration (OSHA) workers' safety regulations, and OSHA is pretty adamant that you have to protect worker safety. If you are digging with a shovel and there is a buried electrical cable or buried gas line and you did not call and the worker hits that and something happens, they can and they have taken enforcement actions. It is also inconsistent with other neighboring states—Arizona, Utah, California. They all do not have a blanket hand tool exemption.

A couple of things just to show you the progress Nevada has made [page 5, [Exhibit C](#)]. In the year 2000, we used to have five gas damages a day. Five times a day, somebody was digging into a gas line. That is now down to around one per day, so over twenty years, we have cut that by 80 percent, which is pretty good.

Second, if you want to see how Nevada ranks among other states, we typically have about 4 damages for every 10,000 gas customers we have in the state, which ranks third among all states and territories [page 6]. I would argue we are first from any state or territory that has a significant amount of gas infrastructure. Puerto Rico has less than 500 customers. Vermont has 40,000, where we have over 800,000 and will be approaching 1 million gas customers here in the next five to ten years.

If S.B. 27 (R1) passes, it will include hand tools in the definition and it will require licensed contractors or anyone else digging 12 inches or greater to call 811 [page 7]. It is a free service. You have to call two days ahead. All the utilities will come out for free and will mark the lines. The 12 inches comes from the gas code. That is the minimum depth that a service line to your house has to be buried. There are some that are shallower, installed in the 1950s, 1960s, or people change grade in their lot. Anything new going in has to be 12 inches or greater. What that does is avoids realtors putting in a lawn sign or kids graduating so we are going to have a big sign. We do not have to call. We are not going to be driving that in 12 inches. I am not a licensed contractor. It includes hand tools for those people working under OSHA worker safety rules; it makes it consistent. For the general public, if you are digging over 12 inches, you have to call; but it avoids Boy Scout Troop 5 pitching a tent in the backyard having to call two days ahead. That is all I have.

**Chair Watts:**

Members, any questions?

**Assemblywoman Peters:**

As part of your statement, you said there are no blanket exemptions in other states but there may be other exemptions. Can you just clarify in other states whether this is consistent with their standards for excavation or how it may differ from other states you mentioned previously?

**Paul Maguire:**

Arizona has no exemption at all. There are some states that do the 12-inch exemption like ours, so if you want to put up a lawn sign during election season or if a Realtor wants to put up a sign, you did not violate the law. There are some in which they exempt farmers, so a farmer can go out and dig. Agriculture is specifically exempted. Each state has done it somewhat uniquely. Most of them do not have an exemption or it is a depth requirement, and as I said, the 12 inches comes from the natural gas code. There are some states that have specific exemptions such as farming and other things like that.

**Assemblywoman Peters:**

That is interesting—an agricultural exemption. I do wonder. We have several areas in which we have had to move drainage ditches. At this point, do the water managers in those areas have to call in for this right now, or are they currently not required to call in?

**Paul Maguire:**

Typically from what I have seen, most farmers do not have utilities on their facilities. We are talking about Texas or the Midwest, where part of the deal was the gas company or the crude oil company would run a line through your farm and you would get free service and that was part of the easement. As far as I know, we have never had any damages with agriculture, same as mining. I have never seen an issue with agriculture and have never heard of problems from the utilities on that topic.

**Assemblywoman Peters:**

As it is written right now, if there were easements, and I have seen several easements on agricultural property in Mason Valley, would they be included in this now, and would that require a public information campaign? I guess maybe there is an exemption if they are a contractor or not. I do not know how many of our agricultural communities have contractors who are also farmers.

**Paul Maguire:**

Typically, the definition is a licensed contractor under the State Contractors' Board. So, unless they are doing work for other people, I do not believe they would have to if they are just farming their own ranch. But if a farmer was going to go and cut a five-foot drainage ditch through his property, it is a free service and he should call. With the rural push for fiber optics and all, this is our money and our infrastructure out there. A lot of times you do not know where it goes. You could be out there and all of a sudden you see one of those markers that says High Capacity Fiber or it says High Pressure Water Line. If they were digging with mechanical equipment, they would have to call and they would have to call today under current law.

**Chair Watts:**

Members, additional questions?

**Assemblywoman Kasama:**

When you said hand tools, I am looking and maybe the definition for "hand tools" is somewhere else in regulation, but is the intent that it does not really matter? You are not trying to define what the hand tool is. It is more based on the depth.

**Paul Maguire:**

It is based on the depth, and hand tools can take many forms. I have seen rubber mallets, hammers—it is meant to mean anything that you are moving dirt with via hand tools. A lot of times, fence contractors will auger in or they will use their post hole diggers. We have seen many damages with the post hole diggers in addition to the power augers.

**Assemblywoman Kasama:**

I guess that makes sense. There are so many buried ones like you said, so it is more about the depth.

**Garrett Weir:**

You actually will not find the term "hand tool" within this bill. It is referred to as nonmechanical equipment.

**Chair Watts:**

Thank you. Members, any additional questions for our presenters? Seeing none at this time, thank you for your presentation. We will move on to testimony and will begin with testimony in support of Senate Bill 27 (1st Reprint).

**Scott Leedom, Director of Public Affairs, Southwest Gas Corporation:**

Southwest Gas is in support of this bill. Obviously, safety is a big priority for our company, and we do believe this bill will make it safer for digging practices. We also want to thank the Public Utilities Commission of Nevada for reaching out very early several months ago before this session started to work with us on this bill and also for helping us with an amendment that we got later in the process. With that, I just wanted to put our support on record.

**Nic Ciccone, Legislative Relations Program Manager, Office of the City Manager, City of Reno:**

I will keep it short since I know you have a few bill hearings today. Ditto.

