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

Eighty-Second Session May 24, 2023

The Committee on Ways and Means was called to order by Chair Daniele Monroe-Moreno at 8:14 a.m. on Wednesday, May 24, 2023, in Room 3137 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. The meeting was videoconferenced to Room 4401 of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. Copies of the minutes, including the Agenda [Exhibit A], the Attendance Roster [Exhibit B], and other substantive exhibits, are available and on file in the Research Library of the Legislative Counsel Bureau and on the Nevada Legislature's website at www.leg.state.nv.us/App/NELIS/REL/82nd2023.

COMMITTEE MEMBERS PRESENT:

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

COMMITTEE MEMBERS ABSENT:

None

GUEST LEGISLATORS PRESENT:

Assemblywoman Elaine Marzola, Assembly District No. 21 Assemblyman Richard McArthur, Assembly District No. 4 Assemblywoman Selena Torres, Assembly District No. 3 Assemblyman Max Carter, Assembly District No. 12 Assemblywoman Venicia Considine, Assembly District No. 18



STAFF MEMBERS PRESENT:

Sarah Coffman, Assembly Fiscal Analyst Brody Leiser, Assembly Chief Principal Deputy Fiscal Analyst Adam Drost, Principal Program Analyst Kimbra Ellsworth, Senior Program Analyst Janice Wright, Committee Secretary Janet Osalvo, Committee Assistant

OTHERS PRESENT:

Steve K. Walker, Vice President/Secretary, Walker and Associates, Inc., representing Eureka County

Christi Cabrera-Georgeson, Deputy Director, Nevada Conservation League

Rebecca Goff, Nevada State Director, Humane Society of the United States

Annette Magnus, Executive Director, Battle Born Progress

Larry Johnson, President, Coalition for Nevada's Wildlife, Inc.

Zoe Houghton, representing Nevada Outdoor Business Coalition

Carl Erquiaga, Nevada Field Representative, Theodore Roosevelt Conservation Partnership

Bari Levinson, Member, Toiyabe Chapter, Sierra Club

Jaina Moan, External Affairs Director, The Nature Conservancy

Alan Jenne, Director, Department of Wildlife

Susan Fisher, representing Nevada State Board of Osteopathic Medicine; Nevada State Society of Anesthesiologists; and Nevada Orthopaedic Society

Andrew LePeilbet, Chairman, United Veterans Legislative Council

Sarah Johnson, Director, Office of Small Business Advocacy, Office of the Lieutenant Governor

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

Carter Bundy, representing American Federation of State, County and Municipal Employees

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

Jamelle Nance, Director of Strong Start Initiatives, Children's Advocacy Alliance of Nevada

Caitlin Gatchalian, Nevada Government Relations Director, American Heart Association

Daniel Marlow, Administrator, Administrative Services Division, Department of Administration

William Adler, representing International Brotherhood of Electrical Workers 1245

Yvonne Nevarez-Goodson, Chief Deputy Executive Director, Department of Taxation

Joy Grimmer, Administrative Services Officer 4, Department of Taxation

Tray Abney, representing Nevada Broadcasters Association

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

Chair Monroe-Moreno:

[Roll was called, and the Committee rules and protocols were explained.] We have a lengthy agenda, and if we have time and availability, we will have work sessions on bills. We will not always be taking things in the order that they appear on the agenda. We will start with the first bill on our agenda for today.

Assembly Bill 112 (1st Reprint): Establishes provisions relating to wildlife crossings. (BDR 35-340)

Assemblyman Howard Watts, Assembly District No. 15:

Assembly Bill 112 (1st Reprint) seeks to set up a dedicated Wildlife Crossings Account in the State General Fund to support the development and construction of wildlife crossings in this state. These crossings have multiple benefits, not only reconnecting and strengthening wildlife crossing corridors, but also improving safety on our roadways by providing routes to go over or under our roads to reduce vehicle collisions. As presented to you today, the bill calls for a \$15 million General Fund appropriation. You should have a conceptual amendment [Exhibit C] to reduce that appropriation to \$5 million. There are no other fiscal notes on the bill. The appropriation for this account is the fiscal impact.

The federal government created a \$350 million wildlife crossing pilot program that is a competitive grant process in its recent infrastructure legislation. Thankfully, much of the policy and the activities that this fund can be used for aligns with helping position Nevada to apply for, and hopefully secure, funds from that account. As a transportation program, normally these projects would have an 80 percent/20 percent match. The federal government would cover 80 percent of these projects. A wildlife crossing can cost a couple of million dollars, or potentially more depending on its scope and what is involved. Normally, we would be looking at leveraging this \$5 million for \$20 million in federal funds. However, because of Nevada's high share of public lands, we get a 95 percent match from the federal government for these types of programs. This \$5 million could leverage \$95 million in federal funding for projects that improve public safety and benefit the wildlife of our state.

With the \$350 million fund across the country, I am not going to guarantee that we are going to get all of that from this pilot program. There are other formula and grant programs that could be utilized to match this money to work on this issue. We will see financial benefits, not necessarily to the state budget, but to the state overall in reductions in injuries, deaths, vehicle repairs, insurance costs, collision responses and cleanup, and the value of wildlife that are lost in these collisions. That concludes my presentation on the bill, and I am happy to answer any questions that the Committee may have.

Chair Monroe-Moreno:

What you meant is we should amend, do pass, and get this done fast before other states put in for the money so we get our full 95 percent. Is that correct?

Assemblyman Watts:

Yes, is the short answer. To provide a bit of background, there are going to be a few rounds of this funding. I think the first application either opens or closes in August. Yes, we want to be ready, and I did not discuss that. Several other states, including neighboring western states, have been setting aside funds and trying to set up programs to be able to compete for these dollars. I do not want us to be at a competitive disadvantage when it comes to this program.

Assemblywoman Kasama:

I like this bill, and it is great. During this hearing, I am supportive of it. My question is about the reduction from \$15 million to \$5 million. That is a big decrease. Is that because we can still do the same amount of work because we are going to supplement it with the federal funds now, or did you reduce the fiscal note because it was a large ask?

Assemblyman Watts:

The answer is twofold. One, when the notice of funding opportunity came out and confirmed that we could have this significant match, I believed that \$5 million would still go a long way in developing and implementing these projects across the state. Two, I know that there are many needs that we will hear increasingly throughout the next couple of weeks that are deserving of funding. That is the other reason we reduced the request so that we can support this program, be successful, and support other much needed investments as well.

Assemblywoman Dickman:

As someone who has hit many deer and wrecked many cars in upper Michigan, I love this bill. I love what you have done to figure out the funding for it.

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. 112 (R1)?

Steve K. Walker, Vice President/Secretary, Walker and Associates, Inc., representing Eureka County:

I am representing Eureka County. We are in support of <u>A.B. 112 (R1)</u> and would like to thank Assemblyman Watts for bringing it forward.

Christi Cabrera-Georgeson, Deputy Director, Nevada Conservation League:

The Nevada Conservation League and Education Fund is in support of <u>A.B. 112 (R1)</u>. This is one of our top priorities this session [<u>Exhibit D</u>]. As Assemblyman Watts said, this bill can open us up to a significant amount of federal funding. The other western states have already begun the process of securing funds. We cannot be left behind. The Department of Wildlife reports that we hit approximately 500 animals each year and that costs the state approximately \$20 million. By passing this bill, we can save animals lives, save human lives, save the state money, and secure federal funding. We urge the Committee's support.

