

**MINUTES OF THE MEETING  
OF THE  
ASSEMBLY COMMITTEE ON WAYS AND MEANS**

**Eighty-Second Session  
May 17, 2023**

The Committee on Ways and Means was called to order by Chair Daniele Monroe-Moreno at 5:33 p.m. on Wednesday, May 17, 2023, in Room 3137 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. The meeting was videoconferenced to Room 4406 of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. Copies of the minutes, including the Agenda [[Exhibit A](#)], the Attendance Roster [[Exhibit B](#)], and other substantive exhibits, are available and on file in the Research Library of the Legislative Counsel Bureau and on the Nevada Legislature's website at [www.leg.state.nv.us/App/NELIS/REL/82nd2023](http://www.leg.state.nv.us/App/NELIS/REL/82nd2023).

**COMMITTEE MEMBERS PRESENT:**

Assemblywoman Daniele Monroe-Moreno, Chair  
Assemblywoman Natha C. Anderson  
Assemblywoman Tracy Brown-May  
Assemblywoman Jill Dickman  
Assemblywoman Michelle Gorelow  
Assemblyman Gregory T. Hafen II  
Assemblywoman Sandra Jauregui  
Assemblywoman Heidi Kasama  
Assemblyman P.K. O'Neill  
Assemblywoman Sarah Peters  
Assemblyman Howard Watts  
Assemblyman Steve Yeager

**COMMITTEE MEMBERS ABSENT:**

Assemblywoman Shea Backus, Vice Chair (excused)  
Assemblyman Cameron (C.H.) Miller (excused)

**GUEST LEGISLATORS PRESENT:**

None



**STAFF MEMBERS PRESENT:**

Sarah Coffman, Assembly Fiscal Analyst  
Brody Leiser, Assembly Chief Principal Deputy Fiscal Analyst  
Janice Wright, Committee Secretary  
Janet Osalvo, Committee Assistant

**OTHERS PRESENT:**

Francisco V. Aguilar, Secretary of State  
Erin M. Houston Esq., Deputy of Securities, Office of the Secretary of State  
Maria Moore, State Director, AARP Nevada  
Zach Conine, State Treasurer  
Ashley Cruz, representing Nevada Bankers Association; Touro University; and Las Vegas Global Economic Alliance  
Michael Flores, Vice President, Government and Community Engagement, University of Nevada, Reno  
Lilith Baran, Policy Manager, American Civil Liberties Union of Nevada  
Elyse Monroy-Marsala, representing Children's Advocacy Alliance of Nevada; and Nevada Psychiatric Association  
Annette Magnus, Executive Director, Battle Born Progress  
Tom Clark, representing Nevada State Board of Medical Examiners  
Sarah Watkins, Interim Executive Director, Nevada State Medical Association  
Cody Hoskins, Political Director, Service Employees International Union Local 1107  
Blayne Osborn, President, Nevada Rural Hospital Partners  
Alejandro Rodriguez, Director, Government Relations, Nevada System of Higher Education  
Dylan Keith, Assistant Director, Government Affairs, Vegas Chamber  
Joelle Gutman Dodson, Government Affairs Liaison, Washoe County Health District  
Paige Barnes, representing Nevada Nurses Association  
Kent M. Ervin, Ph.D., State President, Nevada Faculty Alliance  
Bradley Mayer, representing the Southern Nevada Health District  
Steven Messinger, Policy Director, Nevada Primary Care Association  
James A. Settelmeyer, Director, State Department of Conservation and Natural Resources  
James M. Humm, Director of Public Policy and Government Affairs, Office of Economic Development, Office of the Governor  
Sheila Bray, Community Partnerships Coordinator, Clark County Extension, University of Nevada, Reno  
Mendy K. Elliott, representing Carrara Nevada; and Economic Development Authority of Western Nevada

**Chair Monroe-Moreno:**

[Roll was called, and the Committee rules and protocols were explained.] We have a few bills on our agenda tonight, and we are going to start our bills out of order. We will begin with Assembly Bill 67 (1st Reprint).

**Assembly Bill 67 (1st Reprint): Creates the Fund for the Compensation of Victims of Securities Fraud. (BDR 7-415)**

**Francisco V. Aguilar, Secretary of State:**

I am joined by Erin M. Houston Esq., Deputy of Securities, Office of the Secretary of State in Las Vegas. We are here today to give you a brief overview [\[Exhibit C\]](#) of the Securities Division, Office of the Secretary of State. Our proposal is to create a Fund for the Compensation of Victims of Securities Fraud.

**Erin M. Houston Esq., Deputy of Securities, Office of the Secretary of State:**

Assembly Bill 67 (1st Reprint) proposes to establish a Fund for the Compensation of Victims of Securities Fraud. The *Nevada Constitution* provides for restitution for victims of a crime. However, many guilty parties in securities cases have no money with which to make their victims whole. Assembly Bill 67 (1st Reprint) aims to fill that gap. Assembly Bill 67 (1st Reprint) creates a Fund out of monies received as penalties from administrative orders arising from violations of *Nevada Revised Statutes* (NRS) Chapter 90 and from Securities Division revenue.

