

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

**Eighty-Second Session  
May 23, 2023**

The Committee on Ways and Means was called to order by Chair Daniele Monroe-Moreno at 8:11 a.m. on Tuesday, May 23, 2023, in Room 3137 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. The meeting was videoconferenced to Room 4401 of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. Copies of the minutes, including the Agenda [[Exhibit A](#)], the Attendance Roster [[Exhibit B](#)], and other substantive exhibits, are available and on file in the Research Library of the Legislative Counsel Bureau and on the Nevada Legislature's website at [www.leg.state.nv.us/App/NELIS/REL/82nd2023](http://www.leg.state.nv.us/App/NELIS/REL/82nd2023).

**COMMITTEE MEMBERS PRESENT:**

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

**COMMITTEE MEMBERS ABSENT:**

None

**GUEST LEGISLATORS PRESENT:**

Assemblyman Reuben D'Silva, Assembly District No. 28  
Assemblyman Brian Hibbetts, Assembly District No. 13  
Assemblyman Duy Nguyen, Assembly District No. 8



**STAFF MEMBERS PRESENT:**

Sarah Coffman, Assembly Fiscal Analyst  
Brody Leiser, Assembly Chief Principal Deputy Fiscal Analyst  
Michael Nakamoto, Chief Principal Deputy Fiscal Analyst  
John Kucera, Principal Program Analyst  
Jaimarie Mangoba, Principal Program Analyst  
Julie Waller, Principal Program Analyst  
Cynthia Ihejirika, Committee Secretary  
Janet Osalvo, Committee Assistant

**OTHERS PRESENT:**

Daniel Gordon, President, Nevada Police Union  
Andrew LePeilbet, Chairman, United Veterans Legislative Council  
Lynn Chapman, State Vice President, Nevada Families for Freedom; and representing  
American Legion Auxiliary  
Kasey Rogers, Private Citizen, Nevada  
Andrew Clinger, Chief Financial Officer, Nevada System of Higher Education  
Kent M. Ervin, Ph.D., State President, Nevada Faculty Alliance  
Paul Catha, Political Director, Culinary Workers Union Local 226  
Constance J. Brooks, Vice President, Office of Government and Community  
Engagement, University of Nevada, Las Vegas  
J. Kyle Dalpe, Ph.D., President, Western Nevada College  
Michael Flores, Vice President, Government and Community Engagement,  
University of Nevada, Reno  
Anthony Ruiz, Deputy Chief of Staff, Office of the President, Nevada State College  
Elena Bubnova, Associate Vice President, Research, Marketing and Web Services,  
Truckee Meadows Community College  
Lawrence Weekly, Chief of Staff/Chief Diversity Officer, President's Office, College  
of Southern Nevada  
Michael Kagan, Director, University of Nevada, Las Vegas Immigration Clinic  
David Beltran Barajas, Immigrant Rights Organizer, Progressive Leadership Alliance  
of Nevada  
Lalo Montoya, Community Engagement Manager, Make the Road Nevada  
Mario Garcia Mata, representing Progressive Leadership Alliance of Nevada  
Nereida Dobadilla, Private Citizen, Las Vegas, Nevada  
Rena Perefina, Private Citizen, Las Vegas, Nevada  
Yvette Machado, Private Citizen, Las Vegas, Nevada  
Esther Pla-Cazeras, Private Citizen, Las Vegas, Nevada  
Amy Palmer, Private Citizen, Las Vegas, Nevada  
Cyrus Hojjaty, Private Citizen, Las Vegas, Nevada  
Lisa Partee, Private Citizen, Carson City, Nevada  
Douglas Unger, University of Nevada, Las Vegas, Chapter President; and  
Government Affairs Representative, Nevada Faculty Alliance

Frank Woodbeck, Executive Director, Office of Sponsored Projects, College of Southern Nevada  
Joseph Bernardy, Deputy Director, Department of Taxation  
Barry Cole, Private Citizen, Reno, Nevada  
Caitlin Gatchalian, Nevada Government Relations Director, American Heart Association  
Kanani Espinoza, representing University of Nevada, Las Vegas  
Lenny Sue Tinseth, representing Nevada Midwives Association and Great Basin Midwives  
Garrett Singer, Private Citizen  
Kelsea Edwards, Private Citizen  
Taylor Turner, Private Citizen  
Hailey De La Cruz, Private Citizen, Yerington, Nevada  
Scott Tinseth, Private Citizen  
Kristin Gray, Private Citizen, Las Vegas, Nevada  
Romina Paulucci, Private Citizen  
Jessica Lagor, Private Citizen, Las Vegas, Nevada  
Amie Norris, Private Citizen, Las Vegas, Nevada  
Camila Santiago, Private Citizen, Las Vegas, Nevada  
Michael Ryan, Private Citizen, Nevada  
Cassia Lopez, Private Citizen, Nevada  
Katie Banuelos, representing Libertarian Party of Nevada  
Sheila Bray, Community Partnerships Coordinator for Clark County, Extension, University of Nevada, Reno  
Russell M. Rowe, representing American Council of Engineering Companies, Nevada Chapter  
Alexis Motarex, Government Affairs, Nevada Chapter, Associated General Contractors  
Brian Reeder, representing Nevada Contractors Association  
Carrie Parker, Deputy General Counsel, Nevada System of Higher Education  
Amanda Bowsmith, Administrator, Division of Human Resource Management, Department of Administration  
Teresa Benitez-Thompson, Chief of Staff, Office of the Attorney General  
Jim New, President, Nevada Faculty Alliance  
Bruce K. Snyder, Commissioner, Government Employee-Management Relations Board, Department of Business and Industry

**Chair Monroe-Moreno:**

[Roll was called, and Committee rules and protocol were reviewed.] We are going to be taking things out of order today, and we are going to start with three budget bills. We will open the hearing on Assembly Bill 520.

**Assembly Bill 520: Makes various changes regarding state financial administration and makes appropriations for the support of the civil government of the State. (BDR S-1210)**

**John Kucera, Principal Program Analyst:**

I will not be presenting every section of Assembly Bill 520. As a general overview, the Appropriations Act was introduced as a bill draft request last night and implements budget decisions made by the money committees for State General Fund and State Highway Fund budgets, as well as back language to implement money committee decisions related to appropriated funding. Total General Fund appropriations in fiscal year (FY) 2024 include \$3.454 billion, and in FY 2025 include \$3.588 billion. Total Highway Fund appropriations in FY 2024 are \$167.5 million, and in FY 2025 are \$168.6 million. Additionally, Fiscal staff notes General Fund appropriations, in the back language of the Appropriations Act, total \$14.9 million in FY 2023; \$13.5 million in FY 2024; and \$6.9 million contingent upon the outcome of related legislation. I am happy to address any questions or concerns from the Committee.

**Chair Monroe-Moreno:**

We had a long and detailed review of this bill last night. We went through the bill section by section. Does anyone have any questions? [There were none.] Is there anyone who would like to testify in support of Assembly Bill 520? [There was no one.] Is there anyone who would like to testify in opposition to Assembly Bill 520? [There was no one.] Is there anyone who would like to testify in the neutral position on Assembly Bill 520? [There was no one.] We will close the hearing on Assembly Bill 520 and open the work session.

**Assemblyman Yeager:**

As members of the Committee may know, under Assembly Standing Rule 59, subsection 4, we have a 24-hour waiting period between the time we hear a bill and take final action. That rule can be waived with the approval of the Speaker. Given where we are in this Session, I am waiving Assembly Standing Rule 59, subsection 4, for any bills that we hear today in the Assembly Committee on Ways and Means so that the bills will be ready for action and may be sent to the floor.

**Chair Monroe-Moreno:**

I will accept a motion to do pass Assembly Bill 520.

ASSEMBLYWOMAN BACKUS MOVED TO DO PASS  
ASSEMBLY BILL 520.

ASSEMBLYWOMAN JAUREGUI SECONDED THE MOTION.

Is there any discussion on the motion?

**Assemblywoman Kasama:**

There are many sections of the bill that I do support or agree with, but also, the time is short from last night to have reviewed this in detail. I have to be a no vote on the bill.

**Chair Monroe-Moreno:**

Is there any other discussion?

**Assemblyman Hafen:**

I am going to echo my colleague's comments. By the time we get to the floor, I hopefully will be able to vote yes.

**Chair Monroe-Moreno:**

Thank you both for your comments. I will remind every member on this Committee that this is the time that we hear the budget bills. They are presented during the last week of the session. We are a bit earlier than we have been in previous sessions. This body receives those bills, and it is our duty to make sure we burn the midnight oil to read them, knowing that within 24-to-48 hours we are going to vote on them. Is there any other discussion?

**Assemblyman O'Neill:**

Having been here for several sessions, I fully understand what you are saying about the speed and the need. However, my fellow Republicans and I on the Assembly Committee on Ways and Means have a meeting this afternoon with the Office of Finance, Office of the Governor to discuss and ensure that we feel that everything is sustainable. That is the reason we are looking at a no vote right now, instead of the confusion of agreeing and then having to rescind that vote later. This evening it may be a different story, and I hope it will be. I appreciate that, but I ask for your understanding in that regard, for the four of us, please?

**Chair Monroe-Moreno:**

Is there any other discussion? [There was none.] I will call for a vote.

THE MOTION PASSED. (ASSEMBLYMEN DICKMAN, HAFEN,  
KASAMA, AND O'NEILL VOTED NO.)

I will present the floor statement on this bill. We will open the hearing on Assembly Bill 521.

**Assembly Bill 521: Authorizes and provides funding for certain projects of capital improvement. (BDR S-1211)**

**Chair Monroe-Moreno:**

Members, I will remind you; we reviewed this bill section by section after a legislative process of many hearings that led us to this point.

**Julie Waller, Principal Program Analyst:**

We are here to present Assembly Bill 521, which authorizes and provides funding for certain projects of capital improvement. This bill authorizes \$1.189 billion for Executive Branch projects as well as \$214.2 million for capital improvement projects for the Legislative Branch. This bill requires a two-thirds majority vote for section 19, which authorizes the continuation of the \$0.17 property tax. I am happy to answer any questions that the Committee may have regarding this bill.

**Chair Monroe-Moreno:**

Members, do you have any questions for the presenters? [There were none.] We will move to testimony in support. Is there anyone who would like to testify in support of A.B. 521? [There was no one.] Is there anyone who would like to testify in opposition to A.B. 521? [There was no one.] Is there anyone who would like to testify in the neutral position on A.B. 521? [There was no one.] We will close the hearing on A.B. 521 and open the work session on A.B. 521. I will accept a motion.

**Assemblywoman Backus:**

I would like to make a comment before I move to do pass A.B. 521. Last night, I was appreciative of Fiscal staff going through this bill in detail. As a member of the K-12/Higher Education/CIP Subcommittee that heard the CIP projects, I appreciate all those involved, including Jack Robb, Director, Department of Administration, and the State Public Works Division, setting forth each of these projects. We had multiple hearings on each of these projects, and good work from the Department in looking out for our state and minimizing state dollars that will provide many buildings, maintenance, and other future projects.

ASSEMBLYWOMAN BACKUS MOVED TO DO PASS  
ASSEMBLY BILL 521.

ASSEMBLYWOMAN JAUREGUI SECONDED THE MOTION.

**Chair Monroe-Moreno:**

Is there any discussion on the motion?

**Assemblywoman Kasama:**

There are certain areas of the bill that I agree with, and other areas with which I do not agree. I find section 31 to be concerning where we are going to transfer title of this area on which the Legislative Counsel Bureau sits. The title will be transferred to the Legislative Counsel Bureau. To my understanding, we do not have the Capitol owned by the Executive Branch. We do not have the Office of the Attorney General owned by the Office of the Attorney General, nor the Supreme Court owned by the Judicial Branch. This is a far overreach of transferring title to one branch, and I will be a no vote.

**Chair Monroe-Moreno:**

Is there any other discussion? [There was none.] I will call for a vote.

THE MOTION CARRIED. (ASSEMBLYMEN DICKMAN, HAFEN, KASAMA, AND O'NEILL VOTED NO.)

I will take the floor statement on A.B. 521. We will open the hearing on Assembly Bill 522.

**Assembly Bill 522: Revises provisions relating to the compensation of state employees. (BDR S-1212)**

**Jaimarie Mangoba, Principal Program Analyst:**

Assembly Bill 522 is commonly known as the Pay Bill. It establishes the maximum allowed salaries for certain state employees, makes appropriations from the State General Fund and the State Highway Fund for increases in the salaries; the payment of retention incentives commonly known as bonuses for certain employees; establishes a plan for continuity of service or longevity for state employees; revises provisions related to the designation of the Legislative Fiscal Officer; and eliminates certain salary limitations. We are happy to answer any questions you may have.

**Chair Monroe-Moreno:**

We have a bill in front of us that we went through section by section. Everything within this bill and the two previous bills are items that were brought before the Subcommittees and the full Committees to put this bill together. Are there any questions? [There were none.] We will move to support for A.B. 522. Is there anyone who would like to testify in support of A.B. 522?

**Daniel Gordon, President, Nevada Police Union:**

We represent the Nevada State Police, which includes Department of Public Safety officers in the Nevada Highway Patrol, Division of Parole and Probation, Capitol Police Division, Investigation Division, State Fire Marshall Division, and Office of Professional Responsibility; the game wardens of the Department of Wildlife; the University Police, which includes the University of Nevada, Reno and University of Nevada, Las Vegas; the rangers at the Division of State Parks, State Department of Conservation and Natural Resources; and the State Department of Agriculture. We are in full support of this bill. This is one of the important pieces that needs to pass in order to maintain and rebuild public safety. As you all know, the government's first responsibility is to keep the citizens and visitors to the state of Nevada safe.

**Chair Monroe-Moreno:**

We will now move to opposition. Is there anyone who would like to testify in opposition to A.B. 522? [There was no one.] Is there anyone who would like to testify in the neutral position on A.B. 522? [There was no one.] We will now close the hearing on A.B. 522 and open the work session on A.B. 522. I will accept a motion.

**Assemblywoman Backus:**

I am excited to move to do pass A.B. 522 in the hopes that we are able to fill vacancies and maintain state employees and appreciative of you and this Committee's hard work to make this possible.

ASSEMBLYWOMAN BACKUS MOVED TO DO PASS  
ASSEMBLY BILL 522.

ASSEMBLYWOMAN JAUREGUI SECONDED THE MOTION.

**Chair Monroe-Moreno:**

Is there any discussion on the motion?

**Assemblyman O'Neill:**

Today we have a meeting, and we are asking for some time to digest this. This afternoon we may have a different answer. I understand that we need to take care of our state employees, having been one myself at one time, particularly in law enforcement. I want to feel comfortable that we are not doing anything unsustainable, and sustainability is there for this. I hate to see what we have done in the past at the Legislature, where we give something to the state employees and then a year or two later have to remove that from them or have cuts. For right now, I will be a no vote, and we will move to it after our meeting.

**Assemblywoman Dickman:**

I do have concerns over the sustainability of this. I wish we could give our state employees everything, but there are limits, and for now, I have to be a no vote.