Rebecca Goff, Nevada State Director, Humane Society of the United States:

On behalf of our Nevada members and those of our partner, the Humane Society Wildlife Land Trust, we offer support for <u>A.B. 112 (R1)</u>. I do have a longer statement, but for the sake of time, I am going to submit it to the secretary [Exhibit E]. We urge your support.

Annette Magnus, Executive Director, Battle Born Progress:

We are here today to show our support for A.B. 112 (R1), as this is one of our priority bills as well. Investing in the safety of Nevadans and the wildlife on our roads is the right thing to do. Nevada must create a comprehensive plan to maintain, enhance, and restore critical migratory routes for our wildlife. The more open space and intact habitat we have for wildlife, the healthier their populations will be, and the more our outdoor recreation economy will thrive. We believe this is a critical investment for all of us. Like Assemblywoman Dickman, I hit a deer last summer, and I never want to do that again.

Larry Johnson, President, Coalition for Nevada's Wildlife, Inc.:

Nevada is the leader in construction and design of wildlife crossings. Those crossings have been effective in areas like U.S. Highway 93 north of Wells, Interstate 80 crossing the Pequop Mountains, and so forth. There are tens of thousands of animals that use these crossings annually, and they are effective in reducing wildlife mortalities as well as human conflicts. I urge you to support this. In fact, it is universally supported.

Zoe Houghton, representing Nevada Outdoor Business Coalition:

We are in support of <u>A.B. 112 (R1)</u>. I personally have not hit a deer, but I know many of you have heard Assemblyman Ellison's stories about hitting a deer. I am dittoing all the previous comments, and I urge your support.

Carl Erquiaga, Nevada Field Representative, Theodore Roosevelt Conservation Partnership:

I am testifying in support of A.B. 112 (R1). I am a lifelong Nevadan and Field Representative for the Theodore Roosevelt Conservation Partnership (TRCP) [Exhibit F]. The TRCP represents over 3,000 individuals in Nevada and over 100,000 nationwide. Our mission is to guarantee all Americans quality places to hunt and fish. According to the Department of Transportation's study, more than 500 wildlife vehicle collisions occur on the state's roads annually at a cost of over \$19 million to drivers and Nevada taxpayers. While Nevada has been a leader in constructing safe wildlife crossings in places like Interstate 80, U.S. Highway 93 in northeast Nevada, and Interstate 11 near Hoover Dam, there are many locations in need of similar projects. Not only do these crossings provide safe passage for wildlife on their way to and from important winter ranges, but they also reduce accidents, property damage, and save human lives.

The human side of the subject hits particularly close to home from members of my family. My son-in-law's father tragically lost his life in a motorcycle deer collision on U.S. Highway 50 near Fallon almost 20 years ago. He was a wonderful man who will never know the joy it brings to hear his/our granddaughters call him papa and grandpa and who will

never see the father his son has become. I respectfully ask you to take action to approve funding for <u>A.B. 112 (R1)</u> and ensure the safety of our state's wildlife and the safety of those who travel our roads.

Chair Monroe-Moreno:

I am sorry for your loss. Is there anyone else who would like to testify in support of A.B. 112 (R1)?

Bari Levinson, Member, Toiyabe Chapter, Sierra Club:

On behalf of the Sierra Club and our more than 30,000 members, we are ecstatic to support A.B. 112 (R1). According to the Department of Transportation, more than 500 reported wildlife vehicle collisions kill over 5,000 animals and cost the state close to \$20 million annually. Assembly Bill 112 (1st Reprint) will provide \$5 million in funding to identify locations and strategies to increase the number of wildlife crossings. I would like to ditto all the previous comments, skip the rest of my testimony [Exhibit G], and say that the Sierra Club is in support of A.B. 112 (R1).

Jaina Moan, External Affairs Director, The Nature Conservancy:

I want to provide testimony in support of <u>A.B. 112 (R1)</u>. For The Nature Conservancy, preserving and enhancing connectivity of habitats and migration corridors is critical to maintaining the biodiversity of this state for generations to come. Constructing strategic wildlife crossings on transportation corridors helps to achieve this goal. Wildlife crossings protect the needs of migrating species and prevent unnecessary accidents and deaths for both humans and wildlife. There is a good opportunity right now to leverage federal dollars to support this important infrastructure that can help both people and nature. Thank you, Assemblyman Watts, for sponsoring this bill. We urge your support for <u>A.B. 112 (R1)</u>.

[Exhibit H and Exhibit I were submitted but not discussed and will be part of the record for this hearing.]

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

Alan Jenne, Director, Department of Wildlife:

We are here to testify in neutral on <u>A.B. 112 (R1)</u>. As many of you have heard, across America and across Nevada, there is an expanding infrastructure that is challenging wildlife movement and creating vehicle collision consequences. Looking at the results coming from the mule deer working group in 2015, they estimated that across the United States, collisions with wildlife were causing about 200 human fatalities and costing a minimum of \$1.8 million a year. Highways, increasing traffic volume, and speed limits imposed several impacts on wildlife including direct mortality, physiological stress, habitat fragmentation, and loss of

access to crucial seasonal ranges. The construction of wildlife crossings and associated infrastructures in areas with a high incidence of deer/vehicle conflicts immediately reduces collisions with deer, and the use of crossing structures by species is likely to further reduce risk to both motorists and wildlife.

In 2018, the Department of Transportation completed a series of wildlife crossings and associated infrastructure across U.S. Highway 93 north of Wells to minimize deer/vehicle collisions along the migration corridor for mule deer. A variety of other wildlife species have been documented using these crossings including elk, moose, carnivores, and the first documentation of Pronghorns using an overpass in North America. During a four-year study, about 4,500 individual deer were estimated to use the structures along U.S. Highway 93 during the following spring migration periods. Further, annual wildlife vehicle collisions were reduced by up to 90 percent within the targeted migration corridor.

Chair Monroe-Moreno:

Is there anyone else who would like to testify in the neutral position on <u>A.B. 112 (R1)</u>? [There was no one.] Does the sponsor have any closing remarks? [There were none.] We will close the hearing on <u>A.B. 112 (R1)</u>.

Assemblyman Yeager:

Under Assembly Standing Rule No. 57.4, we have a 24-hour rule before we may take action on a bill. Once we have heard a bill in Committee, given that we have 12 days left in this Session, that rule can be waived with permission of the Speaker. I am waving the 24-hour rule for anything that we hear today in the Assembly Committee on Ways and Means so that it can be processed.

Chair Monroe-Moreno:

I appreciate that. Members, you heard the testimony and the presentation for <u>A.B. 112 (R1)</u>. I will open the work session and accept a motion.

ASSEMBLYWOMAN PETERS MOVED TO AMEND AND DO PASS ASSEMBLY BILL 112 (1ST REPRINT).

ASSEMBLYWOMAN BACKUS SECONDED THE MOTION.

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

THE MOTION PASSED UNANIMOUSLY.

I will assign the floor statement to Assemblyman Watts.

We are going out of order and the next bill on our agenda that we will be hearing will be Assembly Bill 270 (1st Reprint).