**Chair Watts:**

Do we have anyone else who would like to testify in support of S.B. 27 (R1)? [There was no one.] Next, we will move to testimony in opposition of S.B. 27 (R1). [There was none.] Finally, we will move to testimony in the neutral position on S.B. 27 (R1). [There was none.] Any closing remarks? Seeing none, I will close the hearing on S.B. 27 (R1).

We are going to now move into Senator Daly mode. We will go right down the list in numerical order, and I will begin by opening the hearing on Senate Bill 85 (1st Reprint), which revises provisions relating to retention payments under certain highway contracts.

**Senate Bill 85 (1st Reprint): Revises provisions relating to retention payments under certain highway contracts. (BDR 35-665)**

**Senator Skip Daly, Senate District No. 13:**

Senate Bill 85 (1st Reprint) is a bill that is going to bring us full circle from where we started back to the beginning. In previous sessions, I helped sponsor bills working with the Associated General Contractors of America (AGC) to change the retention amount. That is where we came up with the 97.5 percent that we had in the language that was in the old section 3. After COVID-19, after some of the stuff that we had, we have fewer people at the Department of Transportation (NDOT), we have fewer State staff, and various things. There have been some delays in closing out projects, so the AGC approached me about changing

the retention back to what it was before we made the revisions. There were experiments that did not exactly work the way we had hoped. We want to go back to 95 percent so they can pay out 95 percent, withhold 5 percent as retention, but not to exceed \$50,000.

This only applies to NDOT. It does not apply to the State Public Works Division or some of the other local bodies and whatever they are doing, so we are going back to the old language that we had. The language that was added has been taken out. The red print was language that was added when we changed the 97 percent regarding how they close out projects. That needs to be taken out. That was NDOT's suggestion.

I think the rest of it is just changing numbers to reflect the new changes, and the bill becomes effective upon passage and approval. Craig Madole with the Northern Nevada AGC is the one who approached me about the bill. If he has any comments before we take questions, if you would allow, Mr. Chair.

**Chair Watts:**

Thank you very much for the succinct presentation. Mr. Madole, would you like to add some additional context for the record?

**Craig Madole, CEO, Associated General Contractors of America, Nevada Chapter:**

I think it is important to note that in 2019, when Assembly Bill 22 of the 80th Session changed the retention, they changed a 40-year-old statute with our support with the promise that they would quickly release retention and close out contracts. Due to staffing shortages and other multiple issues, they have not been able to do so. We have worked extensively with NDOT on this bill, on this issue. Really, I think that we have just come to the solution that we need to go back to what the law was for the prior 40 years.

**Chair Watts:**

All right. With that, we will now move to questions.

**Assemblywoman Summers-Armstrong:**

I am trying to understand. I want to confirm that this would only apply to the Department of Transportation and no one else.

**Senator Daly:**

That is correct. I believe the changes are in *Nevada Revised Statutes* Chapter 408, which applies to NDOT.

**Assemblyman Carter:**

I want to make sure, and it is probably in the details, but I want to make sure that we are not skipping over the obligation to pay the benefits—the retention that is usually there for the trust funds for employee benefits. I want to make sure that is not skipped.

**Senator Daly:**

No. That question was asked over on the Senate side by Senator Hansen about why do we do this at all? I said, Now people, the money is there both to safeguard the public and the workers on the job, and various things. So that retention, we were never going to get rid of it. The \$50,000 is reasonable. It was there for a long time, and it is there just in case of those issues. If workers are not paid and various things, the State then has some money if there is a claim for wages made or whatever. Before the State releases that, they will make sure the trust funds have signed off and they have gotten those signed off from the people who they need.

**Craig Madole:**

To further answer your questions, these jobs are fully bonded for payment and performance, so they have that bond until the project closes.

**Chair Watts:**

Thank you. Members, any additional questions? Seeing none, we will skip ahead to testimony. We will begin with testimony in support of Senate Bill 85 (1st Reprint). Anyone wishing to provide testimony in support, please come forward whenever you are ready.

**Thomas A. Morley, representing Laborers Local 872 and Laborers Local 169:**

We are in support.

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

We are in full support.

**Chair Watts:**

Thank you. I appreciate the brevity.

**Kevin Linderman, Vice President-Operations, Q&D Construction:**

We would like to add that we fully support this bill.

**Bill Wellman, representing Las Vegas Paving Corporation:**

We are fully in support of this bill. This is a game changer for our industry over the past four years.

**Steve Blakely, Vice President, Road and Highway Builders LLC:**

We fully support this bill.

**Taylor Polan, Area Manager, Granite Construction:**

Granite supports this bill.

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

We are in support of this bill.



**Andy Donahue, Market Representative, Southern Nevada, Laborers-Employers Cooperation and Education Trust:**

Also supporting the bill.

**Chair Watts:**

Look at this coordination. No one skipping a beat. Go ahead.

**Kylie Tokunaga, Project Manager, Ames Construction:**

I am in full support of this bill.

**Chair Watts:**

Is there anyone else wishing to testify in support of S.B. 85 (R1)? [There was no one.] We will now take testimony in opposition to S.B. 85 (R1). [There was none.] We will move to testimony in neutral to S.B. 85 (R1). [There was none.] Senator, any closing remarks?

**Senator Daly:**

I told everybody if they spoke more than ten seconds, they would not be invited back. There are no easy or simple bills, but this one is pretty straightforward.

**Chair Watts:**

All right. Thank you very much. With that, we will close the hearing on S.B. 85 (R1), and we will open the hearing on Senate Bill 257 (1st Reprint), which revises provisions governing tax abatements for certain renewable energy facilities. Welcome, Mr. Morley and Senator Daly.