Nevada residents who are victims of securities fraud and for whom an award of restitution has been made in a criminal adjudication can apply for a small amount of recompense from the restitution Fund. Most victims of securities fraud receive little or no money back from their original investment. Assembly Bill 67 (1st Reprint) proposes to divert a fractional amount of revenue that presently goes to the State General Fund to a separate Fund for victims of securities fraud. In the past, the Securities Division has received approximately \$200,000 per year through enforcement action and receives far more than that in revenue from registration licensing fees.

Only victims who have been awarded restitution as set forth in NRS Chapter 90 could apply for relief from the Fund. Under A.B. 67 (R1), applicants who have been awarded restitution through a criminal conviction can apply for repayment through monies collected in this Fund up to a maximum of \$25,000. Of note, up until a few years ago, the revenues under consideration were maintained within the Securities Division to be used by and in support of the Securities Division.

We have also requested a few friendly amendments to the bill [\[Exhibit D\]](#). The biggest change creates a floor to the balance of the Fund in the amount of \$250,000. We are requesting that this be funded with Securities Division revenue. We also have an amendment that allows for donations to the Fund, which was requested by a member of the Assembly Committee on Judiciary. The last amendment makes it clear and easier for victims to apply for assistance from the Fund, which was requested from other community stakeholders.

**Secretary of State Aguilar:**

That concludes our presentation, and we hope the Committee will support the measure. I am happy to answer any questions the Committee members may have.

**Chair Monroe-Moreno:**

Would you indicate the impact this would have on the State General Fund because of this revenue source no longer being deposited into the unrestricted General Fund?

**Erin M. Houston:**

The impact would be \$250,000 as a maximum out of approximately \$335 million revenue that is received by the Securities Division every year.

**Assemblywoman Kasama:**

Securities fraud is such a rampant issue in many industries, and we have securities fraud in many areas of real estate. I was curious about setting up this Fund for victims. Do you know, or have you compared our banking institutions or other financial institutions? Have they established anything like this to assist victims of fraud? I know we are doing this as a state, but what are the trends for that? I know in real estate we have a few funds for victims of contractors in different areas. Is there a trend in other areas of the financial world to assist victims of fraud?

**Erin M. Houston:**

This is based on an asset model rule that has been promulgated in six other states. There is an attempt to get this rule passed in as many states as possible for the exact reasons that you mentioned. I do not know the answer to the banking institutions outside of the Securities Division realm, but I am happy to get that information and provide it later.

**Chair Monroe-Moreno:**

You said it has been implemented in six other states with the amount of \$250,000. What is your anticipated use of this Fund; what amount of payouts do you anticipate on an annual basis, and is \$250,000 enough?

**Erin M. Houston:**

We would anticipate three or four or more applicants every year. We do have a high number of securities fraud investigations that then result in convictions. I would estimate that \$250,000 is a good starting place. I can tell you that other states have a higher threshold. I believe North Dakota, but I could be wrong about the state, just passed this as a statute, and it was for \$1 million in that state.

**Secretary of State Aguilar:**

What has happened since we introduced this legislation is our calls and our volume have increased with individuals coming forward because they now see an opportunity to recoup what they have lost. The embarrassment factor is being outweighed by the ability to receive some type of compensation.

**Chair Monroe-Moreno:**

With those calls that you have coming in, do you have an estimate of how much those losses have been? Have you been able to add those up?

**Erin M. Houston:**

I would say on average, it is anywhere from \$50,000 per victim up to \$200,000 or \$300,000 on average. We have victims who have lost millions of dollars. We have victims who have lost \$5,000. Even for the victim who has lost \$5,000, that might represent a major part of their earnings and their savings and something that is difficult for them to recover from.

**Assemblywoman Gorelow:**

I was curious how a victim might find out about this process, and you mentioned making the application easier so what does that process look like?

**Secretary of State Aguilar:**

The amount of earned media that took place on the original introduction of the bill has been significant. We are also working with community partners such as AARP to let their members know about this opportunity. Again, it is going to be a communication process, but the number of calls has increased to the Office of the Secretary of State about this Fund. You are also seeing issues come forward from men—who do not generally contact us—because of the crypto industry.

**Assemblywoman Gorelow:**

With the reimbursement for the fraud victims, is it the percentage of what they have lost or how do you determine who gets what amount?

**Erin M. Houston:**

The way the bill is drafted there is a cap at \$25,000. The amount is up to \$25,000. If the person only lost \$10,000, they could put in a request for \$10,000, but the cap is \$25,000. The purpose for that is just to maintain a balance in the Fund.

**Chair Monroe-Moreno:**

Members, are there any other questions? [There were none.] I will open testimony in support of the bill.