Assembly Bill 270 (1st Reprint): Provides for the licensure and regulation of anesthesiologist assistants. (BDR 54-714)

Assemblywoman Elaine Marzola, Assembly District No. 21:

I am here to present <u>Assembly Bill 270 (1st Reprint)</u>, which provides for the licensure and regulation of anesthesiologist assistants. You have heard repeatedly this legislative session, Nevada has a severe health care provider shortage. Our goal with <u>A.B. 270 (R1)</u> is to expand safe and supervised anesthesia services for Nevada residents and patients who come from out of state. If this measure is passed, Nevada will join 19 other states plus the District of Columbia in allowing highly trained anesthesiologist assistants to work under the supervision of board certified and licensed anesthesiologists.

Assembly Bill 270 (1st Reprint) provides for the licensure and regulation of anesthesiologist assistants by the Board of Medical Examiners and the State Board of Osteopathic Medicine. This measure includes procedures for regulating the practice of anesthesiologist assistants and imposing discipline for violations of the governing statutes and regulations. There are six fiscal notes listed on the Nevada Electronic Legislative Information System from the Board of Medical Examiners, Department of Corrections, Department of Public Safety, Department of Health and Human Services, State Board of Osteopathic Medicine, and the State Board of Nursing. As submitted by the boards and agencies, the fiscal notes do not state any fiscal impact to the state. I will stand for questions.

Chair Monroe-Moreno:

We do have a note from the State Board of Osteopathic Medicine to remove their fiscal note, and all the other fiscal notes are zero costs. Members, do you have any questions for the presenter? [There were none.] We will open testimony in support of <u>A.B. 270 (R1)</u>.

Susan Fisher, representing Nevada State Board of Osteopathic Medicine; Nevada State Society of Anesthesiologists; and Nevada Orthopaedic Society:

All those various clients are in support of this bill from an economic impact to this state. You will also note in the exhibits, there is a letter submitted [Exhibit J] by Nova Southeastern University, and they have plans to open a school in southern Nevada to start, and potentially in northern Nevada as well, to train certified anesthesiologist assistants, physician assistants, and other midlevel providers. There is a strong positive economic impact to this bill.

Chair Monroe-Moreno:

Is there anyone who would like to testify in support of <u>A.B. 270 (R1)</u>? [There was no one.] Would anyone like to testify in opposition to <u>A.B. 270 (R1)</u>? [There was no one.] Is there anyone who would like to testify in the neutral position on <u>A.B. 270 (R1)</u>? [There was no one.] Does the presenter have any closing remarks? [There were none.]

We will close the hearing on A.B. 270 (R1) and open the hearing on Assembly Bill 306.

Assembly Bill 306: Requires the waiver of certain fees for certain veteran-owned businesses. (BDR 7-956)

Assemblyman Richard McArthur, Assembly District No. 4:

I am presenting <u>Assembly Bill 306</u> with my colleague, Assemblywoman Torres. It is a short bill. <u>Assembly Bill 306</u> requires the Office of the Secretary of State to waive the business license fee for a state business license if the applicant is an honorably discharged veteran and at least 50 percent of the business is owned by an honorably discharged veteran. I want to present a couple of quick details. We are talking about waving the \$200 per year license fee for all military forces and the National Guard. This business license fee would also be waived for approximately 5 years following the initial issuance of this business license.

However, we are submitting an amendment [Exhibit K] this morning that will change it from 5 years to 3 years, which will drop the original fiscal note issued by the Office of the Secretary of State. I am going to turn the presentation over to Assemblywoman Torres to give us some details on this amendment.

Assemblywoman Selena Torres, Assembly District No. 3:

In coordination with the Office of the Secretary of State, we have agreed to a conceptual amendment. I have provided a copy of that to this Committee as well. The amendment would change the number of years from 5 years to 3 years and change the effective date to January 1, 2024, to allow time for the Office of the Secretary of State to create the systems necessary for the enforcement of this bill. What is not reflected in this amendment, but should be, was part of our conversations. I will add that and resubmit this to the Committee. This would be a reimbursement, which is like the process we use for veterans' discounts for the Department of Motor Vehicles' driver license. We stand open to any questions.

Chair Monroe-Moreno:

Would you submit the additional amendment with the reimbursement? The veterans would pay their fees and then receive a check from the Office of the Secretary of State. I do not have the updated fiscal note from the Office of the Secretary of State.

Assemblywoman Torres:

That was provided to your staff yesterday. I believe that a chart has been updated [$\underbrace{Exhibit\ L}$]. I do not know if it is the formal fiscal note, but there is an updated chart that was provided. The fiscal note changes the amount. The 1st-year cost would be \$842,240. The 2nd-year cost would be \$2.5 million. The 3rd-year cost would be \$4.2 million.

Chair Monroe-Moreno:

I do have the chart. We did not receive the updated fiscal note. Would you provide that to us in addition to the additional language for the amendment?

Assemblywoman Torres:

Will do.

Chair Monroe-Moreno:

Members, are there any questions for the presenters?

Assemblyman O'Neill:

I like the bill. I have a few questions. Looking at the bill, is it for new startup, veteran businesses? For a veteran who currently has a business going, a successful business that has been in operation for several years, would that business qualify? I need clarification because I am not sure if I am reading it that way.

Assemblyman McArthur:

According to the way the bill is written right now, this takes effect in January 2024.

Assemblyman O'Neill:

The bill would be effective for any business starting after that date, correct?

Assemblyman McArthur:

That is my understanding. Yes.

Assemblyman O'Neill:

I was looking to see whether there was somebody from the Office of the Secretary of State to clarify that. That is your understanding then?

Assemblyman McArthur:

Yes.

Assemblywoman Torres:

I believe that somebody from the Office of the Secretary of State has called in. They were not able to be present here, but I am sure they are happy to help answer any additional questions as well.

Chair Monroe-Moreno:

Do we have anyone from the Secretary of State's office on our telephone line who could assist with answers to the questions from Assemblyman O'Neill? [There was no one.]

Assemblywoman Torres:

I am happy to work with the Office of the Secretary of State to get a response. My understanding of this piece of legislation is it is specifically for new businesses that would be opening.

Assemblyman O'Neill:

I appreciate that, and that is what I thought it would be. I wanted to make sure because it was not clear to me, but I am not an attorney either. I will call them. I will take care of it because I do enjoy the bill and appreciate you bringing it forward.

Chair Monroe-Moreno:

Members, are there any other questions? [There were none.] I will ask you to take a step back, and we will call up those who are here to testify in support of <u>A.B. 306</u>.

Andrew LePeilbet, Chairman, United Veterans Legislative Council:

The United Veterans Legislative Council represents 279,000 veterans in our state. We support this bill. What we have done to our poor National Guard members in our state and our military in the last 20 years has been mind numbing. People joined the National Guard thinking they would be home forever, and we have had them deployed multiple times. Some of our National Guard members in our state alone, now veterans, served as many as seven or eight tours of duty in a combat zone. We have not experienced that as a nation in the past. We wonder why they have a hard struggle getting started. This is a small token to help them get started in a business. I have owned a couple of businesses in different states. I know all the paperwork that is involved in a new business. This is another thing to help our veterans get started in a new business, and we support this bill 100 percent.

