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

Eighty-Second Session May 19, 2023

The Committee on Ways and Means was called to order by Chair Daniele Monroe-Moreno at 5:29 p.m. on Friday, May 19, 2023, in Room 3137 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. The meeting was videoconferenced to Room 4401 of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. Copies of the minutes, including the Agenda [Exhibit A], the Attendance Roster [Exhibit B], and other substantive exhibits, are available and on file in the Research Library of the Legislative Counsel Bureau and on the Nevada Legislature's website at www.leg.state.nv.us/App/NELIS/REL/82nd2023.

COMMITTEE MEMBERS PRESENT:

Assemblywoman Daniele Monroe-Moreno, Chair Assemblywoman Shea Backus, Vice 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 Cameron (C.H.) Miller Assemblyman P.K. O'Neill Assemblywoman Sarah Peters Assemblyman Howard Watts Assemblyman Steve Yeager

COMMITTEE MEMBERS ABSENT:

None

GUEST LEGISLATORS PRESENT:

Assemblywoman Elaine Marzola, Assembly District No. 21



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:

Eddie Ableser, representing Nevada Dental Association

Cody L. Phinney, MPH, Administrator, Division of Public and Behavioral Health, Department of Health and Human Services

Susan Fisher, representing Nevada State Board of Osteopathic Medicine

Gabriel Di Chiara, Chief Deputy Secretary of State, Office of the Secretary of State

Darrol Brown, representing United Veterans Legislative Council

Leticia Metherell, Chief, Bureau of Health Care Quality and Compliance, Division of Public and Behavioral Health, Department of Health and Human Services

Jonathan Leleu, representing Alliance to Prevent Legionnaires' Disease

Brett Salmon, President/CEO, Nevada Health Care Association, Nevada Center for Assisted Living

Patrick Kelly, President/CEO, Nevada Hospital Association

Jessica Adams, Deputy Administrator, Aging and Disability Services Division, Department of Health and Human Services

Brooke Page, Director of the Southwest Geography, Corporation for Supportive Housing

Christine Hess, Executive Director, Nevada Housing Coalition

Cadence Matijevich, Government Affairs Liaison, Office of the County Manager, Washoe County

Esther Badiata, representing SilverSummit Healthplan

Joanna Jacob, Manager, Government Affairs, Clark County

Amanda Brazeau, representing Nevada HAND

Chair Monroe-Moreno:

[Roll was called, and the Committee rules and protocols were explained.] We only have a few bills on our agenda. We will start with the first bill on our agenda, <u>Assembly Bill 147</u> (1st Reprint).

Assembly Bill 147 (1st Reprint): Revises provisions relating to dentistry. (BDR 54-74)

Assemblywoman Elaine Marzola, Assembly District No. 21:

Assembly Bill 147 (1st Reprint) makes various changes relating to dentistry, including a requirement that a provider of dental services who provides their services via teledentistry must be licensed in Nevada. Additionally, this bill requires the Board of Dental Examiners of Nevada to issue a special endorsement to dental providers to allow them to administer immunizations if they have completed the necessary training prescribed by the Board. The

accepted amendment to <u>A.B. 147 (R1)</u> relieved the fiscal concerns, and as such, the Board has removed their fiscal note for this bill. I stand for questions.

Chair Monroe-Moreno:

Would the Board be able to absorb the cost with its existing reserves and fee structure since they have removed their fiscal note?

Assemblywoman Marzola:

I will defer to my copresenter.

Eddie Ableser, representing Nevada Dental Association:

While I cannot speak for the Board of Dental Examiners of Nevada, the Nevada Dental Association works closely with the Board on many issues. I will tell you that many of our specialties do have specialty endorsements or licensed specialties that are within the parameters of the Board. I do not know if there is a representative here for them. We would assume that it falls in line with some of the other specialty endorsements that the dental community has.

Chair Monroe-Moreno:

Is there anyone from the Board who might be able to answer the question? [There was no one.] The only fiscal note that I have in my folder is one for \$50,000, but perhaps I have not updated my folder.