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

On behalf of all victims of securities fraud, AARP Nevada is pleased to testify in support of A.B. 67 (R1). There are few viable options for recovering money losses from security scams. AARP supports A.B. 67 (R1) because it adds an important missing tool to help victims of securities fraud. Under current law, investors who lose money because of violations of our security laws can obtain compensation for their loss from either restitution ordered in an enforcement action or from a private lawsuit against the violator. But there is no hope for recovering lost money when restitution cannot be collected from the defendant and the victim cannot collect the private suit judgment from the defendant. This Compensation Fund would help solve this problem by creating a way to partially compensate

investment fraud victims when the perpetrator is insolvent. The money would be deposited in the Compensation Fund from the civil penalties and other payments to the state from enforcement actions against larger companies. Then, when an insolvent scammer defrauds investors, the victims of that scam can apply for compensation to recover at least a portion of their losses.

We know that the Compensation Fund will work because the same concept has been working with the Consumer Fraud Protection Bureau Civil Penalty Fund. This Civil Penalty Fund has been successfully operating for more than ten years through both Republican and Democratic administrations. The Fund has paid more than \$671 million to consumers who would otherwise not receive compensation. As you heard from the Secretary of State, he said victims are often reluctant to report financial crimes, and this would be a way of getting some restitution, and they might be more willing to talk. A solution that builds opportunity for victim restitution like the state-level Fund created in A.B. 67 (R1) should be on the table. We urge your support for this essential piece of legislation.

**Chair Monroe-Moreno:**

Is there anyone else who would like to testify in support? [There was no one.] Is there anyone who would like to testify in opposition? [There was no one.] Is there anyone who would like to testify in the neutral position? [There was no one.]

The amendment for section 8, subsection 2(b), addresses actions that would be taken if the Fund falls below \$250,000. Is that the floor, or is that the maximum that the Fund can have, because the \$25,000 cap for each claimant would limit what the Fund could do? How do we replenish that Fund, and what is that mechanism?

**Erin M. Houston:**

The amendment creates a floor of \$250,000. The intention is to replenish the Fund as that balance falls below \$250,000 so that we do not run into a situation where victims apply for assistance and there is no money available to them.

**Chair Monroe-Moreno:**

What is the source of that additional funding? I know that in the amendment, you could accept donations. But would that be a State General Fund appropriation, and would you come to the Interim Finance Committee to ask for money from the Contingency Account or would it just come from securities rollovers? Where would that extra funding come from?

**Erin M. Houston:**

The intention is for the revenue to be taken from Securities Division revenue, which totals anywhere from \$30 million to \$35 million each year. That is our goal. Funds would also come from awards that we receive as penalties from people who sign consent orders or against whom we are able to enter some sort of an order. Those individuals or entities pay penalties to the state through the Securities Division. Our goal is to utilize that money as the main funding source.

**Chair Monroe-Moreno:**

I wanted to get that on the record. We will close the hearing on A.B. 67 (R1). We will go back to the top of our agenda and open the hearing on Assembly Bill 28 (1st Reprint).

**Assembly Bill 28 (1st Reprint): Establishes the Nevada Baby Bonds Program.**  
**(BDR 18-356)**

**Zach Conine, State Treasurer:**

Assembly Bill 28 (1st Reprint) represents the largest proposed investment helping combat generational poverty in our state's history by establishing the Nevada Baby Bonds Program similar to what is being done in other states like Connecticut, California, and Washington. We can start to change the way we think about investing in programs that are designed to promote economic mobility. A Baby Bond is an investment in a child at the time of their birth, which continues to grow until their 18th birthday, at which time they can use that investment to pay for things like a down payment on a house, starting a small business, or achieving higher education.

I am happy to walk through the fiscal impacts of the bill as currently written. Section 8 of the bill establishes the Nevada Baby Bonds Program and houses it within the Office of the State Treasurer. To be eligible to receive a Baby Bond, a child must be born in Nevada on or after January 1, 2024. Their birth must be covered by Medicaid or the Children's Health Insurance Program. Section 9 requires the information to be passed to us by the Department of Health and Human Services (DHHS), at which point we will invest \$3,200 in the Nevada Baby Bonds Trust Fund in the child's name. Roughly 44 percent of all births in Nevada are covered by Medicaid today, which would account for 15,000 to 16,000 individuals on an annual basis. We know that, by definition, some individuals will not claim those funds. We will have some opportunities to recoup those funds on that front. In section 16, you see the proposed appropriation of \$80 million from the State General Fund over the biennium to establish the cost for the program for that population. We understand that is a big ask, and it is a big number, but we think it is an ambitious program and look forward to working its way through the legislative process. I am happy to take any questions.

**Chair Monroe-Moreno:**

The \$80 million is an aggressive ask. If the Committee decides to approve a lesser amount of appropriation, how will that affect the fiscal note? Will you still need all the positions that are listed in the fiscal note?

**State Treasurer Conine:**

Mechanically, some of the positions included in the fiscal note would be fewer. We would have fewer interactions because there would be fewer people in the program. As currently conceived, if we were not able to reach the entire population, we think the most fair and equitable way would be to conduct a lottery, which would not be difficult within the population. We would take the entire population list, whatever the appropriation was, and then pick individuals at random within that program. We think we would be able to cut back a bit on the fiscal note, which was the spending part, but a bit on the other piece as well.