**Assemblyman Watts:**

I also have concerns about the sustainability—the sustainability of our state—if we do not invest in our state employees. Across many departments we have reached vacancy levels that have us on the brink of disaster. The workload that our state employees are facing is tremendous. In some of the analysis we have seen how we have been unable to keep up their compensation over time. We are not even keeping up with the cost of living, the private sector, and local governments. As a result, we have a workload and a lack of respect for the work that our state employees are doing that is putting us on the brink of being unable to provide critical services to the people of the state.

I had the pleasure of serving as the Assembly Chair of the Subcommittee on Public Safety, Natural Resources, and Transportation. I wish that we could do more. This is a measured approach to try and address critical issues that we have in filling our public safety positions in particular. We have also heard about issues in places like the Department of Transportation and others. Not everybody is getting the bump that they truly deserve, but we are making a substantial step forward in helping to recover some of the losses that our state employees have seen due to recessions, but also recovering some of the losses that we have seen in our state workforce, so we can deliver the services that the people of our state need. I will be voting in support.



**Assemblywoman Jauregui:**

For two economic downturns, we have seen our state carried on the backs of state employees. They have been the ones who were forced to take benefit cuts, compensation cuts, furloughs, and salary cuts over two economic downturns. This is the least we can do to make them whole and show them that we do appreciate them. There should be pride when working for the state. This is helping to establish that. Like my colleagues said, we have had state agency budgets before us, and not just during this 82nd Legislative Session. These prebudget hearings that started before this Legislative Session are all the information that is being covered in these three bills. This is not new information before us. These are conversations that have been happening for 4 months before the session started. I am happy to support this bill and provide the compensation that our state employees deserve. Like my colleague said, I do not think this goes far enough. This is doing something to reverse some of the cuts that they had to endure over the last two economic downturns.

**Assemblyman Yeager:**

During my time in the Legislature since being elected in 2016, there has been one common thread of a theme that has gone through all the sessions, and that has been exactly what individuals mentioned. We do not pay our state employees enough; we are not competitive; we have a hard time recruiting; and we have a hard time retaining. Some of us lived through the special session when we had to cut even more. I want to say that I am proud of this piece of legislation we are voting on today, and this is the embodiment of all the work that this Committee has done throughout the last several months. There is nothing new or surprising here; these are budget decisions that we made along the way, and the basis of this bill was the Governor's recommended budget, which we have fulfilled. We have gone above and beyond in certain circumstances because we, as a Legislature, did not feel we were doing enough to be competitive.

I remember during the interim, we had a lot of discussions in the Interim Finance Committee with state agencies about vacancies and about what it would take to fill those vacancies and to keep employees, and it was said over and over that we must be more competitive in the compensation structure. I am disappointed to hear that some of my colleagues on this Committee who sat on those committees in the interim and expressed that they were willing to work on this issue, and understood the importance of compensating our state employees, are now going to be a no vote out of Committee on this bill, with some sort of explanation that more time is needed. We worked on this for over 105 days. There is nothing surprising here. We heard a presentation last night. I understand there is a meeting today, and maybe some questions will be answered. I would hope that as a sign of unity and a sign of respect for our state employees that when this bill comes to a vote on the Assembly floor, there is not a single no vote. This is the least we can do given the crisis that we are facing. I am enthusiastically in support of this bill and certainly hope that any of my colleagues who are not will see the light in the next couple of days, and we will be able to get this over to the Governor unanimously.

**Chair Monroe-Moreno:**

Is there any other discussion? [There was none.] I will call for a vote.

THE MOTION PASSED. (ASSEMBLYMEN DICKMAN, HAFEN, KASAMA, AND O'NEILL VOTED NO.)

I will assign that floor statement to myself. Before our Fiscal staff leaves the room, I want to say thank you. As the Chair of this Committee, I asked you to come in before session to do a training course with every member of the Assembly Committee on Ways and Means and the Senate Committee on Finance. That is something we have never done before. But I wanted the members on this Committee not to come in blind the way that I did when I was assigned. You spent an entire day working through the process of how the fiscal committees work so that everyone was on the same page, and it was not training for Democrats; it was not training for Republicans; because I believe that once you are elected, you are here to serve, and you put your party politics aside. Thank you for doing that.

Thank you for the two weeks before the session even started to go through policy presentations from every department and division within the state so that we would know what we would be facing. There have been, as I said at the start of this, countless hours of work because you get here at 5 a.m. and sometimes you do not leave until 2 a.m. the next morning. You do the work for our Subcommittee meetings, our budget briefings, and Committee hearings. There is nothing that is in these bills that we are passing today as a fiscal Committee that did not come across the desk of the members. If the members did not read those bills and the budget closings, shame on them because that is our job.

I wanted to say thank you staff; we truly appreciate all the work that you have put in over the last 100-plus days to get us to where we are today. I hope, and I echo what the Speaker said, that once we get to the floor and these three bills go to a vote, because we all did the work on them, we are all a vote in favor and get them over to the Governor. I want to thank you all before you left the room. I appreciate you.

Moving on with our agenda, we will open the hearing on Assembly Bill 203 (1st Reprint).

**Assembly Bill 203 (1st Reprint): Revises provisions relating to special license plates. (BDR 43-118)**

**Assemblyman Hafen:**

I am here to present Assembly Bill 203 (1st Reprint). I will keep this as brief as possible. This bill does three things. One, it allows for personalization of the prestigious license plates for decorated veterans like our Purple Heart veterans. Two, it exempts those veterans from certain parking fees, which is similar to the disabled veteran's current license plate policy. Three, it establishes a penalty for persons who make certain false statements. As my colleague has noted in the past, we have individuals who fraudulently obtained license plates to get additional benefits, and we do not want to see stolen valor. We are adding a penalty to this bill.

Now on to the fiscal aspect. The good news is on the Nevada Electronic Legislative Information System, you should have some backup showing the fiscal notes have been removed with this 1st Reprint. I stand for any questions.

**Chair Monroe-Moreno:**

Members, are there any questions on Assembly Bill 203 (1st Reprint). Looking at the fiscal notes, it looks like you have everything removed and the Nevada System of Higher Education fiscal note is removed as well. There are no questions from the Committee. Is there anyone who would like to testify in support of A.B. 203 (R1)?

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

I represent the 279,000 veterans in the state of Nevada and all of the Purple Heart veterans in the state of Nevada. I am the State Commander of the Military Order of the Purple Heart for Nevada. We support A.B. 203 (R1). We think it is an appropriate update to the decorations and benefits that our veterans have earned. Years ago, this body passed the Silver Star and Bronze Star. I am a recipient of both of those and the Purple Heart. I will never give up my Purple Heart license plate because I earned that one. We are in support of this bill.

**Chair Monroe-Moreno:**

Thank you for your service to our country.

**Lynn Chapman, representing American Legion Auxiliary:**

I am a 48-year member, and I have known a number of Purple Heart recipients and Bronze Star recipients. I have known many people over the years, and these people have done a lot for our country. We should recognize them any way we can. The American Legion Auxiliary Duby Reid Post Unit 30 in Sparks, Nevada supports this bill.

**Kasey Rogers, Private Citizen, Nevada:**

I want to support this bill and do anything that we can to help our veterans further on for all their duties that they have done for us. Please support it.

**Chair Monroe-Moreno:**

Is there anyone else who would like to testify in support? [There was no one.] Is there any testimony in opposition? [There was none.] Is there any testimony in the neutral position? [There was none.] Are there any closing comments? [There were none.] I will close the hearing on this bill and open the hearing on Assembly Bill 226 (1st Reprint).

**Assembly Bill 226 (1st Reprint): Revises provisions governing tuition for certain students. (BDR 34-668)**

**Assemblyman Reuben D'Silva, Assembly District No. 28:**

I want to thank Andrew Clinger, Chief Financial Officer, Nevada System of Higher Education, who is here with me, and the University of Nevada, Reno that helped me with this piece of legislation. Assembly Bill 226 (1st Reprint) creates an opportunity for recipients of Deferred Action for Childhood Arrivals (DACA) and other deferred action programs to get

in-state tuition after living here for 1 year and taking an additional high school equivalency test. This is something that we bestow upon everybody else who moves into our state. This is a big hole now when it comes to a major portion of our population. This bill is allowing those individuals to receive that tuition break after living here for 12 months, which is normative. With that, I will stand for questions.

**Chair Monroe-Moreno:**

Mr. Clinger, did you have anything to add?

**Andrew Clinger, Chief Financial Officer, Nevada System of Higher Education:**

I am here to speak to the fiscal note on this bill. We were unable to determine the fiscal impact because we do not know what the numbers would be. In the upcoming biennium there would be a fiscal impact, but once those in-state residents get into the funding formula, then we get state funding for them. It is a 2-year fiscal impact, and once they are in the system, the state piece kicks in once we have the numbers, and then that covers the gap.

**Chair Monroe-Moreno:**

I have a question for you. For current students who are paying the out-of-state tuition because we did not have this piece of legislation in place, would they be able to have their tuition status reconsidered if this were to pass?

**Andrew Clinger:**

I will have to get back to you on that. I am not sure.

**Chair Monroe-Moreno:**

Members, are there any questions for the presenters? [There were none.] Is there anyone who would like to testify in support of A.B. 226 (R1)?

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

We are in support of A.B. 226 (R1). At the policy committees, we supported the various bills that give either tuition or fee breaks to deserving groups of students. We said there, we could be more enthusiastic if there were some sort of funding mechanism, and in the future, some sort of reimbursement arrangement for all of them. Once you know what the cost is, it could be reimbursed. For this one, in particular, the cost is low, and we are in support.

**Paul Catha, Political Director, Culinary Workers Union Local 226:**

We know that many Culinary Workers Union families will benefit as a result of this bill passing, and we think the state will too. It might even have a positive impact on the budget as Nevadans earn higher incomes because they are more educated.

**Constance J. Brooks, Vice President, Office of Government and Community Engagement, University of Nevada, Las Vegas:**

We are in support, and we appreciate Assemblyman D'Silva and his attention toward a vulnerable population within our system.

**J. Kyle Dalpe, Ph.D., President, Western Nevada College:**

I will echo the prior comments. We are in support of this.

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

On behalf of the University of Nevada, Reno, ditto.

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

We strongly support this bill.

**Elena Bubnova, Associate Vice President, Research, Marketing and Web Services, Truckee Meadows Community College:**

We are in full support of this bill that assists our most vulnerable students whom Truckee Meadows Community College will serve on a regular basis.

**Lawrence Weekly, Chief of Staff/Chief Diversity Officer, President's Office, College of Southern Nevada:**

We are in full support of A.B. 226 (R1). We thank Assemblyman Reuben D'Silva.

**Michael Kagan, Director, University of Nevada, Las Vegas Immigration Clinic:**

I am not speaking for the University of Nevada, Las Vegas (UNLV) or the Nevada System of Higher Education (NSHE). I am grateful to Assemblyman D'Silva, all of the people at NSHE, and the NSHE institutions for their hard work on this. It fills an important gap. I also want to note that in addition to people with deferred action, it would also help more than 6,000 Nevadans who have temporary protective status.

**David Beltran Barajas, Immigrant Rights Organizer, Progressive Leadership Alliance of Nevada:**

We are in support of this bill.

**Lalo Montoya, Community Engagement Manager, Make the Road Nevada:**

I am here in strong support of A.B. 226 (R1). I thank my Assemblyman Reuben D'Silva for bringing this bill.

**Mario Garcia Mata, representing Progressive Leadership Alliance of Nevada:**

I am here supporting A.B. 226 (R1) because this is what moving forward as a fair society is like.

**Nereida Dobadilla, Private Citizen, Las Vegas, Nevada:**

I am in full support of A.B. 226 (R1).

**Rena Perefina, Private Citizen, Las Vegas, Nevada:**

I represent District 2. I have been a coordinator for a grant-funded program within NSHE for two years. I am also a current doctoral student at UNLV. Today, I am representing my own opinion. The issues regarding A.B. 226 (R1) concern me as a first-generation proud daughter

of Honduran immigrants and member of a mixed status family, and most importantly, as a professional in higher education. In my professional role, one of my primary responsibilities is to see students one on one and help them navigate through college. It is my true passion. However, what if the system in place is not established to help support the student in front of me? What if there are current policies in place out of the control of educators to help support our students?

Having been in Nevada only 2 years, I have seen how our current NSHE residency requirements are a formidable, educational, and career barrier for our DACA students, leading many to feel hopeless, sad, confused, angry, and in turn willing to drop out of college. It truly breaks my heart to see students denied who are filled with ambition and hope to work hard and willing to push through the odds. Yet, as a state, we currently are not providing equitable practices when we are denying DACA and temporary protected status (TPS) students eligibility to gain in-state residency.

We know one of the major initiatives within the NSHE system is to increase access to students. Yet we are denying access to a specific group of students. All other students who abide by the necessary requirements to be residents are granted in-state tuition. What is the exception here? Why are we doing this to our DACA students? We must decide whether we as a state of Nevadans will simply abide by the established complacent policies for our students or are we willing to think critically and act by helping create systemic changes that can help bridge the equity gaps of those whose voices are often unheard, silenced, and invalidated. I ask that you support A.B. 226 (R1). I am strongly in favor of this bill.

**Yvette Machado, Private Citizen, Las Vegas, Nevada:**

I am in full support of this bill. I want to give special thanks to Assemblyman Reuben D'Silva for speaking to the need of our state. It is important to recognize that we are helping a wonderful population, but this population, in particular, comes with an immeasurable amount of resilience. When resilience is paired with an education, it is beyond our expectations. I support this bill; it serves the state of Nevada across party lines because it will help our economic systems, and we need to focus on education access in the state. I am in full support.

**Esther Pla-Cazeras, Private Citizen, Las Vegas, Nevada:**

I have been an academic counselor at the College of Southern Nevada (CSN) for over a decade and am a current doctoral student at the University of Nevada, Las Vegas. Today, I am representing my own opinion. As a professional in higher education, I have seen our current NSHE residency requirements deny access and not follow equitable practices when it comes to our DACA and TPS students. I am tired of feeling helpless when I meet students whose immigration status has denied them a pathway to in-state residency only because they possess a high school diploma from outside of Nevada. These students are Nevada residents. They pay taxes, pay all the students fees, and yet cannot get to the point of gaining in-state tuition no matter whether they have lived here 12 months or 10 years.

A full-time in-state student pays \$1,500 per semester, but an out-of-state student pays \$5,500. This is not accessible. I met with several transfer students who chose to continue online education at their previous community college when they found out they were categorized as out-of-state and can never gain in-state tuition because of their status. These students could provide all the other requirements the residency form asked for, but their immigration status yet again creates a barrier.

In these cases, not only has CSN lost a student enrollment, but UNLV, Nevada State College, and University of Nevada, Reno have also lost an additional transfer student. The majority of students I meet are going into health care, education, and all of the occupations of which Nevada is in dire need. I ask that you support A.B. 226 (R1). I am here to amplify the voices of students I meet with every day, the students who cannot afford to enroll, and the students who are denied equitable access to higher education.