Members, are there any questions? [There were none.] Is there anyone who would like to testify in support of <u>A.B. 147 (R1)</u>? [There was no one.] Is there anyone who would like to testify in opposition to <u>A.B. 147 (R1)</u>? [There was no one.] Is there anyone who would like to testify in the neutral position on <u>A.B. 147 (R1)</u>? [There was no one.] Does the presenter have any closing remarks? [There were none.]

I will close the hearing on this bill and open the hearing on the next bill on our agenda.

Assembly Bill 153 (1st Reprint): Provides for the regulation of the practice of naprapathy. (BDR 54-724)

Assemblywoman Elaine Marzola, Assembly District No. 21:

I sponsored <u>Assembly Bill 153 (1st Reprint)</u>, which provides for the regulation of the practice of naprapathy. To increase access to care, naprapathy provides Nevadans with another treatment option for a variety of health conditions. Doctors of naprapathy are connective tissue specialists. This measure aims to protect the public from the practice of naprapathy by unqualified and unlicensed persons and from unprofessional conduct by persons who are licensed to practice naprapathy.

<u>Assembly Bill 153 (1st Reprint)</u> provides for the regulation of the practice of naprapathy by the State Board of Health and the Division of Public and Behavioral Health, Department of Health and Human Services (DHHS) and provides certain requirements governing the

practice of naprapathy. Today I am proposing two amendments [Exhibit C], which are contained in the mock-up on the Nevada Electronic Legislative Information System (NELIS).

First, section 1.32 of the bill requires an applicant for a license to practice naprapathy to pass a national examination rather than requiring the State Board of Health to prepare such tests. This requirement is also deleted in section 1.46 of the bill.

Second, section 1.58 of the bill prescribes grounds for discipline against a naprapath. The amendment provides that in addition to any criminal or civil penalty that may be imposed, the Division of Public and Behavioral Health, DHHS may assess and collect all costs incurred by the Division in connection with any disciplinary action taken against the naprapath, which includes costs for investigators, stenographers, attorney's fees, and other costs of a hearing.

Assembly Bill 153 (1st Reprint), as amended, removed the State Board of Osteopathic Medicine's fiscal note because the responsibility regarding oversight for and regulation of naprapathy has been changed to the State Board of Health and the Division of Public and Behavioral Health, DHHS. Also, the Division of Public and Behavioral Health provided a new fiscal note. It is requesting one contract physician to investigate complaints. The revenue from the fees is expected to be approximately \$25,000 at the beginning; \$500 per license for 50 licensees. The program will absorb the cost of the regulations and cost allocation costs. Cody Phinney of DHHS is here to provide additional information about the fiscal note.

Cody L. Phinney, MPH, Administrator, Division of Public and Behavioral Health, Department of Health and Human Services:

The description of the fiscal note that you heard is accurate. We expect to collect approximately \$25,000 based on the fee in these amendments. We would use that funding to contract with a doctor of naprapathy if we needed to do a complaint-based investigation based on concerns of wrongdoing. I will answer any questions.

Chair Monroe-Moreno:

Members, are there any questions?

Assemblywoman Dickman:

I want to get confirmation on the actual fiscal notes.

Cody L. Phinney:

At this point, we would be able to collect \$25,000 a year, and we would not expect any additional costs related to this.

Assemblywoman Dickman:

Okay, but there are other fiscal notes. All fiscal notes except that one have been removed. Is that correct?

Assemblywoman Marzola:

That is correct.

Assemblywoman Backus:

Ms. Phinney, you said something that I want to clarify. You said the fees that would be collected were estimated to be up to \$25,000, and such fees could pay for a contracted doctor of naprapathy. I want to make sure it is not the intent to limit those fees to pay only for the costs of dealing with complaints. Revenue that is collected may include fines, and the revenue could pay for other items including licensing and other things as well.

Cody L. Phinney:

I appreciate that. The intent is that we want to ensure we have funds available if we need to contract with a doctor of naprapathy, but you make an excellent point that there are other costs associated with this. We regularly do a workload analysis and analysis of the time that we are spending on these things. It would be my expectation that, in the future, other costs may be addressed through that workload analysis and future budgets. Currently, we do not see a need for a cost above this \$25,000.