**Senate Bill 257 (1st Reprint): Revises provisions governing tax abatements for certain renewable energy facilities. (BDR 58-538)**

**Senator Skip Daly, Senate District No. 13:**

Senate Bill 257 (1st Reprint) is also by request, as Mr. Morley came and asked. We do not change any of the abatements. What we do is change the time frame for audits. So, if you do qualify for the abatements, you have to submit a report that shows you are meeting the criteria in order to qualify for the abatements. One of those is paying the wage rates that are required, and 50 percent Nevada workforce, and you also have to provide insurance. So there is currently a report that is submitted annually to say you are going to meet these things. Some of the issues that have come up and the reason for the bill is that during the term of construction, which is why we have the amendment in there that we had from the other side, we want to see those reports more often. We want to make sure people are in compliance, not that they are not out of compliance for two quarters or three quarters and then coming back into compliance for the year in the last quarter. So we want to say quarterly reports.

Then as we started looking at that and I talked with a few people in the industry and with the people over in the Office of Energy in the Office of the Governor, some of these abatements last for ten years or longer. We came to the conclusion that we do not really need the quarterly reports for the whole ten years, which is why we changed it, so only during

the term of construction, which is what you will see in section 1, I believe. They define the term of construction, which is the time period from when you get the building permit until you go online with the facility, or another time as the Director of the Office of Energy may determine in case they start up and end for a little bit, and then start some other construction; they will have to get back to that quarterly report. So then it changes the terms, the rest of it accordingly.

Section 1.7 was revised a little bit, and so it is quarterly during the term of construction and annually at all other times. That is it in the bill. I am happy to answer any questions unless Mr. Morley has something else to add.

**Chair Watts:**

Mr. Morley, would you like to make some remarks?

**Thomas A. Morley, representing Laborers Local 872 and Laborers Local 169:**

We can skip to support.

**Chair Watts:**

Wonderful, thank you very much, sir. But first, before we do that, we will have some questions. We will start with Assemblyman Carter.

**Assemblyman Carter:**

Have there been any projects that, retroactively, because the reports were not submitted in a timely manner, lost the abatement? Is there a penalty for skipping these reports?

**Senator Daly:**

Nobody has lost the abatements on the project, to my knowledge. Regarding turning in the annual reports, everybody has met the requirement. There have been some concerns, which is why we brought the bill forward, that there may have been periods of noncompliance, which is why we wanted to have a little more accountability. I do not know if you want to put pressure or whatever kind of accountability on the contractor who is building the project to make sure they meet the requirements all the way through construction, not just through parts of it. My understanding is the penalty, if you do not turn in the report or if you do not qualify, is you no longer get the abatement. I would have to double-check before I said if there was a callback. I am not sure there is, but I am thinking there is. But I do not know for sure.

**Assemblywoman Summers-Armstrong:**

If I am understanding correctly, you do not want it quarterly through the entire project or through the entire abatement because it might be too many reports to have to do over a long period of time. But there does not seem to be any penalty if someone skips submitting their report. What is it that you believe will be the impetus to make people do what needs to be done with this reporting and not skip it because there is no consequence?

**Senator Daly:**

Similar to what I answered for Assemblyman Carter, these reports do cost some money in accounting and various things. We do not want to burden them for the 10- or 12-year abatement period, but during the course of construction, which may last anywhere from six months to two years at the most, right? So we are talking about eight reports during the term of construction. Again, the penalty if they do not turn in the report is they would not qualify or continue to qualify for the abatement. That is all handled through the Governor's Office of Energy. The people over there in the Governor's Office of Energy are the ones who are in charge of making sure they still qualify in the various things, so there is an incentive if they want to continue to get the tax abatement to comply with these things. To my knowledge, everybody has turned in the reports. Whether or not they have actually been in full compliance on a quarterly basis is undetermined, and that is what we are trying to capture.

**Chair Watts:**

Members, any additional questions? I think to sum it up, requiring the additional frequency of reporting and that additional transparency is designed to make sure that none of these contractors are skipping out on the responsibility. Is that correct?

**Senator Daly:**

Yes, we are trying to make sure we are capturing that information on a quarterly basis. Recently over the weekend, I was approached by a representative from Valley Electric with a possible amendment on a provision that would help Valley Electric. If there are solar projects in their territory, we are talking with them. We have not gotten all the details worked out. I was hoping they would be here to maybe advocate for that but, unfortunately, they were not able to make it. As soon as I do have some information, if we are able to come to some agreement on that, I will share with you and the rest of the Committee on that. But that is going to happen quickly because we are not going to let too much grass grow.

**Chair Watts:**

Thank you. I have been apprised of that, so I look forward to continued conversations with you and with them about that issue. Members, any additional questions? Seeing none, we will move to testimony in support of Senate Bill 257 (1st Reprint). Anyone wishing to provide testimony and support, please come forward.

**Thomas Morley:**

We are in support.

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

We support the bill.

**Andy Donahue, Market Representative, Southern Nevada Laborers-Employers Cooperation and Education Trust:**

We are in support of this transparency measure.

**Jake McNeill, representing Laborers' International Union of North America Local 169:**  
We are in support of the bill as well.

**Alex Tanchek, representing International Brotherhood of Electrical Workers Local 1245:**  
I am also here in support of the bill.

**Chair Watts:**

Does anyone else wish to provide additional testimony in support of S.B. 257 (R1)? [There was no one.] Does anyone wish to speak in opposition to S.B. 257 (R1)? [There was no one.] Does anyone want to speak in neutral on S.B. 257 (R1)? [There was no one.] Seeing no one, we will close the hearing on S.B. 257 (R1) and open the hearing on Senate Bill 384 (1st Reprint), which establishes certain provisions relating to the award of grants of federal money by a state agency for the development of broadband services and infrastructure. Welcome back, Senator Daly.