**Chair Monroe-Moreno:**

The fiscal note would be impacted. Would the amount for the beneficiaries also be impacted, and would there be smaller awards if the initial appropriation were less?

**State Treasurer Conine:**

I am open to feedback. There are a lot of people in this space smarter than I am. The intention was to have an amount of money large enough that the growth of that money over time would be meaningful, and that the Baby Bond upon the time of cash in when the individual was 18, would be enough to help make a down payment for a home, and with the other programs, help make a meaningful contribution towards starting a small business or attending higher education.

We would be more likely to want to decrease the population and make sure that we were impactful among the population as opposed to increasing the population but decreasing the amount and potentially not having the generational change for which we were hoping.

**Assemblywoman Kasama:**

I am looking at the bill, and I see for individuals to apply, they must have been a resident in the state for at least 12 months and have reached the age of 18 before applying so the money in the Fund can grow. Can you walk me through how you are going to track children moving in and out of the state and the big picture of how this might work with the movement we have with people?

**State Treasurer Conine:**

Our intention is not to create a program that is administratively impossible to work. As we have seen with other programs like this, both during the pandemic and before, the harder we make the program to access, the less likely it is for the individuals who need it the most to access it. Originally, when the child is born, we would get the name from DHHS, and then they would move into an eligible population. Then they go throughout their lives, and they may leave, they may be a child in a military family, some families leave Nevada and then come back to Nevada. But the goal is we did not want them to come back to Nevada the day before their 18th birthday, claim this money, and then go back to where they were living. What we have said is we will do a 12-month look back, which they would be able to prove in the same way that we prove residency for tuition, for voting, for anything else, it must be 12 months before their 18th birthday.

Then the process of claiming involves a touch from our Office to make sure that the funds are really going toward one of the purposes that we have tried to outline in this legislation. If an individual is interested in using it to make a down payment on housing, we want to make sure that we are talking to them about the other down payment assistance programs that already exist, making sure that they are not getting into too expensive of a home and will not be able to afford it down the road. If they are starting a small business, we want to make sure working with the rest of the state that they are starting a business that they are not being taken advantage of and that they are not joining some sort of multilevel marketing scheme or whatever is the scam in 18 years. If they are going to higher education, we want to make



sure that they are doing all the other work that can get them access to funds for higher education including filling out the Free Application for Federal Student Aid, seeking Pell Grants, and things like that. If they are getting the Governor Guinn Millennium Scholarship, they need a plan on how to layer those funds. A big piece of this is that financial education and touch when they are 18 to make sure that the dollars go where we want them to go.

**Assemblywoman Kasama:**

I see that, and I agree with you that financial literacy training is part of the component that goes through the program. But to clarify in my mind, somebody could be born in the state, and they could live elsewhere for 16 years and not be part of the state, but then return at least 12 months before they are 18 and apply for the money. Is that correct?

**State Treasurer Conine:**

Yes, in the same way that someone could be born here, leave, and then come back and seek state tuition. Our expectation is that the number of people who would be willing to move from one state to another state, establish residency for one year for \$10,000, is de minimus. I am sure it will not be zero. But we are trying to create the best program we can with a broad brush.

**Chair Monroe-Moreno:**

I have one other question about the investment manager's position that was in your fiscal note. If the amount of the appropriation were less, would you still need that position?

**State Treasurer Conine:**

Likely not. If the dollar amount decreased, one of the things we would be able to do is use our existing investment manager contracts and the same contract that runs the permanent school fund, which would have similar investment requirements to this to manage these dollars. We would do it as a pooled account similar to what we do for the local government investment pool or any other set of funds like that.

**Chair Monroe-Moreno:**

Are there any other questions? Assemblywoman Anderson will be reaching out to you after the meeting with a policy question, not a fiscal question. We will go to testimony in support. I am going to excuse myself for a moment.

[Assemblywoman Jauregui assumed the Chair.]

**Acting Chair Jauregui:**

We will hear testimony in support of A.B. 28 (R1).

**Ashley Cruz, representing Nevada Bankers Association:**

I am here on behalf of the Nevada Bankers Association, which is in support of A.B. 28 (R1).

**Michael Flores, Vice President, Government and Community Engagement, University of Nevada, Reno:**

We want to thank the State Treasurer for bringing this forward, and hopefully a lot of those young people will be coming to the University of Nevada, Reno because they will stay in Nevada. We are in support of A.B. 28 (R1).

**Lilith Baran, Policy Manager, American Civil Liberties Union of Nevada:**

We are in support of the Nevada Baby Bonds Program. One out of every seven children in Nevada lives in poverty, but for Black and Native American children, it is one in four children. We believe that this would do a good job closing wealth and racial disparities within our state.

**Elyse Monroy-Marsala, representing Children's Advocacy Alliance of Nevada:**

We are in support of this bill for all the reasons that my colleague, Ms. Baran, mentioned.

**Annette Magnus, Executive Director, Battle Born Progress:**

We are in support of the Nevada Baby Bonds Program. We think this is a creative investment to help our families get ahead, and this is exactly what our state should be spending money on.