Assemblywoman Backus:

I am confused because I am looking at a fiscal note. You are still maintaining though, that you require the retention of these different positions for the purpose of implementing A.B. 153 (R1), correct? Or are you pulling back on everything and saying that the fees collected would be adequate to cover everything? I want to make sure I am on the same page as you.

Cody L. Phinney:

It is my understanding, at this point, that the fees would cover what we need to do for this session.

Chair Monroe-Moreno:

I think the reason that my colleague is asking the questions is the last fiscal note we have on NELIS is after the first reprint and that still had the fiscal note requiring \$483,914 for the biennium. That fiscal note says that there is a cost to pay for one half-time health program specialist, one contract physician, and one administrative assistant 3. Has there been an additional amendment that would address that need and cost?

Cody L. Phinney:

Yes, that helps clarify. The additional amendment that we are talking about tonight makes these changes possible. I appreciate that clarification.

Chair Monroe-Moreno:

With that, please send an updated fiscal note, and then everything will match. The proposed conceptual amendment was the amendment you are speaking of in your presentation.

Assemblywoman Marzola:

Yes, it should be uploaded on NELIS already.

Chair Monroe-Moreno:

Are there any other questions? [There were none.] Is there anyone who would like to testify in support of A.B. 153 (R1)? [There was no one.] Is there anyone who would like to testify in opposition to A.B. 153 (R1)? [There was no one.] Is there anyone who would like to testify in the neutral position on A.B. 153 (R1)?

Susan Fisher, representing Nevada State Board of Osteopathic Medicine:

We also had submitted a fiscal note because the bill, in its original form, would have the regulations being done under the Board of Osteopathic Medicine. However, that has been amended. We submitted a new fiscal note to erase that one to say it is a zero fiscal note for us.

Chair Monroe-Moreno:

I received that. Is there anyone else who would like to testify in the position of neutral? [There was no one.] Are there any closing comments? [There were none.] We will close the hearing on <u>A.B. 153 (R1)</u> and open the hearing on <u>Assembly Bill 260</u>.

Assembly Bill 260: Exempts veterans service organizations from various fees imposed on persons conducting business in this State. (BDR 7-73)

Assemblyman P.K. O'Neill, Assembly District No. 40:

I am here to present to you an outstanding bill that is one of the least expensive bills you will see for benefits that we will derive for the state of Nevada. Assembly Bill 260 will exempt officers and agents of veterans service organizations from their annual registration fees imposed by the Office of the Secretary of State. I want to clarify that the bill only exempts federally recognized veterans service organizations and their officers and agents of these organizations when making business entity filings related to the veterans service organizations. The bill does not in any way exempt or influence businesses, which are owned by veterans, from their licensing fees or other business entity filing fees under the Nevada Revised Statutes.

A fiscal note of \$4,500 a year, or \$9,000 for the biennium, was submitted by the Office of the Secretary of State for their loss of revenue. I am available for any questions, and Gabriel Di Chiara from the Office of the Secretary of State is here to explain the fiscal note.

Gabriel Di Chiara, Chief Deputy Secretary of State, Office of the Secretary of State:

We initially entered a fiscal note of zero fiscal impact but were informed that it does have a fiscal impact, and we should calculate that. We looked at the list of how many federally identified veterans service organizations are in the state of Nevada. We calculated what it would cost us for their annual fees to go unpaid. That is how we produced the \$4,500 a year fiscal note. That note would increase, which would drive us even further into poverty when

there are more veterans service organizations. However, it is a lengthy process to become federally recognized, so we would have time to review this.

Chair Monroe-Moreno:

I am sure Assemblyman O'Neill would help you find resources. Members, are there any questions for the presenters? [There were none.] When you look at the numbers, what is the approximate number right now of veterans service organizations that this would affect?

Gabriel Di Chiara:

It is 42, and that number is on the Department of Veterans Services website.

Chair Monroe-Moreno:

Members, are there any questions? [There were none.] Is there anyone who would like to testify in support of A.B. 260?