**Amy Palmer, Private Citizen, Las Vegas, Nevada:**

I am a higher education professional in NSHE and live in District 9. Today, I am representing my own opinion. I am testifying in support of A.B. 226 (R1) to ensure that in-state tuition eligibility is expanded. Assembly Bill 226 (1st Reprint) will increase access to higher education and make in-state tuition more equitable for Nevada residents.

Out-of-state tuition at Nevada public institutions is two-to-five times higher than in-state tuition, which is out of reach for many students. To illustrate, an out-of-state student taking seven credits or more at the community college will pay \$4,000 more per semester than in-state residents. Currently, only students who have graduated from a Nevada high school are eligible for in-state tuition. That leaves out many students who have completed a high school equivalency test and requires them to pay higher tuition when they have achieved the equivalent education in the same state. This is inequitable.

Many other states have bills that permit high school equivalency students to be eligible for in-state tuition. I would ask Nevada to do the same. Furthermore, DACA and undocumented students who did not graduate from a Nevada high school are denied in-state tuition due to their immigration status. This makes the cost of public higher education unaffordable for many Nevada immigrants, and it is impossible to gain in-state residency due to the current law.

In my college role, I meet DACA and undocumented students who have a strong desire to pursue their college education but are often hindered from doing so if they did not graduate from a Nevada high school. For all these reasons, I am asking that you support A.B. 226 (R1).

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

**Chair Monroe-Moreno:**

With no one else to testify in support, we will move to opposition. Is there anyone who would like to testify in opposition to A.B. 226 (R1)?

**Lynn Chapman, State Vice President, Nevada Families for Freedom:**

The Code of Federal Regulations Title 8, Chapter 14, section 1623 indicates that an alien who is not lawfully present in the United States shall not be eligible on the basis of residence within the state for any postsecondary education benefit unless a citizen or national of the United States is eligible for such a benefit in no less an amount, duration, and scope, without regard to whether the citizen or national is such a resident. There was no misunderstanding about what this law meant when Congress passed it or when President Clinton signed it in 1996.

Conference Report 104-828 stated this section provides that illegal aliens are not eligible for in-state tuition rates at public institutions of higher education. The Federation for American Immigration Reform states the issue is important to U.S. citizens, legal immigrants, and permanent residents because an out-of-state tuition is substantial. During the 2019-2020 academic year, the average in-state tuition rate for four-year public institutions in the U.S. was \$10,440 per year, while the average out-of-state tuition was \$26,820. That is a difference of approximately \$16,400, which is cost prohibitive for many applicants.

There is a negative impact to American students if this bill is passed. Many Americans who are low-to-middle income earners would also like to attend college, and they should have precedence over foreign nationals who are in our country illegally. Also, remember college entrance slots are limited, and this bill could provide college access to illegals at the risk of excluding students who are in this country legally. Golden Door Scholars, a 501(c)(3) organization, indicates it provides large college scholarships, career and fellowship support, mentorships, and community-building opportunities for undocumented students. This is one of the many organizations that are available to help pay for illegals to attend our colleges and pay out-of-state tuition. Vote no on A.B. 226 (R1).

**Chair Monroe-Moreno:**

Is there anyone else who would like to testify in opposition to A.B. 226 (R1)?

**Kasey Rogers, Private Citizen, Nevada:**

There is irony in having this conversation. We have laws; we have rules; we have reasons for keeping them for taxpayers who live here. Some of them pay taxes. Okay, once they become legal, fine. But while you are illegal, the answer is no. I will echo the comments of Lynn Chapman.

**Cyrus Hojjaty, Private Citizen, Las Vegas, Nevada:**

The D in DACA means deferred, which is postponed action. Therefore, this is not like a permanent legal status. I will ditto the previous commentators.

**Lisa Partee, Private Citizen, Carson City, Nevada:**

To have us, the people, pay for tuition for people invading our country illegally is unconscionable. You have proposed more taxes on the citizens of Nevada for illegals than ever in our history. This is America, and the last legislation that cannot be put through. We have New York kicking veterans and homeless people out of housing and putting them on



the street to house illegals. You are doing the same thing, prioritizing illegals over people who would love to attend college but cannot afford to do so. The cost of college has increased 169 percent since 1980. We do not need to reward people breaking our laws by being here illegally with free college so they can get ahead of those who are citizens of our country. If these are DACA kids, then they live and work here like the rest of us and can contribute to their education, and like my daughter had to do, can apply for grants and scholarships like generations before them.

We have heard people questioning the ability to sustain raises for state employees who, as was stated, carried the state on their back through two financial downturns. This is not equitable. It is not fair to the citizens of Nevada. I second Lynn Chapman's testimony. Citizens should have preference over people who are here illegally. How about DACA and others trying to obtain citizenship before asking for free benefits? Could you please discuss encouraging those who are here illegally to come in through the front door and apply for citizenship and tell us that they want to be Americans and stand with our flag. The flags are never in the hearing rooms at the Legislature, and that is disturbing to me. Vote no on A.B. 226 (R1).

**Chair Monroe-Moreno:**

There are no additional testifiers choosing to testify in opposition at this time, so we will move to the position of neutral. Is there anyone who would like to testify in the neutral position on A.B. 226 (R1)? [There was no one.] I will ask the sponsor of the bill whether you have any closing remarks? [There were none.] With that, we will close the hearing on A.B. 226 (R1). As I said earlier, we will be taking things out of the agenda order. Assemblyman D'Silva has a second bill on our agenda, and we will open the hearing on Assembly Bill 279 (1st Reprint).

**Assembly Bill 279 (1st Reprint): Revises provisions governing the waiver of tuition and registration and certain fees for students who are children of certain veterans. (BDR 34-531)**

**Assemblyman Reuben D'Silva, Assembly District No. 28:**

Assembly Bill 279 (1st Reprint) deals with tuition. Assembly Bill 279 (1st Reprint) would create a benefit program within the Nevada System of Higher Education (NSHE) to allow the children of combat wounded veterans—Purple Heart recipients—to receive a tuition waiver. There is an amendment in place that was brought by NSHE where we will have an actual age limit. You would have to use this benefit after turning 18, then you would have 10 years or up until the age of 28. This bill creates a tuition waiver for the children of combat wounded veterans who are Purple Heart recipients. With that, I will turn it over to Mr. Clinger for the fiscal analysis.

**Andrew Clinger, Chief Financial Officer, Nevada System of Higher Education:**

There is a fiscal impact, but I was unable to determine exactly what that is. I would expect, in this case, the fiscal impact to be minimal.

**Chair Monroe-Moreno:**

Members, are there any questions for the presenters? [There were none.] Is there anyone who would like to testify in support of A.B. 279 (R1)?

**Douglas Unger, University of Nevada, Las Vegas, Chapter President; and Government Affairs Representative, Nevada Faculty Alliance:**

We are in support of this bill hoping that we can also, at some point, find ways to reimburse any fiscal notes that may appear in the future.

**J. Kyle Dalpe, Ph.D., President, Western Nevada College:**

We support this bill. Thank you for bringing it forward and thank you to our veterans.

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

I am representing 279,000 veterans in our state. I am also the State Commander of the Military Order of the Purple Heart. The finance officer estimated the cost would be low. Several years back, we passed a law for Purple Heart recipients to use an exemption at our colleges. As I understand it, only a dozen veterans have used that. We are a small number in our state. The estimate is less than 5,000 Purple Heart recipients out of 279,000 veterans. Of that, the majority of them are now Korean and Vietnam veterans, which represents over 90 percent of them. This will have a small impact.

However, our children lived through the same wars we did. I am going to give you a brief example, and I will use one of my own. I was paralyzed briefly from the waist down, and I came home walking one-inch steps for some time. My children have watched me roll out of bed, crawl up the dresser, and sometimes crawl down the hallway in the years past. It took a lot of years of therapy and work like that. My children lived through my war wounds.

Now, I did not have anything like the injuries of some of our young veterans out of Afghanistan and Iraq. I did not lose any limbs or any digits, but I did suffer for 50 years. I still have shrapnel in my back. I could be paralyzed again, and I do not care. I am going to be here anyway. The reason for sharing this story with you is the children of our veterans experience the damage to our veterans in our state, and this is the least we can do for their children. We support this bill.

**Elena Bubnova, Associate Vice President, Research, Marketing and Web Services, Truckee Meadows Community College:**

As a community college, we proudly serve thousands of veterans, and we support this bill. We are looking forward to extending this benefit to dependents of veterans as well.

**Constance J. Brooks, Vice President, Office of Government and Community Engagement, University of Nevada, Las Vegas:**

The University of Nevada, Las Vegas was recently named one of the nation's top-ten veteran-friendly campuses. We appreciate this legislation providing additional support to our veteran population whom we appreciate and want to support even further.

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

We are here to support this bill for another incredibly deserving group.

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

I have known Assemblyman D'Silva since we were in elementary school. I am proud of him and his service to our country and our state. We are in full support. I do not want to let Mr. Weekly down with a ditto. I want to keep him happy.

**Lynn Chapman, representing American Legion Auxiliary:**

I am a 48-year member of the American Legion Auxiliary, Duby Reid Post Unit 30 in Sparks, Nevada. I am a ten-times Past President and currently the Secretary/Treasurer. I have volunteered many hours to help our veterans and their families through the years. I know how difficult it can be for veterans' families, especially to be able to have their children attend college, because college is expensive. Our military families have sacrificed much for our country, and this bill would hopefully encourage the children of Purple Heart recipients to attend college and achieve their goals in life. Waiving fees could help these family members. When money is a barrier for the children of the Purple Heart recipients, Nevada should step up and help these families who gave much. It is the least we can do. Please vote yes.

**Lawrence Weekly, Chief of Staff/Chief Diversity Officer, President's Office, College of Southern Nevada:**

We are in support of this bill 100 percent, and we thank you for this opportunity to testify.

**Frank Woodbeck, Executive Director, Office of Sponsored Projects, College of Southern Nevada:**

We are in support of this bill.

**Chair Monroe-Moreno:**

There are no others who wish to testify in support, so we will move to opposition. Is there anyone who would like to testify in opposition to A.B. 279 (R1)? [There was no one.] Is there anyone who would like to testify in the position of neutral on A.B. 279 (R1)? [There was no one.] Does the sponsor have any closing remarks? [There were none.] We will close the hearing on A.B. 279 (R1) and open the hearing on Assembly Bill 232 (1st Reprint).

**Assembly Bill 232 (1st Reprint): Revises provisions governing the taxation of other tobacco products. (BDR 32-618)**

**Assemblyman Brian Hibbetts, Assembly District No. 13:**

I am happy to present Assembly Bill 232 (1st Reprint), which at its heart is a small business survivability bill. The bill limits the tax imposed upon the sale of premium cigars to not more than 50 cents nor less than 30 cents for each cigar. A fiscal note was prepared by the Department of Taxation indicating a need to make program changes to their software programs to incorporate the new classification for tax rates. The one-time programmer

expenses and overtime total \$1,731. The Department determined there will be a loss of revenue due to the bill, but they cannot determine how much at this time based on how taxes are reported. My colleague has a few comments.

**Assemblyman Duy Nguyen, Assembly District No. 8:**

I am a small business owner myself. The constituents of my district, who are opening up a cigar lounge in my district, have asked me to support this bill. That is why I am here, and in the interest of time; I will stand for questions.

**Chair Monroe-Moreno:**

Members, are there any questions?

**Assemblywoman Gorelow:**

How did you produce the 50-cent cap versus \$1 or \$2?

**Assemblyman Hibbetts:**

One thing this bill does is define premium cigars because they are under the other tobacco products (OTP) category, which is currently taxed at 30 percent of wholesale. The thought process included looking around the country at other states. Arizona, for example, is capped at 22 cents. Texas is capped at 1 cent. Florida has no tobacco tax. Friday, the Governor of Montana signed a bill capping their premium cigar tax at 35 cents. The thought process was we are trying not to overly burden the tax system by reducing the taxes too much while still giving our retail businesses some relief from the tax burden that they feel. New Mexico is also at 50 cents.

**Assemblywoman Gorelow:**

Can you talk a bit about the comparison with OTP? How would this work with cigarillos, tobacco, and loose cigarettes as well? How does it compare with those, because for years, the OTP have been taxed less in comparison to cigarette taxes. Can you talk about that?

**Assemblyman Hibbetts:**

It is my understanding that cigarettes are taxed at 9 cents apiece at a flat rate. This bill would not affect anything other than what is defined as a premium cigar, which is hand rolled, with whole leaf tobacco, and no tip or mouthpiece. It would not affect cigarillos, loose leaf tobacco, vape products, or anything of that nature. It only affects those things defined as a premium cigar. I can go into more detail. If you look on the Nevada Electronic Legislative Information System (NELIS) at the exhibits, there are pictures of what a premium cigar is. One thing I did forget to mention is the taxation rate from people ordering from the Internet is they are currently paying zero.

**Chair Monroe-Moreno:**

Members, are there any other questions?

**Assemblywoman Dickman:**

This might be a question for Legal, but do you have any idea why the bill requires a two-thirds majority vote, because it does not look like we are raising a tax or fee.

**Assemblyman Hibbetts:**

I can answer that if Legal would like me to.

**Assemblywoman Backus:**

This question came up following our revenue hearing when the bill was reprinted. The reason the two-thirds majority vote is now required is because as part of the amendment to this bill, there was a floor set that is going to be between 30 cents and 50 cents, and other tobacco products are taxed at 30 percent. If you had a wholesale premium cigar sold at 50 cents, 30 percent of that was going to be lower than the new floor of 30 cents.

**Chair Monroe-Moreno:**

Thank you for that answer as the Chair of our Assembly Committee on Revenue. I know it is a small fiscal note that the Department of Taxation has, but will they be able to absorb that fiscal cost? Have you had a conversation with them?

**Assemblyman Hibbetts:**

We have been in discussions. Currently, they are not able to remove the fiscal note simply because the effective date of this bill means they would have to do the work during this current fiscal year, and the budget is closed for that last year. I had them look at the amendment because the fiscal note was submitted on the bill as introduced. They looked at the amendment and said there would be no change to their fiscal note with that. They would not incur any further costs.

**Chair Monroe-Moreno:**

Is there anyone here in the audience from the Department of Taxation who can speak to the fiscal note? I know it is a small fiscal note, but I want to get this on the record.

**Joseph Bernardy, Deputy Director, Department of Taxation:**

I am the Deputy Director for Information Technology. We understand that this is a small fiscal note, but it will require programming of our information systems, and we estimate it will take 15 hours. As Assemblyman Hibbetts said, with our budget being closed, we are not able to absorb that at this time.

**Chair Monroe-Moreno:**

This question will go to any one of the three of you who could answer it. What is the projected loss in revenue to the unrestricted State General Fund if this piece of legislation were approved?

**Joseph Bernardy:**

We are unable to determine that at this time because it is my understanding that we do not track separately how those OTP are tracked as we accept the taxes.