Sarah Johnson, Director, Office of Small Business Advocacy, Office of the Lieutenant Governor:

Thank you for bringing this bill forward, which supports veteran entrepreneurs throughout Nevada. It is important that we remove barriers for all entrepreneurs who want to start and grow businesses in Nevada. It is also important that we support and honor our veterans. By reducing the cost for veterans starting a small business, the state will be joining other organizations that assist veteran entrepreneurs like the National Veteran Business Development Council, the VA Accelerator, the Small Business Administration, and the Small Business Development Center, among many others. These organizations provide valuable access to funding and training for our nation's veterans who want to start and grow a business. I support <u>A.B. 306</u>.

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

I apologize for the technical mishap. I am presently sitting on the Tahoe Regional Planning Agency board meeting as well. Thank you so much for your patience. I know this is testimony in support. However, I am available to answer any questions regarding our Office or the fiscal note.

Chair Monroe-Moreno:

We did have a question from Assemblyman O'Neill. I will allow him to go ahead and ask you that question now.

Assemblyman O'Neill:

In reading the bill, I wanted to make sure that I was reading it properly. Is this for new startup veteran businesses?

Gabriel Di Chiara:

Yes, this bill is for any new veteran business entities that are created on or after January 1, 2024, according to the conceptual amendment. It would not apply to current

veteran-owned businesses. It would only be for new businesses. Part of the reason is that the state does not currently track that information as a required question when a business is being created. We do not have a mechanism in place to identify which businesses are veteran-owned at present.

Chair Monroe-Moreno:

Do we have any others who would like to provide testimony in support of <u>A.B. 306</u>? [There were none.] Is there anyone who would like to provide testimony in opposition to <u>A.B. 306</u>? [There was no one.] Is there anyone who would like to provide testimony in the neutral position on <u>A.B. 306</u>? [There was no one.] Do the presenters of the bill have any closing remarks?

Assemblywoman Torres:

Somebody messaged me and asked if we could talk a bit about the impetus of the bill. This bill started on a dare. Somebody dared me to become friends with Assemblyman McArthur, and here we are. Somebody dared us to find a policy we could work on together. This is a good public policy. I hope this is something we can consider today.

Assemblyman McArthur

This bill is a good gesture for our veterans who have protected our country. I also believe that this bill will help stimulate the economy and help small businesses.

Chair Monroe-Moreno:

We will close the hearing on <u>A.B. 306</u> and open the hearing on <u>Assembly Bill 376</u> (1st Reprint).

<u>Assembly Bill 376 (1st Reprint)</u>: Establishes provisions governing paid family leave for certain state employees. (BDR 23-1053)

Assemblywoman Elaine Marzola, Assembly District No. 21:

I am happy to present <u>Assembly Bill 376 (1st Reprint)</u>, which establishes provisions governing paid family leave. This bill allows an eligible employee to use up to 8 weeks of paid family leave at 50 percent of their regular pay wages to bond with their newborn or newly adopted child, recover from or undergo treatment for a serious illness, care for a seriously ill member of the immediate family, or attend a military deployment of an immediate family member.

The fiscal note prepared by the Division of Human Resource Management, Department of Administration, requires \$18,154 to cover programming hour costs to update the payroll system to handle new paid leave codes. The legislation would require 200 programming hours at a rate of \$90.77 per hour. We are ready to stand for questions if there are any.

Chair Monroe-Moreno:

The only fiscal note is \$18,154 in fiscal year 2024, and then no other fees in addition to that because all the other fiscal notes were zero, correct?

Assemblywoman Marzola:

That is correct.

Chair Monroe-Moreno:

Members, are there any questions for the presenter? [There were none.] Is there anyone who would like to provide testimony in support of A.B. 376 (R1)?

Carter Bundy, representing American Federation of State, County and Municipal Employees:

We want to thank the sponsor and the Office of the State Treasurer for <u>A.B. 376 (R1)</u>. All too often when people have family emergencies, they burn through their sick leave and even all their vacation time. This does not replace all their income. It replaces only half their income, but it is a real lifeline to people who are struggling at home with a crisis. We hope you will support this.

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

I am here in support of <u>A.B. 376 (R1)</u> to include unclassified, as well as our classified, colleagues. Our various Nevada System of Higher Education (NSHE) institutions have different policies for how they handle family and medical leave. This will provide extra flexibility, particularly for those on semester-long teaching assignments or in faculty probationary timelines, which are strict. That is well worth the fiscal cost. I would like to point out that because of the exemptions in *Nevada Revised Statutes* (NRS) 396.251 and NRS 396.7953, graduate student assistants, postdoctoral researchers, medical residents, and Desert Research Institute contract and sponsored research employees are not included in Chapter 284 of NRS unless otherwise provided by the NSHE Board of Regents.

Jamelle Nance, Director of Strong Start Initiatives, Children's Advocacy Alliance of Nevada:

I am testifying in support of <u>A.B. 376 (R1)</u> establishing provisions governing paid family leave for certain state employees. Paid family leave is a critical component to support families financially and emotionally during the most important life transitions. Looking from the scope of early childhood, we know that research shows that by providing parents with time and financial security to stay home and bond with new children, state family leave programs can improve the economic security of the family and keep families engaged in the workforce. We know how important that is. Paid family leave also supports children, parental health, and wellbeing. Implementing this bill for certain state employees, it is a step in the right direction that we hope will become common practice throughout various sectors in the state. We urge your support of A.B. 376 (R1).

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

On behalf of the American Heart Association, I would like to express our support for A.B. 376 (R1). The American Heart Association supports policies that ensure state employees have access to paid family and medical leave programs that provide sufficient paid time off to manage significant personal or family life events and needs. The American

Heart Association understands that people need sufficient time to recover from serious medical conditions without worrying about covering expenses. Paid leave policies lead to healthier babies and birthing parents. The United States currently has no guaranteed paid family leave, family and medical leave, and access to paid family and medical leave is lowest among workers who need it most. Far too many people are forced to sacrifice their savings or lose their jobs altogether when they need time to care for themselves or their family. The American Heart Association supports A.B. 376 (R1) because we believe that state workers deserve to savor the joys and weather the inevitable crises that life delivers without worrying about how to pay the bill.

Chair Monroe-Moreno:

Is there any testimony in opposition to <u>A.B. 376 (R1)</u>? [There was none.] Is there any testimony in the neutral position? [There was none.] I will ask if there is anyone in the audience from the Division of Human Resource Management, Department of Administration, who could speak to the fiscal note to let us know if you are able to absorb that cost?

Daniel Marlow, Administrator, Administrative Services Division, Department of Administration:

I am here on behalf of the Division of Human Resource Management (DHRM), Department of Administration. The fiscal note is a hard cost that we do not have in our budget currently, and we would have to pay for those programming hour costs. Unfortunately, we cannot remove the fiscal note at this time.

Chair Monroe-Moreno:

We will add that information to our file. Are there any closing comments? [There were none.] We will close the hearing on <u>A.B. 376 (R1)</u>. Members, we received permission from the Speaker to process some bills today.

We will open the work session on A.B. 376 (R1). As you heard from DHRM, Department of Administration in their testimony, the Division is unable to absorb the cost to their Department. With the permission of the presenter of the bill and the sponsor of the bill, I would like to add in that cost, and amend the cost into the bill so the Department has those funds. Are there any questions on the amendment that I am proposing? [There were none.] I would accept a motion.