Darrol Brown, representing United Veterans Legislative Council:

We are in support of <u>A.B. 260</u>. It is an excellent bill. Thank you, Assemblyman O'Neill, for bringing it forward. It is not necessarily the fee, but it is the onus of filing that officers report every year. I did that for several years as President of the Nevada State Council, Vietnam Veterans of America. It is not drudgery, but it is just one of those things that occurs frequently. This bill will relieve that task for us. We appreciate a favorable decision from the Committee, and I am happy to answer any questions you may have.

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 <u>A.B. 260</u>? [There was no one.] Is there anyone who would like to testify in the neutral position on <u>A.B. 260</u>? [There was no one.] Does the presenter have any closing remarks?

Assemblyman O'Neill:

I remember veterans talking about the fact that many of these veterans service organizations are small, and members are aging. Even though the cost is nominal, it is getting difficult for them to find the funds, and the officers are dipping into their own pockets to pay for the fees. I wanted to add that part. I appreciate the consideration of the Committee.

Chair Monroe-Moreno:

We will close the hearing on A.B. 260 and open the hearing on the next bill.

<u>Assembly Bill 263 (1st Reprint)</u>: Enacts provisions relating to the transmission of Legionnaires' disease by building water systems in certain health care facilities. (BDR 40-125)

Assemblyman Howard Watts, Assembly District No. 15:

It is my pleasure to present <u>Assembly Bill 263 (1st Reprint)</u> for your consideration today. This bill institutes certain requirements for water management plans and the engagement of

certain trained professionals in the development and execution of those water management plans for certain covered health care facilities. The bill is particularly aimed at reducing the transmission of Legionnaires' disease throughout our community and throughout these facilities to ensure that those medically fragile populations are not impacted by this.

Speaking to the fiscal aspect, you will see that there was an unsolicited fiscal note submitted based on the first reprint of the bill. You should have before you a proposed conceptual amendment [Exhibit D] that narrows the definition of covered health care facilities to include intermediate care facilities that are Centers for Medicare and Medicaid Services (CMS) certified nursing homes, facilities for skilled nursing that are CMS certified skilled nursing homes, and hospitals that are CMS certified hospitals or critical access hospitals. By narrowing those requirements, that lines up with certain water quality plans that are already required by the federal government through CMS. That would result in reducing and getting close to eliminating the fiscal note. I will have the Division of Public and Behavioral Health (DPBH), Department of Health and Human Services speak about health care quality and compliance. By narrowing the scope, this should get the fiscal note at or close to zero by making sure that the scope of work that they do is not included.

Leticia Metherell, Chief, Bureau of Health Care Quality and Compliance, Division of Public and Behavioral Health, Department of Health and Human Services:

I am here to confirm that the conceptual amendment would remove the DPBH, Department of Health and Human Services fiscal note completely.

Assemblyman Watts:

That concludes my presentation.

Chair Monroe-Moreno:

How many cases recently have we had of Legionnaires' disease in Nevada and in the senior citizens' homes that this bill addresses?

Assemblyman Watts:

I will have to follow up with some of that information. In Nevada, we have not had many problems with Legionnaires' disease in health care facilities. We have had some issues in resorts a few times. It does happen, and it does come up from time to time. I will say that nationally, the number one area where Legionnaires' disease outbreaks occur is within health care facilities. Because we have individuals who are medically fragile in those facilities, we do not want to risk adding the infection with Legionnaires' disease on top of that. That is why that is the focus of this piece of legislation. But we will follow up. There is some public health information about that, and we will get it to the members of the Committee.

Chair Monroe-Moreno:

Members, are there any other questions? [There were none.] Is there anyone who would like to testify in support of <u>A.B. 263 (R1)</u>? [There was no one.] Is there anyone who would like to testify in opposition to <u>A.B. 263 (R1)</u>?

Jonathan Leleu, representing Alliance to Prevent Legionnaires' Disease:

I would like to thank my friend, Assemblyman Watts, for bringing this bill, and for being so open and speaking with us every day since we came into this matter to answer all our questions. Assemblyman Watts is easy to work with, and we look forward to continuing to work with him on this matter.

