

**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 8:10 a.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 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.

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

COMMITTEE MEMBERS ABSENT:

Assemblyman Steve Yeager

GUEST LEGISLATORS PRESENT:

Assemblywoman Melissa Hardy, Assembly District No. 22



STAFF MEMBERS PRESENT:

Sarah Coffman, Assembly Fiscal Analyst
Brody Leiser, Assembly Chief Principal Deputy Fiscal Analyst
Anna Freeman, Committee Secretary
Cynthia Ihejirika, Committee Assistant

OTHERS PRESENT:

Martin Hefner, Management Analyst, Division of Research and Project Management,
Department of Motor Vehicles
Teresa Benitez-Thompson, Chief of Staff, Office of the Attorney General
Janine Hansen, State President, Nevada Families for Freedom
Vinson Guthreau, Executive Director, Nevada Association of Counties
Stephen Wood, representing Consolidated Municipality of Carson City; and Nevada
League of Cities and Municipalities
Isaac Hardy, representing the Urban Consortium
Gabby Everett, Director of Advocacy and Research, Three Square Food Bank
Brittany Mally, School Nutrition Supervisor, Food and Nutrition Division, State
Department of Agriculture
Caitlin Gatchalian, Nevada Government Relations Director, American Heart
Association
Shane Piccinini, Government Relations, Food Bank of Northern Nevada
Sarah Adler, representing the Charter School Association of Nevada
Be-Be Adams, representing Boys and Girls Club Nevada Alliance
Chris Daly, Deputy Executive Director, Government Relations, Nevada State
Education Association
Tara Raines, representing the Children's Advocacy Alliance
Sheila Bray, Community Partnerships Coordinator for Clark County, Extension,
University of Nevada, Reno
Maria-Teresa Liebermann-Parraga, Deputy Director, Battle Born Progress
Dawn Matusz, Public Policy Coordinator, Nevada Academy of Nutrition and
Dietetics
Lynn Chapman, Treasurer, Independent American Party of Nevada
Michael Ryan, private citizen
Cyrus Hojjaty, private citizen, Las Vegas, Nevada
Barry Cole, Private Citizen, Reno, Nevada
Daniel H. Stewart, representing the Clark County Education Association; Puffco; and
Pisos
Erik Jimenez, Chief Policy Deputy, Office of the State Treasurer
Marie Neisess, President, Clark County Education Association
Alejandro Rodriguez, Director, Government Relations, Nevada System of Higher
Education
Anthony Ruiz, Deputy Chief of Staff, Office of the President, Nevada State College
Nick Schneider, Policy Analyst, Government Affairs, Vegas Chamber

Kent Ervin, Ph.D., State President, Nevada Faculty Alliance
Nicole Roarke, Director, Government and Public Affairs, City of Henderson
Amber Stidham, Senior Vice President, Chief Strategy Officer, Las Vegas Global Economic Alliance
James Humm, Director of Public Policy and Government Affairs, Office of Economic Development, Office of the Governor
Layke Martin, Executive Director, Nevada Cannabis Association
Esther Badiata, representing Planet 13 Holdings; RNBW Cannabis; and Jardín Premium Cannabis Dispensary
Will Adler, representing Sierra Cannabis Coalition
Chelsea Capurro, representing Nevada Cannabis Association
Brett Scolari, representing CPCM Holdings; Cura Cannabis Solutions; GreenMart of Nevada; and Clark Natural Medicinal Solutions
Scot Rutledge, representing Deep Roots Harvest; and Mom's Meds Management
Timothy D. Galluzi, Chief Information Officer and Administrator, Division of Enterprise Information Technology Services, Department of Administration
Kristina Shea, Deputy Director, Support Services, Department of Corrections
Andy McCool, Administrative Services Officer 3, Division of Parole and Probation, Department of Public Safety
Mike Edgell, Captain, Investigation Division, Department of Public Safety

Chair Monroe-Moreno:

[Roll was called. Rules and protocol were reviewed.] We will get started with the first item on today's agenda, Assembly Bill 195 (1st Reprint).

Assembly Bill 195 (1st Reprint): Revises provisions governing certain fees for drivers' licenses and identification cards. (BDR 43-636)

Assemblywoman Melissa Hardy, Assembly District No. 22:

I am here today to present Assembly Bill 195 (1st Reprint), which revises provisions governing certain fees for driver's licenses.

In 2015, my youngest daughter took her first criminal justice course at UNLV [University of Nevada, Las Vegas] and a special visitor came in with Hope for Prisoners. My daughter was so impressed with the presentation and what she learned about recidivism. That led her to do an extensive report on the subject, which she shared with me. This piqued my interest on this topic.

Later, as I ran for office and began to serve my community, I started to look into what practical measures could be taken to assist those coming out of prison so that they have the tools they need to reenter their communities and lessen the likelihood of them reoffending and being incarcerated again. Recidivism is a complex issue, but there are practical commonsense measures that can be taken to help prevent and reduce it. One of these measures is providing formerly incarcerated individuals with the ability to obtain a driver's license or identification (ID). Identification is essential for accessing services, employment,

and housing. Without it, individuals struggle to reintegrate into society. Providing a form of ID can help them overcome these barriers and facilitate reentry into society.

Additionally, obtaining a driver's license can be a critical step in helping individuals find and maintain employment. Transportation is often a significant challenge for people who have been incarcerated and a driver's license can provide greater mobility, independence, and access to the job market. Overall, providing these individuals with the ability to obtain a driver's license is a practical measure that can make a significant impact on reducing recidivism and supporting successful reentry into society.

Under current Nevada statute, there is a possible waiver of fees to furnish duplicate licenses and the cost of producing a photograph to a person who was released from prison; a county, city, or town jail; or detention facility within 90 days immediately preceding the person's application for a driver's license. Under certain circumstances, the person may have to reimburse the Department of Motor Vehicles (DMV) for a certain portion of the fee. However, in Nevada there are still many individuals released with only their prison IDs, which are not accepted as a valid form of identification for transactions such as rental applications, job applications, bank accounts, and other essential steps to reintegrate into society. Therefore, I introduced A.B. 195 (R1), based on similar legislation passed in Delaware.

Section 3 of A.B. 195 (R1) adds three transactions, requiring the DMV to waive fees for:

- Furnishing an original or renewal driver's license.
- Reinstating a driver's license.
- Producing a photograph for a driver's license, including any reimbursement if a person submits documentation verifying release from prison within the year immediately preceding the person's application for a driver's license.

Similarly, section 1 requires the DMV to waive the \$25 fee for the driver examination, not more than one time for a person who submits documentation verifying release from prison within the immediately preceding year. Lastly, section 2 provides an additional exception to the penalty for any person whose license expires during a period of incarceration, again, providing documentation is given that shows release within the immediately preceding year.

The amendment makes this apply to ID cards as well. I am a proponent of practical common sense measures that we as lawmakers can enact to assist individuals with reentry and success.

Assemblywoman Backus:

The fiscal note pertains solely to the driver's license. You added identification cards, but I did not see a revised fiscal note. Does the DMV plan to reflect decreased revenue for ID cards?

**Martin Hefner, Management Analyst, Division of Research and Project Management,
Department of Motor Vehicles:**

The DMV spoke with Assemblywoman Hardy regarding the impact to include ID cards in this, but has not submitted a revised fiscal note. An additional cost of approximately \$5,000 is estimated to include ID cards in this provision.

Assemblywoman Backus:

Please submit a revised fiscal note.

Martin Hefner:

We will contact the Legislative Counsel Bureau (LCB) to submit a revised fiscal note for this.

Chair Monroe-Moreno:

Are there any other questions from the Committee? [There were none.]

Is there anyone wishing to provide testimony in support of A.B. 195 (R1)? [There was no one.] Is there anyone wishing to provide testimony in opposition to A.B. 195 (R1)? [There was no one.] Is there anyone wishing to provide neutral testimony on A.B. 195 (R1)? [There was no one.]

Assemblywoman Melissa Hardy:

I ask that you support A.B. 195 (R1) so that we can give these individuals the opportunity to have something that we might take for granted, but that can be instrumental and significant in helping them return to their communities and be successful in their lives.

Chair Monroe-Moreno:

With that, we will close the hearing on A.B. 195 (R1) and open the hearing on Assembly Bill 258 (1st Reprint).

Assembly Bill 258 (1st Reprint): Enacts certain provisions governing the confidentiality of certain personal information of a donor, member, or volunteer of a nonprofit organization. (BDR 19-605)

Assemblywoman Shea Backus, Assembly District No. 37:

Assembly Bill 258 (1st Reprint) seeks to find the appropriate balance between government power and people's right to privacy. Specifically, A.B. 258 (R1) would require government entities to keep 501(c) nonprofit information confidential, including donor, member, and volunteer data. The bill includes a list of exemptions to this requirement. For example, this bill does not change or weaken any current disclosures required by the state campaign finance, nonprofit, or corporate registration laws.

The proactive privacy protections in A.B. 258 (R1) prohibit rogue officeholders and agencies from operating outside of their legal jurisdiction and weaponizing the powers of the office against people or organizations they may not like. A conceptual amendment has been

supplied to the Committee [[Exhibit C](#)], which reflects continued efforts to work with various stakeholders.

The printed amendment and the reprint inadvertently failed to remove the criminal penalties for an employee's failure to comply with A.B. 258 (R1). This amendment reflects that such language is to be struck. The other amendments refine exemptions to the allowable uses of information on which we have worked with government entities.

Since we are in the money Committee, I will focus on the fiscal notes. The Department of Taxation has removed its fiscal note. The Office of the Attorney General has indicated that it will still require an attorney and an investigator to investigate any claims, and to provide a defense to any civil litigation. Similar policies have been implemented in 15 other states over the last 5 years, and there have been no lawsuits filed thus far. The Department of Public Safety also included a fiscal note, with a zero value, that there may be a need, down the road, to hire someone. With that, we recommend any funding for a new position in the Office of Attorney General be placed in contingency and reverted to the General Fund if not accessed. After further discussions, it is likely that the Office of Attorney General would come to the Interim Finance Committee (IFC) for a contracted position if a claim came up during the next biennium.