**Acting Chair Jauregui:**

Is there anyone else to testify in support? [There was no one.] We will now move to opposition. Is there anyone wishing to testify in opposition to A.B. 28 (R1)? [There was no one.] Is there anyone wishing to testify in the neutral position on A.B. 28 (R1)? [There was no one.] Does the presenter want to give any closing comments? [There were none.] I will now close the hearing on A.B. 28 (R1).

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

I will now open the hearing on Assembly Bill 45 (1st Reprint).

**Assembly Bill 45 (1st Reprint): Creates a program to repay the student education loans of certain providers of health care. (BDR 18-359)**

**Zach Conine, State Treasurer:**

Assembly Bill 45 (1st Reprint) is the direct result of conversations we had during the Nevada Recovers listening tour where in each town, city, and small meeting room we went to, we heard repeatedly about the dearth of medical professionals here in the state. This is our attempt to try and help. Assembly Bill 45 (1st Reprint) seeks to address this problem by incentivizing health care professionals, who live in Nevada or commit to relocating to this state, with student loan repayment funds in exchange for committing to practice in a community that needs their services.

The intention is to use \$5 million of money from the Unclaimed Property Trust Fund, administered by our Office. The Unclaimed Property Trust Fund dollars come in each year from businesses and go out to Nevadans, but some of those dollars are never going to be able to be returned. These funds may come in without identifying names, or are assets that have been in the Trust for so long that we cannot find the rightful owner, or the amounts are so small that no one is going to go through the rigamarole to get back 17 cents. Those funds have been used historically for other projects that are important. We use them to pay for the operations of that piece of our Office. We use them to pay for \$7.6 million of the Governor Guinn Millennium Scholarship. We use \$1 million of the funds a year to pay for the matching grants created in Assembly Bill 445 of the 81st Session.

Our intention is to create a program in which medical professionals could receive up to \$120,000 in student loan repayment after they have served for five years with a portion of that being paid each year after they have done the work to make sure that we are getting what we are trying to pay for.

**Assemblyman Hafen:**

I mentioned previously that we have Assembly Bill 248. That bill historically has been used for student loan repayment through the Nevada Health Service Corps. Would you explain how these two programs might interact?

**State Treasurer Conine:**

That program has always been funded with one-shot appropriations. Whenever you are looking at a loan repayment program, funding it with one-shot funds is difficult because you create some instability from year to year. We would certainly be happy if it were the desire of this Committee and this Legislature to include funding for that program as part of this, either by increasing the appropriation to \$5,250,000 a year or simply by taking the first \$250,000 out of that. That program works; it has been effective for a long time, and we do not see a need to not fund that in exchange for funding this if that is the decision of this Legislature.

**Assemblywoman Kasama:**

You and I visited about this bill. I love the bill, and it is great. It is what we need for our state to encourage people to come here. I carried a bill last session and this session as well to promote the reduction in tuition. It is an important way to compete with the other states and bring our health care professionals back home, grow them, and help them.

**Acting Chair Jauregui:**

Hearing no other questions, we will move to testimony in support of A.B. 45 (R1). Is there anyone who would like to testify in support?

**Tom Clark, representing Nevada State Board of Medical Examiners:**

I am here on behalf of the Nevada State Board of Medical Examiners. The Board of Medical Examiners is in support of this bill. In fact, they were inspired by it in a way that when they were putting together their administrative changes bill, which is Assembly Bill 318 that

passed out this morning, they increased the fines that they can administer against physicians. Those fines had not been increased since 1985, and the fines increased from \$5,000 to \$10,000. Moreover, those fines, instead of going to the State General Fund, will now be targeted to these kinds of programs. We support this and hope that it moves through.

**Sarah Watkins, Interim Executive Director, Nevada State Medical Association:**

As a patient and physician advocacy organization, the Nevada State Medical Association is in support of A.B. 45 (R1). The passage of this bill will improve our state's ability to keep health care education graduates in Nevada and address access barriers faced every day by thousands of Nevadans in medically underserved and economically disadvantaged areas across the state.

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

We are here in support of A.B. 45 (R1). The Service Employees International Union Local 1107 represents over 8,000 nurses and health care workers throughout the state of Nevada. Assembly Bill 45 (1st Reprint) will help improve and increase our nurse pipeline by creating a program to incentivize more Nevadans to become health care workers. Service Employees International Union Local 1107 urges your support.

**Blayne Osborn, President, Nevada Rural Hospital Partners:**

We are here in support of A.B. 45 (R1). We want to thank Treasurer Conine for this historic investment in loan repayment and thank Erik Jimenez, Chief Policy Deputy, Office of the State Treasurer, for all his work on this. They worked diligently with us in the Senate to get some of the definitions correct, and we appreciate their prioritization of the rural counties through this program.

Regarding Assemblyman Hafen's question earlier, we have historically supported and worked closely with the Nevada Health Service Corps loan repayment program. We appreciate that program and think that we have an opportunity to try to combine the programs. We think they are complementary. The good thing with the Nevada Health Service Corps program is that it brings in those federal matching dollars, which we need.