**Senate Bill 384 (1st Reprint): Establishes certain provisions relating to the award of grants of federal money by a state agency for the development of broadband services and infrastructure. (BDR 18-1035)**

**Senator Skip Daly, Senate District No. 13:**

Senate Bill 384 (1st Reprint) is a little more complicated than the previous two, but I will do my best to break it down for you and explain what we are trying to do. As you know, under the Infrastructure Investment and Jobs Act, there was money appropriated, or put forward, that was granted to the states to try to improve and increase broadband throughout the various states. So, in the state of Nevada, that money ended up in the Office of Science, Innovation and Technology, Office of the Governor. Under the federal grant money, there is a whole process on how they are supposed to award the grants. They put out requests for proposals, and people submit responses to that in order to apply for the grant money. Along with both of those federal acts, it was not required but strongly recommended that you would pay prevailing wage, and you would have some labor standards, and various things in the application. So far to my knowledge, the state is not following those recommendations. We came forward with this bill to try to add in what we believe is supported by the federal legislation and create some framework background to create the standards that we think are going to benefit the people of the state. That is why we brought it forward.

I learned a little bit about this as I was working on the bill and was working with the Communications Workers of America (CWA) organization, which is the genesis of the bill. Anybody can apply under these federal grants. It does not have to be broadband service providers. It can be a nonprofit, it can be a public agency, it can be anybody who applies for it. At some step or some point in the process, they are going to have to partner with a service provider. There is no way around that. The way that work is normally done, if you are doing broadband, you have the service provider; and the service provider, typically in the industry, will do what is called the first mile and the last mile, and Mr. Ellis can give you a little more information about how that works. That is where all the technology is and various things.

The middle mile, which can be a few miles or several hundred miles, putting in the actual lines, is generally subcontracted out to a contractor under *Nevada Revised Statutes* (NRS) Chapter 624, so a regular construction work-type project.

As we developed this we said, if you are applying, you have to certify that either you yourself are, if you are going to perform the work, or the service provider you partner with is going to comply with the labor standards or your signatory to a collective bargaining agreement. It goes on to say that if you are the service provider, when you are doing it, you are agreeing that you are either going to meet these labor standards in section 3, subsection 2, paragraph (b), or your signatory in agreement. Then if they subcontract any of the work to somebody licensed under NRS Chapter 624, the State Contractors Board licensing provisions for regular construction work, those contractors have to pay prevailing wage to their workers on the project, and they will comply with the other labor standards or be signatory to a collective bargaining agreement. So anybody can bid on this and anyone can apply. It is a requirement that you will have to meet the labor standards either through meeting the labor standards through your letter or by establishing that you have a collective bargaining agreement that meets requirements.

That is how it is supposed to work, and I believe that is what the words reflect. We had to go back and forth a little bit with the Legislative Counsel Bureau to get to where we are at now. My understanding is CWA understands that and they are in agreement with it. Most of the service providers I talked to—I did not talk to them all, but the ones I did talk to—understand it and are in agreement or are at least neutral.

There is one provision at the end where we have the exception in NRS 338.080. It says that the prevailing wage does not apply for a narrow scope of work that applies to that first mile/last mile that I talked about if they are signatory to an agreement. If they are not signatory to an agreement, prevailing wage applies to that work. If they are signatory, we did not want to interfere with the CWA's collective bargaining agreements and what they need to do. Generally, those CWA workers are making more than what the prevailing wage would be anyway. But we did not want to interfere with their agreements, so that was the request they put in and that is how we drafted it and how we got to where we are now. I can answer your specific questions in sections if you like, but that is how it is laid out and is supposed to work.

**Chair Watts:**

All right. Seeing no further remarks at this time, we can skip the section by section. We will just go to questions. We will start with the Vice Chair and then we will take it from there.

**Assemblywoman Brown-May:**

It seems like there are terms that are utilized in the narrative that are not specifically clear to me. On page 3, line 22, "Has a robust training program." I am curious to know if there are parameters around what "robust" means relative to what a training program is. What are the

skills we are trying to get at? Then secondarily, below that it talks about a safety program that requires drug testing. I am curious to know what it followed: the state regulations for drug testing or federal regulations? Have you given any consideration to that?

**Senator Daly:**

The "robust training" was language that I got from the CWA that we retained. Maybe they can explain a little bit more about that. If we need to try to explain it, I think—and I could not say because it is not clearly defined—a robust training program means, at least in regard to the CWA, that they have a training program for the communications workers, that style of work, whether they have an apprenticeship program or an established training program that meets certain requirements in order to do the broadband work. For the contracting work, there is information under NRS Chapter 624 for a licensed contractor. The training programs through the apprenticeship programs, I am sure, would meet the robust training program. But you are right: it is not exactly defined. I think it would be something that would be left to the Office of Science, Innovation and Technology (OSIT) people who are evaluating the applications to see if they meet that. There is a little bit of wiggle room there. I do not know how hard we can get into that because there are a variety of ways to meet it. I am sure we cannot think of all of them, which is why we have "robust," if that helps answer your question. What was the second part of that?

**Assemblywoman Brown-May:**

The second part of the question, Senator, was about the drug testing requirements. In my experience, there are different expectations for federal requirements than we have on some of our state industries. I am curious to know if you can talk that through.

**Senator Daly:**

I think when it gets into the drug testing, there are a variety of different tests. The normal standard drug test, not a Department of Transportation (NDOT) drug test, is the six-panel test. Some employers will do a nine-panel test. Some of that is limited by their collective bargaining agreements, if they have one. If not, I would say they need to have the minimum of the six-panel test, which is basically the federal standard across the board. Now, an NDOT standard has different thresholds, especially for blood alcohol content. Normal is 0.08 in Nevada. Most other thresholds—if you are an NDOT truck driver or covered by the Department of Transportation—it is 0.04. This is not pipeline safety, but if you were doing pipeline work, there are U.S. Department of Transportation standards for drug testing. I do not know if it applies to broadband or not.

**Assemblywoman Brown-May:**

I appreciate that you have considered that. If you do not mind, I am going to skip up one section and ask one more question, Chair? At the very top of page 3, line 3, "When ranking the proposals, assign a relative weight of 30 percent to an application if the applicant submits a signed certification attesting that the applicant meets the requirement . . . ," I would like to know about the 30 percent. In other conversations, there are no diversity requirements necessarily identified in here. Why the 30 percent, and can you talk to the thought process behind that?