Assemblywoman Dickman:

In theory this bill is good, but I am wondering whether you worked with local governments. Determining what is confidential information could have a huge fiscal impact on them. Additionally, with all the problems we have hiring and keeping people, this might be a deterrent if someone could have a civil penalty for a simple mistake.

Assemblywoman Backus:

This is not necessarily an automatic civil penalty. This bill provides an avenue for someone to bring a civil suit against someone that releases confidential information.

There were no fiscal notes submitted by any local government entities.

Assemblywoman Dickman:

I am glad to see the criminal penalty removed, but how would this affect hiring and retaining? Could someone be sued civilly for inadvertently leaving something on a copy machine?

Assemblywoman Backus:

That instance would be within the office. However, even if someone made a public records request, and an employee disclosed a confidential list of nonprofit donors, Nevada law already provides protections to that employee. If that employee were to be sued, the department or agency is responsible for that lawsuit.

In the bill, there are two types of damages that could be awarded by the court. If it was willful, the damage would be higher. If it was negligible, it is a lower damage of \$2,500.

As a practicing lawyer, how I would see this being used is, if I caught wind of a subpoena going to local government seeking information that I know is confidential and was provided to that agency in confidence, I would utilize section 2, subsection 4, paragraph (a)—remedy—to seek injunctive relief immediately to preclude that disclosure of information. There have been threats around the country of utilizing government positions to release confidential information to harm people; this bill closes that gap. There is concern surrounding the what-if situations, but 15 states have adopted this over the last 5 years and there has not yet been a suit brought, to our knowledge.

Assemblyman O'Neill:

If a person releases information unintentionally, can a suit be brought by an agency, or is an individual responsible for showing how that unintentional release was damaging?

Assemblywoman Backus:

I feel like I am reliving the policy hearing for this bill, but this Committee met at the same time. People are concerned about the lawsuit capacity of A.B. 258 (R1).

Under both federal and state law, there is the concept of justiciability, which requires standing for someone to bring a suit. A person who has been injured can bring a suit; that is the proper person who has standing, and they would show their damages. There is a minimum though, because in this situation, sometimes it may be hard. If you are on a donor list and have an employer that does not agree with your philosophies, normally you would be protected. If you lost your job because of being a donor to a certain group, damages would be higher, but that is a rare hypothetical situation.

Chair Monroe-Moreno:

Could the Attorney General's Office speak to the fiscal note on this bill for the one Deputy Attorney General (DAG), please? There is a fiscal note with previous amendments. With the new amendment presented today, is there still a need for one new DAG?

Teresa Benitez-Thompson, Chief of Staff, Office of the Attorney General:

Yes, a DAG and an investigator are prudent for the increased risk of exposure. Currently, in *Nevada Revised Statutes* (NRS) Chapter 239B, there are broad immunities for violations for state or political subdivisions on paying damages. There is a relatively small exposure now. This bill will increase the exposure to include all 501(c)(3) organizations, all employees, and all agencies. The risk of exposure grows quite a bit.

Assemblyman O'Neill:

Over the last several years, 15 other states have enacted this statute and have yet to have an incident. Are you going to need more staff to handle something that has not happened and may not happen?

Teresa Benitez-Thompson:

It is prudent with the level of exposure of all state employees and all state agencies. It makes sense to have a plan for if this happens. If the Office of the Attorney General received even

three complaints in a year, and a plaintiff's attorneys work 200 to 300 hours, that could easily require 1,800 hours of response work for one of our DAGs. The bill also requires action not only if a list is inadvertently provided—as in Assemblywoman Backus's example of an employee accidentally releasing a list of nonprofit volunteers—but also requires proactive redaction of information within these public record sections to ensure that no information is given out. There is not only the reactive piece, but a proactive piece as well.

Assemblyman O'Neill:

There are currently DAGs assigned basically to every agency. They are handling lawsuits, particularly at the Department of Public Safety. For the last several years, the states with similar legislation have not had any incidents. Are you hypothesizing that Nevada staff is so incompetent that there will be a minimum of three complaints per year?

Teresa Benitez-Thompson:

I would never characterize Nevada's state agency employees as incompetent. The Office of the Attorney General is responsible for calculating risk and exposure for the state, especially considering tort funds where these dollars would be paid. When considering risk, exposure, and liability to the state, we have to consider that we are going from zero to a high level of exposure. The Office of the Attorney General is providing its best estimate.

Assemblyman O'Neill:

We will agree to disagree.

Chair Monroe-Moreno:

Current statute limits who can bring a suit, this legislation would open the possibility of other suits, and this funding would prepare the Office of the Attorney General for if that happens, correct?

Teresa Benitez-Thompson:

That is nearly correct. Currently, there is no exposure of that type of lawsuit for the Office of the Attorney General because of the broad immunity.

Chair Monroe-Moreno:

Are there any questions or comments from the Committee? [There were none.] Is there anyone wishing to testify in support of A.B. 258 (R1)?

Janine Hansen, State President, Nevada Families for Freedom:

Nevada Families for Freedom is appreciative of this important bill. Last session, in 2021, Senate Bill 62 of the 81st Session aimed to force the release of nonprofit donor information. In 2021, the U.S. Supreme Court—by a 6-to-3 vote—struck down a California law requiring nonprofits to file a list of their large donors with the state. The court said the law subjected donors to harassment, chilling their speech, and violation of the first amendment. This is a critical bill to protect nonprofit donors of all kinds—of the whole political spectrum and those which are not even political—from harassment of the government. It prevents them from violating free speech. The fundamental right of free speech and association is critical.

This bill helps to protect those. We are completely in favor of it, and we hope that you will support it.

Chair Monroe-Moreno:

Is there anyone wishing to testify in opposition to A.B. 258 (R1)?

Vinson Guthreau, Executive Director, Nevada Association of Counties:

We appreciate the intent of this bill. Some of my comments may fringe on policy, but the policy leads to the fiscal impact. The Nevada Association of Counties (NACO) suggested to the sponsor that there be an exemption in this bill. There are conflicting laws that require local governments to disclose information, and then this bill would fine those entities for doing that. We appreciate the intent of the bill, but there are some conflicts. Regarding the comment that local governments did not submit any fiscal notes, although local governments may submit unsolicited fiscal notes, due to how this bill came about, fiscal notes were not requested from local governments. I will reach out to members to encourage them to submit fiscal notes. The bill deals with hypothetical situations and attempts to stop things in the future, so the fiscal impact is likely undetermined, but I will ask for that information. I appreciate being able to have a conversation with the sponsor, but even with the amendment, local governments for NACO remain opposed. Clark County also shares these concerns and is opposed.

Stephen Wood, representing Consolidated Municipality of Carson City; and Nevada League of Cities and Municipalities:

Both the Nevada League of Cities and the Consolidated Municipality of Carson City are in opposition to A.B. 258 (R1). Thank you to the sponsor for taking the time to meet with local governments and hear our concerns. We have no issues with the intent of the bill, but we have serious concerns with certain sections—namely section 2—because we believe it will lead to frivolous lawsuits and significant issues with compliance, creating a fiscal impact to local governments. I echo the comments from NACO and add that this opens it up for lawsuits. I understand what the proponents of the bill testified to. However, section 2, subsection 4 includes any person who alleges that there has been a violation of these provisions—not just the injured party—can file a civil action. It also sets a floor, not a ceiling, for monetary damages.

There are a lot of what-ifs for this bill. We believe there will come a time that additional staff becomes necessary to deal with not only the civil action that this could bring, but also the compliance dealing with public records and continuing to review those. Balancing existing state public records law with the provisions of this bill would not be an easy task.

Isaac Hardy, representing the Urban Consortium:

The Urban Consortium is made up of Reno, Sparks, Henderson, Las Vegas, and North Las Vegas. I echo my colleagues' comments.

Chair Monroe-Moreno:

Is there anyone wishing to provide neutral testimony for A.B. 258 (R1)? [There was no one.]

Are there any closing remarks?

Assemblywoman Backus:

Nevada law already provides ceilings for lawsuits for governmental entities when legal action is brought. Governmental entities deal with confidential information often. For example, whenever I subpoena information, as a lawyer, from the Nevada State Contractors' Board, I get redacted copies of information. This simply pertains to nonprofit lists of donors and volunteers. This information has been used in our country by people running for office to exploit certain groups. In the policy hearing, we had support from unions and diverse groups of nonprofits because this information is intended to be kept confidential. There is a litany of exclusions. We are not trying to do anything with campaign finance laws. There are exceptions, including for police officers who issue a warrant to get information. This is purely to provide protection so that private information is not publicized.

Chair Monroe-Moreno:

We will close the hearing on A.B. 258 (R1) and open the hearing on Assembly Bill 319.

Assembly Bill 319: Makes an appropriation to the Department of Education for universal free breakfast and lunch for Nevada pupils. (BDR S-1010)

Assemblywoman Sandra Jauregui, Assembly District No. 41:

This is the first hearing of Assembly Bill 319 before this Committee, so I will give some context. Many of us are familiar with the universal school lunch program, because during the interim, the majority of us excitedly voted to continue to fund universal school lunches. This year, we are making historic investments in education. With an additional \$42 million, we can impact education, but more importantly, impact the well-being of our students. Behavioral, emotional, mental, and academic problems are more prevalent among children who face hunger. Children facing hunger are more likely to be absent and less productive in school. Children who eat breakfast statistically perform better in the classroom and on standardized tests. It will also help every Nevada student from every walk of life feel equal at school by removing the stigma of knowing who receives free or reduced lunch.

There are still many families coming out of the pandemic that could use a little extra help. Today, we have the opportunity to help those families and reduce the number of children who face food insecurity.

Gabby Everett, Director of Advocacy and Research, Three Square Food Bank:

Healthy school meal for all efforts are currently making their way across the nation as previous programming has begun to sunset. We are thrilled that Nevada remains at the forefront of that conversation, as is the Nevada way. The pandemic showed us and taught us so many things. Namely among them is how prevalent food insecurity remains across our state and how reliant students are on accessing nutrition through schools. Prior state and legislative actions on universal school meal funding found that more than 468,000 Nevada pupils have full bellies and clearer heads today due to the current universal school meal programming. This is crucial when identifying that, based on 2021 Feeding America,

Map the Meal Gap data, more than 93,000 children across the Three Square service area of Clark, Esmeralda, Lincoln, and Nye Counties reside in food-insecure households.