**Ashley Cruz, representing Touro University:**

Touro University graduates 180 future doctors every year, and although they do not always get to stay because of a lack of residency programs, this program will entice them to come back to Nevada and help our provider shortage. We are in support.

**Alejandro Rodriguez, Director, Government Relations, Nevada System of Higher Education:**

The Nevada System of Higher Education is in support of A.B. 45 (R1). We would like to thank the State Treasurer for bringing this measure forward.

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

We are in support of this program. The health care shortage in Nevada is severe, and this economic or workforce development program is essential here. We ask for your support.

**Elyse Monroy-Marsala, representing Nevada Psychiatric Association:**

We are in support of this measure, and we urge your support.

**Annette Magnus, Executive Director, Battle Born Progress:**

We are here tonight in support of this measure. We know that student loan debt is a huge issue for many of our students. We also know that we need more health care professionals in our state. We think this is a good investment to do both of those things and help with both of those issues.

**Joelle Gutman Dodson, Government Affairs Liaison, Washoe County Health District:**

I will be quick and say ditto. Also, this is a shameless plug for Assembly Bill 69, which is a similar bill that does similar things that we would love to get heard and have some funding appropriated.

**Michael Flores, Vice President, Government and Community Engagement, University of Nevada, Reno:**

I would like to thank the State Treasurer for bringing this forward. I know Assemblyman Hafen mentioned Assembly Bill 248. The Nevada Health Service Corps is housed at the University of Nevada, Reno School of Medicine and serves the entire state. It has been effective in matching those federal dollars that come to the state. Hopefully, this Committee will be open to including that in A.B. 45 (R1).

**Paige Barnes, representing Nevada Nurses Association:**

We are here in support of A.B. 45 (R1).

**Kent M. Ervin, Ph.D., State President, Nevada Faculty Alliance:**

We are in support.

**Bradley Mayer, representing Southern Nevada Health District:**

Ditto, we are in support. Anything that can help our workforce pipeline is needed in Nevada.

**Steven Messinger, Policy Director, Nevada Primary Care Association:**

I am representing the state's Federally Qualified Health Centers. We are in support of workforce retention. Recruitment is the biggest issue that we hear from our members every day. This is a brilliant solution. Thanks to the State Treasurer and his office.

**Acting Chair Jauregui:**

Is there any more testimony in support? [There was none.] Is there any testimony in opposition? [There was none.] Is there any testimony in the neutral position? [There was none.] Are there any closing comments? [There were none.]

[[Exhibit F](#), [Exhibit G](#), [Exhibit H](#), [Exhibit I](#), and [Exhibit J](#) were submitted but not discussed and are included as exhibits for the hearing.]

I will close the hearing on A.B. 45 (R1). We will go to a one-minute recess [at 6:13 p.m.].

[Assemblywoman Monroe-Moreno reassumed the Chair.]

**Chair Monroe-Moreno:**

We will reconvene our meeting [at 6:14 p.m.]. We will continue with our agenda and open the hearing for Assembly Bill 46 (1st Reprint), which makes various changes relating to historical markers.

**Assembly Bill 46 (1st Reprint): Makes various changes relating to historical markers.  
(BDR 33-240)**

**James A. Settelmeyer, Director, State Department of Conservation and Natural Resources:**

The subject of this bill is the blue stanchion markers across the state of Nevada, shaped like the state of Nevada with historical information on them. We also have some stone markers and plaques. We have had a problem over the years trying to find someone to go out and investigate those, making sure that they are not covered with graffiti, have faded, or have any other problems. In that respect, the original intent of the previous administration was to transfer that responsibility to the Department of Transportation (NDOT), but NDOT attached a fiscal note.

It was my opinion that we could do this in-house better within the State Department of Conservation and Natural Resources (DCNR) by transferring it to the Division of State Parks, DCNR. That has been done, and by doing so, it has removed all fiscal notes on this bill. I stand for questions.

**Chair Monroe-Moreno:**

Will there be a change in the look at all or will the markers stay the same?

**James A. Settelmeyer:**

The intent is to keep them the same, and as they are updated over time as necessary, language will be changed to bring it up to current terminologies over time. Some of them are a bit old and have old wording.

**Chair Monroe-Moreno:**

Members, are there any questions for the presenter? Hearing none, I like that there are no fiscal notes. We will move to testimony in support of Assembly Bill 46 (1st Reprint). Is there anyone who would like to testify in support? [There was no one.] Is there any testimony in opposition? [There was none.] Is there any testimony in the neutral position? [There was none.] Does the presenter have any closing remarks? [There were none.] I will close the hearing on this bill.

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

We are just waiting for the next presenter to get upstairs. He is presenting a bill downstairs. We will have a one-minute recess [at 6:18 p.m.].

We will come back to order and reconvene [at 6:19 p.m.]. We will open the hearing on Assembly Bill 77 (1st Reprint).

**Assembly Bill 77 (1st Reprint): Revises provisions governing economic development.  
(BDR 18-711)**

**Assemblyman Steve Yeager, Assembly District No. 9:**

I am going to be quick and explain what the bill does. I will tell you ahead of time, I had individuals who were willing to come and give a lot of testimony, but I said, given where we are in session, it is not necessary. But I want to let you know this bill was well supported in the policy committee. It creates an Office of Entrepreneurship inside of the Office of Economic Development, Office of the Governor.