**Assemblyman Hibbetts:**

If I remember correctly, there was approximately \$35 million in OTP tax collected by the state. That was the last fiscal year. When you look around the country at states that have already enacted this legislation, it accounts for somewhere in the neighborhood of 2 percent of OTP. We estimate on the high end that it would be a \$2 million difference.

**Chair Monroe-Moreno:**

Members, are there any other questions?

**Assemblyman Nguyen:**

I want to highlight that this is a pilot program that we are asking to institute, and it has a sunset date of June 30, 2027. I want to put that on the record.

**Assemblyman Hafen:**

I am trying to remember from the policy hearing the reason for the sunset provision. I believe you had projected an increase in sales in Nevada because people would stop buying cigars from out of state, and therefore you are projecting and being hopeful that there would be an increase to the State General Fund through this. Am I correct? Was that the reason for adding the sunset provisions so we were not hurting the General Fund, and we could ensure that this was going to be a net positive for us?

**Assemblyman Hibbetts:**

That is correct. While we cannot predict the future, we can look at the other states that have done this and have seen an overall increase in their revenue based on conducting this type of move in their taxation structure. When people can go to a physical location and get the product immediately, they are less likely to buy from an Internet retailer or from a mail order because they want to purchase locally and support the small businesses that are in their state. For instance, Michigan had a sunset when they enacted this tax, and they removed that sunset, and it was signed into law by Governor Whitmer because they saw the exponential growth in their tax revenue because of it.

**Assemblyman Miller:**

What is the percentage difference in price in what people are buying online versus in person?

**Assemblyman Hibbetts:**

I do not have the exhibit in front of me. If you look at the two receipts in the exhibit on NELIS, it will show that. I want to say it is 35 percent or 38 percent for that one particular cigar that was brought up in the policy committee because they are not paying sales tax and they are not paying the tobacco tax that Nevada requires.

**Chair Monroe-Moreno:**

What is a premium cigar? Is that the kind you buy in your local 7-Eleven store? Do you have to purchase the premium cigars from a specialty cigar store that is a growing business in our state?

**Assemblyman Hibbetts:**

A premium cigar may not be purchased in a 7-Eleven store or a general convenience store. There are some stores, one of the bodegas, which do have humidors with premium cigars in them, but they are rare. A premium cigar is going to be purchased in a premium cigar lounge or shop, which is locally owned. There are, at the most, ten of them in the Las Vegas Valley. Contrary to popular belief, I have not visited each and every one of them myself, but I plan on it. I do not want to say a premium cigar is a luxury item, but it is an indulgence. It is defined as made with whole leaf tobacco, no tip or mouthpiece, and must be rolled by hand. We are not talking about machine-made cigarillos; I do not want to use brand names, but the smaller, cheaper versions that you might see wandering down the street.

**Chair Monroe-Moreno:**

Members, do you have any other questions on this bill? [There were none.] Is there anyone who would like to testify in support? [There was no one.] Is there any testimony in opposition?

**Barry Cole, Private Citizen, Reno, Nevada:**

I was googling prices for a premium cigar, and according to Cigar World, \$10 to \$20 per cigar is the price. The best cigars, as I understand, are rolled on the thigh of a virgin in Cuba. That is what I was once told in Key West, Florida, when I went to a wedding. I do not know because I do not smoke them.

My concern is oral cancer. I know cigars are more likely to contribute to oral cancer because the smoke is not deeply inhaled the way a cigarette is. From a physician's perspective, I do have concerns about the implications for health. It is interesting that the tax should be based on what is the likelihood of needing future medical care. We have never priced anything according to the risk it poses. I am not trying to take fine cigars away from Super Bowl fans because I do not think they are smoked that often, but it is an indulgence that does come with a negative health risk, and we need to act like we are cognizant of that.

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

On behalf of the American Heart Association, I would like to express our opposition to A.B. 232 (R1). An estimated 380,000 U.S. students were current cigar users in 2021, making cigars the second most popular tobacco product among youth. Regular cigar smoking increases the risk of cancer of the lungs, oral cavities, larynx, and esophagus. Cigar smokers have a 27 percent higher risk of heart disease and a 45 percent higher risk of chronic obstructive pulmonary disease as compared to people who were not cigar smokers.

Historically, cigar smoking in the United States has been a behavior of older men, but the industry's increased marketing of these products to targeted groups increased the prevalence of use among adolescents. Reducing the tax on cigars would make them cheaper and more accessible to youth as cigar use is higher among youth who use other tobacco products or drugs than among youth who do not use these products. The tobacco industry continues to use tactics to appeal to youth and has been since the early 1900s. Tobacco companies know

that youth use of tobacco is price sensitive, and raising tobacco prices reduces youth smoking. This bill would set a precedent for other tobacco product taxes to be lowered making tobacco products more accessible to youth. Please oppose A.B. 232 (R1) and protect the health of our youth.

**Chair Monroe-Moreno:**

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

**Assemblyman Hibbetts:**

I would like to address the opposition comment from the American Heart Association. I object to their objection simply because it is a policy objection that should have been brought up in the policy committee and not in the money committee, which was not done. If they choose to, they can object to it once it gets to the Senate. Also, the youth use of tobacco or cigars is not in the premium industry. There are no 16-year-olds walking into a premium cigar shop to buy a \$32 Padrón cigar. They are buying the smaller nonpremium cigars that we discussed from 7-Eleven stores, which are not affected by this bill one way or the other. I look forward to your support.

**Chair Monroe-Moreno:**

With that, we will close the hearing on A.B. 232 (R1). We are going to take a brief recess [at 9:41 a.m.].

[Assemblywoman Backus assumed the Chair. The meeting was called back to order at 9:41 a.m.]

**Vice Chair Backus:**

We will call the hearing back to order now. I will open the hearing on Assembly Bill 386 (1st Reprint).

**Assembly Bill 386 (1st Reprint): Revises provisions relating to midwives. (BDR 54-111)**

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

I thank you for the opportunity to present Assembly Bill 386 (1st Reprint), which creates the Board of Licensed Certified Professional Midwives, which is comprised of nine members appointed by the Administrator, Division of Public and Behavioral Health, Department of Health and Human Services. Currently in the state of Nevada, we do not have a licensure process for certified professional midwives. This measure provides for that licensure of licensed certified professional midwives (LCPMs) by the Division and specifies that the Division and the Board will share the responsibility of regulating the licensure. Last session, I made a promise to our traditional midwives that this would be an optional licensure. It remains that, and there is nothing in the bill that mandates all midwives in the state of Nevada to become licensed.



You have two fiscal notes, and they have been amended. The fiscal note from the Division of Health Care Financing and Policy, Department of Health and Human Services was revised to a \$0 fiscal note. The Division of Public and Behavioral Health, Department of Health and Human Services still has a fiscal note. The amount has been cut in half from the original fiscal note that you received. However, there are still discussions going on, and we believe that will be lowered even more with some policy amendments to the bill that we will have ready for you for your work session. With that, we will stand for questions.

**Vice Chair Backus:**

Committee, do we have any questions regarding A.B. 386 (R1)? [There were none.] Is there any testimony in support of A.B. 386 (R1)?

**Kanani Espinoza, representing University of Nevada, Las Vegas:**

Our nursing school and medical school testified in support in the policy committee, and we would like to support it here as well.

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

We are happy to support this bill. We, too, joined in support in the policy committee and urge your support.

**Vice Chair Backus:**

Is there anyone wishing to give testimony in opposition to A.B. 386 (R1)?

**Lenny Sue Tinseth, representing Nevada Midwives Association and Great Basin Midwives:**

I am an LCPM, and I have been practicing for 37 years. I represent Great Basin Midwives and Nevada Midwives Association. I would like to thank the Committee this morning for allowing us to be here today and especially Assemblywoman Danielle Monroe-Moreno for her passion to bring attention to women and midwives with the midwifery bill.

The Board of Licensed Certified Professional Midwives described in this bill will come with a cost per year. There will only be a handful of LCPMs who would not be able to afford the cost of the bill. Assemblywoman Monroe-Moreno has stated in the previous session that the cost will be taken care of, but what grant or gift will secure the responsibility to assure that this will not become a burden to the state year after year?

Approximately 60 percent of the births in the state of Nevada are paid for by Medicaid. The reimbursement rate is approximately \$1,000; for a facility fee, \$1,500. The midwives have always cared for families on Medicaid without Medicaid reimbursement. The truth is all midwives I know practicing in this state allow for a percentage of pro bono births. Any woman in need who wants a home birth can have one. A low estimation of midwife pro bono births is that the state saved approximately \$200,000 in Medicaid costs every year. This does not account for the Medicaid patients who do have the means to pay for their birth without using access to their Medicaid benefits.

We provide this service without being told to, and our desire is for mothers and babies to receive the right care without obstacles. One mother who could not afford the birth agreed to clean my office, but that did not even cover \$1,000. It did not mean that was not the goal. The goal was that she felt good about providing for the services she received.

Families have shared with you the community of other community members paying for their births. Stephanie was one of these who received one of these gifts. Years later, her husband hit the jackpot at a Maverick location for \$30,000. She came and paid for her births and then also paid for other women's births so they could be blessed as she was blessed. Please do not pass this bill because it is obscure and poorly written and even Legal has a hard time interpreting it. Do not think this bill will solve a disparity problem that is widely cared for in the community. I would like to stress to the Committee that, as written and with recent amendments, industry and the community overwhelmingly oppose A.B. 386 (R1).

**Garrett Singer, Private Citizen:**

I am a father to a home-birther child. I oppose A.B. 386 (R1). Nevada is still a rural state. We have more small towns than cities. Access to hospital service or birth centers is limited for many of its citizens. If the bill passes, it creates unsafe situations for women who are unable or unwilling to obtain medicalized care. It is a burden and strain on families who have to travel long distances for medical care, checkups, and delivery. The care you receive at home is better than at a hospital, not only from a midwife, but the community and family members who are there to help.

Midwifery is not money driven. It is personal, and care driven. Safety for my partner and my child was my main concern and why I advocated for a home birth with a midwife. Safety is a top priority for home births by certified professional midwives (CPMs). If there are risks or complications that would make for an unsafe home birth, the midwife will not provide care. The rights of women and families choosing where and how their children are brought into this world should not be hindered; it should remain free like this state.

**Kelsea Edwards, Private Citizen:**

I am a mother who had the honor of having a home birth, and I oppose A.B. 386 (R1). To me, this bill feels like another infringement on the choices I make about my body. Medicalized birth is a new phenomenon in our society, yet it is perceived as the standard of practice. Having the choice to choose midwifery care over medicalized care was a choice I made for the safety of myself and my child. Medical professionals, in the lifetime of their careers, will not come close to having the experience and knowledge of midwives. As we know, expertise comes from experience.

From the moment I entered midwifery care, and throughout my experience, my safety was the top priority. I had previously undergone medical care from two different facilities with two separate obstetricians and was never given the peace of mind I received in the first moments of meeting my midwife, who is right here next to me. This was priceless to me.

The cost was not a driving force for me, but it was a relief to evade an outrageous medical bill. I paid a standard flat rate that included extensive care and aftercare with home visits. Yes, that is right. I never had to leave my house in the first two weeks of postpartum, and those of you who have had children know this is a godsend for your recovery.

Women's bodies have been giving birth to children since the beginning of time and will continue to do so despite the changes that come. Our society needs to stop looking at births as medical procedures and view them for what they are—natural bodily processes. Home births honor this to the fullest. This bill passing would be detrimental to our state, as this is a viable means of birth. As a proud home-birth mother, I can say without a shadow of a doubt, that the people of Nevada do not want medicalized care for many reasons and those top two being safety and cost. I ask you please vote in opposition to this bill.

**Taylor Turner, Private Citizen:**

I am a home-birth mother, doula, and educator. I wanted to come here today to express my deep concern for the future of midwifery. As many of you know, licensure came about to get rid of midwives. There was once a time when traditional midwives were the only ones attending births, and then they passed this wisdom down to others who were called. When we see these stringent requirements for students as we do in this bill, it will be harder for the future generation of midwives to access apprenticeship, especially in the northern part of the state where there is already a small number of practicing midwives.

I hear all the time from many mothers in the state who are not happy with the medicalized midwifery we are seeing today and want something more traditional. There are also the families who do not want to be involved with government and regulations whatsoever and value their privacy. The required disclosure form in this bill, even for those not wanting to be regulated, is still regulating them by making it a requirement. This does not support autonomy and freedom. I oppose this bill, as does most of Nevada.

**Hailey De La Cruz, Private Citizen, Yerington, Nevada:**

My family and I are a home-birth family. I have experienced medical birth as well in the hospital, which ended in medical intervention and a C-section. We got the bill in the mail for about \$60,000, and we had insurance. My family and I drove an hour and a half to be here today. I live in Yerington, Nevada, which is rural Nevada. There are quite a few home-birth families in Yerington, to name a few: Brianna Coker and her family, Melody Holland and her family, Stephanie and her family, and my family. The families in my community deserve to have access to affordable midwifery care. All families, regardless of income, should have access to the professional and personal care of midwives from their homes. This is why I strongly oppose this bill. Please take this into consideration.

**Scott Tinseth, Private Citizen:**

I am the father of five children, all born at home, nine grandchildren, eight born at home, and I strongly oppose this bill.

**Kristin Gray, Private Citizen, Las Vegas, Nevada:**

I am opposed to A.B. 386 (R1). I am choosing to represent the families of Nevada. With these meetings taking place during school drop-off time, many are unable to attend today. Midwives are meant to serve the families who hire them and not be beholden to the powers of governance. Since the dawn of time, there has been prostitution and midwives. Midwives have long filled the role that is ushering of women into motherhood and new humans into this earthly existence. Here is my amendment suggestion: strike the whole bill and replace it with language that midwives are governed by the families that they serve.

A dear friend and a wonderful midwife who passed from this life recently has had experiences both with a traditional and a licensed midwife. These are her words: "Controversial as it will be, I eliminated almost all birth interventions by returning my license. Having been a midwife since 1976, I have seen the profound and oftentimes disturbing changes in birth, even within the home-birth community as outside interests have usurped the relationship between a midwife and her clients. When licensing became an option, I was lured by the promise of recognition, acceptance, and financial reward. I bought the paper and served the families as a licensed midwife for five years. Once I had clarity about the disruption this was causing in the way I chose to serve, I returned my license and returned to serving the family instead of the governing bodies. Now, when I walk into the home of my clients, no one is behind me, trying to crowd in and have their say, and my relationships with the families I serve are strictly between us. I am answerable to the family and not a licensing board of mostly providers who are not my peers and truly do not comprehend the uniqueness of each family and birth at home."

As I have previously stated, this bill is bigger than a handful of midwives who are pushing for this. There is absolutely no budget to sustain this bill. When asked about that, I was told that the state would pay for it. We have been told that licensure is voluntary even though there is not any specific language stated in this bill that it is so. There are not enough midwives in the state who would want to be licensed to even cover 10 percent of the proposed cost.