As of June 30, 2021, the Clark County School District—the largest school district in our service area—reported that more than 75 percent, more than 240,000 students, qualified for free or reduced-price school meals. This plays a significant role.

Widespread access to school meals lessens stigmas and increases meal participation. At Three Square, we are all about removing the barriers to southern Nevadans being able to access the benefits and services they so badly need to succeed. We believe there is no shame in accessing that community support and we know that when such services are widely available, more are likely to partake in them.

School meal participation leads to improved attendance. Researchers believe this is based on two things: students from low-income households may be motivated to attend school to access food available on site that is not available at home and improved nutrition may decrease the incidence of illness that may keep them out of the classroom.

The Nevada Department of Education continues to grapple with high rates of chronic absenteeism and lacking attendance rates across Nevada schools. Universal school meal legislation is likely to help improve this.

Tangential to improved attendance is improved academic performance. When students have access to the necessities like food, they can focus on the task at hand: learning and applying themselves in the classroom. School meal participation has been proven to improve behavior and test scores and to reduce out-of-school suspension rates.

School meals help alleviate food insecurity and poverty, which is one of the chief focuses of the food bank. School lunch programming alone has been said to lift 1.2 million people, including 722,000 children nationwide, above the poverty line. When schools provide breakfast and lunch at no charge, area households spend less money on groceries, and lower-income families buy more nutritious food.

Additionally, school meal policies have positive impacts on our wider society and economy. A 2021 analysis identified that universal school meal programs generate more than \$40 billion in health and economic benefits, more than double the \$19 billion spent on direct food costs.

Tied to the alleviation of poverty, universal school meal programming eliminates school meal debt, which is burdensome for school districts and for families. Current poverty thresholds used for federal meal programming do not account for families' complex socioeconomic realities which often include debt burdens, health and medication costs, high rent and mortgage costs, and associated high costs of living.

Prior to the pandemic, the state's two biggest school districts, the Washoe County School District and the Clark County School District, reported a collective more than \$150,000 in school meal debt some years. By making school meals universal, we can provide better financial stability to school districts and greater certainty to families.

Finally, school meals improve child nutrition and help to stabilize child health and wellness later into life. School meals help to reduce the risk of childhood overweight and obesity, especially for children in poverty. Through school meal programming, students consume more whole grains, milk, fruit, and vegetables, and generally improve their overall diet quality. The list goes on and on. There are so many benefits that universal school meal programming can have on our communities and state. We request your support on this critical piece of legislation.

Assemblywoman Jauregui:

I will go over the proposed amendment [[Exhibit D](#)]. I would like to move the program into the State Department of Agriculture, where it is currently housed, since it is already set up to administer this program. By moving it there, it will also cover all schools, as I intended. This will keep the program the same as it has been when funded through the Interim Finance Committee (IFC) and will cover public, charter, and private schools so that all students can benefit from this. Because the program cost less than was initially appropriated by the IFC, there is still American Rescue Plan Act funding left to cover the 2023-2024 school year. The appropriation request before you is to reduce the amount in the initial request to \$43 million. That would cover students through fiscal year 2025.

Assemblywoman Kasama:

This is important progress, but I want to clarify two things. Stigma has been mentioned. Are there separate looking cards for students receiving free or reduced lunch versus the students whose parents paid for lunch? What is the current process?

Brittany Mally, School Nutrition Supervisor, Food and Nutrition Division, State Department of Agriculture:

Everybody has a card or personal identification number (PIN) to use in the lunch line. It is confidential to the students. If a kid is getting lunch, some of the other kids might assume that they are free or reduced eligible. That is where the stigma comes from. It is confidential to all the students, but kids talk, and word gets around.

Chair Monroe-Moreno:

In response to that, having my grandchildren in elementary schools, some of the schools have two lines. The students that are not getting a free lunch are in one line, the kids that are getting free lunch go to a separate line at some of the schools. There is that stigma that if you are in that line, you are a poor kid. That is still happening in some schools.

Brittany Mally:

That is against regulations. We go out and review schools to look for that type of thing.

Assemblywoman Kasama:

My other question with this program is regarding federal funding. I want to capture federal dollars. The state can get federal dollars reimbursed for free and reduced lunch when students are enrolled. We are spending state money on this, and I want to make sure that the state gets reimbursed every penny possible with federal dollars. I want to make sure this does not change when people register at the schools, that they are still filling out the paperwork necessary to receive federal dollars to offset some of this, so that we can provide even more. I want to make sure that this process is still being done, and that parents are encouraged to still do that, so the state gets that federal funding.

Brittany Mally:

Yes. We ask that the school districts and the schools in the school lunch program send out applications and encourage parents to fill it out. There are other benefits besides school lunch to do that. We require that they send out applications and collect that, and we made a strong push for that this year, especially to try to extend funding to cover meals as long as possible. Federal dollars covered 73 percent of meal reimbursements for this year.

Assemblywoman Kasama:

This will continue, correct?

Brittany Mally:

Correct.

Assemblywoman Anderson:

As an educator, I recognize that Maslow's hierarchy of needs—being safe and well fed—is much more important than Bloom's taxonomy, which is what I get to do in the classroom.

What is the average cost to the department per school breakfast, and how much does the federal government usually reimburse?

Brittany Mally:

If a student qualifies for free breakfast, the federal reimbursement is \$2.26. If a student qualifies as paid eligibility, the federal reimbursement is 50 cents, so the Department would cover the difference of \$1.76.

Assemblywoman Anderson:

This would help alleviate the issue of school districts having to pay the difference, is that correct?

Brittany Mally:

Correct. The school district or the student would no longer have to pay—maybe \$2—for breakfast if they did not qualify for free.

Assemblywoman Anderson:

With the amendment, this will be for pre-K through 12th grade in charter schools as well as in traditional public schools. Is that correct?

Assemblywoman Jauregui:

Yes. This appropriation will fund a continuation of the current program, which covers students in pre-K through 12th grade in charter, private, and public schools.

Assemblywoman Dickman:

I have two questions. Is this \$43 million after the federal reimbursement? If so, what is the total cost of the program?

Brittany Mally:

I do not have that number, but at this point, the state has spent \$40.7 million in American Rescue Plan Act (ARPA) funds to cover the reduced and paid breakfast and lunch this school year. Federal funds have covered 73 percent of the cost. I will follow up with those totals.

Assemblywoman Dickman:

My other question is about the cards referenced earlier. A couple families have contacted me. People sent their kids to school with lunch, and then at the end of the school year, they received a \$500 debit card for each of their children. If students are not eating the school lunch, do they get the money?

Brittany Mally:

No. Those cards are related to the Pandemic Electronic Benefits Transfer (P-EBT) program and the Summer P-EBT program, which is now ending. There is one more for this summer. That is a separate program.

Assemblywoman Dickman:

Did everybody receive those?

Brittany Mally:

That program applied to students who qualified for free or reduced student eligibility, and students who attended a school with community eligibility provisions, so no, not everybody.

Assemblywoman Dickman:

The families I heard from would not have qualified, but maybe they went to that type of school.

Brittany Mally:

All students who attend a school with community eligibility provision would have received that. A higher income family could still qualify for that program based on enrollment in a qualified school.

Assemblywoman Dickman:

For the program in A.B. 319, they would not get any cash. Is that correct?

Brittany Mally:

Correct.

Assemblyman Miller:

I think it is so important that our youth have one less thing to worry about as they are getting their education. You mentioned cards and PINs; what is the difference? Who gets a card, and who gets a PIN? Is it decided by the school, depending on how they run their food program?

Brittany Mally:

It depends on the school. It is the same thing. It is not that some kids have a card and some have a PIN. The PIN is on the card. The card has a barcode to scan. Usually, younger kids use the cards because they cannot remember their PINs. It is the same system. It is dependent on the school, and what they want to use.

Assemblyman Miller:

Would a whole school have PINs, and another school would use cards? Is it by age or group, or determined by student?

Brittany Mally:

Correct, by age or group. Usually, as the students get older, they can remember their PINs, and it is easier and quicker for them to put that into a touch pad.

Assemblyman O'Neill:

I understand and support the free lunch program for those that cannot afford meals. I understand the value added to the education system, and the improved ability to learn when not hungry. You said that it is confidential whether they are entitled to a free lunch. As we look at money spent in education, if those that can afford to pay, pay for their own lunches, money that is now going to their free program could be utilized to support the children and programs in need. There are other expenses that it could go to. There is other usage. I have an issue with those that can afford, getting free lunch. Could you please explain the value? Ms. Everett's comments were about support for those in poverty. What is the benefit in supplying free lunch to those above the poverty level? There was also a statement of assumption. I cannot deal with assumptions; we cannot help that at all. We cannot legislate what someone may assume.

Assemblywoman Jauregui:

There are many families that may miss qualifying for free and reduced lunch programs by a small margin. This helps those families who can send their kids to school with lunch, but maybe not a breakfast. Another benefit of the program is not just providing the meal, it is the type of meal. Many students live in food deserts. A lot of those kids, when they do have meals, are not eating the most nutritious meals. The free breakfast and lunch program

ensures that these students are not just getting food, but they are getting a well-balanced meal. They are getting a well-balanced lunch which leads to one of the most important things: improved classroom performance. We want to set our students up for success, and studies show that having a well-balanced breakfast and lunch improves classroom performance for students.

Gabby Everett:

As I mentioned, the current federal programming, its standards, and the federal poverty level set for qualification do not factor in the many other socioeconomic factors at play. It is strictly based on income levels; it is not looking at other factors such as higher costs of living, rent increases, or pieces like that. If those other pieces are burdensome for them—if they are just outside that threshold—once universal school meals go away, they will have to pay for each of those. That, from our perspective, is one of the ways others could benefit from this.

Assemblyman O'Neill:

I agree with the policy for those in poverty, or below that level. As a single parent, I provided good meals for my children every day when they went to school—breakfast, lunch and dinner. I think that money could be redirected to other educational programs. That is the one issue I have with this. I believe that a person earning \$100,000 to \$200,000—and we have people that earn several thousand dollars per year—can supply decent lunches and breakfasts for their children, and the money saved could be redirected. You still have not educated me enough on that need.