The impetus behind this bill is that we do not really have anything that supports this sort of entrepreneur effort in the state. There was some talk, and we decided as a Committee to continue funding the Office of Small Business Advocacy, Office of the Lieutenant Governor. I see the Office of Entrepreneurship as being additive, not duplicative because the Office of Small Business Advocacy deals with small businesses. This new Office of Entrepreneurship will deal with new businesses and businesses that are less than five years old.

The bill does a number of things, but one of the most important is it is going to look at how we are doing in the state in terms of new businesses. There are metrics that the Office of Entrepreneurship is going to analyze and bring the results to the Legislature to give us a better sense of how we are doing in attracting or helping individuals start their businesses here in the state of Nevada. We are also going to get an indication of how many of our state contracts are going to new businesses versus older established businesses. I think that can help us as a Legislature decide on future policies because we should want to have this start-up culture here in the state of Nevada. That is the policy part of the bill.

We are here because there is a fiscal impact, and the fiscal note is from the Office of Economic Development, Office of the Governor. We are asking them to do something, and they need people to do that work. I have been in discussions with them, and their representatives are here, and we can talk about the cost. We have not been able to eliminate the fiscal note because this Office of Entrepreneurship is going to require staffing. We have been able to reduce the number of positions needed from three employees to two employees. They can speak to that as well. My understanding is that reduces the fiscal note by approximately \$180,000 over the biennium. This is rough math. I know this Committee needs better than rough math, but that would reduce the cost to approximately \$455,000 for the biennium to be able to fund the two positions that are needed in this Office to carry out the duties as prescribed in Assembly Bill 77 (1st Reprint). I will leave it there, but I am happy to answer any questions you might have.

**Chair Monroe-Moreno:**

You said that the Office of Entrepreneurship could reduce its request for three full-time-equivalent (FTE) positions to two FTEs. Could you or someone from the Office explain what those two positions would be, and we would need an updated fiscal note provided to us.

**James M. Humm, Director of Public Policy and Government Affairs, Office of Economic Development, Office of the Governor:**

The fiscal note [[Exhibit L](#)] initially had the cost at \$711,000. The Speaker was almost correct. It is a reduction of \$179,362 bringing the grand total to \$531,738 for the total over the biennium. Thank you to the Speaker and Chief of Staff, Office of the Governor for working with us on this to tighten it up. We will be removing the administrative assistant position from the fiscal note. The total salary and fringe benefits would be less \$164,230, and then less additional operating, equipment, and office space expenses of \$15,132. We would leave in the request for an administrative services officer and a management analyst position. If necessary, we can get into more detail. If necessary, I would like to bring Karsten Heise, Senior Director of Strategic Programs and Innovation, Office of Economic Development, Office of the Governor, to the table who would be running the program. Our thought was to retain the higher-paid positions due to the intricacies of this type of work and the necessity of the individuals we would like to have fill these positions.

**Chair Monroe-Moreno:**

How soon can you give us that updated fiscal note?

**James M. Humm:**

I have the rough math right here in my prepared remarks. I would say we will get that to you before the work session. I know you are going to try to do that this week, so I will have the fiscal team work on it first thing in the morning to put a more legible fiscal note in front of the Committee.

**Chair Monroe-Moreno:**

Members, are there any questions for either one of the presenters?

**Assemblywoman Kasama:**

I know you said the bill does not duplicate the Office of Small Business Advocacy, but we also have an Office of Business, Finance, and Planning in the Department of Business and Industry. We have the Office of Small Business Advocacy, Office of the Lieutenant Governor, and now we have created the Office of Entrepreneurship under the Office of Economic Development, Office of the Governor. I do understand the importance of fostering new business. Was there any consideration of not creating a whole new office and all new regulations and just having a department within the Office of Small Business Advocacy that would focus on this instead of a whole new office? That might have been a possibility.



**Assemblyman Yeager:**

We were deliberate about the best way to do this. The options were to create some brand-new office by itself or try to house it in an existing location. A couple of reasons led us to the Office of Economic Development, Office of the Governor (GOED). Number one, they are well situated in this space when we are talking about start-ups and new businesses. At the time, remember, we were not sure that the Office of Small Business Advocacy was going to continue to exist because in the Governor's recommended budget it was recommended to be discontinued because there was a sunset there. But there was a lot of discussion in the Judiciary Committee about that, and whether this was duplicative and housed in the right place.

The way we envision it is the Office of Small Business Advocacy really is for that small business and this would be a different mission, but it would be a nice thing for them to have a way to work together. When I think of entrepreneurship, I think of economic development. We are getting more companies that want to start in Nevada versus some of our neighboring states, the big one being California. The tax structure has a lot to do with that. We were deliberate that GOED is the best place for it. I was comfortable as a part of this Committee continuing to authorize the Office of Small Business Advocacy because they play a bit of a different role now. As we go forward and we are here, those of us who are going to be here next session, and we never know if that is going to happen, but we will have a chance to really decide if we need to make some changes. But the mission of the Office of Entrepreneurship I believe aligns a bit more with GOED.