The money that is going to come for this Board will have to come out of the state coffers. The money spent on the Board is also setting a dangerous precedent for other professions. What other professions would agree to having other professionals on their board? Section 17 outlines the specifics. As the Board now stands in the bill, there will be an advanced practice registered nurse or an obstetrician, four LCPMs, a provider of neonatal or pediatric care, a member of the general public, and nonvoting members of a social worker and liaison to the state. Nonlicensed CPMs and traditional midwives are not represented on the Board even though they are directly affected by portions of this bill, even if they choose not to become licensed. You are about to make a decision that affects everyone in the state, whether you think it does or not. This is bigger than a handful of midwives.

**Romina Paulucci, Private Citizen:**

I am a mother of three and a home-birth midwife serving families in southern Nevada. I want to thank Assemblywoman Monroe-Moreno for working hard wanting to understand

and improve maternal and neonatal outcomes here in our state. We know that it is an issue of high concern across the nation, but it is heavily felt here. I deeply appreciate your efforts. I personally became a midwife after less than desirable reproductive care within the medical system. I am currently in opposition to this bill, although I do support the original intent of increasing humanized care for families in this state. Some of the language is of concern to me. If we look at section 20, we have been asking for a clear path of education for CPMs and LCPMs here in Nevada. We do see that in section 20, the option was added for the U.S. Midwifery Education, Regulation, and Association and the North American Registry of Midwives. However, if you look down to section 103, it continues to remove this option completely. This would hinder current students from practicing in the future, completing their licensure, their certification, and then as well in the future, it would not even allow these students to be able to seek licensure or certification here in Nevada because it would remove that educational option.

Also, we have had a concern with having an obstetrician and a social worker on this Board. As Kristin said previously, there are no other industries that have people of other professions on their board. Midwifery has been within the power of women and families for a long time, and it has been miraculous that Nevada has been able to maintain these rights for all of this time. It would be unfortunate that now, in seeking education and licensure, we would lose those rights. That Board should have only midwives, parents, and families who support midwifery already. Unfortunately, we do not have many obstetricians who currently support midwives. I do want to thank you, Assemblywoman Monroe-Moreno, for confirming that this bill is voluntary. I would love to see that in the final bill.

**Jessica Lagor, Private Citizen, Las Vegas, Nevada:**

I am a traditional midwife. I am not a certified professional midwife. I am here in support of my certified professional midwife colleagues and the future of midwifery in Nevada. I oppose A.B. 386 (R1) because it was not written with the collaboration of the community. I know that you have been told many times that it was, but it was not. The bill was written behind closed doors by only a few people, and this is not the bill that the community agreed on. We, as a whole, are not staunchly against licensure for all the reasons mentioned in the presentation of the bill. We are against licensure being presented in the way that this one was, which was noncollaborative and with a complete disregard of the entire community and the industry.

Historically, states that regulate midwives have squelched the autonomy of the mother, and those moms now travel to Nevada to have their babies, where there is an island of freedom for home-birthing mothers. If all the CPMs license under this bill, which many of them have said they will not, mothers in Nevada and surrounding states will lose choice, access, and freedom in childbirth. Even if it does not state it now, the openness of having everything be up to the Board is too uncertain. While not all midwives will be held to the rules of the proposed Board, we cannot take on the volume of women who will be falling through the cracks and yet still deserve care.

Currently, Nevada recognizes a medical license for midwives in the form of nurse midwives. Currently, Nevada midwives attend peer review and regular continuing education. Currently, Nevada families have all the choices, and the CPMs I have spoken to said they would not comply with this license. Additionally, the bill is too long for anyone to read. Please check the online polls, look at the opinions of the families of Nevada, and see that this bill is not supported by Nevada families or the community that it is going to control.

**Amie Norris, Private Citizen, Las Vegas, Nevada:**

I am a home-birthing mother in Las Vegas, and I oppose this bill. I had my first baby in the hospital fully covered by insurance, except for the deductibles. The amount that I paid for that birth was more than I paid for all of my other home births together. The birth fees for my three girls, who were born at home, were fully affordable, even for a low-income family. We worked hard, and we paid for them out of pocket with the payment plan with our midwife. At no point did we feel we could not afford that birth. For one of our births, we did not have money available and were able to find a midwife, as Lenny Sue has stated, that worked with us and we bartered services with her, and our birth was covered.

I do not feel that having licensure available will increase access to midwives for low-income women. I have seen my story played out in families all over Las Vegas as I have worked with many families who are expecting or have recently had babies over the course of the past 15 years. I oppose this bill because, as others have stated, it is not clearly written in the bill that licensure would be voluntary. I know that we have heard verbal assurances to that effect, but it is not stated in the bill itself that licensure is voluntary. And even if it was, we have seen in the past in other states where voluntary licensure was instituted that over time it becomes mandatory, and families lose the option to have access to the provider of choice. For these reasons and many more, I oppose this bill.

**Camila Santiago, Private Citizen, Las Vegas, Nevada:**

I am a CPM in southern Nevada and committee member of the Nevada Midwife Association. I am representing my own opinion. Midwives and home-birth mothers have tried to propose amendments that would bring this bill to middle ground only to be completely disregarded by the authors and the sponsors of this bill. If this bill passes, and even if I wished to become licensed, I would not be able to afford the costs involved in having mandatory liability insurance. I, along with the vast majority of midwives, run solo practices and small practices. In order to afford the insurance, we would need to either increase volume drastically, practice under a group, or increase our fees.

Another piece of information is licensed midwives in Washington State, which has been the state of reference for this bill, practice on average for only six years. If we can keep up with the costs involved in being licensed, we cannot keep up with the volume we need to serve in order to afford to be licensed. Licensing under those terms will be unsustainable, expensive, lead to burnout, and increase the shortage of midwives in this state.

Furthermore, I am still not in favor of the Board being composed of medical providers who have no training or knowledge of out-of-hospital births. The medical system harms mothers

and babies, takes away babies from home-birth families all the time to child protective services in this state and all across the country, especially from minority groups, through their policies and regulations. The number historically speaks for itself. Doctors and social workers have no place on the Board that governs midwives. For these reasons, I oppose A.B. 386 (R1).

**Michael Ryan, Private Citizen, Nevada:**

I am a longtime resident of Nevada and a Marine Corps veteran. Please oppose A.B. 386 (R1), which harms traditional practicing midwives by giving preference to freestanding birth clinics and implementing more bureaucratic regulations. With the lack of health care in Nevada, especially in rural counties, this could limit options available to expectant mothers seeking the care of a traditional midwife. Traditional midwives have a positive outcome for home births for mothers and babies. Please do not spend the money to diminish and burden, with unneeded regulations, the practice of traditional midwives with the bureaucratic Board. Please vote no on A.B. 386 (R1).

**Cassia Lopez, Private Citizen:**

I am a rural mom, home birther, and photographer in Nevada. I have witnessed many instances where mothers of all diverse backgrounds were able to be served by their midwives regardless of high-income economic status or low-income economic status. I oppose this bill for all the reasons that were mentioned previously, but I want to remind you that you are representatives of many Nevadans who are against this bill, many who cannot speak today because they are families and mothers who are at work when their children are at school. We are well informed; we read this bill; we read the amendment. We are in community with our midwives and each other, and we still oppose this bill. Please listen to us, the polls, and all your constituents, and we say please oppose A.B. 386 (R1).

**Katie Banuelos, representing Libertarian Party of Nevada:**

The Libertarian Party of Nevada is opposed to A.B. 386 (R1) [[Exhibit D](#)]. I am also speaking as a home-birth mother of two; I had both of my babies at home. First of all, it is disingenuous to call this bill an optional licensure program. It is only optional for a small number of people. All the CPMs are going to be impacted by this. Anyone who wants to become a midwife and get licensed in the future is going to be impacted by this. Something that is optional today may not remain optional tomorrow, especially with the degree of latitude given to the Board.

Second, this bill is clearly an example of industry rent seeking. You have certain providers of midwifery services who are pushing for this bill that will change the requirements on birth center operators in a way that will benefit them personally. But it is at the expense of all the other midwives in the state who do not support the institution of the state-level licensure program. This bill is not broadly supported by midwives or home-birth parents in Nevada. We believe this bill will negatively impact the provision of midwifery care in Nevada, impose costly and burdensome requirements on practitioners, reduce the number of practicing midwives in the state, and reduce access to care.

Childbirth is a deeply personal experience. Every mother should have the right and opportunity to seek out the care and the provider best suited to her needs. Women who seek out midwifery services or choose to have their prenatal care and birth outside the traditional hospital setting do for several reasons. It is not reasonable or desirable to artificially limit their alternatives, and their choices need to be respected. Please reject this proposal. Vote no on A.B. 386 (R1).

**Vice Chair Backus:**

There are no additional callers choosing to testify in opposition. We will open testimony in the neutral position on A.B. 386 (R1).

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

We are neutral on this bill and would like to thank the sponsor for bringing it forward. I am calling attention to the best practices and evidence-based practices for midwifery care and thank the sponsor for that.

**Vice Chair Backus:**

Is there anyone else wishing to give testimony in the neutral position on A.B. 386 (R1)? [There was no one.] I will invite the bill sponsor back for any closing remarks.

**Assemblywoman Monroe-Moreno:**

I remind all of us that we are here as a fiscal committee, not a policy committee. This policy was vetted at the policy committee, and once it moves out of this body, which I hope that it does, it will have another policy hearing on the Senate side. As I said at the beginning, this provides another option for birthing persons, mamas, families, and parents in our state. I brought this bill last session because parents in my district asked me to because of some negative outcomes that they had with midwives, specifically one midwife and the family that had hired her. She said that she was a licensed midwife in the state of Nevada, and we had no licensure. She gave birth to twins, but only one of her twins lived, and she almost died. She was looking for recourse that we did not have.

What A.B. 386 (R1) does is provide another option. By providing that other option by having a licensure in our state, we can, as you heard from the support from our educational institutions, bring the education component to the state of Nevada, thereby increasing the options of those who may want to be a licensed certified professional midwife.

Currently at the University of Nevada, Las Vegas and, I believe, at Nevada State College, they are working on midwifery programs to train the nurse midwives. We are increasing this, and yes, some of the testimony was we do not have enough women of color who are midwives in our state. We do not have enough doctors of color who are birthing babies in this state. There is nothing in this bill that says that there is a financial reward for a midwife if she becomes licensed. There is nothing that speaks to the cost of midwives, only the fiscal note that you saw that was reduced to \$0 because the state of Nevada will save money. That is why that fiscal note went to \$0.



I am a mom, I am a grandmama, and I have had grandchildren born in the hospitals and a home birth in a swimming pool. I have seen both sides of it, and this is a great option for all who choose to have a baby in the state of Nevada. This is another birthing option that is a safe birthing option.

**Vice Chair Backus:**

We will go ahead and close the hearing on A.B. 386 (R1) and take a one-minute recess [at 10:16 a.m.].

[Assemblywoman Monroe-Moreno reassumed the Chair. The meeting reconvened at 10:17 a.m.]

**Chair Monroe-Moreno:**

We will bring this meeting back to order. We will continue to go out of order from the agenda. The next bill that we will hear will be Senate Bill 452.

**Senate Bill 452: Revises provisions governing the allocation of the proceeds of the basic governmental services tax. (BDR 43-1204)**

**Michael Nakamoto, Chief Principal Deputy Fiscal Analyst:**

Before I start my presentation on Senate Bill 452, I will provide the usual disclaimer that as nonpartisan Legislative Counsel Bureau staff, I am not here to support or oppose any legislation. However, I have been asked to walk through the provisions of S.B. 452, which deals with the distribution of certain proceeds for the basic governmental services tax. There is a table on the Nevada Electronic Legislative Information System (NELIS) titled "Overview and History of Allocation of Certain Governmental Services Tax (GST) Revenue Between the State General Fund and State Highway Fund" [[Exhibit E](#)].

As an overview, the GST was originally approved in the 1963 Legislative Session. There are a couple of components of that tax that are relevant to this discussion, and the first is the original distribution of the tax. It was originally put in place as a substitute for personal property tax on vehicles. But the tax, when it was put in place in 1963, was only distributed to local governments, including cities, counties, and school districts. There was no state component to this tax.

The second part is the relevant part in terms of how the history of this distribution came forth and how the taxes are structured. As it was put into place and as it remains now, the taxes are on the value of the vehicle, based on the manufacturer's suggested retail price of the vehicle when it is first offered for sale in Nevada without any options or add-ons or anything of that sort. Then that value is multiplied by 35 percent. There is a depreciation factor that is added to the vehicle before the tax rate of 4 percent is applied.

Before the 2009 Legislative Session, that depreciation schedule started for small automobiles, trucks, buses, trailers, and so on, with new vehicles at 100 percent. There was no depreciation factor, and then specifically 1-year-old cars were at 85 percent and then it

worked all the way down to 9-year-old vehicles or older that were down to 5 percent. For buses and trucks, it started at 100 percent for new vehicles. The 1-year-old vehicles were at 75 percent and then it worked all the way down to 10-year-old vehicles or older at 13 percent.

In order to generate more money for the state during the recession, the Legislature approved Senate Bill 429 of the 75th Session, which took those depreciation schedules for all vehicles, except for new vehicles, and added 10 percent to it. The 1-year-old car, instead of being at 85 percent, went to 95 percent, and it worked the whole way down the schedule to where a 9-year-old vehicle or older went from 5 percent to 15 percent. Effective September 1, 2009, the bill required 100 percent of those proceeds from that increment to go to the State General Fund. That was the way that the tax was supposed to be distributed for fiscal year (FY) 2010 through FY 2013. If you look at the table [[Exhibit E](#)] those figures are in bold. In FY 2014, it was supposed to reverse, and 100 percent of those proceeds were to be distributed to the State Highway Fund.

Moving over in the table to the right one column, you will see Assembly Bill 491 of the 77th Session, which revised that distribution beginning in FY 2014, such that 100 percent of the proceeds would remain in the General Fund for FY 2014 and FY 2015, again shown in bold. Then in FY 2016, 100 percent of the proceeds were again to revert to the State Highway Fund.

Moving to the right again, the Legislature approved Senate Bill 483 of the 78th Session, which retained 100 percent of the proceeds from this increment in the General Fund in FY 2016. Then it was to be a 50/50 split between the General Fund and the Highway Fund in FY 2017. Then in FY 2018 and all future fiscal years, it would be 100 percent to the Highway Fund.

The Legislature approved Assembly Bill 486 of the 79th Session, which instead retained 25 percent of these proceeds in the General Fund, with 75 percent going to the Highway Fund for FY 2018 and FY 2019, and then in FY 2020, it would be 100 percent to the Highway Fund.

The Legislature approved Senate Bill 541 of the 80th Session, which made that 25 percent/75 percent split permanent, and that was the case until FY 2021. As a result of the COVID-19 pandemic, the Legislature approved Senate Bill 3 of the 31st Special Session, which provided 100 percent of the proceeds to the General Fund for FY 2021 only, then to return to the 25 percent/75 percent split that exists in the current law.