Chair Monroe-Moreno:

The IFC made a policy decision that we wanted our children to be fed. We saw that families, as we worked and lived through the pandemic, needed a little extra help. There were federal dollars to do that. I appreciate you taking the opportunity to look at how we can continue to feed our kids, because the other educational programs that are going on in our schools will not be successful if our children are hungry, regardless of the economic situation of their families.

Is there anyone wishing to testify in support of A.B. 319?

Caitlin Gatchalian, Nevada Government Relations Director, American Heart Association:

I would like to thank Assemblywoman Jauregui for sponsoring this bill. The American Heart Association supports A.B. 319. In 2019—pre pandemic—each day, nearly 30 million students received their midday meals through the National School Lunch Program, and more than 14 million students received their morning meals through the School Breakfast Program. These numbers include all participating children—free, reduced price, and full price. There are many benefits of free school meals for all.

Universal school meals help to:

- Recognize that meals are just as important as textbooks for students' academic success.
- Remove stigma and increase participation among students who are already eligible for school meals.
- Help students who fall through the cracks and do not qualify, but need assistance because of increased cost of living.
- Relieves administrative burden on school districts and families.

The American Heart Association believes all children should have access to quality nutritious school meals. Nutritious school meals help to combat unhealthy weight and poor cardiovascular health as well as establish a foundation for a lifetime of healthy behaviors, reduce the risk of diseases, and support cognitive development and academic success. Ending child hunger is something everyone can and should agree on. Please support A.B. 319.

Shane Piccinini, Government Relations, Food Bank of Northern Nevada:

I thank all of you for the work that you did during the interim in making sure that Nevada was one of five states that provided universal free lunch to their students during the pandemic. Nevada was a leader across the country in making sure that our students had access to the nutrition they required. I fully support A.B. 319. I thank Assemblywoman Jauregui for bringing this bill forward.

It is worth noting that the Food Bank of Northern Nevada is currently serving 137,000 people every single month. Universal free lunch is assisting the food banks in being able to provide additional support to the families as the P-EBT benefits went away in April. We have spent a lot of time talking about the gap that the P-EBT expiration has created in the food safety net. This bill is a critical step in ensuring that Nevada families are getting exactly the support that they need.

Additionally, I would like to see Nevada continue its leadership role in making universal free lunch permanent. This is a program that is well worth the investment. There are three years of history demonstrating how effective it is. Since March 2020, the Food Bank of Northern Nevada has worked with the Nevada Department of Agriculture and the United States Department of Agriculture (USDA) to ensure that the school districts in Nevada had the flexibilities that were required to ensure families' needs were being met.

This bill continues the hard work that we put into this effort over the last three years. I give my heartfelt thanks for the support that you have given us, and I ask you to please continue to support the work of the food banks and school districts to ensure that everybody's needs are met at this critical time.

Sarah Adler, representing the Charter School Association of Nevada:

I was an inaugural member of the Governor's Council on Food Security, established during the Sandoval administration. The first thing we did was pass Senate Bill 3 of the 79th Session, referred to as "Breakfast after the bell," to make breakfast fully available to students. It has been extremely positive for student education. Maslow's hierarchy of needs starts with shelter. Census data shows a correlation between families suffering from housing instability and food insecurity and those suffering from anxiety and depression. By alleviating the food risk piece, we help our kids be learners. Tammy Stockton, the founder of High Desert Montessori School, which serves low-income families primarily in Northeast Reno, said that when this pandemic assistance arrived, it transformed the school. We urge your support of A.B. 319.

Be-Be Adams, representing Boys and Girls Club Nevada Alliance:

The Boys and Girls Club Nevada Alliance is in support of A.B. 319. The Nevada Alliance operates 74 clubhouses based in community facilities and schools in urban and rural settings throughout Nevada. Of the 74 clubhouses, 33 are housed in schools. These include elementary, middle, charter, and faith-based schools. Over 22,000 youth and teens participate in the club, statewide. Annually, we serve over 400,000 meals and 220,000 snacks, finding that our youth often arrive at our programs hungry and are facing little to no food when they arrive home in the evening. Assembly Bill 319 is a step toward ensuring youth are not burdened with the distraction of hunger during the school day, leading to better academic performance, positive peer connections over mealtimes, and healthier communities. We look forward to future conversations to expand meal and snack services during the critical out-of-school-time hours with key youth development services, such as the Boys and Girls Clubs.

Chris Daly, Deputy Director, Government Relations, Nevada State Education Association:

The Nevada State Education Association has been the voice of Nevada educators for over 120 years. The Nevada State Education Association supports A.B. 319 to fund universal free school meals in Nevada. As reported by the National Education Association, free, nutritious meals for all students have many benefits.

School meals support learning. Students who participate in school meal programs have improved attendance, behavior, academic performance, and achievement. Research has clearly demonstrated the link between school meals and student success, which is especially important now as schools and educators continue to combat the loss of learning opportunity during the COVID-19 pandemic.

School meals promote healthy eating habits. Students who participate in school meal programs consume breakfasts and lunches of higher nutritional quality, and are more likely to eat fruits and vegetables. School meals improve health outcomes. Participation in The School Breakfast Program is associated with lower body mass index, lower probability of being overweight, and a lower likelihood of obesity.

Providing school meals for all improves efficiency. School meals cost less per student when more students participate in a free meal program. One study found that schools that participated in a universal meal program spent 67 cents and 58 cents less per lunch and breakfast, respectively, while maintaining the same nutritional quality.

Providing school meals for all keeps the focus on nutrition and students. Free meals for all students means food service workers can focus exclusively on preparing and serving healthy and nutritious meals to our students, without having to worry about unpaid meal debt collection and burdensome paperwork.

Tara Raines, representing the Children's Advocacy Alliance:

The Children's Advocacy Alliance is in support of A.B. 319. Thank you for making the decision to initiate this program during the pandemic, and for considering the continuation of the program. As was previously noted, proper nutrition—especially in the morning—has a significant impact on children's cognitive function and academic performance. Studies have shown that children who eat a nutritious breakfast tend to have improved attention spans, memory, problem-solving skills, and overall academic achievement. Hunger and malnutrition can affect a child's mood, behavior, and emotional well-being. Providing regular meals, including breakfast and lunch, helps stabilize blood sugar levels and ensures children have energy and nutrients needed for emotional regulation and overall mental health.

Meals at school provide an opportunity for children to socialize and develop important social skills. Eating together promotes social interactions, communication and the development of teamwork and sharing. Finally, for many children, especially those from low-income families, school meals, may be their most reliable and nutritious source of food. Breakfast and lunch programs in schools help address food insecurity and ensure that children receive at least two healthy meals each day. Overall, providing children with breakfast [unintelligible] academic success.

The Children's Advocacy Alliance overwhelmingly supports A.B. 319. We appreciate your support for the children and families of Nevada.

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

We would like to extend our support for A.B. 319 and echo the comments from the presenters and those in testimony of support. The Health and Nutrition Program through University of Nevada, Reno Extension delivers education on healthy eating and physical activity throughout Nevada schools in lunchrooms and classrooms. We can see firsthand the benefits of providing access to healthy nutritious meals to all Nevada students.

As a previous testimony mentioned, University President Sandoval started the Governor's Council on Food Security, and out of that highlighted this particular need for food access in schools. All around, this is a great program that provides access to nutrition for our students and helps them to be most successful too. We fully support.

Maria-Teresa Liebermann-Parraga, Deputy Director, Battle Born Progress:

I am here in support of A.B. 319, not just because Battle Born Progress supports it, but because I was a kid who benefited from these programs, especially when my family was going through tough times. My mom was working two jobs, and it was still not enough. I needed to have access to this program. This program saved my health and sanity in school. All of those benefits that we have heard from all of the experts and the sponsor are things that I saw directly. We need to ensure that all kids in Nevada have access to this program, because we never know when a kid is going to need it. Please pass A.B. 319.

Dawn Matusz, Public Policy Coordinator, Nevada Academy of Nutrition and Dietetics:

As nutrition professionals, we have a vested interest in providing adequate nutrition to children through the provisions of school meals. Since their inception, school meal programs have improved the health and well-being of schoolchildren, simply by providing meals to those who may not otherwise have them. For many of these children, school meals are the only meals they receive each day. I echo the statements of others regarding the benefits of school meals.

In addition, I would like to call attention to why these programs were created in the first place. The National School Lunch Program was created in 1946, partly as a national security measure. The Great Depression wreaked havoc on the health of our nation's children and the long-term effects of malnutrition rendered many young men unfit for service during World War II. Policy leaders at the time recognized the need for a stable program that provided lunches in schools, and the National School Lunch Program was born. Twenty years later, the School Breakfast Program was created.

Today, we are facing the same national security dilemma, only the pendulum has swung the other way. The long-term effects of obesity and other chronic diseases, like diabetes and cardiovascular disease, are leaving many young men and women unfit for service. These diet-related diseases are showing up in our children more frequently due to the nation's overall eating habits. However, school meals are held to a higher standard; they must meet the dietary guidelines for Americans in almost all categories. For instance, there is a limit to the amount of saturated fat, sodium, and sugar each meal may contain. In addition to limiting certain nutrients, school meals must also include minimum amounts of nutritious foods like whole grains, fruits, and vegetables. Overall, school meals are the healthiest meals children consume throughout the day.

Not only do school meals provide nutrition, but they also teach nutrition to our students. As such, school meals are a crucial part of the health and well-being of Nevada's children. We thank you for considering this important piece of legislation.

[[Exhibit E](#), [Exhibit F](#), and [Exhibit G](#) were submitted in support of A.B. 319 but not discussed, and are included as exhibits to the hearing.]

Chair Monroe-Moreno:

Is there anyone wishing to provide testimony in opposition to A.B. 319?

Janine Hansen, State President, Nevada Families for Freedom, State Affiliate National Eagle Forum:

This is a lot of money; \$43 million in tax dollars. It is not the responsibility of the government to feed our children. It is a parental responsibility, and this usurps that. One of the reasons that parents cannot afford to feed their children is because of the high cost of government. According to the Institute for Policy Innovation in the United States, the total tax burden—including federal, state, local, and hidden taxes—is equal to 56 percent of annual personal consumption spending. Fifty-six percent is more than a person spends on housing, food, health care, transportation, education, and recreation. How can people possibly take care of themselves with the high cost of government? To continue to increase government spending is irresponsible. Spend less, lower taxes, and families can take care of themselves.