The reason the Alliance to Prevent Legionnaires' Disease opposes this bill is simply because A.B. 263 (R1), as it is currently constructed, will not reduce Legionnaires' disease. A penny spent is a penny wasted. You asked how many instances we have in Nevada of Legionnaires' disease in health care facilities. We agree with Assemblyman Watts. There are not many. In fact, Legionnaires' disease is a reportable disease through the Centers for Disease Control and Prevention (CDC). You can easily get that information. The answer is none in recent memory. Instances in health care facilities are extremely rare, and we are aware of none in Nevada. The CMS Medicare and Medicaid facilities already have requirements in place for water management programs in those facilities. This bill is unnecessary, and by adding proprietary training and certification as well as routine testing requirements, it adds substantial costs in all facilities where we do not have any recent recorded instances of Legionnaires' disease.

The conceptual amendment that Assemblyman Watts has offered to remove state hospitals reduces the fiscal note to zero but focuses its intent on private Medicare and Medicaid facilities as well as the University Medical Center in Clark County. It is not as if this bill is without costs; it is just shifting the cost to other individuals. Our concern is that this bill already exempts rural hospitals from coverage. The amendment has released state hospitals from coverage. By continuing to release hospital after hospital from coverage of this bill simply to overcome the financial hurdles that are inherent in this bill, we need to show some type of rational basis why some hospitals should undergo this testing, and some should not. Proponents do not offer anything like that. There is no rational basis to treat the health care facilities differently.

The proponents need to explain why mandatory certification, training, and testing for the waterborne bacteria in some facilities is necessary and is not for others. This bill will not pass the rational basis scrutiny. The Alliance objects to mandatory testing because it is not recommended by the World Health Organization as a control method for Legionnaires' disease. The association that sets forth the standards for water testing does not include it. The CDC toolkit does not include it. The CMS regulations on health care facilities do not include it.

The Alliance is a national nonprofit organization with the exclusive mission of combating Legionnaires' disease and reducing cases. We are thankful that Assemblyman Watts has brought this bill because he is raising awareness. We want to continue working with him on this issue. Each of you has received a white paper [Exhibit E] detailing substantial issues with this legislation, but that does not mean that addressing Legionnaires' disease is off the table. We want to address that, and we want to do that along with the bill's sponsor. The problem is that this legislation has been tried in state legislatures and most recently was

vetoed in California. The bill is a distraction from the main issue. The bill is costly, and it wastes limited resources that could go to true prevention and water quality management to reduce cases. As a result, the bill as it stands, should not pass. We want to continue working with Assemblyman Watts on this issue.

Brett Salmon, President/CEO, Nevada Health Care Association, Nevada Center for Assisted Living:

We represent both skilled nursing and assisted living facilities throughout the state. We want to thank Assemblyman Watts for his consideration allowing us to visit with him often on this piece of legislation. You have all received my letter [Exhibit F] on Nevada Electronic Legislative Information System, and it describes the concerns that we have. I am going to focus on the data and how we are the wrong target. I am going to focus on just assisted living and long-term care facilities. If you look at my letter, the National Outbreak Reporting System, which is the reporting system for reporting these types of illnesses and diseases on the CDC website, reports 83 percent in the last 20 years of nationwide Legionella outbreaks occurred outside of a long-term care setting; 88 percent of nationwide Legionella illnesses occurred outside of long-term care; 85 percent of Legionella hospitalizations originated outside of long-term care; and 73 percent of Legionella deaths in the United States in the past 20 years occurred outside of long-term care.

We are confused as to why this should apply to us. We have many regulations, both state and federal regulations on Legionella, for which we currently have water management plans. Regarding the data as it pertains to Clark County and Washoe County—Nevada specific data—Clark County averages approximately 20.3 cases according to the records I found from the Southern Nevada Health District and that is not health facility specific. Washoe County has approximately one case per year in the last ten years. Nevada is not a place that has lots of Legionella, fortunately. We feel like this needs to be targeted in other places. To respond to Assemblyman Watts respectfully, I spent a lot of time on the National Outbreak Reporting System, and health care facilities are not the number one source of Legionella; it is other health care facilities. If you look at the link in my letter, it will show you that data.