Senate Bill 452, that is before you this morning, proposes to take that 25 percent that is currently dedicated to the General Fund and instead deposit that in the Highway Fund permanently beginning in FY 2024, such that 100 percent of the proceeds would go to the Highway Fund. On the far right in the table you see what the split is historically between the General Fund and the Highway Fund. You will see in the FY 2024 and FY 2025 columns, the \$27,572,000 in FY 2024 for the General Fund and \$28,256,000 for FY 2025. Those are

the Economic Forum's forecasts for the GST to the General Fund, which is the revenue that instead would be going to the Highway Fund if S.B. 452 were approved by the Legislature. I would be glad to answer any questions.

**Chair Monroe-Moreno:**

You are making a lot of people happy today because this has been an ask for as long as I have been in the Legislature, but we have had to shift funds between the Highway Fund to the General Fund to help us budget and maintain business here in the state. We are in a position that we can make this right. Members, are there any questions?

**Assemblywoman Kasama:**

When I look at the table [[Exhibit E](#)], it is quite erratic over the years in how the revenue has been split. In layman's terms, could you tell me why there has been this push and pull between each legislative session and it keeps switching back and forth?

**Michael Nakamoto:**

The only thing that I can tell you is that your predecessors in this building made the decision that this is how they wanted to allocate this revenue.

**Chair Monroe-Moreno:**

Are there any other questions or comments? [There were none.] Is there anyone who would like to testify in support of S.B. 452?

**Russell M. Rowe, representing American Council of Engineering Companies, Nevada Chapter:**

It has been a long time coming, working on this issue. We appreciate this legislation to fully fund or to have 100 percent of the funds go to the State Highway Fund.

**Alexis Motarex, Government Affairs, Nevada Chapter, Associated General Contractors:**

I am representing the commercial construction industry in northern Nevada. We are here today in strong support of S.B. 452. This is one of the recommendations from Assembly Bill 413 of the 81st Session Advisory Working Group that met throughout the interim to study modernizing the system by which we fund our highways in a sustainable and equitable way. While not many of the other recommendations have been acted on, we are thrilled to see this one and hope the Committee can see the value of adding \$25 million a year to the State Highway Fund. While it does not do much to address the \$500 million annual shortfall, it is better than nothing. We are grateful and urge your support.

**Brian Reeder, representing Nevada Contractors Association:**

I want to say thank you, and I urge your support.

**Chair Monroe-Moreno:**

Is there anyone else who would like to testify in support of S.B. 452? [There was no one.] Is there any testimony in opposition? [There was none.] Is there any testimony in the neutral

position? [There was none.] With that, we will close the hearing on S.B. 452. Members, we are getting short on time. We have both caucuses and then a floor session, but we are going to hear one last bill. Everything else on our agenda will roll to call of the Chair. We will open the hearing on Assembly Bill 346.

**Assembly Bill 346: Revises the State Budget Act. (BDR 31-928)**

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

I am happy to be here with you this morning to present Assembly Bill 346. This bill incentivizes state agencies to save money without being penalized for not spending their full budget funds allocated to them in their base budget year. It achieves this by providing a definition of what the base budget is to be used for by state agencies when they are preparing the biennium budget. When an agency does not spend its entire budget, they will not have their base budget reduced in the upcoming biennium. With this change, state agencies will not need to spend money on items they are not crucially in need of to meet their allocated base budget for the fiscal year, thus allowing for savings to return without any penalties.

Assembly Bill 346 will provide a definition of adjusted base budget. The state base budget sets forth the process for the preparation and submission of the proposed biennial budget for the Executive Branch of state government. Specifically, the act requires the Chief of the Budget Division of the Office of Finance, Office of the Governor to prepare a final version of the proposed budget, which must include the adjusted base budget for each department, institution, and agency of the Executive Branch. Currently, there is no definition related to how the adjusted base budget is calculated. As such, there is an established practice whereby the adjusted base budget includes the actual expenditures and revenues for the last completed even-numbered year plus or minus items routinely adjusted out including overtime, terminal annual leave, terminal sick leave, one-time expenditures including but not limited to equipment, computer hardware and software, one-time contracts, items approved on a one-time basis, contract employees, and the cost to fill vacant positions if the positions are retained in the base. Items routinely added to the base include known building lease adjustments, known adjustments to contracts such as copier leases and maintenance agreements, and annualization of revenues and expenditures for ongoing programs that were not operational for the entire base year.

Because the adjusted base budget is currently calculated using the actual expenses and revenues that an agency incurs in the last completed even-numbered year, if agencies do not spend what they are authorized or appropriated in the base year, the starting point for their adjusted base budget will be reduced in the upcoming biennium to the actual amount they spent, thus removing any incentive to appropriately save funds and return them to the state.

For example, if an agency were appropriated \$1 million in FY 2022, and \$1.2 million in FY 2023, but they only spent \$800,000 in FY 2022, the agency's adjusted base budget would begin at \$800,000 in FY 2024 and FY 2025 plus or minus adjustments routinely made to the base budget. Assembly Bill 346 provides a definition in section 1, subsection 5 for the adjusted base budget to mean the amount appropriated to the agency by the Legislature for

the second year of the current biennium, adjusted for the removal of one-time appropriations or authorizations, adjustments for statewide fringe benefits, contractual obligations, ongoing expenditures approved by the Interim Finance Committee (IFC), annualization of costs incurred in part of the second year, actual caseload, rate changes, and any other adjustments that may be necessary as determined by the Chief of the Office of Finance, Office of the Governor.

With the provisions in A.B. 346, under the same example that was previously provided, if an agency was appropriated the \$1 million in FY 2022, and \$1.2 million in 2023, but only spent \$800,000 in FY 2022, the agency's base budget would not be reduced to \$800,000 in FY 2025 as a starting point, but would rather begin at what was appropriated for FY 2023 of \$1.2 million plus or minus the adjustments defined in section 1, subsection 5. The language carries forward in section 2, subsection 7, which also references the definition of an adjusted base budget. I am fortunate to have with me today, Sarah Coffman from the Fiscal Analysis Division, Legislative Counsel Bureau to answer any questions you may have.

**Sarah Coffman, Assembly Fiscal Analyst:**

As nonpartisan staff, I am neither supportive of nor opposed to any particular piece of legislation. However, I am here and happy to answer any questions you may have about the adjusted base budget process.

**Chair Monroe-Moreno:**

Members, are there any questions?

**Assemblyman Yeager:**

I understand the philosophy behind the bill, but I wanted to get confirmation. Is this a practice of finding ways to spend all the money to ensure that your base budget is not diminished? Is that something that is widespread in our Executive Branch agencies? Could you speak to that? I certainly understand the point that is being made. I am trying to get a sense of whether the comment was more anecdotal or whether this is something more of a systemic problem?

**Assemblyman O'Neill:**

I have been retired for 12 years. Hopefully, the statute of limitations has expired, and I am free to speak. I cannot speak for every agency, but the few that I do know, yes, I would say so. I know from my own experience, both as an investigator all the way up as the division chief, it was always concerning when I was coming to the end of the first year of the biennium, which was our base budget, to expend as much of our funds as possible, so we would not have to fight for it back and justify it again and could move forward. That included buying things or doing some things which I felt at times were not necessary. I would come before the IFC, usually in April, and ask for the expenditures, justifying them. But in all honesty, as I said, I do not think they were necessary. But it was a practice to protect me when I was sitting on this side of the aisle, bringing in my biennial budget and presenting it to you all. It is always something that has bothered me for all my years that I do not think we were truly honest with you. When I say we, I mean the agencies. I will say

I cannot speak for every agency in the Governor's Executive Branch, but I know in some that I participated in that it was a wink and done. Yes. If this bill were passed, it would incentivize and prevent the need of overspending and return the money fairly without being penalized. That is what I am concerned about, and that is what I am looking forward to doing.

**Assemblyman Yeager:**

I appreciate the response. I wanted to confirm that if we were to pass this bill, we are talking about an adjusted base budget, but the Governor and/or the Legislature would still be able to make whatever adjustments they believed possible. We would not be setting a floor on the agency's budget. We would still retain our power to determine that we, in the previous biennium, had overfunded agencies. If you could confirm that on the record, I would appreciate it.

**Sarah Coffman:**

Yes, the Fiscal Analysis Division, as well as the Governor's Finance Office, will still participate prior to the commencement of session in a base budget review, which will evaluate all the one-time expenditures that have been included in the prior year and take those expenditures out of the budget before it is presented in the future legislative session.

**Assemblyman O'Neill:**

If I may add, I spoke with some retired state employees who were involved in their budgeting, who have reviewed this and said it would simplify the process. There would be a definition of what the base budget is for them to create their biennial budget. It is a closer timeframe to when we are coming into session. They are not creating a budget two to three years in advance as we are currently doing. They saw real value to it. The Legislature and the Governor would still have that ability to add and subtract as necessary based on the needs.

**Chair Monroe-Moreno:**

Do you have any amendments for this bill?

**Sarah Coffman:**

I would note that in reviewing the bill, I do believe additional language should be provided in section 1, subsection 5 where it indicates that as used in this section, "adjusted base budget" means the amount appropriated. I believe it should also say "amounts appropriated and authorized to support ongoing expenditures." That would ensure that both State General Fund appropriations as well as the revenues that are not General Funds are also included in this.

I would also like to speak about the fiscal note that was provided by the Fiscal Analysis Division. We do have a budgeting system that would require some adjustments. We received a vendor estimate for 120 hours of programming costs at \$225 per hour, which would equate to about \$27,000.

**Chair Monroe-Moreno:**

That was going to be my next question to ask about the fiscal note. Members, are there any other questions for either one of the presenters? [There were none.] Is there anyone who would like to testify in support of A.B. 346? [There was no one.] Is there anyone who would like to testify in opposition to this bill? [There was no one.] Is there anyone who would like to testify in the neutral position on this bill? [There was no one.] Do the presenters have any closing remarks on the bill? [There were none.] We will close the hearing on this bill.

Members, we need to get to our caucus meetings and to the Assembly floor. Before we leave, we received a bill draft request.

**BDR 34-1219**—Revises provisions relating to education. (Later introduced as Assembly Bill 523.)

**Chair Monroe-Moreno:**

We have a bill draft request (BDR) introduction for BDR 34-1219, which revises provisions relating to education. Remember that this vote is for a BDR Committee introduction and only helps it along the process to become a real bill. Your vote is not saying that you agree with the legislation. With that, I will entertain a motion to approve the BDR introduction.

ASSEMBLYMAN WATTS MOVED FOR COMMITTEE INTRODUCTION  
OF BILL DRAFT REQUEST 34-1219.

ASSEMBLYWOMAN JAUREGUI SECONDED THE MOTION.

Is there any discussion on the motion?

THE MOTION PASSED UNANIMOUSLY.

Members, we will recess this meeting until the call of the Chair [at 10:45 a.m.].

[The meeting reconvened at 6:22 p.m.]

**Chair Monroe-Moreno:**

Good evening, and we will call the meeting back to order. We will pick up where we left off and open the hearing on Assembly Bill 491.

**Assembly Bill 491: Makes appropriations to the Nevada System of Higher Education for enrollment recovery at certain institutions. (BDR S-1180)**

**Andrew Clinger, Chief Financial Officer, Nevada System of Higher Education:**

I am here to present Assembly Bill 491. The intent of A.B. 491 is to keep the three institutions cited in the bill—Great Basin College, College of Southern Nevada, and Truckee Meadows Community College—at their adjusted base level of funding based on the

caseload growth calculations in the funding formula. Without this one-time funding, the final appropriation for the biennium for these institutions would fall below the adjusted base budget. This funding is there to help them retain the faculty and staff as their enrollment recovers. Based on the Joint Subcommittees' closing of the Nevada System of Higher Education budgets, the bill does need to be amended to match the closing actions of the Joint Subcommittees.

I am happy to go through those amended numbers. The amount changes for Great Basin College from \$420,503 to \$419,555; for the College of Southern Nevada, the amount changes from \$11,560,948 to \$12,139,324; and for Truckee Meadows Community College, the amount changes from \$593,495 to \$1,012,772. I confirmed with your Fiscal staff yesterday that they have the same numbers.

**Chair Monroe-Moreno:**

There was also an additional amendment submitted [[Exhibit F](#)]. Have you seen that amendment?

**Andrew Clinger:**

I have seen that amendment. If the Committee was inclined to include that amendment, the numbers in that amendment do need to be adjusted as well.

**Chair Monroe-Moreno:**

If we were inclined to include that amendment, what would those numbers need to be?

**Andrew Clinger:**

For Western Nevada College, the amount should be \$297,917, and for Nevada State College, it would be \$855,490. I have not confirmed those numbers with your Fiscal staff, and hopefully they have the same figures.

**Chair Monroe-Moreno:**

Members, are there any questions for the presenter on the initial bill, the amended numbers explained by Mr. Clinger tonight, or on the other amendment? The second amendment is on the Nevada Electronic Legislative Information System and was submitted by the Rowe Law Group as an exhibit for today's hearing [[Exhibit F](#)].

**Andrew Clinger:**

What the amendment does is restore the funding for those two institutions that was lost when going from option 1 to option 3 during the Joint Subcommittees' closing actions. That is what those calculations are.

**Chair Monroe-Moreno:**

Are there any questions? [There were none.] Is there anyone who would like to testify in support of Assembly Bill 491?



**J. Kyle Dalpe, Ph.D., President, Western Nevada College:**

I appreciate your support of A.B. 491 to help make the institutions whole in the budget formula process. I appreciate the support, in particular, for the amendment that includes my college, Western Nevada College, as well as Nevada State College.

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

I want to note that we are in support of the original bill, as drafted, but we are in a similar position to Western Nevada College on this. I thought it was important to put that on the record as well.

**Douglas Unger, University of Nevada, Las Vegas, Chapter President; and Government Affairs Representative, Nevada Faculty Alliance:**

The Nevada Faculty Alliance supports A.B. 491 and the restoration of funding for our community colleges.

**Chair Monroe-Moreno:**

Is there anyone else who would like to testify in support of this bill? [There was no one.] Is there anyone who would like to testify in opposition to this bill? [There was no one.] Is there anyone who would like to testify in the neutral position on this bill? [There was no one.] Do the presenters have any closing comments on the bill? [There were none.] We will close the hearing on this bill and open the hearing on Assembly Bill 494.

**Assembly Bill 494: Makes an appropriation to the University of Nevada, Reno, for the addition of weighted student credit hours resulting from the acquisition of Sierra Nevada College. (BDR S-1177)**

**Andrew Clinger, Chief Financial Officer, Nevada System of Higher Education:**

I am here to present Assembly Bill 494, which is a one-shot appropriation to the University of Nevada, Reno (UNR). The purpose of the one-shot is that UNR acquired Sierra Nevada University (SNU) and incorporated those SNU students into the UNR student body. In doing so, those students and the weighted student credit hours in the funding formula did not come with those students because of the timing of that transaction. What this bill would do is recognize the 4,745 weighted student credit hours that were generated from students at SNU. These are all students who enrolled at UNR in the fall of 2022. Because the formula did not recognize them, based on that weighted student credit hour, that would generate \$791,915 each year.