The Noah Webster Educational Foundation, in reviewing federal programs for breakfast and lunch, said it is no secret that nearly anything government is involved in ends up with mishandled finances, unnecessary costs, and inefficiency. The current federal school meal programs are plagued with these issues. According to the Office of Management and Budget (OMB), the National School Lunch Program lost nearly \$800 million, owing to improper payments because of misspending. School lunch is a prime example of the inefficiency of these types of federal programs. The Niskanen Center states that, according to the spending and participation figures from OMB and the USDA, costs have continued to rise, despite the fact that the total number of students in the program has declined.

Previous research shows that there is tremendous food waste in the public schools, and it is substantial in magnitude and value. Please protect our families. Do not increase the cost of government. Lower taxes so we can feed our own kids.

Lynn Chapman, State Treasurer, Independent American Party:

The Noah Webster Educational Foundation did an evaluation of the National School Lunch Program, and they found that the Heritage Foundation pointed out, in the current program:

"According to the Office of Management and Budget, the national school program lost nearly \$800 million, owing to improper payments in FY 2018, while the school breakfast program lost \$300 million. The Office of Management and Budget calls these programs high-priority programs because of misspending."

According to the USDA School Nutrition and Meal Cost Study, the average school meal program operates at a slight deficit. The study also found the reported cost of offering school meals generally exceeds the federal reimbursements allotted for those meals. It does not appear that the country in general can afford to provide free school meals to all students regardless of their qualifying status. According to one PubMed Central study, an estimated \$1.2 billion worth of school food is wasted each year. Skeptics of free meals for all schoolchildren fear that waste will only continue to rise if universally free school meals are an option.

A Cambridge University Press study appears to support those concerns. "U.S. public schools, which serve 7.4 billion meals to more than 30 million children, represent a prime target for food waste reduction. Previous research suggests that food waste in U.S. public schools is substantial in magnitude and value and School Breakfast Program participation continues to increase and universal free school meal programs expand total food waste in such programs is expected to rise."

Whether federal dollars or state dollars, it all comes from the taxpayers; the program is not free. This is a bad idea for all taxpayers. Vote no.

Michael Ryan, private citizen:

I am a long-time resident of Nevada, and a Marine Corps veteran. Please oppose A.B. 319, universal free breakfast and lunch for all children in school paid for by taxpayers. We do not want the government spending \$43 million—or \$100 million—in tax dollars on government free breakfasts and lunches. Instead of more government spending, cut taxes and encourage parents to take responsibility for their own children. That is their job. Please vote no on A.B. 319.

Cyrus Hojjaty, private citizen, Las Vegas, Nevada:

I oppose this bill. I believe this bill will encourage not-so-responsible behavior. It will encourage more low-income people to have children that they cannot afford; that is the argument about the welfare system. Not to mention, it will encourage poor family structure; this is one of the reasons why we have such a desire for this program. This will mean more taxpayer funds funneling to this program, and it will mean less economic activity coming from others who are not participating. In addition, a lot of these funds are coming from the federal government, which means the money is created out of nothing through high deficit suspending from the Federal Reserve.

Another issue is that the folks who will disproportionately use this will be children of illegal immigrants, which is one of the reasons why we have such a high demand. Not to mention we have a border crisis.

What kind of food is going to be provided? Is the food going to be organic? Is it going to be produced at a higher standard or will the food be infected with GMOs and other toxic ingredients like we have had for decades? How can we prove necessarily that these families are low income? Not to mention—why do we have such a demand? Why do we have such low income? Are there no other ways to reduce income inequality in this country, such as the fact that CEOs of many companies headquartered in the state make 500 times more than the typical employee? There are other measures that can be done.

More importantly, can you tell us whether the efforts of the so called "pandemic" actually work, and that they actually meet the goals that they were supposed to do? Other than that, I urge you not to support this bill, or at least have a six-month program to see how it goes and we can go for a review.

[[Exhibit H](#) was submitted in opposition to [A.B. 319](#) but was not discussed, and is included as an exhibit to this hearing.]

Chair Monroe-Moreno:

Is there anyone wishing to provide testimony in a neutral position?

Barry Cole, Private Citizen, Reno, Nevada:

I am a retired psychiatrist, but curiously, also a Boy Scout leader, which taught me a lot. And the reason I bring this up is that children are far more attentive to each other's behaviors than adults appreciate. They know who got two cookies and that they only got one. They look at the size of his ice cream scoop and looked at theirs. They keep track of how many pancakes someone got by going through the line multiple times. There is an interesting observation that if everybody eats the same meal, if everyone interacts together, there is opportunity to lessen discrimination. Kids will not be able to tell who is poor.

At the California Department of State Hospitals—Atascadero, severely mentally ill people are integrated into meals with a social skills trainer. That trainer teaches them not to say, "Salt," but to say, "Please pass the salt." This can be an interesting opportunity for education and socialization, perhaps reducing social tension—an unintended consequence, but maybe an interesting consequence. I hope that consideration will be given for all the things we have heard today, but then think of the unexpected benefits.

Assemblywoman Jauregui:

We have all spoken at length about our commitment to improve education. This program improves classroom performance, decreases chronic absenteeism, and improves student behavior in the classroom, improving our education system overall. The USDA says that one in six children in America face food insecurity. This is not a political issue for me; this is about our responsibility to our children, and giving them every opportunity and tool to have the most successful education that they can.

Chair Monroe-Moreno:

With that, we will close the hearing on [A.B. 319](#) and open the hearing on [Assembly Bill 428 \(1st Reprint\)](#).

[Assembly Bill 428 \(1st Reprint\)](#): Revises provisions relating to economic development. (BDR 18-775)

Assemblywoman Shea Backus, Assembly District No. 37:

Over the course of this 82nd Legislative Session, we have regularly been reminded of the severe educator vacancy crisis. [Assembly Bill 428 \(1st Reprint\)](#) provides a significant investment in a transformative program to help Nevada address this vacancy crisis for years to come, by home-growing educators right here in Nevada. Prior to diving into the cost of the program, I would like to provide a high-level overview of the architecture of this bill, and the intent behind it.

Assembly Bill 428 (1st Reprint) offers high schoolers in Nevada a road map to directed learning, dual credits, a degree, no student debt, and a job as a teacher in Nevada. The program will be offered to high school freshman in all high schools in Clark County. This is the only way that we can begin to recruit and develop the diversity we need reflected in our educators. High school freshmen will be recruited and told that if they complete the program in high school, they will not only earn 12 credit hours, but they will also be eligible for admission at any Nevada institution of higher learning to study education.

During high school, these students will be assessed regularly for any types of barriers, especially socioeconomic barriers to their completing the program. To the extent any such barriers exist, the program will help identify and provide wraparound services necessary to help these students succeed. After high school, if the students then complete the program in higher education and graduate, they will be offered a teaching job in a Nevada school district. If they teach for three years, all this college tuition that was not otherwise covered will be abated through payments from the Office of the State Treasurer.

This bill will not only help to fix the vacancy crisis in a real and meaningful way, but will also help countless young Nevadans potentially find a rewarding career as a Nevada educator. They will have a vision for the future that includes tailored education, a debt-free degree, and a job at the end. This is truly an investment in Nevadans and Nevada's future.

Both the Nevada System of Higher Education (NSHE) and the Governor's Office of Economic Development have removed their fiscal notes. There is a fiscal note from the Department of Employment, Training and Rehabilitation reflecting the startup cost for the program of \$289,026 in fiscal year (FY) 2024 and \$331,870 in FY 2025. The first biennium is much higher, but the anticipated cost for future biennia is \$413,740. The Nevada Department of Education (NDE) anticipates a cost of \$198,591 in FY 2024 and \$229,220 in FY 2025. Costs for the NDE in future biennia is anticipated to go up to \$492,823. There is a fiscal note from the Clark County School District in the amount of \$12,800,000. However, that will likely be slightly higher, with salary adjustments.

Lastly, there has not been a fiscal note submitted, but the proposed amendment [[Exhibit I](#)] includes a \$10 million appropriation to the Office of the State Treasurer. A budgetary fiscal note is not expected from the Office of the State Treasurer for the investment of these funds; those funds would go directly to the educators' reimbursement of college expenses.

The anticipated total is approximately \$26,000,600 to cover the startup of a grow-your-own educator pipeline in Nevada.

Daniel H. Stewart, representing the Clark County Education Association:

I will walk through the proposed amendment because it may address some of the concerns that have come up since the bill was passed out of the Assembly Committee on Revenue [[Exhibit I](#)]. It also reflects a good working partnership with the Nevada Department of Education.

The \$10 million to the Office of the State Treasurer will go into an interest-bearing account. After high school, college, and then years of teaching, the first group eligible for full reimbursement is anticipated in five to seven years.

The proposed addition to section 1, subsection (b) changes the tuition reimbursement from an all-or-nothing system—paying the full amount after completing three years of teaching in the state—to a staggered approach—reimbursing a third of the total after each of those three years. Three years is what they ultimately have to put in to get the entire amount, but if they have a family crisis or something after year two, they will not suddenly owe everything.

This is a last-dollar scholarship. In the bill and the reprint, NSHE and NDE will work on the wraparound services, such as identifying college readiness, identifying to which universities or colleges the student is eligible, helping them apply for whatever additional scholarship funds may be available. This is meant to be the last dollar to ensure that graduates have no outstanding student debt after this.

Numbers three and four discuss work-based learning [page 1, [Exhibit I](#)]. Although we are talking about the educator pipeline right now—because it is probably our most urgent crisis—the goal is that this becomes, in some respects, a plug-and-play model for all types of workforce development so that K-12 and higher education are not only aligned in providing education, but they are also aligned with state needs as this body starts identifying where we are going to need jobs in the future. This program will be housed in the Governor's Office of Workforce Innovation (GOWINN), but the NDE will administer the educator portion. If this program is successful, GOWINN will take on the administration of similar programs for other professions. That is why the ability to work with NDE on work-based learning programs has been added. My understanding is that a lot of this already exists; I will continue discussions with NDE on that.