Patrick Kelly, President/CEO, Nevada Hospital Association:

Because of the late hour, I will make four quick points. Number one, hospitals are required by CMS and the Joint Commission to have water management plans. Two, we are unaware of any incidences of Legionnaires' disease in Nevada hospitals. Three, we are concerned about the costs related to the American Society of Sanitary Engineering certification. Four, A.B. 263 (R1) will increase costs with little to no benefit.

Chair Monroe-Moreno:

Is there anyone else who would like to testify in opposition to <u>A.B. 263 (R1)</u>? [There was no one.] Is there anyone who would like to testify in the neutral position on <u>A.B. 263 (R1)</u>?

Jessica Adams, Deputy Administrator, Aging and Disability Services Division, Department of Health and Human Services:

We had a small fiscal note on this bill but with the conceptual amendment, that note is lifted, so we have no fiscal note now.

Chair Monroe-Moreno:

Thank you for getting that on the record. Are there any closing remarks?

Assemblyman Watts:

I will keep this brief just to respond to a couple of things. By aligning this with CMS, there is already a requirement for those CMS facilities to have water management plans. What we are trying to do is make sure that we have a state policy to match that and make sure that we have somebody who is qualified involved in the design and administration of that plan. I am not going to debate or dispute the statistics, but one person getting gravely ill or passing away from Legionnaires' disease that we could prevent by being proactive is too many. There is already a requirement through the federal government to have that plan in place. We are not asking entities to hire a dedicated person on staff; they could contract with somebody, or somebody could work with many different CMS certified facilities that would be covered under these provisions. We just want to make sure that an expert is involved in the design and execution of these programs.

Assemblyman Hafen:

Did you change the original language in the bill on the qualified individual or is that still the same language?

Assemblyman Watts:

All that has changed since the policy committee hearing with this amendment is the types of health care facilities that would be covered. The qualifications and who must have one of those individuals involved in developing and implementing those plans has not changed since the policy hearing.

Assemblyman Hafen:

For clarification, we are still saying that a licensed water operator licensed by the Division of Environmental Protection, State Department of Conservation and Natural Resources is still not qualified enough to do this job, correct?

Assemblyman Watts:

They can certainly be involved in the design and carrying out of these plans. What we want is somebody who has specific additional training in addressing Legionella to be involved as well.

Chair Monroe-Moreno:

We will close the hearing on <u>A.B. 263 (R1)</u>, and we will take a one-minute recess [at 6:07 p.m.].

[Assemblywoman Backus assumed the Chair.]

Vice Chair Backus:

The meeting will come back to order [at 6:08 p.m.]. I will open the hearing on Assembly Bill 310 (1st Reprint).

<u>Assembly Bill 310 (1st Reprint)</u>: Revises provisions governing affordable housing. (BDR 25-1032)

Assemblywoman Daniele Monroe-Moreno, Assembly District No. 1:

Assembly Bill 310 (1st Reprint) is a measure that creates the Nevada Supportive Housing Development Fund with an appropriation of approximately \$30 million over the biennium within the Housing Division, Department of Business and Industry with oversight and capacity support by the Nevada Interagency Advisory Council on Homelessness to Housing and an additional \$1.5 million appropriation to the Housing Division, Department of Business and Industry for provider capacity building grants to assist supportive housing partnerships to facilitate staffing support, training, and technical assistance.

Joining me here tonight is Ms. Christine Hess, Executive Director for the Nevada Housing Coalition, and by Zoom we have Ms. Brooke Page, Director of the Southwest Geography at the Corporation for Supportive Housing. With your permission, I will turn the presentation over to Ms. Page for a brief overview of the program, and then we can talk about the fiscal aspects.

Brooke Page, Director of the Southwest Geography, Corporation for Supportive Housing:

I would like to give a brief overview of this bill. We are in partnership with the Nevada Housing Coalition. <u>Assembly Bill 310 (1st Reprint)</u> provides an opportunity to develop the infrastructure in Nevada to scale what is going on currently but not necessarily being tracked. It is an opportunity for us to scale supportive housing.