**Senator Daly:**

For 30 percent, it is designed to work the same as when you are doing scoring and there are a variety of other deals. We have, just for public works bidding, a 5 percent bidder preference if you have been in business for 60 months in the state and you can show that you pay taxes, et cetera, et cetera. It is along those lines. When you put in the application and you can meet the labor standards, which is what we are trying to capture, then you are eligible to get that 30 percent added to your score. In other words, if you meet the labor standards, you have a much better chance of getting the contract. That is how it is designed to work, and we are trying to give the points to the best actors and the people who are going to employ Nevada workers, et cetera.

**Assemblywoman Gallant:**

This might be a silly question. This is my first session. I have never served on Growth and Infrastructure and never expected to, so I apologize. Has the prevailing wage been applied to other utility companies like Southwest Gas and NV Energy as private industries?

**Senator Daly:**

There are no silly questions. Generally, prevailing wage does not get applied to private contracts. Southwest Gas is completely private. There is no public money. This is different. This is federal money, money that is coming from the U.S. government. So there is public spending on this, and the recommendations in the federal law say that you should do this. I do not think this would be in conflict with the intent of the law, which is to have these types of provisions. The fact that there is public money—it is not all private, so the public lands are going to put this public infrastructure in. We are partnering through the application process with private companies, but it is publicly funded.

**Assemblywoman Summers-Armstrong:**

I am also looking at page 3, Senator Daly, and concerned that you are giving a 30 percent weight, which is substantial, but I do not see any requirement. You also say this is federal dollars for any diversity and inclusion on this. I guess I am just trying to figure out how this is matching up with any federal regulations or federal requirements we might have for using grant money, and how this benefits our state with as diverse a population as we have and getting folks in this area to be working and learning these skills.

**Senator Daly:**

The 30 percent goes to the applicant, right? Anybody can apply but you have to be a company, nonprofit, or somebody who is going to be able to take on going out and hiring a service provider if you or they are not a service provider applying for the grant. The 30 percent only goes to an applicant. Anyone can apply. There are no barriers on that, but if you apply, you then have to be able to meet the requirements of the grant. I do not know how you would apply any type of a diversity requirement to the applicants. The applicants are people who have to be able to meet the requirements of the grant, so that 30 percent applies to the applicants. I do not know if that answers your question satisfactorily.

When they employ people in various positions, when you get down to the contractors, nobody knows who they are going to be because the applicant is the one who is going to get the grant money and then has to comply with the provisions of the grant. I have not seen the rest of the basics of the grant, so I do not know if there are any diversity requirements in there. That would be something you would have to ask OSIT because I do not know the answer to the question.

**Assemblywoman Summers-Armstrong:**

Thank you, sir. Are you implying that the applicant may not know who their contractor is before they apply? Is that the implication here?

**Senator Daly:**

Correct again. When the applicant applies—let us just say it is a nonprofit that applies—they are not an Internet service provider. They may know whom they are potentially going to partner with, but they do not know who their contractor might be if they are doing the middle mile. If they are doing the construction work, they would most likely put that out to bid on an internal process. It would not be in the public process, so they do not always know who that is going to be. They may get the grant and once they get the grant, they may go out and say, I got this grant; who wants to partner with me to actually put in the broadband service? There is an advertisement process after that. So no, none of that is absolutely set when they apply for the grant.

**Assemblywoman Summers-Armstrong:**

From my perspective, if the intent were to try to have a diverse workforce and opportunity, I think to get a weight of 30 percent, there should be some commitment from the applicant that they would also pass that commitment down to whomever is trying to partner with them—at least to make an effort—because anytime you are talking training, wage scales, uniforms, and all of these things, that to me indicates good jobs. I would be hoping that that could be part of this weight, that there is a real effort to do some diversity recruitment on the installation portion. If you can speak to that.

**Senator Daly:**

Yes, I hope they will be good jobs. That is part of the goal here. I can check with OSIT, and we could look into adding one of the requirements in section 3, subsection 2, paragraphs (b)(1) through (b)(6), to have a diversity element—that they are going to make efforts or whatever the words might be along those lines. You cannot really make a quota, but there is a commitment that they are going to do outreach, et cetera. I do not know whether that would be something we could not put in there.

**Assemblywoman Kasama:**

What is the big thinking behind the bill, because we received federal dollars for broadband infrastructure? We received that during COVID-19, so we started with that federal money. Have there been issues? Have there been bad contractors? What is bringing this bill about?



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

The reason we brought this up is because, with the Infrastructure Investment and Jobs Act (IIJA), which was the President's broadband infrastructure bill, he gave specific guidelines. I would like to see this. I would like to do that. It was bipartisan. So what we are doing is taking those recommendations and we would like to put them into law. That way it is not, Can we? It is, You will do X, Y, and Z. There is upwards of \$400 million coming to Nevada. The President specifically said he wanted to bring broadband to the underserved areas, specifically mentioning the rurals.

Just for the record, let me give some definitions. "Unserved" is anything under 24 megabytes. You may have Internet at your house, but if you do not have above 24 megabytes, you are not served. "Underserved" is anything from 25 to 99 megabytes. If you have anything within that range, you are still underserved. "Properly served" is 100 megabytes and above.

When this was formulated, they wanted fiber to the door everywhere humanly possible because that is the way of the future. Copper is dying—fiber is the future. They specifically said in two parts: we want to bring Internet to the people who do not have Internet, and we want to make sure that this money goes to the working-class people. So that is why there is the prevailing wage aspect and the other aspects of the bill. Those were the parameters. What we are trying to do nationwide is make sure these parameters are actually put into state laws so that people do not try to circumvent. I hope that answers your question.