ASSEMBLYWOMAN JAUREGUI MOVED TO AMEND AND DO PASS ASSEMBLY BILL 376 (1ST REPRINT).

ASSEMBLYWOMAN BACKUS SECONDED THE MOTION.

Are there any questions on the motion?

Assemblyman Hafen:

With the amendment, what is the dollar amount that is being appropriated?

Chair Monroe-Moreno:

The dollar amount was on the fiscal note as presented by the presenter in her hearing, which is \$18,154.

Assemblywoman Dickman:

I want to clarify the amendment. It is just to add the funds, correct?

Chair Monroe-Moreno:

That is correct. Are there any other questions? [There were none.] We have a motion on the floor.

THE MOTION PASSED UNANIMOUSLY.

I will assign the floor statement to Assemblywoman Marzola.

As a clarification, State General Funds would be added to that bill to cover the cost. Moving to the next item on our agenda, I will open the hearing on <u>Assembly Bill 321 (1st Reprint)</u>.

Assembly Bill 321 (1st Reprint): Makes various changes relating to public safety. (BDR 52-753)

Assemblyman Max Carter, Assembly District No. 12:

Assembly Bill 321 (1st Reprint) is about grid reliability. It was heard in the Assembly Committee on Commerce and Labor. Several of those members are sitting on this Committee, and it passed unanimously. If we want to talk about the policy, it is about transitioning away from conductive foil balloons, moving toward where the industry is already going to nonconductive balloons, responding to the rising incidence of attacks and sabotage on our grid system, and enhancing the penalties for that. If there are any questions on the policy, we have representatives from NV Energy, the Rural Electric Cooperative Association, and we worked with the Retail Association on implementing these policies. All the stakeholders came together on the policy.

On the fiscal notes, the Department of Public Safety had a zero fiscal note. The Public Utilities Commission of Nevada had a cost of \$7,493, but that cost would be absorbed by their mill assessments on ratepayers. The bill would have no impact on the taxpayers or the State General Fund. That is my presentation.

Chair Monroe-Moreno:

You answered my question in your presentation that they would be able to absorb the costs. Does this mean I will not be able to use any more foil balloons at my birthday parties?

Assemblyman Carter:

Yes, you will be, but they will be nonconductive foil balloons as the industry moves towards that technology. Yes, that is why you do not see the big clown lobby here today opposing this bill.

Chair Monroe-Moreno:

Members, are there any questions?

Assemblyman Hafen:

Full disclosure, I am regulated by the Public Utilities Commission of Nevada. I did have a question on the mill assessments. Are the mill assessments going to only be on the power companies or will they be assessed on all regulated utility companies?

Assemblyman Carter:

That is an answer I do not know. Carolyn Turner with the Rural Electric Cooperative Association is the one who investigated that. If she is on the phone line, I am sure she could answer that.

Chair Monroe-Moreno:

Is there anyone from the Public Utilities Commission of Nevada who may be able to answer that question?

Assemblyman Carter:

I will work on getting that answer for you. I apologize for not knowing it.

Chair Monroe-Moreno:

Members, are there any other questions? [There were none.] I will ask you to take a step back and invite forward those wishing to testify in support of A.B. 321 (R1).

William Adler, representing International Brotherhood of Electrical Workers 1245:

We are in support of <u>A.B. 321 (R1)</u> and the safety additions at the end of the bill and all the implications including changing foil balloons for nonconductive foil balloons.

Chair Monroe-Moreno:

Is there anyone who would like to provide testimony in opposition to <u>A.B. 321 (R1)</u>? [There was no one.] Is there anyone who would like to provide testimony in the neutral position on <u>A.B. 321 (R1)</u>? [There was no one.] Does the sponsor have any closing remarks? [There were none.] We will close the hearing on <u>A.B. 321 (R1)</u> and open the hearing on Assembly Bill 345.

Assembly Bill 345: Revises provisions governing the Commerce Tax. (BDR 32-783)

Assemblywoman Venicia Considine, Assembly District No. 18:

I am here this morning to talk to you about <u>Assembly Bill 345</u>. This bill concerns real estate investment trusts (REITs) and their locations, with an exemption inside the commerce tax. When the commerce tax was created, an exemption for real estate investment trusts was included. There are two exemptions from paying the commerce tax, because there is an exemption to the exemption. In going down a rabbit hole on REITs, I had issues trying to find out whether this provision within the commerce tax has any effect at all. I brought this bill initially to talk about real estate investment trusts.

There are over 7,400 parcels of land in the state of Nevada that are owned by REITs. As this bill has come along, the only entities that have reached out to me about removing or even talking about real estate investment trusts are entities that are paying the commerce tax under the exemption to the exemption. The reason that I am mentioning this is to remove this provision because at this point, I have not found anyone that this provision affects under the commerce tax.

However, there is a fiscal note that was submitted by the Department of Taxation. The Department will need to draft regulations, and they anticipate an increase in appeals that will require the Deputy Attorney General's assistance. That cost allocation plan is \$25,376 in fiscal year (FY) 2024 and \$12,749 in FY 2025, and the Department foresees expenses will not reoccur after FY 2025. I am happy to answer any questions.

Chair Monroe-Moreno:

After setting up the cost allocation plan, they would only have a fee in FY 2024 and FY 2025, but no future biennia, correct?

Assemblywoman Considine:

Yes.

Chair Monroe-Moreno:

If this bill passes as written, it will have a positive effect on the State General Fund budget, correct?

Assemblywoman Considine:

That is unknown. It is one of the reasons why I wanted to bring the bill because we do not know whether deleting the exemption and the exemption to the exemption would have any effect. Or we may determine that there are a lot of real estate investment trusts in Nevada that would be subject to taxation under the commerce tax if they are bringing in more than \$4 million in property rent or the things in which real estate investment trusts specialize.

Chair Monroe-Moreno:

Members, are there any questions?

Assemblywoman Kasama:

Do you know why REITs were originally excluded or what the history behind that was?

Assemblywoman Considine:

That is a great question. That was one of the things I tried to find out when I started learning about REITs. At this time, I have absolutely no answer for you because I cannot find any documented information as to why it was included.

Assemblywoman Dickman:

I am curious. Is this going to be hard to track? Is it going to be self-reported?

Assemblywoman Considine:

I have spoken with staff about it, and they are prepared to figure out how to track it. I do not think it would be difficult because these are federally registered entities.

Chair Monroe-Moreno:

Do we know how many of these REITs are Nevada-based businesses or are these businesses out of the state of Nevada but making money here in Nevada?

Assemblywoman Considine:

From the information that I can find, out of the approximate 7,400 that I found, there were 2 that are based in Nevada.

Assemblywoman Dickman:

You made me think of a question. Are the two that are based in Nevada exempt, too, because of this?

Assemblywoman Considine:

One has approached me and explained to me that they are paying the commerce tax under the exemption to the exemption through the way that the exemption to the exemption is listed, but I do not know about the other REIT.

Assemblyman Hafen:

I thought I heard you say that there are currently no REITs in the state of Nevada that would be subject to the commerce tax. Did I hear you correctly?