You all should have a two-page document [Exhibit G] that provides an overview of this presentation and explains supportive housing. I am going to share my screen briefly to show the bottom of the two-page document, which provides an example of what supportive housing is and how we are defining it in A.B. 310 (R1).

I have some important points. Supportive housing combines affordable housing with supportive services. This helps to provide individuals who are facing the most complex challenges with stability, autonomy, and dignity. It improves employment, mental health, physical health, substance abuse, and reduces active substance use. We really want to emphasize that point because this is the intervention that is going to help us address our homelessness need in the state of Nevada.

Another example that I would like to share is at the bottom of page 2 [Exhibit G]. An important note here is the fact that supportive housing is a cost-effective intervention. What

you will notice on this page is it is important that supportive housing is saving lives, but it is also important to know that states across the country are showing major cost offsets. Individuals cycling through the revolving door of homelessness, in and out of jails and emergency shelters, is not a cost-effective way to address the need in our communities.

The Social Impact Bond in Denver conducted a rigorous randomized control trial. They showed and demonstrated that \$25,000 per-person per-year was the cost offset that they saw when they tracked a person by putting them in supportive housing versus keeping them cycling in and out of high-cost systems. In our neighbor state of Arizona, the state Medicaid program showed that \$66,756 per-member per-year was the cost offset in their Medicaid program. With the infrastructure here, we can do this in Nevada. That is a bit about the bill.

Assemblywoman Monroe-Moreno:

Members, the document that she is referring to [Exhibit G] is uploaded on the Nevada Electronic Legislative Information System for you to see. There is a fiscal note on this bill, and when you look at the fiscal note from the Housing Division, Department of Business and Industry, fiscal year (FY) 2024 has a \$0 amount. However, in FY 2025, the cost is \$282,302, with a \$564,604 cost over future biennia.

There is a representative here to address the fiscal notes, if necessary. However, as a fiscal leader in this body, the fiscal notes submitted are more than reasonable to ensure the success of this pilot program. Roughly 7,000 Nevadans are experiencing homelessness and are unnecessarily kept in our institutional facilities at times. As mentioned by Ms. Page, the cost of being in jail, shelters, hospitals, or left on the streets can cost up to \$40,000 per-person per-year. Therefore, the need for affordable housing with supportive services is vital for the state of Nevada. Supportive housing is an evidence-based intervention that can address this need, and it requires dedicated funding and support in its development.

There was an amendment in the policy committee because the question arose about how to sustain the funding. This is a pilot program with a one-time influx of funding, but we added that the Fund could accept donations, contributions, and grants. With that, we will stand for questions.

Vice Chair Backus:

Committee members, does anyone have any questions on this bill? Looking at FY 2024, I understand that there was interest earned on the revenue from the \$32.2 million in the sum of \$135,240. We have a note from our Fiscal staff that the estimated interest from the Office of the State Treasurer may not be accrued on State General Fund appropriations. Would that reduce the grant expense for that fiscal year?

Assemblywoman Monroe-Moreno:

Yes. In speaking with Fiscal staff, it was determined that the Treasurer's interest could not be used as a revenue generator for this Fund. Therefore, we would have to reduce the amount of the grants by that amount.

Vice Chair Backus:

How do you anticipate that the funding for fiscal year 2025 will be supported in the years to come?

Assemblywoman Monroe-Moreno:

The Fund would be able to accept grants, donations, and contributions. In conversations with some members of our federal delegation, there are federal dollars available to help support the Fund.

Assemblywoman Brown-May:

I want to acknowledge the good work you have done relative to the positive fiscal impacts, even though we are looking at a big fiscal note. Many years ago, Malcolm Gladwell published an article called *Million-Dollar Murray*, which detailed the amount of money we spend as a community on support services to care for this population. This pilot program would decrease the investment per person based on that article. Is that accurate?

Christine Hess, Executive Director, Nevada Housing Coalition:

Yes, you are exactly right. That is what this bill will show. What is important as you look at the funding, is that we are tracking the outcomes. Another significant detail is because they track and measure the outcomes, after three years, 77 percent of those they housed who were unhoused, maintained stable housing. They are not in the cycle anymore.