**Assemblywoman Kasama:**

Yes, thank you. Along that same line, I would like to know if we have other federal grant programs and the money has been coming in. What you are saying is the federal government says you shall or you may do this, and this bill is to put into state statute that this will be done. With federal dollars coming into other areas or other industries, have we done what you are trying to do here, dictate on a state level what the federal requirements are?

**Senator Daly:**

It is the Infrastructure Investment and Jobs Act and the American Rescue Plan Act, both of those, and that was in the beginning of the bill. In both of those, as I stated previously, there were recommendations—not requirements, but strong recommendations. There are other portions of the various federal acts that do require federal prevailing wage, et cetera. If both federal and state apply, whichever one is higher is the one that applies. Sometimes it overlaps and they would both apply. Trying to meet the spirit of what the intent was from the administration, at least to have the labor standards and various things follow, the states were left to decide if they want to put it on or not put it on their application.

So that was the genesis of this. I was asked by our leadership on our side if I would work on this bill with the CWA to get it to where we are now. So yes, either it is required straight away or it is left to the states to put in the labor standards they want. That is why we are moving forward with this. On the first part of your question, there have been projects that have already been put out for allocation, requests for proposals and grants that have been put

out without the labor standards. I do not know if they are bad contractors and I do not know how that is going, but going forward, we want to make sure we have the best chance of getting workers on the jobs that are well paid in accordance with the standards that we would want to have for all our citizens.

**Chair Watts:**

Thank you. Members, any additional questions?

**Assemblywoman Dickman:**

You said you are trying to pass this in other states, and I am wondering if you have passed these provisions in any other states. How many or which ones?

**Marc Ellis:**

One state has already passed it. Another one is really close. Like I said, there are several states where we are running this. The state that has already passed is New York with even stronger language than we have here. California is really close, and there are at least eight other states that are working on it as well.

**Chair Watts:**

Mr. Ellis, if at some point you could get the latest information on where things stand in some of the other states and send them over to our Committee staff, that would probably be something of interest to our members of the Committee. Thank you. Okay, anybody else?

**Assemblywoman Gallant:**

It is taking me a minute to process through this. It seems like the premise behind this is to ask private industry to utilize unions because they are getting federal dollars. Now \$400 million is a lot of money, but it is nowhere near the amount of money that we need for broadband throughout the entire state. My question is, is it just going to apply to this \$400 million? Then once it is spent, will those private companies be able to utilize contractors of their choice?

**Senator Daly:**

To be clear, there are two parts to your question. The second part of your question: It only applies to the money that is the grant money. When the Office of Science, Innovation and Technology people apply for the grant and they give them the grant, this would be the parameter they have to follow for those federal dollars. Anybody can apply. It is not just union contractors or union providers. Anyone can apply, and you can meet the requirements by either being a signatory or meeting the section 3, subsection 2, paragraph (b), subparagraphs (1) through (6) provisions. You have to give your certification that says you are going to comply with those. So anybody can apply. It is not just union contractors, but this would only apply to the grant money that is available currently through those two acts. When that money is spent or if somebody is doing a separate project outside of the grant, it would just be a private endeavor and they could do it whichever way they want.

**Assemblywoman Gallant:**

So once that \$4 million is spent or whatever their grant amount is, then that private company—like Google, Southwest Gas, Cox, or whoever—would then be able to use contractors that might not be union. Is that correct?

**Senator Daly:**

It only applies to the money that is given through the grant.

**Chair Watts:**

Members, any additional questions? All right, seeing none, thank you very much. We will move on to testimony in support of Senate Bill 384 (1st Reprint). Anyone wishing to provide support, please come forward.

**Thomas A. Morley, representing Laborers Local 872 and Laborers Local 169:**

We are in support.

**Danny Thompson, representing International Brotherhood of Electrical Workers Local 396:**

We support the bill as written.

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

On behalf of over 150,000 members in 120 unions, we are in full support of S.B. 384 (R1).

**Will Adler, representing International Brotherhood of Electrical Workers Local 1245:**

The International Brotherhood of Electrical Workers Local 1245 is in full support of S.B. 384 (R1). The American Rescue Plan Act set forward the federal recommendations and requirements for broadband funds issued by the federal government to states. Nevada should take this opportunity to standardize our practices and to standardize the receiving of and applying of those federal funds. We thank you for taking this opportunity to do so with S.B. 384 (R1).

**Jake McNeill, representing Laborers' International Union of North America Local 169:**

We are also in support of this bill.

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

We are also supporting S.B. 384 (R1).

**Russ Janes, representing Nevada State AFL-CIO:**

We are in full support of S.B. 384 (R1) and urge the Committee to support it as well.

**Liz Sorenson, President, Nevada State AFL-CIO:**

I am strongly in support of S.B. 384 (R1). I urge this Committee to support S.B. 384 (R1) as well.

**Edward Gooddrich, representing International Alliance of Theatrical Stage Employees, Moving Pictures Technicians, Artists and Allied Crafts of the United States, Its Territories and Canada Local 363:**

We are in full support of S.B. 384 (R1) and encourage the Committee to support this beneficial legislation.

**Maritza Flores, Private Citizen:**

I am strongly in support of S.B. 384 (R1), and I urge this Committee to support S.B. 384 (R1) as well.

**Sue Bird, Private Citizen:**

I live in the rurals in large Lyon County. I had a provider for over 20 years and they went down for over 10 days trying to bring their system back up. I had to switch to a different provider. I bailed at 5 days. It is important that we have a secure, safer, and reliable service in the rurals. We use our Zoom and Tel-e-Doc a lot, and to be down for 10 days can be life-threatening for many seniors out in the rurals where we do not have enough doctors. So please, I support and I urge you to support S.B. 384 (R1) so we have secure and reliable service and workers.

**Robert Sumlin, International Association of Machinists and Aerospace Workers Local Lodge SC711:**

I strongly urge the Committee to support Senate Bill 384 (1st Reprint). I support this bill because it is in the best interest of our state that our broadband infrastructure is built by a highly qualified contractor and well-trained workforce that receives equitable treatment and wages. Thank you.