The fifth item on the amendment changes the grade level at which this program would be available [page 2, [Exhibit I](#)]. Originally, students would be recruited as high school freshmen then start the program as juniors. Adding four-year programs adds more flexibility on the number of years that they take to complete the program. A qualifier was added that every high school with at least 250 students in a large school district must offer the program. This bill applies only to Clark County School District, but the addition of this language exempts smaller high schools.

Again, this mentions that they will be assessed prior to entering high school, so that programs may begin as early as 9th grade.

I need to make a clarification in the next portion. A portion was mistakenly deleted regarding identifying potential barriers. The intention was to make this broader, but some of the language was taken out. These two versions will likely merge. That will get cleaned up, but that is the reason for this change.

There have been concerns and questions about why this is not statewide. We are making steps to make it statewide, but we are already shooting big in mandating this in all Clark County high schools. That is 49 schools. If we try to do too much too fast, it might not work. However, by putting the NDE in charge of the program, a few things in these amendments open the door to this being statewide.

Other districts may offer this program, and if the program meets the same criteria, they will be eligible for the tuition abatements as well. Additionally, the NDE can set statewide curriculum for the program, so that all the schools do it in the same way.

Lastly, we want to be clear that we are not trying to supplant any programs that the NDE already has. Programs that already have a full-time teacher may need to change programming, but they will not need to hire a new teacher and then have two competing programs in a high school.

Chair Monroe-Moreno:

Is the \$10 million to the Office of the State Treasurer listed under number 2 in the amendment the revenue source that will provide the reimbursement for tuition?

Daniel H. Stewart:

Yes, that is correct.

Chair Monroe-Moreno:

How will that be replenished? Will this fund be able to accept donations and gifts, or would this be included in the Treasurer's base budget moving forward?

Daniel H. Stewart:

There are no limits on how it could be replenished. I would like to see what the \$10 million looks like six years from now, and then after certain students begin receiving reimbursement each year. If it is a successful program, there will likely be a request, like the Millennium Scholarship, to seek additional funding from the Legislature.

Assemblywoman Backus:

I want to add on that. It would be a good idea to include in the amendment the traditional language that the Office of the State Treasurer be permitted to accept gifts and grants for this program.

Chair Monroe-Moreno:

What is the estimated cost for these proposed reimbursements over the 2023-2025 biennium?

Daniel H. Stewart:

No reimbursements are expected in the next two years. The first reimbursements are anticipated in nine years.

Assemblywoman Jauregui:

Are there projections for the average reimbursement in nine years?

Daniel H. Stewart:

Yes. Different schools have different expenses; the highest is approximately \$28,000. That does not factor in any additional scholarships, such as the Millennium Scholarship.

Assemblywoman Jauregui:

That answered my second question of whether students would be eligible for the Millennium Scholarship and tuition reimbursement. They would be able to participate in both programs.

Daniel H. Stewart:

That is correct. This is a last-dollar scholarship. It is meant to clean up whatever other scholarships are not already covering.

Assemblywoman Jauregui:

The appropriation request is for \$10 million to be put into an interest-bearing account this year, but the first payments are not going to go out for nine years. Will the interest earned be used solely for this program? After earning interest over the next nine years, this will be a lot of money. I want to make sure it will stay with the program. Do you have an idea of how much is going to be earned? This will expand the program significantly, which is a good thing.

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

The market could change, but using a model of compounded interest based on the one-year treasury benchmark—approximately 5.02 percent, or 502 basis points—a \$10 million investment would increase to approximately \$13.4 million in six years, and approximately \$15.6 million in nine years. That is the importance of putting it in an interest-bearing account.

Assemblywoman Anderson:

Will this help the students that are currently in career and technical education (CTE) programs in schools? Has there been discussion about the students that are currently in CTE programs?

Daniel H. Stewart:

Yes, there have been discussions. There was somewhat of a back-and-forth about whether it be five years or nine years to include those students. There will be some discussion, especially if they are coming in to senior year and it looks like they have done the 12 credits already and it looks like they are eligible. There is a possibility at that point that they could accelerate into five years.

Assemblywoman Anderson:

Maybe that could be in the regulations and discussions with the NDE.

Secondly, being part of the policy committee that heard this, I understand that it is an attempt to diversify the education world, which is important and desperately needed. Could you expand on the statement that it opens the door to statewide items? There is a teacher shortage in every county, not just the one.

Daniel H. Stewart:

The students are eligible for the abatement if they serve in any district in the state of Nevada. It could be a high school student from Las Vegas that goes to the University of Nevada, Reno, and then teaches in Washoe County. That would all be part of the program, as written.

The door is open to the extent that, if the program is successful, it can rapidly scale up. That is why we wanted the partnership with the NDE. The NDE will set the curriculum and can choose to move the program into other high schools. Granted, there would be additional costs, but there will be a clear expectation of how an expanded program should look.

Assemblywoman Anderson:

Would students attending CTE academies in other counties be eligible for the reimbursement? It sounds like only Clark County graduates of CTE programs are eligible.

Daniel H. Stewart:

Graduates of any CTE program that otherwise meets the requirements in any county in Nevada would be eligible.

Assemblywoman Brown-May:

Some current college students are employed in our school districts, working as interventionists or alternatively licensed educators. They are working while they pursue teacher licensing. How does this interplay with that?

Assemblywoman Backus:

Because I am a numbers person, and I was focusing on how much this will cost each year, I may have overgeneralized, working under the assumption that people would go to high school for four years and college for four years when doing the math. We had this discussion in the policy committee. In reality, there is not a traditional pathway. This is the reason for identifying potential barriers and addressing concerns early. The program is not intended to mandate that someone finishes college in four years. Also, more importantly, the bill allows students in their college years to be paraprofessionals, and to be in the classroom. They can also do internships at nearby elementary schools or middle schools, to get them already in the classroom so that we have a pathway to long-term educators in our community. They will have always been in the classroom; it will be a comfortable place. It is a full, well-rounded program.

Daniel H. Stewart:

This is not intended—at least not right now—to be the only pipeline option. There are other bills being considered, and there are programs already in place—especially for people that

are paraprofessionals and so forth. This is not meant to supplant that or take that away. This is meant to set up a long-range program.

There are only two ways to get out of this vacancy crisis. You can go to the market to compete with all the other states in the United States, but sometimes trying to get people to come live in places like Las Vegas can be hard. Nevada is not often competitive in the market. That means the only other way is growing at home.

There are more immediate programs. This is meant to be a long-range vision from high school to a job.

Assemblywoman Brown-May:

I appreciate the flexibility in programming to encourage student teachers interested in pursuing this long-term and still allow them the opportunity to pay their rent while they are going to school. The opportunity to be paid as paraprofessionals while they access this kind of program further helps our young really come into the education system and stay there long-term.

Chair Monroe-Moreno:

Is there anyone wishing to provide testimony in support of A.B. 428 (R1)?

Marie Neisess, President, Clark County Education Association:

It is no secret that we are currently facing an educator vacancy crisis in Nevada. We do not have the capacity to grow the next generation of educators without creating the kind of pipeline A.B. 428 (R1) represents. To put the scale of the crisis in perspective: over the next decade, we will need 14,000 new educators in Clark County alone. Statewide, that will be 19,000 educators.

There is not only a problem of recruitment; there is also a problem of retention. As of May 1, 2023, from the start of the current school year, the Clark County School District (CCSD) hired 2,100 educators. During that same time period, we also lost another 1,200 educators. That leaves us with nearly 1,400 vacancies remaining as we close out the school year, with more than 1,100 of those being in hard-to-fill positions. That equates to more than 30,000 students in CCSD without a licensed educator in their classroom. These trends are only growing.

Through the existing CCSD teacher CTE program and the number of annual graduates from NSHE entering the profession, we are not producing enough new educators to address our vacancy crisis. We need to build this pipeline so we can fill these positions with homegrown Nevada educators who reflect the diversity of our communities and are invested in our communities. Assembly Bill 428 (1st Reprint) is an ambitious bill, but this moment requires us to be ambitious if we are serious about ending the crisis of preparing all our students for the future.

By connecting K-12 with higher education as a model for workforce development, we can meet this moment and set our state up for success across the board moving forward. We urge your support for A.B. 428 (R1).

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

The Nevada System of Higher Education is in support of A.B. 428 (R1), and the other teacher pipeline bills currently in the Legislature as well. We would like to thank Assemblywoman Backus and the bill presenters for working with us on language that would allow us to remove the fiscal note.

Anthony Ruiz, Deputy Chief of Staff, Office of the President, Nevada State College:

Nevada State College is in strong support of this bill. We were happy to support this in the policy committee. I like the amendment, particularly the parts that move certain provisions to GOED, as well as allowing students to start as early as 9th grade.

Nick Schneider, Policy Analyst, Government Affairs, Vegas Chamber:

The Vegas Chamber is also in support of this bill. We believe it is an essential way to address the teacher shortage here in Nevada. It benefits Nevadans and, of course, it is an efficient use of tax dollars.

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

The Nevada Faculty Alliance is in support. It is an interesting long-term investment model. On the question of time to completion: with advanced placement credit and dual credit, some folks now graduate from high school with an associate degree and can get out quicker, so it might be a little earlier.

Nicole Roarke, Director, Government and Public Affairs, City of Henderson

The city of Henderson recognizes the need for more teachers in our schools. We also recognize the need for more programs to find interest for kids when they are in high school so that they see a pathway going forward. For those reasons, we are here in support.

Amber Stidham, Senior Vice President, Chief Strategy Officer, Las Vegas Global Economic Alliance:

The Las Vegas Global Economic Alliance knows that workforce development often starts in the classroom. We are enthusiastic about opportunities that work to introduce students to various career pathways. We are in support.

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

We are in support of A.B. 428 (R1). We thank the sponsor for bringing this bill and identifying innovative pathways for our students to look for teacher pathways into the workforce.

Chair Monroe-Moreno:

Is there anyone wishing to provide testimony in opposition to A.B. 428 (R1)? [There was no one.] Is there anyone wishing to provide neutral testimony on A.B. 428 (R1)?