Vice Chair Backus:

Are there any further questions? [There were none.] I want to correct something. I found language in your bill under section 3, subsection 3. That language provides that any interest earned on the deposit or investment of the money in the Fund after deducting any applicable charges must be credited to the Fund. The fiscal note for that \$135,000 can stay, and we do not have to decrease the grants. Is there anyone who would like to testify in support of this bill?

Cadence Matijevich, Government Affairs Liaison, Office of the County Manager, Washoe County:

We are in support of this bill. This is a significant investment. We believe that the return on the investment will be well worth it, and we urge your support for this bill.

Esther Badiata, representing SilverSummit Healthplan:

This bill addresses the lack of supportive housing in our state with solutions that will have a direct and positive impact. As a Medicaid insurer, SilverSummit Healthplan knows firsthand the importance of programs that support vulnerable populations and seek to address the source of challenges they are experiencing. We applaud this effort to meaningfully expand such services and want to thank the sponsor for this bill. We are in support.

Joanna Jacob, Manager, Government Affairs, Clark County:

We would like to thank the sponsor for her tireless efforts to find funding and a sustainable funding source for supportive housing. Clark County believes that this is going to help a real

need that we see in our homeless programming. We have invested significant funds in homeless programming, but once stabilized, we know that there are many of our homeless constituents who need supportive housing to stay stabilized and housed. We appreciate the scope of this bill, the funding that is included, and the work of all the stakeholders who have gotten us to this point. We are stating support and urge your support as well.

Amanda Brazeau, representing Nevada HAND:

Nevada HAND supports <u>A.B. 310 (R1)</u>. We believe it is important to ensure supportive housing is accessible for those who need it. This bill will help fill a critical need in our community, and we thank the bill sponsor and the Corporation for Supportive Housing for their work on this measure.

Vice Chair Backus:

Next, we will open testimony in opposition to <u>A.B. 310 (R1)</u>. [There was none.] We will open testimony in neutral. [There was none.] I will invite the bill sponsor back for any closing comments. [There were none.] We will close the hearing on <u>A.B. 310 (R1)</u>, and we will take a one-minute recess [at 6:22 p.m.].

[Assemblywoman Monroe-Moreno reassumed the Chair.]

Chair Monroe-Moreno:

We will bring the meeting back to order [at 6:22 p.m.]. That brings us to the last item on our agenda for tonight and that is public comment. Is there anyone who would like to make public comment? [There was no public comment.]

There being no further business before the Committee, this meeting is adjourned [at 6:23 p.m.].

	RESPECTFULLY SUBMITTED:
	Janice Wright Committee Secretary
APPROVED BY:	Committee Secretary
Assemblywoman Daniele Monroe-Moreno, Chair	
DATE:	

EXHIBITS

Exhibit A is the Agenda.

Exhibit B is the Attendance Roster.

Exhibit C is a mock-up amendment to <u>Assembly Bill 153 (1st Reprint)</u>, proposed by Assemblywoman Elaine Marzola, Assembly District No. 21.

Exhibit D is a conceptual amendment to Assembly Bill 263 (1st Reprint), proposed by Assemblyman Howard Watts, Assembly District No. 15.

Exhibit E is a white paper document titled "Understanding Legionnaires' Disease Need to Follow the Data and Science for Prevention," dated May 2023, presented by Jonathan Leleu, representing the Alliance to Prevent Legionnaires' Disease, in opposition to Assembly Bill 263 (1st Reprint).

<u>Exhibit F</u> is a letter dated May 19, 2023, presented by Brett Salmon, President/CEO, Nevada Health Care Association, Nevada Center for Assisted Living, in opposition to <u>Assembly Bill 263 (1st Reprint)</u>.

Exhibit G is a copy of a two-page document titled "AB 310 Nevada Supportive Housing Development Fund," presented via Zoom by Brooke Page, Director of the Southwest Geography, Corporation for Supportive Housing, in support of Assembly Bill 310 (1st Reprint).