**Clarence McCarthy, representing National Association of Letter Carriers, Branch 709:**

I urge the Committee to support S.B. 384 (R1).

**Dionne Klug, representing United Food and Commercial Workers Local 711:**

We are in full support of this bill.

**Chair Watts:**

Seeing no one else wishing to provide testimony in support, we will move to testimony in opposition to S.B. 384 (R1).

**Warren B. Hardy II, representing Associated Builders and Contractors, Nevada Chapter:**

We appreciate Senator Daly, who has spoken with us and worked with us on this bill. We agree with much of what is in the bill in terms of setting up a program to be able to make sure we have qualified, safe employers and employees working on these projects. However, there is a disparity in the bill that is just very problematic for us in terms of a precedent. I would draw your attention to page 3, where it lists all of the requirements for being able to be eligible for the 30 percent—to be really eligible to bid on the contract at all. So I would bring your attention to section 3, subsection 2(b) that talks about all the requirements. They

must have a robust training program. They must have safety requirements. They must not have had any challenges or problems with employment law. Then, the one that brings the biggest disparagement is subsection 2(b)(6): "Has a documented record of complying with all applicable labor and employment laws within a 5-year period immediately," et cetera. Then it says, or be signatory to a collective bargaining agreement.

Collective bargaining agreements are unique documents, unique processes for labor unions. So, you can either be qualified in all of these areas as a nonunion contractor, including not having any violations, but if you are a signatory to a collective bargaining agreement, you can have violations with the Office of Labor Commissioner. You just have to be a signatory to a collective bargaining agreement.

Here is where my problem comes in. Obviously, I represent the nonunion contractors, the Associated Builders and Contractors. That is roughly 85 percent of the industry out there. More importantly, for the purposes of this Legislature and this Committee, I am unaware, if any—there are very, very, very few women, minority-owned contractors, small businesses that belong to unions and that have collective bargaining agreements—so what we are doing here is creating a disparity. Even though here we say they have to have a program to promote training and hiring workers from underrepresented communities, we are then saying, but if you have a collective bargaining agreement, you do not have to worry about that. So, we are really putting women, minorities, and small businesses at a disadvantage from being able to do this type of work through this requirement. Senator Daly is going to tell you, and he is correct, that all you have to do is conform with all the requirements in the list. But you do not have to do that if you are a signatory to a collective bargaining agreement. I believe that is unfair.

I believe that is inequitable, and I believe that type of distinction should not exist in state law. If you are qualified to do the work, you should be able to do the work regardless of your affiliation with the labor union. I would be happy to answer any questions.

**Assemblywoman Gallant:**

Did I hear this right? They have to either have this perfect record or maybe not a perfect record and a collective bargaining agreement? And if I did hear that correctly, is not the whole point, as it was presented in this bill, that we want the highest quality of work?

**Warren Hardy:**

Assemblywoman Gallant asked a good question. I am not an attorney and not even very good at statutory construction, but as I read the bill, the entirety of subsections 2(b)(1) through 2(b)(6) is required of the contractor unless they have a collective bargaining agreement because there is an "or" there, it is not an "and." So the rest of them, I understand labor's thought process and that is all of those things we do as part of our collective bargaining agreement. Some of these things—they have fantastic training programs; they have fantastic safety programs. I will be the first to tell you that. But when it gets to subsection 2(b)(6), it says that is where you have to have the documented five years of

no violations, or you can have a collective bargaining agreement. Then that section that should apply to everybody no longer applies to union contractors who have an affiliation agreement with the labor unions.

The most important part is, these folks whom we are trying to help and get started in business do not have, for the most part, collective bargaining agreements. They operate nonunion. A lot of them evolve, grow their companies, and become union companies. I will certainly acknowledge that. But this is just problematic in terms of how it is written because collective bargaining agreements are unique to labor unions, and nonunion contractors do not have collective bargaining agreements. So it is a big out, and if you are a small company and you are concerned about these things, it certainly is an incentive to join the union and get a collective bargaining agreement, which I think is part of the point. So we are just always on the lookout for these kinds of concerns.

**Assemblywoman Summers-Armstrong:**

First, I would like some clarifying: page 3, subsection 2(b)(6), "Has a documented record of complying with all applicable labor and employment laws in the 5-year period immediately preceding the date the grant application is filed or has a documented record of mitigating any violations of the applicable labor and employment laws and has taken measures to ensure future compliance with such laws." I think maybe we should clarify that you could have screwed up in the past, but you have to show that you are trying to work on it, and all that is said before we get to the labor agreement. So I think we should be clear there that we are not asking for perfection, in my reading, but it is more like asking that you are trying to do better. What I am concerned about and still has not been answered for me: your statement was about small companies and 85 percent—many of these communities that are bereft of broadband are not just rurals. I tell people all the time that the problems we see in rurals are also very much represented in urban communities. I would like to know, since you know a lot about these folks, how they are doing in their recruitment and their training of folks who live in urban communities and communities that are often disinvested and disenfranchised and their ability to recruit people and have them participate in what are supposed to be some great jobs. How do you feel this could help, and what kinds of suggestions do you have that could help in that area?

**Warren Hardy:**

I will answer your first question first. I do not disagree with your analysis. It is a hundred percent right. It is not saying you are disqualified if you have had problems. It is saying you have to resolve those problems and then you have to show a good-faith effort to ensure future compliance. But that provision still only applies to nonunion contractors. Union contractors have a blanket exemption because of the word "or." So it says you have to do that. You have to have a documented record. You have to show that you have corrected things and that you will not do it again unless you have a collective bargaining agreement, and then none of that applies to you. You can have violations, uncorrected violations, as long as you have a collective bargaining agreement. Your clarification is a hundred percent correct, but it still only applies to contractors who do not have collective bargaining agreements.