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

The Governor's Office of Economic Development is neutral on the bill. With the amendment, we are rescinding our fiscal note.

Chair Monroe-Moreno:

During the presentation, some adjustments to fiscal notes were mentioned. Presenters should follow up with updated fiscal notes to the Committee.

Daniel H. Stewart:

We will do that.

I would also like to clarify the difference between Clark County and the other counties. How this bill is set up, only Clark County is mandated to have a CTE instructor in every high school. The only way we are going to diversify the teaching force, especially in Las Vegas, is to make sure we hit every single high school. It is mandated in Clark County; it is not mandated elsewhere. However, to the extent that the other counties have programs that match up, they will be eligible for the same benefits that any Clark County student would.

Assemblywoman Backus:

I know this is a big ask, but it truly is an investment in Nevada's future. We will get you all the additional information. We may need to submit another amendment to clean up some language discussed today.

Chair Monroe-Moreno:

With that, we will close the hearing on A.B. 428 (R1) and open the hearing on Assembly Bill 430 (1st Reprint).

[Assembly Bill 430 \(1st Reprint\)](#): Revises provisions relating to cannabis. (BDR 32-893)

Assemblywoman Shea Backus, Assembly District No. 37:

Assembly Bill 430 (1st Reprint) addresses two issues: clarifying the taxation of cannabis vaping products and fixing the calculation of the wholesale excise tax on sales of cannabis and cannabis products.

The Department of Taxation submitted an unsolicited fiscal note after the first reprint of the bill which decreases the amount from the original fiscal note. According to the most recent fiscal note, the bill would require the Department of Taxation to adopt regulations, revise forms, implement changes into the computer system, and hire a Compliance Audit Investigator II. The total amount of this new fiscal note is \$223,499.

Chair Monroe-Moreno:

Revenue from cannabis goes into the State Education Fund while revenue from tobacco products go into the State General Fund. What is the anticipated impact on collections deposited from other tobacco product (OTP) taxes in the unrestricted General Fund by excluding cannabis vaporizers?

Assemblywoman Backus:

Under A.B. 430 (R1), only vaping products that can solely be used for cannabis would be removed from the OTP category. Other vapor items would remain in the OTP category, with the revenue going to the General Fund. There was a variety of items before the Assembly Committee on Revenue being requested to be removed out of the OTP provisions; it is difficult to quantify.

It is similar in revising the wholesale tax. The law states that wholesale cannabis be taxed at 15 percent. The reality is that some wholesalers—especially those that are not vertically integrated—are in a situation where they are probably paying more than 15 percent on products sold at the wholesale level because of how the fair market value is taxed.

I think your concern is the decrease in the General Fund; I am hoping it is nominal.

Assemblyman Watts:

It looks like the plan moving forward is to essentially have two paths. Vertically integrated businesses will still use the fair market value to ensure a sales price is not manipulated. Currently, fair market value is used for everybody, but it is a lagging indicator. With this bill, for those not vertically integrated, taxes will be based on the actual sales price. That makes sense and will address some of the issues that have been brought up by the industry. That fair market value calculation—recently and historically—has generally resulted in an overpayment compared to the sales price. However, it could potentially result in underpayment, depending on market conditions.

Is my understanding of the policy correct? Do you think the overall impact of this on collections will be significant, one way or the other?

Assemblywoman Backus:

That is a great summary of the bill.

A small business cultivator selling to a retailer may currently pay 15 percent on over \$2,000—the fair market value determined by the calculation—but they are only getting \$1,000 for that transaction. I was motivated to bring this bill forward for the small businesses. I did not want to eliminate opportunities for business owners to be cultivators and end up in a completely vertically integrated world because that seems to be successful.

I am not saying that cultivators are selling on the illegal market or anything like that, but doing things properly will keep small businesses in business to continue selling and keep that

wholesale revenue going forward. Part of that wholesale revenue funds the Cannabis Compliance Board, and will hopefully cover this little fiscal note as well.

There will likely be a slight decrease in revenue, but by making these taxes fairer and more straightforward, hopefully there will be an increase, because the market will be more competitive so that we are not losing out to the illegal market.

Layke Martin, Executive Director, Nevada Cannabis Association:

The Department of Taxation asked for legislative guidance to make these corrections set forth in the bill, particularly the revisions regarding calculating fair market value for those vertically integrated transactions. They will be using quarterly numbers instead of figures that are collected over a six-month period, three months back. Currently, we are using data that is nine months old when we calculate the fair market value. That has resulted in the fair market value being far off from the actual sales prices—sometimes as much as \$1,000 per pound.

Also, the bill will exclude tax from the sales price when calculating the fair market value. Currently, it is essentially a tax on a tax. The seller is building in the cost of the tax into what they are selling, and that total price is then used to calculate the fair market value. The fair market value should be based on the price alone, without the tax added to it. That will be removed from the calculation. It will also improve the data set that the Department of Taxation is using to make the calculation by putting in METRC, the seed-to-sale tracking system, to indicate as the transaction is made, whether it is an affiliated or unaffiliated transaction. Currently, the Department of Taxation has to go through and filter all of that data, which just by nature results in some data that should not be included. For instance, it is a vertically integrated transaction, so the number is not a reflection of the actual market prices that is included currently and that will be eliminated.

All these factors and all of these changes are adopted from a successful model that Colorado has been using for years. They have a similar tax structure to what Nevada has, except they made the policy change early on to tax arm's length transactions on the actual sales price, while we have been using this fair market value. Their tax is much more reflective of the market, where ours is inflated.

Assemblyman Watts:

We will see in the future, based on market conditions and other things, what the results of this will be, but I think this is a much better way to move forward. I am hopeful that a better system for this wholesale tax and a fairer legal market atmosphere for folks to participate in—as well as, hopefully, some other efforts to increase enforcement in the illicit market—will ultimately prove to be a fiscal benefit to the state.

Assemblyman O'Neill:

I understand this would be a simpler, more direct way of taxing this, but I am curious if there is an estimate of loss in tax revenue from it. Do we know how much?

Assemblywoman Backus:

In part, yes, it is a much simpler way—especially for long-armed transactions. The fair market value will remain in play for the vertically integrated businesses because they can control pricing on everything. It will be more straightforward for cultivators. I met with a group that has vertical sales, but they also sell to other retailers. For those other sales, it will be very straightforward; they will pay taxes on the sales price.

Regarding the potential loss in revenue—expanding on my response to Assemblyman Watts—I believe we may have a dip in revenue on wholesale sales, but currently the cultivators are paying a tax greater than the intended 15 percent, which is a problem. This makes it more accurate, paying 15 percent on the cannabis that they are selling to retailers. There could be a dip, but if we keep our smaller business cultivators—the ones that are not vertically integrated in business—and the proper taxes are paid, hopefully, we will see an increase.

Unfortunately, we have seen a decrease in cannabis sales recently. Hopefully, with the bills cracking down on the illicit market, we will see increases in revenue.

Unless sales go up, we will probably see a decrease immediately in revenue from wholesale because right now people are paying taxes essentially at a greater rate than the 15 percent. I am optimistic that some of the other bills that we are looking at this session will become law to crack down on the illicit market. When we crack down on the illicit market, hopefully, the legal market will increase, thereby increasing overall revenue to the State Education Fund.

Assemblywoman Dickman:

I do not know of any other business taxed on nine-month-old numbers. I would like to clarify that we may lose some revenue, but it is revenue that is being basically over collected now.

Assemblywoman Backus:

You are correct.

Chair Monroe-Moreno:

Is there anyone wishing to provide testimony in support of A.B. 430 (R1)?

Esther Badiata, representing Planet 13 Holdings; RNBW Cannabis; and Jardín Premium Cannabis Dispensary:

We strongly support A.B. 430 (R1) as this legislation will address distortions in the current wholesale taxation structure. The bill will remedy these miscalculations, resulting in a wholesale cannabis tax regime that more accurately reflects true pricing in the marketplace. We believe that much needed changes in A.B. 430 (R1) improving the accuracy of the state system for taxing wholesale cannabis, will prove to be beneficial for the state and for the industry. We are in full support.

Will Adler, representing Sierra Cannabis Coalition:

Sierra Cannabis Coalition would like to add their full support to A.B. 430 (R1). This bill looks to correct or clarify Nevada's current cannabis law, which states—and has always stated—that we shall tax all cultivated cannabis products, at wholesale, at a rate of 15 percent. Today, the rate is exceeding 15 percent for almost all cannabis cultivators who sell at wholesale. This language in A.B. 430 (R1) would correct that down to a true 15 percent of what they sell it for. We appreciate the bill.

Daniel H. Stewart, representing Puffco; and Pisos:

We would like to say, "Ditto." This is a long time coming. This is a great bill. A lot of good work has gone into this. It is a healthy step in getting our cannabis industry where we want it.

Chelsea Capurro, representing Nevada Cannabis Association:

I want to thank the sponsor for bringing this; we are in full support.

Brett Scolari, representing CPCM Holdings; Cura Cannabis Solutions; GreenMart of Nevada; and Clark Natural Medicinal Solutions:

We were in support of this bill in the policy committee. We appreciate the sponsor bringing this bill, and we urge your support.

Scot Rutledge, representing Deep Roots Harvest; and Mom's Meds Management:

I want to ditto what was already said. We ask for you to support this bill. One other thought—there are some cultivators that have been selling top-shelf products in this marketplace, and they demand a higher price. It has not been talked about in these hearings, but some of those companies are selling and paying an effective tax rate less than 15 percent. It is hard to know where we are going to end up in terms of tax collections, but I have had conversations with cultivators that might see their tax rate go up, because they are selling their products far above the fair market value.

Is there anyone wishing to provide testimony in opposition to A.B. 430 (R1)? [There was no one.] Is there anyone wishing to provide neutral testimony for A.B. 430 (R1)? [There was no one.]

We will close the hearing on A.B. 430 (R1) and open the hearing on Assembly Bill 506.

Assembly Bill 506: Makes appropriations to the Division of Enterprise Information Technology Services of the Department of Administration for the replacement of an information technology investments tracking system and computer hardware and associated software. (BDR S-1147)

Timothy D. Galluzi, Chief Information Officer and Administrator, Division of Enterprise Information Technology Services, Department of Administration:

I am here today to introduce Assembly Bill 506, which makes an appropriation to the Office of the Chief Information Officer for computer equipment replacement and the replacement of

the homegrown information technology investment systems needed to develop the state's technology portfolio.