**Chair Monroe-Moreno:**

Members, are there any other questions? [There were none.] I will open testimony in support of this bill. Is there anyone who would like to testify in support of A.B. 77 (R1)?

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

We would like to show our support for this bill. As many of you may know, we house the Small Business Development Center at the University of Nevada, Reno that also serves the entire state. We also do other business development and entrepreneurship activities. We believe this will help those businesses as well as our students who pursue an entrepreneurship pathway.

**Ashley Cruz, representing Las Vegas Global Economic Alliance:**

I am here on behalf of the Las Vegas Global Economic Alliance. The Las Vegas Global Economic Alliance appreciates the Speaker bringing this bill forward and supports measures that seek to assist small businesses in Nevada.

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

We support this bill. We thank the Speaker for bringing it forward. We believe that this is not only increasing economic development but giving another tool for individuals who are trying to pursue their dream and open their own businesses and even hire some more employees and create more jobs in Nevada.

**Mendy K. Elliott, representing Carrara Nevada; and the Economic Development Authority of Western Nevada:**

We are in support of this bill. If we start looking at businesses and the life of a business, they must start somewhere. We have a lot of tools in the toolbox at the state. The Office of Small Business Advocacy serves its purpose of navigating the state, and helping individuals learn how to get their license, and how to do this. This Office of Entrepreneurship will focus on how to get a loan and what needs to be done. More importantly, the Office will provide access to regional development agencies in the state and will provide actual advice about how to start a business and what the individual needs to do, and what demographics are coming to our state. If individuals have an idea or a vision to be in business, they will understand how to package that business so that they could make some money. We are in support of the bill.

**Chair Monroe-Moreno:**

Is there anyone else who would like to testify in support? [There was no one.] Is there anyone who would like to testify in opposition to A.B. 77 (R1)? [There was no one.] Is there anyone who would like to testify in the neutral position? [There was no one.] Does the presenter have any closing remarks? [There were none.]

I will close the hearing on this bill and open public comment. [Public comment was heard.]

There being no further business before the Committee, this meeting is adjourned [at 6:36 p.m.].

RESPECTFULLY SUBMITTED:

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Janice Wright  
Committee Secretary

APPROVED BY:

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Assemblywoman Daniele Monroe-Moreno, Chair

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

## EXHIBITS

[Exhibit A](#) is the Agenda.

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

[Exhibit C](#) is a copy of a PowerPoint presentation titled "[Assembly Bill 67](#) Assembly Ways and Means Committee," dated May 17, 2023, presented by Francisco V. Aguilar, Secretary of State.

[Exhibit D](#) are proposed amendments to [Assembly Bill 67 \(1st Reprint\)](#), presented by Erin M. Houston, Esq., Deputy of Securities, Office of the Secretary of State.

[Exhibit E](#) is a letter dated May 16, 2023, submitted by Shira Markoff, Senior Policy Fellow, Prosperity Now, in support of [Assembly Bill 28 \(1st Reprint\)](#).

[Exhibit F](#) is a letter dated May 15, 2023, submitted by Grace Goodwin, M.S., Graduate Student in Clinical Psychology, University of Nevada, Las Vegas, in support of [Assembly Bill 45 \(1st Reprint\)](#).

[Exhibit G](#) is a letter dated May 16, 2023, submitted by Cody Kaneshiro, M.A., Graduate Student in Clinical Psychology, University of Nevada, Las Vegas, in support of [Assembly Bill 45 \(1st Reprint\)](#).

[Exhibit H](#) is a letter dated May 17, 2023, submitted by Cassidy Monte, Nevada Speech-Language Hearing Association, Nevada State College's National Student Speech-Language Hearing Association Chapter in support of [Assembly Bill 45 \(1st Reprint\)](#).

[Exhibit I](#) is a letter dated May 16, 2023, submitted by Nancy L. Kuhles, M.S., CCC-SLP, ASHA Fellow, Coalition Co-Chair, Nevada Speech-Language Hearing Association (NSHA) and the NSHA Coalition to Address Personnel Shortages in Special Education and Related Services in support of [Assembly Bill 45 \(1st Reprint\)](#).

[Exhibit J](#) is a letter dated May 17, 2023, submitted by Chloe Yocum, National Student Speech-Language Hearing Association, University of Nevada, Reno's National Student Speech-Language Hearing Association Chapter in support of [Assembly Bill 45 \(1st Reprint\)](#).

[Exhibit K](#) is a letter submitted by Jeffrey S. Rogan, Senior Attorney, Civil Division, Office of the Clark County District Attorney withdrawing Clark County's fiscal note on [Assembly Bill 46 \(1st Reprint\)](#).

[Exhibit L](#) is a fiscal note submitted by James M. Humm, Director of Public Policy and Government Affairs, Office of Economic Development, Office of the Governor regarding [Assembly Bill 77 \(1st Reprint\)](#).