With regard to the training and the outreach, we do not operate with the union hall. We do not require people and individuals to go through the union hall, and I will be the first to admit here that the union programs are absolutely amazing and really what every program in the state aspires to be. But our programs, when we take somebody in, when ABC contracting hires somebody to do this kind of work, they do not report through the hall, they come to work for us. We are now responsible for their employment and responsible for paying their benefits. We are responsible for all of those things and helping them work. We do have programs to help train, similar to the union programs to get people involved. The challenge is, if you decide you want to start your own company in broadband and you are not affiliated with the union, which the overwhelming majority of them are not, all of the provisions in statute—and it is not just this; there is provision after provision in statute that speaks to these kinds of things with regard to collective bargaining agreements—are a disadvantage for you. Project labor agreements that are required in some cases create a disincentive or a disadvantage for women- and minority-owned contractors from being able to compete. All the reporting requirements, all of the things that are there, which incidentally, if you do an analysis of *Nevada Revised Statutes*, most of those requirements apply to nonunion contractors but exempt union contractors because they have a collective bargaining agreement. So this kind of disparity exists throughout *Nevada Revised Statutes*, and this is just the latest example of it.

We think, to use an old guy phrase, what is good for the goose is good for the gander. If you should be required to have a documented record complying, it should apply to everybody. You should not get excused from that provision and, technically, a robust training program or a safety training and all the other things that are required. You should not be excused from those things simply because you are a signatory to the union and put everybody who is not, including those women and minority businesses, at a competitive disadvantage. I hope that helps answer your question.

**Chair Watts:**

Thank you, Mr. Hardy. I am sure Senator Daly will probably address this in some closing remarks. I believe the reason this does exist throughout many sections of statute is because employees do collectively bargain to achieve many of these same things that are contemplated for nonunion contractors in the other sections of the bill. But we appreciate your comments today. With that, we will move on to our next comment in opposition. Go ahead.

**Paige Barnes, representing Lumen Technologies:**

I am here today on behalf of Lumen. Lumen has concerns about the provisions of this bill specifically requiring bargained employees to do the work for these federal grant programs. In Nevada, many of Lumen's employees are represented by labor, including construction, cable, information retrieval, our central office, and others. But their primary contractor is not represented. Many times these federal projects are one-time projects. It would be problematic to have to hire people to do a one-time project in Las Vegas on a federal grant and then lay them off when the work is over. Due to the fluctuations in this work, companies

use contractors for peaks and valleys in the work. Lumen is working throughout the state to expand broadband access as quickly as possible and thinks this could potentially delay projects. Thank you for your time and consideration on the bill.

**Chair Watts:**

Is there anyone else wishing to testify in opposition to S.B. 384 (R1)? [There was no one.] We will now move to testimony in the neutral position on S.B. 384 (R1). [There was none.] Thank you. Senator Daly, any closing comments?

**Senator Daly:**

You did a pretty good job of answering part of the question on why these types of things are done. I can go back and forth for a long period of time and go back to the origins of the Davis-Bacon [Act] and various things, but I think most of you understand that these provisions are put into place to level the playing field to make sure all of the contractors are competing on the same level, at the same deal, and not undercutting the standards that have been established in the local areas where the work is going to be done and demoralize the local workforce. That is not what we are trying to do. That is why we have the standards for prevailing wage and various things.

Some of the stuff Mr. Hardy was saying about the number of contractors, I agree there are more nonunion contractors than there are union contractors, but the union contractors are doing the majority of the work hours. Hence, we prevail in the prevailing wage survey year after year, both federally and locally—so, just numbers. Figures do not lie but liars can figure, et cetera. There are a lot of different ways to make those calculations. The bottom line is, this is not discriminatory; prevailing wage laws are not discriminatory. We are trying to create an equal playing field to give access to everybody. Everybody is there. If you do not want to follow these rules, if you do not want to reach these standards, attain these goals for the benefit of our citizens, then do not apply for the grant. Do not ask for public money, and go out and make your way in the world. That is fine.

In regard to the question that Mr. Hardy brought up, we will clean up section 3, subsection 2, paragraph (b), subparagraph (6). I am going to ask Mr. Ellis to reach out to the opposite side—OSIT—and find out if there are any underlying diversity requirements that go along with the application. If there are not, I will reach out to Legislative Counsel Bureau (LCB) or somebody, anybody on this Committee, to get some suggestions on that. I will ask LCB, and we will try to find the right language that will move us forward to address that. I think that is a reasonable question that was asked and something we should try to look at. With that, I would be happy to answer any follow-up questions if you have them. But I think that is it. Basically, if you do not want to meet these requirements, do not look for public money.



**Chair Watts:**

Thank you, Senator Daly. I prefer to avoid going back into questions and answers in the closing statement, so we will let you have the last word on that. With that, we will close the hearing on S.B. 384 (R1). We are just a hop, skip, and a jump away from closing out this meeting. First, we will do public comment. Is there anyone who would like to make public comment? [There was no one.] Members, that concludes our business for today. Our next meeting will be on Thursday, May 4, 2023, at 12:30 p.m.. We are going to be meeting earlier. Unfortunately, we will not have Senator Daly here with us to discuss Star Wars quotes, but May the Fourth be with you. We are adjourned [at 3 p.m.].

RESPECTFULLY SUBMITTED:

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Kathy Biagi  
Committee Secretary

APPROVED BY:

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Assemblyman Howard Watts, Chair

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

## **EXHIBITS**

[Exhibit A](#) is the Agenda.

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

[Exhibit C](#) is a copy of a PowerPoint presentation titled "Public Utilities Commission of Nevada Senate Bill 27," dated February 27, 2023, presented by Paul Maguire, Engineering Manager, Public Utilities Commission of Nevada; and Garrett C. Weir, General Counsel, Public Utilities Commission of Nevada.