Assemblywoman Considine:

We cannot say whether they are subject to this because first, there are over 7,400 real estate investment trust parcels in the state. To pay the commerce tax, they would have to have revenue of over \$4 million. I do not know how many of those 7,400 REITs would meet that threshold. We are talking about cell towers, real estate, rentals, and a whole swath of different real estate investment trusts. I do not know how many are subject to the commerce tax. In developing this bill, what I expected were REITs paying this tax or not paying this tax, and any real estate investment companies would come to have a conversation about what they are, where they are going, how they are expanding, and who is paying the commerce tax. The entities that have reached out to me have told me that they are paying it. They are paying the commerce tax under the exemption to the exemption. Removing *Nevada Revised Statutes* 363C.020, section 1, subsection 2, paragraph (i), subparagraph (1) would not change the entities that are paying the commerce tax because they are paying it under the exemption to the exemption. There are REITs that are paying the commerce tax.

Assemblyman Hafen:

If I am understanding correctly, the ones that would be subject to the commerce tax are already paying the commerce tax, and this is trying to clean up the language, so it simplifies the statute and it does not include an exemption to an exemption to then require somebody to pay something.

Assemblywoman Considine:

From the information I have, yes, but there is a lot of information we do not know because we are not currently tracking real estate investment trusts that are based out of Nevada that have property and are making income in Nevada.

Chair Monroe-Moreno:

Members, are there any other questions? [There were none.] I will invite you to take a seat, and we will invite the Department of Taxation to address your fiscal note.

Yvonne Nevarez-Goodson, Chief Deputy Executive Director, Department of Taxation:

With me is our Administrative Services Officer 4, Joy Grimmer, who can also address any questions you might have on our fiscal note. We included our Deputy Attorney General (DAG) cost allocation in the fiscal note given the technical nature of this amendment. We are concerned that we will be receiving both advisory opinions, and we will potentially have to update our regulations. We will need the assistance of our DAGs for that work. That is why we included the DAG allocation.

Chair Monroe-Moreno:

As it is written, you have a cost of \$25,376 in FY 2024. Do you expect that you would start working on the plan then, or when?

Joy Grimmer, Administrative Services Officer 4, Department of Taxation:

I want to clarify this. The cost allocation for the Office of the Attorney General is usually built 2 years behind. This amount was included in the fiscal note to represent an increase in appeals and such. It would not be realized until a future biennium for us. We could move that \$38,125 cost to a future biennium and have no cost in FY 2024 and FY 2025. We wanted to represent that there would be an additional workload with the Office of the Attorney General.

Chair Monroe-Moreno:

That is what I wanted to get on the record. Are there any other questions for the Department of Taxation? [There were none.] Is there anyone who would like to provide testimony in support of A.B. 345? [There was no one.] Is there anyone who would like to provide testimony in opposition to A.B. 345? [There was no one.] Is there anyone who would like to provide testimony in the neutral position on A.B. 345? [There was no one.] Does the presenter have any closing remarks? [There were none.] We will close the hearing on A.B. 345 and open the hearing on the next bill.

Assembly Bill 299 (1st Reprint): Creates the Nevada Medal of Distinction. (BDR 18-780)

Assemblyman Steve Yeager, Assembly District No. 9:

I have one of my interns in the leadership office this session, Geneva Martin, with me at the table. She helped present the bill in the Assembly Committee on Government Affairs. If you

have questions on policy, she can help with that. I will give you a high-level overview of what the bill does and then talk about the fiscal impact.

This bill creates the Nevada Medal of Distinction. The idea behind this is we do not have anything that we do as a state on the state level to recognize individuals who have provided exemplary service to the state. There are two parts to the bill. The Nevada Medal of Distinction would be housed in the Office of the Governor. The first part is a Nevada Awards and Honors Board. That Board would develop the regulations for how this program would work, what the criteria would be, and create the design for the award or medal. That would be a new Board in the Office of the Governor.

In section 4 of the bill, we create the Nevada Awards and Honors Board. That would be a new group constituted every year with appointees from the Governor, legislative appointees, and Supreme Court appointees. That Board would be the one tasked with nominating individuals for the award every year. Someone who is living would get the award, and there would be a posthumous award given each year as well. There are nine members of the selection committee. They each bring forward a nomination to the committee for each of the two awards for the living and the deceased. That Board would get together no less than seven days before the awards ceremony and figure out who they are going to give the awards to that year. That actual Honors Board would be reconstituted every year.

Individuals could be reappointed. But there is also a provision that if we have a unified government, meaning that the Legislature and the Governor are in control of the same party, then minority members of the Legislature would make appointments so that there is a balance there.

Elected officials are not eligible to receive the award. We did not want to have that situation. That is how it functions. The only other thing I will mention is we have a staggered schedule for work during a legislative session year. The awards ceremony would be here in Carson City and then during the interim years, it would be somewhere in Clark County. We would have a north and a south component. That is what the bill does.

There is a fiscal note on the bill that is zero from the Office of the Governor. I did want to let you know about an email I received. We had some productive discussions with Amy Stephenson, Director, Office of Finance, Office of the Governor. She indicated that the Office of the Governor does not see a fiscal impact for A.B. 299 (R1). There is no fiscal impact beyond what can be absorbed.

I forgot to mention this during my presentation, but on page 3 of the bill, lines 9 through 11, the Board may apply for and accept grants, gifts, and donations to carry out the functions of the Board. We believe that we would be able to raise enough money to fund the minimal expense of producing the design, producing the medal or the award, and some travel expenses that might be necessary if individuals are going to meet in person, although the bill does allow remote meetings among the different members. I would be happy to answer any questions that you might have.

Assemblywoman Dickman:

Would the appointees to this Board be regular citizens, or could they be anybody, or could they be legislators appointed to the Board?

Assemblyman Yeager:

I want to make a couple of distinctions. There are two different things that are created in the bill. The first is the Nevada Awards and Honors Board, and those five individuals are appointed by the Governor. They are the ones who produce the structure of the program. Then there is the selection committee. The bill prescribes who makes the appointment, but there is no restriction on an elected official who could be appointed to either the Nevada Awards and Honors Board or the selection committee. There is no prohibition against that, but those people would not be able to receive the award. When we talked about the Nevada Awards and Honors Board that will make the nominations, we tried to get all three branches of government involved. You will see Governor's appointees, legislative appointees, and Judicial Branch appointees. Like everything else in the state, sometimes it is hard to find people who want to serve on these committees. My hope would be that every person making an appointment would think about what the role of the appointee is and not show up and have a meeting. They need to actively investigate and come forward with recommendations. That is a long way of saying there is no prohibition against that as the bill is written right now.

Chair Monroe-Moreno:

Are there any other questions? [There were none.] We will ask you to take a seat and we invite to the table anyone who is here to testify in support of A.B. 299 (R1). [There was no one.] Is there anyone who would like to testify in opposition to the bill? [There was no one.] Is there anyone who would like to testify in the neutral position on A.B. 299 (R1)? [There was no one.] Does the presenter have any closing remarks? [There were none.] We will close the hearing on A.B. 299 (R1) and open the hearing on Assembly Bill 239 (1st Reprint).