In addition to that, there was an adjustment for research space that is dedicated at the SNU campus of 3,342 square feet, which then generates \$32,852 per year. Those two items for two years of the biennium total \$1,649,534. This is a one-time adjustment to recognize those students who did not end up in the funding formula who were at SNU and are now enrolled at UNR.

**Chair Monroe-Moreno:**

Do you have any amendments to this bill yourself?

**Andrew Clinger:**

I do not.

**Chair Monroe-Moreno:**

There was another amendment submitted. Have you seen that amendment?

**Andrew Clinger:**

I have not.

**Chair Monroe-Moreno:**

It does the same thing that was mentioned in the hearing on Assembly Bill 491, and it put the same language into this bill as well. When you saw it, you might not have realized it was in there too. I know we do have a few questions for you.

**Assemblywoman Backus:**

I do have a couple of questions. Mr. Clinger, you may have touched on this, but I want to confirm it. When I was at the budget hearing on February 21, 2023, I recall that the purchase occurred on July 1, 2022. I understand that the budgets were being prepared during that time period. The number of students at SNU was not included in the number of students at UNR when the budget was presented to us. I wanted to confirm that.

**Andrew Clinger:**

That is correct. Normally, when we do the calculation for what we call caseload growth in the formula, we use fiscal year (FY) 2022 weighted student credit hours that would have been through June 30, 2022. The transaction happened on July 1, 2022, and those students were not included. In this case, because this was an unusual circumstance, we took the extra step of adjusting those weighted student credit hours for only students who enrolled at UNR in the fall of 2022, which we do not normally do in the funding formula. We did that in this case because it was an unusual circumstance. Yes, they were not included in that original calculation.

**Assemblywoman Backus:**

I am not familiar with acquiring a private institution. This is something quite new to me. I am used to acquiring businesses and know what that looks like. When UNR acquired SNU, was there money traded or was there a contract? I am trying to figure out what kind of benefits UNR may have received by taking on the SNU student population.

**Andrew Clinger:**

Yes, there were agreements in place that had to go to the State Board of Examiners. Part of the transaction was that the assets there on the campus were transferred to the University of Nevada, Reno Foundation. Then UNR takes over the operation of the academic programs.

**Assemblywoman Backus:**

I imagine all of these students going to our wonderful campus here in Reno. Is the intention that UNR is going to maintain the private infrastructure to continue educating these students? If not, are they planning to sell the assets that they acquired?

**Andrew Clinger:**

They plan to keep the campus and the assets that came with the campus. As part of the transaction, UNR is required to provide a teach-out program for all of the students who were enrolled at SNU. I do not believe that the campus, eventually, is going to continue to function as a liberal arts college like it was before. The University of Nevada, Reno has different visions for that campus. I have heard ideas such as executive seminars in the summer and that sort of thing. Mr. Flores can speak to that better than I can.

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

In the process of this acquisition, we had to work with the Department of Education and the Nevada System of Higher Education Board of Regents on the oversight of this acquisition. We had commencement a few weeks ago, and some of those students who have transitioned from SNU to UNR graduated. There are still a handful of students who are still going through and have transitioned over to the university.

**Assemblywoman Backus:**

You touched on something that was my last question. I noticed that the amount is flat between the two fiscal years. Were you thinking that students are going to be graduating, and we may not have the same number of students in both years? But the number was the same and I was confused by that. Did you take into consideration the enrollment decreasing in the second year?

**Andrew Clinger:**

The reason it is flat for both years is we use the same mechanism when we calculate caseload growth in the funding formula for other institutions. We use the FY 2022 weighted student credit hour count and then we apply that to the future fiscal years, in this case, both FY 2024 and FY 2025. It is keeping it consistent with the funding formula.

**Chair Monroe-Moreno:**

Members, are there any other questions? [There were none.] Is there anyone who would like to testify in support of A.B. 491?

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

We are in support.

**Chair Monroe-Moreno:**

Is there anyone who would like to testify in opposition to A.B. 491? [There was no one.] Is there anyone who would like to testify in the neutral position on this bill? [There was

no one.] Does the presenter have any closing comments? [There were none.] We will close the hearing on A.B. 494 and open the hearing on Assembly Bill 224 (1st Reprint).

**Assembly Bill 224 (1st Reprint): Revises provisions governing collective bargaining. (BDR 23-155)**

**Assemblywoman Sarah Peters, Assembly District No. 24:**

I represent Assembly District 24 in Reno, Nevada, inclusive of the University of Nevada, Reno (UNR). I am proud today to present to you Assembly Bill 224 (1st Reprint), which introduces collective bargaining in *Nevada Revised Statutes* for the Nevada System of Higher Education (NSHE) professional employees. Assembly Bill 224 (1st Reprint) authorizes collective bargaining for NSHE professional employees, extending their right to negotiate for working conditions and establish formal processes to assist the parties in reaching agreement.

Under A.B. 224 (R1), collective bargaining agreements negotiated between NSHE professionals and their college or university administrations would be subject to approval by the NSHE Board of Regents. If a provision of a collective bargaining agreement requires state funding, the budget request would go through the normal state budgeting process, starting with the agency request from NSHE. The Governor would be free to put the funding in the Executive Budget, or not, and the Legislature would be free to fund it in the budget, or not. The fiscal notes are for administrative costs. I will ask Dr. Ervin to address the fiscal notes. Also, please note that a conceptual amendment [[Exhibit G](#)] has been submitted to address one of the fiscal notes.

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

The Nevada Faculty Alliance (NFA) has submitted a detailed written analysis of the four fiscal notes [[Exhibit G](#)]. The fiscal note from the Government Employee-Management Relations Board, Department of Business and Industry for assessment revenue from NSHE is accurate. The fiscal note from the Division of Human Resource Management (DHRM), Department of Administration duplicates labor relations activities that NSHE should do on its own per A.B. 224 (R1) and that NSHE indicates it plans to do in their own fiscal note. The amendment addresses the division of responsibilities, and I believe will remove that fiscal note. The fiscal note from the Office of the Attorney General will be triggered only if NSHE requests legal services related to A.B. 224 (R1) from the Office of the Attorney General, resulting in an assessment to NSHE rather than NSHE using its own in-house general counsel for labor relations activities.

We believe the fiscal note from NSHE exaggerates the cost of A.B. 224 (R1) because NSHE incorrectly assumes a new centralized labor relations unit would be needed instead of continuing the practice of negotiating contracts at the institutional level. Second, NSHE overestimates the number of new bargaining units that would form in the next biennium. Thirdly, NSHE overestimates the number of arbitrations resulting from grievances. Our written submission, which is on the Nevada Electronic Legislative Information System (NELIS) [[Exhibit G](#)] documents each of those points.

We appreciate that NSHE has reduced their fiscal note from \$4.2 million originally to \$1.9 million currently. If the Committee wishes to fund the full fiscal note from NSHE, that is certainly fine. But we believe, based on the evidence we have presented, that reducing it by a factor of two to four for the next biennium would still be adequate to support A.B. 224 (R1).

The conceptual amendment, which on NELIS is at the end of our analysis about the fiscal note, clarifies that NSHE and its institutions are expected to handle labor relations actively internally rather than outsourcing to the state DHRM, which addresses that fiscal note. The amendment also addresses other stakeholder concerns. I would be happy to answer any questions. Would you like us to go through the amendment?

**Chair Monroe-Moreno:**

Please go through the amendment.

**Assemblyman Peters:**

I want to make a quick statement before we move on to the amendment. We have appreciated NSHE's continued engagement and involvement in the bill, particularly Mr. Clinger and Mr. Rodriguez. We have had several lively conversations including discussions of NSHE's policy amendments, for which changes have been added to the bill in several places, both in the policy committee and as presented today. The statement in the letter from NSHE that we have rejected the amendment as a whole is false. I do not appreciate that that is in the record. I want to correct that we have worked and adopted several of the amendments that were presented; that is how negotiation works in this building. Before we move to the amendment, I wanted to make sure that I clarified that.

**Chair Monroe-Moreno:**

Thank you for that clarification; I appreciate it.

**Kent M. Ervin:**

The conceptual amendment is offered to address fiscal notes and stakeholder concerns. It is the two pages at the end of that document on NELIS [[Exhibit G](#)]. The first portion amends section 51, subsection 5. The main part of section 51, in the general case, allows the labor relations unit of the DHRM to provide labor relations services, except for as provided in subsection 5. What we have done here is expand it so it is clear that NSHE, as the entity with the authority to fix salaries and establish policies and procedures for professional employees at NSHE, would carry out all of those activities.

The second is a deletion of section 21, which contains provisions that the professional employer, in this case NSHE, would provide employees' contact information to the bargaining units of their professional organizations to carry out their duties; NSHE asked for this to be deleted. We are concerned about keeping the employee contact information confidential. Although we believe it is important for professional organizations to be able to contact the members of their bargaining units—and that is one of the responsibilities that

professional organizations have—we do agree that confidentiality is important and felt that it would be hard to put that all in statute. We are deleting it and leaving it up to negotiation.

The third item is to amend section 25, which addresses representation rights, called Weingarten Rights. That is when an employee is brought into a disciplinary investigation, they have the ability to have a representative with them to help them out in that process. We think that is a good thing. It helps. It is one of the things that helps resolve issues at the lowest possible level. Concerns were expressed by NSHE that the detailed processes here would interfere with NSHE's existing policies for disciplinary investigations. Although statute can override those things, what we have done regarding those internal policies is we have taken out all the details here of timelines and details of how that works and left in the general proposition that an employee does have the right to have someone represent them during one of these investigations, and anything else would be up to a collective bargaining negotiation.

Finally, the fourth item is deleting one of the mandatory subjects of negotiation, and it is in section 33, subsection 2, paragraph (o), deleting the subject of negotiations over no-strike provisions consistent with the provisions of this chapter. That is at the request of NSHE also.

**Chair Monroe-Moreno:**

Assemblywoman Peters, I want to thank you for all the work that you put into this. I know you have been working on this for months to get us to this hearing. Thank you for that. Before we go to questions, could a representative from NSHE speak to the revised fiscal note? There has been a conversation from the bill sponsor about the fiscal note. If you could come up, and then if I could also get the DHRM and the Office of the Attorney General to speak on each one of your fiscal notes?

**Andrew Clinger, Chief Financial Officer, Nevada System of Higher Education:**

With me, I have NSHE Deputy General Counsel, Carrie Parker, who has also put a lot of time and effort into preparing the fiscal note. First, I would say I do want to thank Assemblywoman Peters for her willingness to give us an opportunity to engage in discussions. We have had several discussions about not only the policy of the bill but also the fiscal note. As was pointed out, we have revised the fiscal note a couple of times. What we see in the need for the fiscal note is the increasing scope of what this bill covers compared to what we have in current policy, including the increase in the number of bargaining units, the number of employees, and the complexity of those.

The reduced fiscal note, which is before you, asks for seven positions over the two years. We have adjusted it in the first year to five positions that would start in January 2024, and then in 2025, we would add two more positions to the labor relations unit within the system administration office. There are also some operating expenses and arbitration costs included in the fiscal note as well. Ms. Parker spent time reviewing and looking at what the labor relations unit had submitted previously for their fiscal note, as well as doing research and having discussions with the Office of the Attorney General on what the time and effort has been in their experience with classified employees' collective bargaining. I appreciate the bill

sponsor for working with us. The fiscal note today is a much better fiscal note than it was when we first started because we have made some amendments and refinements to it. I would be happy to answer any questions or defer them to Deputy Counsel Parker.

**Chair Monroe-Moreno:**

You said there would be five positions in FY 2024 then two additional positions in FY 2025?

**Andrew Clinger:**

That is correct. The way the fiscal note is put together now, five positions would start in January of 2024, half of FY 2024, and then two additional positions would start in FY 2025 for a total of seven positions.

**Chair Monroe-Moreno:**

You mentioned that there would be a number of bargaining units. What is that number? How did you determine the amount of the bargaining units, and how did you get to that number?

**Carrie Parker, Deputy General Counsel, Nevada System of Higher Education:**

Assembly Bill 224 (1st Reprint) creates a presumption that there would be bargaining units per institution. It also states that supervisors would not be in the same unit as those they supervise. There are eight institutions. That is how we arrived at 16. It is an estimate. There could also be more based on the bill defining the bargaining unit as having a sufficient community of interest. The definition of professional employee encompasses a lot of different types of employees. It could be possible that, for example, graduate assistants might be in a different bargaining unit than professors. It would depend on how they organize and what they put forth for their unit.

**Assemblyman Watts:**

I appreciate some of the clarification on the updated staffing projections. This might have been in some of the backup, but can you detail it a bit? There is some bargaining that is taking place currently, I believe, at College of Southern Nevada (CSN), Truckee Meadows Community College (TMCC), and Western Nevada College (WNC). That happens at the institutional level. Do you have any information on how many positions are involved in that? Are those positions focused on collective bargaining exclusively? If not, what amount of staff time is dedicated to the collective bargaining activities that currently exist within the system?

**Carrie Parker:**

I do not have a specific number of hours that are spent. The agreements are bargained every two years. I could be wrong, but I am aware that the director of human resources from each institution works on collective bargaining, and then there are volunteers brought in who have other functions. Experts on the subject matter may come in, and then the bargaining occurs. The TMCC has a general counsel who also serves as the general counsel for WNC, and then CSN has their own general counsel. Does that answer your question?

**Assemblyman Watts:**

Yes, it does. There are positions, and it sounds like this is one of their responsibilities among others and then there are some other individuals. Is that a fair generalization?

**Carrie Parker:**

That is correct. The reason that we are asking for more is because while there are three collective bargaining units right now, this would expand the number of units and the number of employees covered. It also requires more expertise in labor relations, as well as labor specializing attorneys. Each time that the DHRM labor relations unit has submitted a fiscal note, they have tied it to the number of units, and the topics of bargaining. What we have noticed is an average. When there are two bargaining units created by a bill, the labor relations unit tends to ask for one full-time-equivalent (FTE) position, and also a new topic of bargaining usually results in a labor relations unit fiscal note for one additional FTE position. We did look at the labor relations unit fiscal notes and how they have produced their formula for what would be required.

**Assemblyman Watts:**

I appreciate that. I will not dwell too much on the estimates. You clearly stated your reasoning behind the estimates for the bargaining units that would be created. The other thing that you mentioned was the creation of a centralized labor relations team at the system office. Is that a part of the bill that creates that, and am I missing that? Or is that the system's understanding or interpretation of the best way to implement the provisions of this bill?

**Carrie Parker:**

The bill increases the number of units and the topics, and NSHE's interpretation of the best way to implement this bill most efficiently is to have centralized collective bargaining similar to the state that has the labor relations unit. What you can accomplish through that centralized collective bargaining is like we have seen in the collective bargaining agreements that were recently approved by the State Board of Examiners for the next biennium. Each collective bargaining agreement has similar language. For example, they put cost of living into the multiple collective bargaining agreements. That is how you can create consistency across the institutions if we have a centralized team. Also, if we were to add an additional attorney and an additional labor relations expert to each institution, that would be more staff than we are asking for today.