Chair Monroe-Moreno:

There is another proposed bill that would give the authority for State General Fund appropriations for this. If that bill fails for whatever reason, would a loan be the next option?

Timothy D. Galluzi:

These investments are critical; they create additional visibility of the state technology portfolio that not only benefits the agency; the planners and the decision makers in the state would be able to leverage that information, so we do feel that these are critical. If Senate Bill 446 does not move forward, then we would be happy to work with Fiscal staff from the Legislative Counsel Bureau and the Office of Finance, Office of the Governor, to find another solution.

Chair Monroe-Moreno:

Are there any questions or comments from the Committee? [There were none.]

Is there anyone wishing to provide testimony in support of A.B. 506? [There was no one.] Is there anyone wishing to provide testimony in opposition to A.B. 506? [There was no one.] Is there anyone wishing to provide neutral testimony on A.B. 506? [There was no one.]

We will close the hearing on A.B. 506 and open the hearing on Assembly Bill 507.

Assembly Bill 507: Makes appropriations to the Department of Corrections for a staffing study and the replacement or purchase of computer hardware and software and various types of equipment, vehicles, and systems. (BDR S-1157)

Kristina Shea, Deputy Director, Support Services, Department of Corrections:

Assembly Bill 507, as introduced, makes appropriations for vitally needed equipment departmentwide, including medical equipment, computer and information technology equipment, facility culinary equipment, food services equipment, replacement equipment, transportation vehicles, and a garbage truck. All these items are necessary for safe and effective operations of our institutions and have reached the end of their useful life.

Additionally, the bill funds an important staffing study, which will allow the Department to work with an expert in the first year of the biennium to review our shift relief factor, post charts, and other non-custody positions to provide best practices and staffing recommendations for consideration during the 2025 Legislative Session. The Department's last shift relief factor was approved during the 2015 Session, and is needed for a comprehensive analysis and update.

The department respectfully requests an amendment to Section 4 of the bill to reduce the funding from \$3,022,392 to \$2,822,392 for switch software replacement, and allow an allocation of \$200,000 to the replacement of munition and ammunition departmentwide

[[Exhibit J](#)]. An amendment to Section 16 is requested to reallocate \$40,000 from the Humboldt Conservation Camp security cameras to the replacement of munitions and ammunition departmentwide. The Humboldt Conservation Camp is scheduled to be closed during the 2023-2025 biennium, based on the budget closing May 10, 2023.

The total for the replacement of the munitions and ammunition would be \$240,000. This would fund needs for our academy training and additionally replacement of munition and ammunitions departmentwide in the Director's budget so that the Department can comply with the fiscal audit from 2020, which indicates that the Department should not fund munitions and ammunitions through inmate-driven expenditures. If approved, this would create appropriate funding for the Department for the 2023-2025 biennium, allow for the Ordinance Committee to systematically manage and purchase the approved munitions and ammunition departmentwide, and follow recent audit recommendations from the Legislative Counsel Bureau related to use of force.

Chair Monroe-Moreno:

When was the last staffing study completed? If I remember correctly, there was funding appropriated during the 2021 Legislative Session for a staffing study—what happened with that?

Kristina Shea:

Yes, the 2021 Legislative Session appropriated funding for a staffing study. However, due to COVID-19 and other challenges departmentwide, the leadership at that time was unable to complete the study. The Department is now prepared to take on that initiative over the next biennium.

Chair Monroe-Moreno:

That funding was reverted to the General Fund because it was not utilized for the staffing study, correct?

Kristina Shea:

That is correct.

Chair Monroe-Moreno:

The amendment moves funding from specific correctional facilities into one-shot appropriations to the Director's Office. What is the thought process of moving everything to a one-shot?

Kristina Shea:

The amendment would allow for movement into a one-shot budget account, which is budget account (BA) 3714 for the majority of them. The reason for that is to remove it from the departmental budget accounts so that we can manage the funding appropriately outside of the budget accounts individually.

Chair Monroe-Moreno:

During the interim, money was moved from one facility to another without informing this Legislative body or getting approval through the Interim Finance Committee process. If all these funds are put into one fund, would the Department be able to move them without the Legislature weighing in on where those funds are going, or would they only go specifically to the programs at the facilities listed in the bill?

Kristina Shea:

Any funding that moves into the one-shot, BA 3714, would be in restricted use categories, and therefore the Department would not have authorization to move that money.

Chair Monroe-Moreno:

All the one-shots listed in the bill would be going just to the facilities in that one-shot. Is that correct?

Kristina Shea:

Yes, that is correct. It would be in BA 3714, the one-shot budget account, and would not be authorized to move into any other budgets.

Chair Monroe-Moreno:

Or move between facilities?

Kristina Shea:

Correct.

Chair Monroe-Moreno:

Are there any other questions or comments from the Committee? [There were none.]

Is there anyone wishing to provide testimony in support of A.B. 507? [There was no one.] Is there anyone wishing to provide testimony in opposition to A.B. 507? [There was no one.] Is there anyone wishing to provide neutral testimony for A.B. 507? [There was no one.]

We will close the hearing on A.B. 507 and we will open the hearing on A.B. 508.

Assembly Bill 508: Makes appropriations to the Division of Parole and Probation of the Department of Public Safety for the replacement of computer hardware and associated software, radio equipment, certain weapons, and an information technology system. (BDR S-1164)

Andy McCool, Administrative Services Officer 3, Division of Parole and Probation, Department of Public Safety:

I am here to introduce Assembly Bill 508, which includes a State General Fund appropriation for the purchase of computer hardware based on the standard replacement schedule and Windows 11 upgrades for computers not being replaced this biennium. It also includes replacement radio equipment, as directed by the Nevada Department of Transportation, and

handguns to transition from the current aging weapon to the standard unit adopted by the Department. Tasers will also be replaced in accordance with the manufacturer recommendation. Finally, a General Fund appropriation will support the continued modernization of the offender tracking information system. There are no pending amendments.

Chair Monroe-Moreno:

Are there any questions or comments from the Committee? [There were none.]

Is there anyone wishing to provide testimony in support of A.B. 508? [There was no one.] Is there anyone wishing to provide testimony in opposition to A.B. 508? [There was no one.] Is there anyone wishing to provide neutral testimony for A.B. 508? [There was no one.]

We will close the hearing on A.B. 508 and open the hearing on A.B. 509.

Assembly Bill 509: Makes appropriations to the Investigation Division of the Department of Public Safety for the replacement of vehicles, radio equipment, cameras, computer hardware and associated software and certain weapons. BDR S-1165)

Mike Edgell, Captain, Investigation Division, Department of Public Safety:

I am here to introduce Assembly Bill 509, the Investigation Division's one-shot requests. Sections 1 and 2 request the replacement of vehicles that have, or will have, reached age or mileage replacement thresholds consistent with the State Administrative Manual. Sections 3 and 4 request a replacement of radios, both mobile and portable, as the Department's current radios will no longer be compatible with the updates to the state radio network made by the Nevada Department of Transportation. Sections 5 and 6 request a replacement of cameras which are 10 years old, and have reached the end of life. They have outdated technology, and are no longer supported. These cameras are used to document crime scene incidents and evidence. Sections 7 and 8 request replacements of a variety of computer hardware and software, consistent with applicable replacement schedules and/or end-of-life requirements. Sections 9 and 10 request a replacement of taser electronic control devices, consistent with end of life requirements.

Chair Monroe-Moreno:

Are there any questions or comments from the Committee? [There were none.]

Is there anyone wishing to provide testimony in support of A.B. 509? [There was no one.] Is there anyone wishing to provide testimony in opposition to A.B. 509? [There was no one.] Is there anyone wishing to provide neutral testimony for A.B. 509? [There was no one.]

We have one more order of business before public comment: a bill draft request introduction.

BDR 14-1194—Revises provisions relating to indigent defense. (Later introduced as [Assembly Bill 518](#).)

Chair Monroe-Moreno:

Are there any questions or comments from the Committee? [There were none.] I would accept a motion.

ASSEMBLYMAN WATTS MOVED FOR COMMITTEE INTRODUCTION
OF BILL DRAFT REQUEST 14-1194.

ASSEMBLYWOMAN BACKUS SECONDED THE MOTION.

Is there any discussion on the motion? [There was none.]

THE MOTION PASSED. (ASSEMBLYMEN KASAMA AND YEAGER
WERE ABSENT FOR THE VOTE.)

Is there anyone wishing to make public comment? [There was no one.]

This meeting is adjourned [at 10:54 a.m.].

RESPECTFULLY SUBMITTED:

Anna Freeman
Committee Secretary

APPROVED BY:

Assemblywoman Daniele Monroe-Moreno, Chair

DATE: _____

EXHIBITS

[Exhibit A](#) is the Agenda.

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

[Exhibit C](#) is a proposed amendment to Assembly Bill 258 (1st Reprint), submitted by Assemblywoman Shea Backus, Assembly District No. 37.

[Exhibit D](#) is a proposed amendment to Assembly Bill 319, submitted by Assemblywoman Sandra Jauregui, Assembly District No. 41.

[Exhibit E](#) is a letter dated May 17, 2023, submitted by Steven Shane, private citizen, Reno, Nevada, in support of Assembly Bill 319.

[Exhibit F](#) is a letter submitted by the Southern Nevada Food Council in support of Assembly Bill 319.

[Exhibit G](#) is a letter dated May 19, 2023, submitted by Gabby Everett, Director of Advocacy and Research, Three Square and by Shane Piccinini, Government Relations, Food Bank of Northern Nevada, in support of Assembly Bill 319.

[Exhibit H](#) is a letter submitted by Reva Crump, private citizen, Reno, Nevada, in opposition to Assembly Bill 319.

[Exhibit I](#) is a proposed amendment to Assembly Bill 428 (1st Reprint), submitted by Assemblywoman Shea Backus, Assembly District No. 37.

[Exhibit J](#) is a proposed amendment to Assembly Bill 507, submitted by the Nevada Department of Corrections.