Assembly Bill 239 (1st Reprint): Makes various changes relating to government administration. (BDR 23-896)

Assemblywoman Sandra Jauregui, Assembly District No. 41:

I am here today on behalf of the interim Sunset Subcommittee of the Legislative Commission, as Chair of the Sunset Subcommittee. The Sunset Subcommittee is charged during the interim to review boards and commissions and produce decisions whether we are going to terminate, continue, or transition a board into another board. I know we are a money committee, so I will not go over the policy decisions that were made during the Sunset Subcommittee because I am specifically here to cover four sections of Assembly Bill 239 (1st Reprint), which are sections 1, 2, 15, and 16 that address the Merit Award Board. These sections respectively create the Merit Award Account in the State General Fund, remove language prohibiting an award to be paid out of the General Fund, and make an appropriation of \$3,000 to fund the administration of the Board. The bill also makes an additional appropriation of \$25,000 to provide funding for Merit Awards to state employees from the Merit Award Program.

I understand we do not discuss policy in the money committees, but for reference, the Sunset Subcommittee recommended these legislative actions because representatives of the Board reported that the Board was not functioning well. It lacked the funds for its operations and could not fund employee awards. We all know that the best people to identify efficiencies within an agency are those employees who work within the agency. The Merit Award Program was designed to encourage employees to look at their agency, look at their division, and see if there were ways that they could save their division or their agency money. If they could, then they were given an award to encourage them to do so.

The Board came before us and said it had not used this award in a long time because it lacked the funds to pay the Board to do this and lacked the money to award state employees. Instead of sunsetting the Board during the interim, we decided to add a small amount of money in the form of an appropriation to give the Board \$3,000 to be able to meet and review these proposals from state employees, and then fund the Board with \$25,000 to give state employees an award for identifying these efficiencies. If none of the money is used by the end of the fiscal year, that money reverts to the State General Fund. I am open for questions.

Chair Monroe-Moreno:

I remember hearing about this my first session in the Legislature. There were people doing the work, and the Board did not have the money to reward them. Thank you for bringing this piece of legislation. Members, are there any questions? [There were none.] We will open testimony in support of <u>A.B. 239 (R1)</u>.

Tray Abney, representing Nevada Broadcasters Association:

We want to thank the Majority Leader and her Sunset Subcommittee for bringing this bill. We support section 4, which changes the requirements for the Statewide Alert System Committee. We have a struggle putting people on that committee. This helps us do that for this important body.

Chair Monroe-Moreno:

Is there anyone else who would like to provide testimony in support? [There was no one.] Is there anyone who would like to testify in opposition to A.B. 239 (R1)? [There was no one.] Is there anyone who would like to testify in the neutral position on A.B. 239 (R1)? [There was no one.] Does the presenter have any closing remarks? [There were none.] We will close the hearing on A.B. 239 (R1). That brings us to the last item on our agenda and that is public comment. Is there anyone who would like to provide public comment? [There was no public comment.]

Members, we got through our whole agenda for the day. If anything comes up later, we may reconvene this hearing. Know that may happen, but for now we are in recess [at 9:38 a.m.].

[This meeting reconvened at 4:53 p.m.]

Chair Monroe-Moreno:

Good afternoon. We will call the Committee on Ways and Means meeting back to order. Because we recessed, we do not have to call roll. We have a few things on our agenda for tonight in this building. Instead of adding any work sessions to our agenda, we are simply going to process three bills. The first bill is new, and you have not heard it. We reviewed the last two bills and walked through them, page by page, section by section, two days ago. Hopefully, you were able to look it over and read it, but we are going to open the hearing starting with Senate Bill 501.

Senate Bill 501: Establishes for the 2023-2025 biennium the subsidies to be paid to the Public Employees' Benefits Program for insurance for certain active and retired public officers and employees. (BDR S-1209)

Sarah Coffman, Assembly Fiscal Analyst:

<u>Senate Bill 501</u> is the Public Employees' Benefits Program (PEBP) bill. This bill establishes the amount of the state's share of costs of premiums or contributions for group insurance for active state officers and employees who participate in PEBP. The rates in section 1 are \$730 per-month for fiscal year (FY) 2024, and \$759 per-month for FY 2025. This bill also establishes the base amount for the share of costs of premiums or contributions for group insurance under the program that is required to be paid by state and local governments for retired public officers and employees. These rates found in section 2 are \$515 per-month for FY 2024, and \$545 per-month for FY 2025. I would be happy to answer any questions.

Chair Monroe-Moreno:

Are there any questions on <u>S.B. 501</u> for our Fiscal Analyst? [There were none.] Is there anyone 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 <u>S.B. 501</u>? [There was no one.] Is there anyone who would like to testify in the neutral position on <u>S.B. 501</u>? [There was no one.] We will close the hearing on <u>S.B. 501</u> and open the work session on <u>S.B. 501</u>. I will accept a motion on this bill.

ASSEMBLYWOMAN BACKUS MADE A MOTION TO DO PASS SENATE BILL 501.

ASSEMBLYWOMAN JAUREGUI SECONDED THE MOTION.

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

THE MOTION CARRIED UNANIMOUSLY.

I will assign the floor statement to Assemblywoman Peters. We will open the hearing on the next bill.

Senate Bill 503: Ensures sufficient funding for K-12 public education for the 2023-2025 biennium. (BDR S-1208)

Adam Drost, Principal Program Analyst:

This evening, I am joined by my colleagues, Madison Ryan, Program Analyst, and Lilliana Camacho-Polkow, Program Analyst. Together, we comprise the K-12 team for the Fiscal Analysis Division, Legislative Counsel Bureau. As the Committee may recall, we walked through Bill Draft Request (BDR) 1208 Monday evening. Senate Bill 503 ensures sufficient funding for K-12 public education for the 2023-2025 biennium. The bill reflects the closing decisions of the money committees related to the seven budgets that provide K-12 education funding, with those budgets not included in the Appropriations Act or the Authorizations Act. Combined, the K-12 education funding bill provides funding of \$5.8 billion in fiscal year (FY) 2024, and \$6.1 billion in FY 2025, excluding the Education Stabilization Account that had its funding placed in reserve. The amounts and the text from the BDR did not change and are currently reflected in S.B. 503. Therefore, we do not plan to go through the entire bill again, but we are available for any questions the Committee may have.

Chair Monroe-Moreno:

Members, we heard this bill and extensively reviewed it, section by section, two nights ago. Does anyone have any questions for our Fiscal staff on <u>S.B. 503</u>?

Assemblywoman Anderson:

I want to thank the Fiscal staff for giving me their time the other day when I had questions offline. I know how precious their time is right now.

Chair Monroe-Moreno:

Members, are there any other questions on $\underline{S.B.503}$? [There were none.] Is there anyone 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 $\underline{S.B.503}$?

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

We are seeking an amendment to <u>S.B. 503</u> to increase the State Education Fund by an additional \$500 million. Last week, 1,000 educators and supporters rallied in front of the Legislative Building, umbrellas in hand, to say it is a rainy day in Nevada, so it is "Time for 20." Certainly, Nevada's strong economy and record revenue is welcome news, but it is still a rainy day for Nevada schools. We ranked 48th in education funding, even behind Mississippi, and everyone knows Nevada has the largest class sizes in the nation. The crisis of educator vacancies has reached a tipping point. In the last two years alone, Nevada will lose more than 15 percent of its teaching workforce. Nevada is also short of people who make our schools run. The severe educator shortage threatens the basic functions of our school system. Increases in <u>S.B. 503</u> sound promising but they are blunted by minimal increases in previous years that also had record inflation eating away at most of the proposed increases. Along with this, the Education Stabilization Account cap increasing to 20 percent

would stash away an additional \$322 million by the end of next biennium, meaning the Legislature adjusted the Governor's recommended budget with a larger increase for reserves than for our schools.