**Assemblywoman Anderson:**

I have two questions. The first has to do with the actual breakdown of the hard copy that we received. What was the reasoning behind both your FY 2024 operating costs and the professional development? Both costs are the same amount. Professional development is different from what you have been doing in the past. Was that a number that was utilized in other ways? It is odd to have office supplies be the same amount as the professional development when that is something that would be needed desperately.



**Andrew Clinger:**

That is a coincidence, I suppose, that they are the same number, and the professional development would be for training. Labor relations is a specialty field and certainly that would be needed for training.

**Assemblywoman Anderson:**

I would agree that this was a coincidence. I thought it was interesting. The larger question for me, which you have touched upon as well, has to do with mandatory arbitration and the anticipation. You know, I do care about unions. I have been through some different areas with it, and 25 grievances per year is a high amount. Does this mean that there has been no anticipation of attempts to clarify the complaints before they go straight to grievances or is that going to be part of the process that is part of the collective bargaining agreement?

**Carrie Parker:**

We would absolutely hope to resolve grievances at the lowest level possible. Our estimate of the number of grievances is based on the complaints and grievances we are aware of as well as the increased number of employees who would have access to bargaining, the increased number of collective bargaining agreements, the expanded scope of bargaining, and what we have observed through employees having access to union representation.

**Assemblywoman Anderson:**

Based upon the number of complaints, how many complaints have there been in the last year and two years without the current language? How many complaints have you been experiencing with these individuals?

**Carrie Parker:**

Unfortunately, we do not have an accurate system of tracking. It is a process of asking human resources and then asking the Faculty Senate and trying to figure it out. Right now, for the faculty, it varies by institution. The highest institution that I saw ranged between 25 and 30, and then the smallest was 0 to 2. It ranged within them. We are extrapolating and trying to figure out what it would be because the current people who have access to this process are only the faculty, and we only have three collective bargaining agreements in effect. Even if we were to use the Nevada Faculty Alliance (NFA) estimates of grievances, theirs have ranged, and I have heard different numbers through various communications with the NFA. We are all trying to figure out and anticipate what it might be with this increased scope of bargaining and the increased number of employees. I understand your question, and I am not trying to be evasive. I did ask those questions and produced the best estimate I could.

**Assemblywoman Anderson:**

I understand that this is a crystal ball situation. I appreciate the footnote on page 3 of 4 that has to do with that explanation about it. I want to make it clear, and this is not a question; it is more of a statement. The number is high, and that has to do with possible professional development, which goes back to my first question and the training that is needed for both

management as well as union representation. Both sides should participate in this training. This way, there will not be that many grievances in the yearly process.

**Chair Monroe-Moreno:**

Are there any additional questions on the NSHE fiscal note? [There were none.]

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

**Amanda Bowsmith, Administrator, Division of Human Resource Management,  
Department of Administration:**

The DHRM submitted a fiscal note for the language that was initially introduced for A.B. 224 (R1). In some of the lively conversations mentioned by Assemblywoman Peters, we were able to get to an agreement with the Nevada Faculty Alliance whereby we hope that the DHRM will not be called upon to engage in primary negotiations on behalf of the NSHE Board of Regents or on behalf of any institution to enter into a collective bargaining agreement with the NFA. We are satisfied with the language put forward to you tonight as a conceptual amendment that should relieve the DHRM of any responsibility with respect to negotiations. We certainly are here for consultation, and I will make up some hourly number when that happens. But we are satisfied that we can remove our fiscal note if that conceptual amendment is included in the language.

**Chair Monroe-Moreno:**

When you get an opportunity, if you could get that to us in writing, I can add that to our file. There is one question I did have for NSHE before we move on to the Office of the Attorney General. With the conceptual amendment that was presented tonight, would that have an effect on your fiscal note?

**Andrew Clinger:**

The revision or the amendment does not change our fiscal note.

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

Our fiscal note is presented based on 2,200 hours of time when we went back to look at what our Office's total time and effort looked like as recorded through our time-tracking system. This would be a cost allocation. There are no State General Funds. Section 52 does have the language that says that the Office of the Attorney General may be used in this process. We may be used, and if so, then we imagine that these are the resources that might be needed.

Our Government and Natural Resources Division is precariously positioned because when we set up the state's Labor Relations Unit, it did not come with an appropriation of attorneys to it. Right now, we have 1.5 attorneys who are working on it. That is the capacity, and we are at maximum capacity. If we received additional work through this NSHE channel, then you would see us appear and say help; we need more resources in this unit. We only have 1 legal secretary right now for about 11 attorneys, and we try to have 1 legal secretary for

2 or 3 attorneys. That is where you might hear us say we need additional help and resources if the work did come this way pursuant to section 52 utilizing the resources of the Office of the Attorney General.

**Chair Monroe-Moreno:**

I am hoping, with the wonderful compensation package that this Committee has put together, it will be easier for you to hire new legal secretaries to help out in that manner.

**Teresa Benitez-Thompson:**

I imagine that we could fill that position in a much easier way than we have been able to fill before.

**Chair Monroe-Moreno:**

Members, do you have any other questions on this bill? [There were none.] I will invite the bill sponsor back to the table.

**Assemblywoman Peters:**

I want to clarify a few things. I dove into this fiscal note situation in ways I never thought I would before. My first session was 2019 when we stood up our own Executive Branch DHRM labor relations unit office. I dove into what the asks were at the time. As you heard from several of the presenters, there is a lot of unknown out there about what this is going to look like. How many collective bargaining units are we going to have? How much time will that take? What will those look like outside of the institution structures? How will this affect the allocations, which is the process that we at the state use to fund these positions? How would the NSHE institutions do that, and how do they do it currently?

In diving into fiscal notes specifically related to that 2019 piece of legislation, the 2019 allocation from this Committee was two positions to the state to figure out how this is all going to work. Then in August of that same year, there was a work program that presented a plan moving forward, which included several other positions as well as the allocation process that they would use to fund those positions. I did not know how that would all work with NSHE, and it was not a part of our discussions nor was it a part of their amended fiscal note. But it is worth considering that because of the variety of unknowns, there is a path forward in which this body could ask that NSHE come up with a plan, and dive into this in a different way than hiring three lawyers who are well versed in the legal implications of collective bargaining and consider the NFA as an adversarial body against them, and instead work together to figure out a way to move forward with collective bargaining being the standard of practice for hiring professional employees at the state of Nevada.

**Chair Monroe-Moreno:**

That is a great idea to move forward before we go to the work session on this bill. There is more conversation that needs to go on before the bill will get a work session. We want to get it right before we get to that point. With that, we will move to testimony in support of A.B. 224 (R1).

**Jim New, President, Nevada Faculty Alliance:**

I am a community college professor and the incoming president of the Nevada Faculty Alliance. In 1992, TMCC became the first college in Nevada approved for collective bargaining under the existing Board of Regents policy. We have negotiated nine agreements since then, and I have been at the table for five of those negotiations, both as an administrator and as a faculty member.

The fiscal note is based on the premise that there will be an immediate burst of more than a dozen new bargaining units. Believe me, NFA would be elated if that were true, but we know it is not. New bargaining units will emerge over a period of years, not weeks or months. I agree with NSHE; they need new staffing that will be necessary to effectively administer collective bargaining, but their request is five or ten years too early. It will take us that much time to get new bargaining units on board.

Coinciding with the instantaneous appearance of new bargaining units, NSHE also expects a virtual explosion of grievances driven by collective bargaining. But three decades of history at TMCC directly contradicts these claims. At TMCC, the average number of grievances filed by faculty is less than three per year, and that number is declining thanks to new contract language emphasizing informal resolution of disputes at the lowest possible level. It is working. In the last academic year, there were zero grievances.

Of the 13 grievances filed by faculty members over the last 5 years, not one was found in favor of the faculty by NSHE, forcing 2 of them into costly litigation. The faculty member prevailed in one and the other is still pending. Despite NSHE's claims, binding arbitration will be rare, and when it does occur, it will be less costly than litigation. Collective bargaining conducted in good faith results in benefits for both management and labor including greater efficiency, a reduction of grievances, and cost savings. I urge you to vote in favor of A.B. 224 (R1).

**Douglas Unger, University of Nevada, Las Vegas, Chapter President; and Government Affairs Representative, Nevada Faculty Alliance:**

From statewide surveys, we know 82 percent of our faculty want collective bargaining rights like those in A.B. 224 (R1). We continue to work to resolve any outstanding issues with NSHE. I want to make it clear that we are like one big family within NSHE; the Nevada Faculty Alliance is not opposed, and we are almost always in support of what NSHE does, and I feel like we are getting there. Nevertheless, the exaggerated fiscal note NSHE attached to the bill imagines costs at least three or four times more than are reasonable for the next biennium. These inflated projections are addressed by Dr. Ervin and the NFA point by point with careful citations, math, and scholarship.

I would like to add further evidence that NSHE's estimated 25 to 100 grievances each year per institution is wildly inaccurate. At UNLV, from 2007 to 2019, our Faculty Senate processed 32 grievances or 2.7 per year on average, with only 5 making it through the hearing process to the President's desk. That is the number for arbitration under A.B. 224 (R1). Nothing in the bill takes away the Faculty Senate grievance process. Even

quadrupling this average to account for new categories of employees who may join bargaining units adds up to less than two arbitrations per year at our state's largest campus. Also please consider how NSHE does not note the high expenses our colleges and universities incur from litigations and settlements due to personnel issues that could be resolved through arbitration. I will bet those legal costs are eye opening. That is one of the savings our research indicates collective bargaining can achieve along with other new efficiencies that should improve outcomes for students as well as faculty morale, commitment, and stability. In considering these fiscal notes, we respectfully ask the Committee to focus on what is reasonable from evidence and most demonstrably true. We hope this bill and our faculty have earned your support.

**Chair Monroe-Moreno:**

Is there anyone else who would like to testify in support? [There was no one.] Is there anyone who would like to testify in opposition to A.B. 224 (R1)? [There was no one.] Is there anyone who would like to testify in the neutral position on this bill?

**Bruce K. Snyder, Commissioner, Government Employee-Management Relations Board, Department of Business and Industry:**

I am the Commissioner of the Employee-Management Relations Board, and we would administer this law. We have a small fiscal note. The thing I wanted to emphasize is that after analyzing our role in the process, we have adequate staff, equipment, and supplies to administer the law. The 825 employees who currently have collective bargaining as compared to the 108,000 we currently serve would add less than a 1 percent increase in our workload. Even if a lot of the employees at NSHE someday end up with collective bargaining, we anticipate that our workload would increase by no more than 8 percent. We think that we have this covered with the three employees who work for the Board right now. I will answer any questions you may have.

**Chair Monroe-Moreno:**

Members, do you have any questions? [There were none.] I appreciate you sharing that information. Do you believe with those three employees you will be able to take on additional members who may have to utilize your services?

**Bruce K. Snyder:**

Yes, but you have to understand our role may be different than what the role would be from the institutions who also have to manage it. For our role of doing bargaining unit determinations and who is to represent the employees and unfair labor practice cases, we have the resources already on hand to handle that.

**Chair Monroe-Moreno:**

Are there any final words? [There were none.] We will close the hearing on A.B. 224 (R1). That brings us to the next thing on our agenda, which is a work session for Assembly Bill 498.

**Assembly Bill 498: Revises provisions relating to the Public Employees' Retirement System. (BDR 23-1200)**

**Chair Monroe-Moreno:**

I will turn it over to our Fiscal Analyst.

**Sarah Coffman, Assembly Fiscal Analyst:**

Assembly Bill 498 was heard by the Assembly Committee on Ways and Means yesterday, May 22, 2023. Assembly Bill 498 revises the contribution rates for state employees from a rate equal to that paid by the employer of a participating state agency to one-half of the normal cost that is actuarially determined for police officers and firefighters, and for regular members, depending on the retirement fund in which the member is participating. The bill revises the employer contribution rate for a participating state agency to a total contribution rate less the employee contribution rate of one-half of the normal cost for state employees.

There was a mock-up amendment that was provided for A.B. 498. The amendment in section 8 proposed to set the contribution rates specific to the Nevada System of Higher Education (NSHE) retirement plan alternative, which is provided for in *Nevada Revised Statutes* 286.808, to mirror the rate in which it was budgeted through the appropriations of the NSHE budget of 17.5 percent. A second amendment would need to be provided for, which would incorporate the cost associated with this piece of legislation. State General Fund appropriations for fiscal year (FY) 2024 would be \$105,076,744, and for FY 2025 would be \$85,663,825. State Highway Fund appropriations for FY 2024 would be \$19,263,280, and for FY 2025 would be \$20,703,524. I would be happy to answer any questions.

**Chair Monroe-Moreno:**

Members, are there any questions for Ms. Coffman? [There were none.] I will accept a motion.

ASSEMBLYWOMAN BACKUS MOVED TO AMEND AND DO PASS  
ASSEMBLY BILL 498.

ASSEMBLYWOMAN PETERS SECONDED THE MOTION.

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

THE MOTION PASSED. (ASSEMBLYMEN DICKMAN, HAFEN, KASAMA, AND O'NEILL VOTED NO. ASSEMBLYMEN JAUREGUI AND YEAGER WERE ABSENT FOR THE VOTE.)

I will present the floor statement.

That is the last item before public comment. We will open public comment. Is there anyone who would like to give public comment? [There was no public comment.] We will have another long day with a few Assembly Committee on Ways and Means hearings. I will see you in the morning, but I will see you on the Assembly floor in about ten minutes. This meeting is adjourned [at 7:24 p.m.].

RESPECTFULLY SUBMITTED:

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Cynthia Ihejirika  
Recording Secretary

RESPECTFULLY SUBMITTED:

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Janice Wright  
Transcribing Secretary

APPROVED BY:

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Assemblywoman Daniele Monroe-Moreno, Chair

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

## EXHIBITS

[Exhibit A](#) is the Agenda.

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

[Exhibit C](#) is a letter dated May 22, 2023, submitted by Deanna Hua Tran, Coalition Coordinator, Nevada Immigrant Coalition, in support of Assembly Bill 226 (1st Reprint).

[Exhibit D](#) is a letter dated May 18, 2023, presented by Katie Banuelos, representing Libertarian Party of Nevada, in opposition to Assembly Bill 386 (1st Reprint).

[Exhibit E](#) is a table titled "Overview and History of Allocation of Certain Governmental Services Tax (GST) Revenue Between the State General Fund and State Highway Fund," presented by Michael Nakamoto, Chief Principal Deputy Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, in explanation of Senate Bill 452.

[Exhibit F](#) is a proposed amendment to Assembly Bill 491 submitted by Kanani Espinoza, Senior Director of Policy and Public Affairs, Rowe Law Group.

[Exhibit G](#) is an analysis and conceptual amendment document dated May 23, 2023, titled "NFA Analysis of Fiscal Notes on Assembly Bill 224 (R1)," presented by Kent M. Ervin, Ph.D., State President, Nevada Faculty Alliance.

[Exhibit H](#) is a letter dated May 11, 2023, submitted by Dale A.R. Erquiaga, Acting Chancellor, Nevada System of Higher Education, explaining the fiscal note submitted on Assembly Bill 224 (1st Reprint).