It turns out the biggest beneficiary of additional funding are charter schools with a 41 percent increase in the biennium worth over \$400 million. On the other side of the ledger, little Storey County will lose 5 percent of its total budget. Sadly, the rising tide will not lift all the boats. When combining the Education Stabilization Account with the state's Rainy Day Fund [Account to Stabilize the Operation of State Government] reserves could approach \$3 billion next biennium, which is seven times the state's previous high of \$401 million.

The Nevada State Education Association believes it is fiscally irresponsible to underfund education and overinflate reserves when we cannot retain educators or fill their positions when they leave. Throughout this session, you have heard from a parade of educators about the hardships of working in education with low pay and increasingly stressful working conditions. Last week, educators showed up here with the thunder and lightning. We implore you to amend <u>S.B. 503</u> to redirect monies from the Rainy Day Fund reserves to fund "Time for 20." It is a rainy day in Nevada schools.

Chair Monroe-Moreno:

Is there anyone else who would like to provide testimony in opposition? [There was no one.] Is there anyone who would like to provide testimony in the neutral position? [There was no one.] We will close the hearing on $\underline{S.B.503}$. We thank our staff for all their long hours and the two presentations on this bill. We will open the work session on $\underline{S.B.503}$ and I will accept a motion.

ASSEMBLYWOMAN BACKUS MADE A MOTION TO DO PASS <u>SENATE BILL 503</u>.

ASSEMBLYWOMAN JAUREGUI SECONDED THE MOTION.

Is there any discussion on the motion?

Assemblywoman Jauregui:

I did not think I would get an opportunity to say this, but no matter what we do in this building, there are some people who think our work will never be enough, and that is just sad. I want to take this moment to say how proud I am to take a vote on this bill and send this historic amount of money to education. Over the last two sessions, we have seen the asks for education, and we have sent that money to education every session that I have been here. We have sent more money to education but never in this record amount, and so I am proud of this vote.

Chair Monroe-Moreno:

I appreciate the comments. Members, are there any other comments on <u>S.B. 503</u>? They asked for a 20 percent increase, and together we have provided a 26.5 percent increase. Not only did we meet the ask, but we also exceeded it. With that, we have a motion on the floor.

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

I will assign the floor statement to Assemblywoman Anderson.

We will open the hearing on <u>Senate Bill 504</u>.

Senate Bill 504: Authorizes expenditures by agencies of the State Government for the 2023-2025 biennium. (BDR S-1207)

Kimbra Ellsworth, Senior Program Analyst:

I have the Authorizations Act team here. I failed to mention their names last time I presented the bill. Our team includes Justin Luna, Program Analyst, and Chris English, Program Analyst. They helped put this together. We presented Bill Draft Request S-1207 on Monday evening, and this is referred to as the Authorizations Act, Senate Bill 504. This reflects the decisions of the money committees and contains all the non-State General Fund and non-State Highway Fund appropriations in the state budgets. Because we walked through the bill previously, I will pause and take any questions.

Chair Monroe-Moreno:

Members, this is another bill that we heard two nights ago. Does anyone have any questions on <u>S.B. 504</u>? [There were none.] We appreciate all the work that all our Fiscal staff are doing to help us close this legislative session with a balanced budget.

Is there anyone 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 $\underline{S.B.504}$? [There was no one.] Is there anyone who would like to testify in the neutral position on $\underline{S.B.504}$? [There was no one.] We will close the hearing on $\underline{S.B.504}$ and open the work session on $\underline{S.B.504}$. I will accept a motion on this bill.

ASSEMBLYWOMAN BACKUS MADE A MOTION TO DO PASS SENATE BILL 504.

ASSEMBLYWOMAN JAUREGUI SECONDED THE MOTION.

Is there any discussion on the motion?

Assemblyman Hafen:

I think that this bill has come a long way, and we have done some good work on it. I did have some concerns about section 7. However, I do think that the bill is better than we have

ever done in previous years. I appreciate all the hard work that went into this, and I will be a yes vote tonight.

Chair Monroe-Moreno:

Is there any another discussion?

Assemblyman O'Neill:

I will vote yes. I appreciate the work and concur with my colleague. I still have some questions about section 7, but it is a good bill as it is. We could nitpick it too much. I will be a yes vote.

Chair Monroe-Moreno:

Is there any other discussion? [There was none.] We have a motion on the floor.

THE MOTION CARRIED UNANIMOUSLY.

I will assign the floor statement to myself.

I will open public comment. [There was no public comment.]

There being no further business before the Committee, this meeting is adjourned at [5:11 p.m.].

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

EXHIBITS

Exhibit A is the Agenda.

Exhibit B is the Attendance Roster.

Exhibit C is a proposed conceptual amendment to <u>Assembly Bill 112 (1st Reprint)</u> presented by Assemblyman Howard Watts, Assembly District No. 15.

Exhibit D is a letter dated May 24, 2023, from Christi Cabrera-Georgeson, Deputy Director, Nevada Conservation League, in support of <u>Assembly Bill 112 (1st Reprint)</u>.

<u>Exhibit E</u> is a letter dated May 24, 2023, from Rebecca Goff, Nevada State Director, Humane Society of the United States, in support of Assembly Bill 112 (1st Reprint).

Exhibit F is a letter dated May 24, 2023, presented by Carl Erquiaga, Nevada Field Representative, Theodore Roosevelt Conservation Partnership, in support of Assembly Bill 112 (1st Reprint).

Exhibit G is a letter dated May 24, 2023, presented by Bari Levinson, Member, Toiyabe Chapter, Sierra Club, in support of Assembly Bill 112 (1st Reprint).

<u>Exhibit H</u> is a letter submitted by Russell Kuhlman, representing the Nevada Wildlife Federation, in support of <u>Assembly Bill 112 (1st Reprint)</u>.

Exhibit I is a letter dated May 23, 2023, submitted by Nic Callero, Officer, U.S. Public Lands and Rivers Conservation, The Pew Charitable Trusts, in support of Assembly Bill 112 (1st Reprint).

Exhibit J is a letter dated April 4, 2023, from Robert Wager, D.H.Sc., M.M.Sc., CAA, RRT, Associate Dean and Chair, Department of Anesthesia, Dr. Pallavi Patel College of Health Care Sciences, Nova Southeastern University, presented by Susan Fisher, representing Nevada State Board of Osteopathic Medicine; Nevada State Society of Anesthesiologists; and Nevada Orthopaedic Society, in support of Assembly Bill 270 (1st Reprint).

<u>Exhibit K</u> is a conceptual amendment to <u>Assembly Bill 306</u> proposed by Assemblyman Richard McArthur, Assembly District No. 4 and Assemblywoman Selena Torres, Assembly District No. 3.

<u>Exhibit L</u> is a graph titled "Calculation of FY 22 Business License Fee Projection for AB 306," in support of <u>Assembly Bill 306</u>, presented by Assemblywoman Selena Torres, Assembly District No. 3.