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

# Eighty-Second Session May 25, 2023

The Committee on Ways and Means was called to order by Chair Daniele Monroe-Moreno at 8:09 a.m. on Thursday, May 25, 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:**

Assemblyman David Orentlicher, Assembly District No. 20 Assemblywoman Selena Torres, Assembly District No. 3 Assemblyman Bert Gurr, Assembly District No. 33



### **STAFF MEMBERS PRESENT:**

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

### **OTHERS PRESENT:**

Karsten Heise, Senior Director, Strategic Programs and Innovation, Office of Economic Development, Office of the Governor

Mendy K. Elliott, representing Northern Nevada Development Authority; Reno Housing Authority; Southern Nevada Regional Housing Authority; and City of Fernley

Dylan Keith, Assistant Director, Government Affairs, Vegas Chamber

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

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

Ashley Cruz, representing Las Vegas Global Economic Alliance

Nathan [last name and organization unintelligible]

Jared Byer, Private Citizen, Reno, Nevada

Kurt Walker, Private Citizen, Las Vegas, Nevada

Joshua Leavitt, Private Citizen, Las Vegas, Nevada

William Brewer, Executive Director, Nevada Rural Housing Authority

Arielle Edwards, Director, Government Relations, Nevada HAND

Nic Ciccone, Legislative Relations Program Manager, Office of the City Manager, City of Reno

Leonardo Benavides, Government Affairs Manager, City of North Las Vegas

Christine Hess, Executive Director, Nevada Housing Coalition

Susan Fisher, representing Ovation Development Corporation; and Nevada Aviation Association

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

Jason Walker, Sergeant, Administrative Division, Legislative Liaison, Washoe County Sheriff's Office

Barry Cole, Private Citizen, Reno, Nevada

Krystal Riccio, Associate Professor, Roseman University of Health Sciences, Henderson, Nevada

Susan Nguyen, representing Nevada Pharmacy Alliance

Adam Porath, representing Nevada Society of Health System Pharmacists

Amy Hale, Private Citizen

Lynnette Aaron, Administrative Services Officer, Division of Health Care Financing and Policy, Department of Health and Human Services

Paige Barnes, representing American College of Obstetricians and Gynecologists

Alex Tanchek, representing Nevada Advanced Practice Nurses Association

Marco Rauda, representing Americans for Contraception

Jhone Ebert, Superintendent of Public Instruction, Department of Education

Nick Schneider, Policy Analyst, Government Affairs, Vegas Chamber

Sean O'Donnell, M.S., Executive Director, Foundation for Recovery, Las Vegas, Nevada

Paul Shubert, Chief, Bureau of Health Care Quality and Compliance, Division of Public and Behavioral Health, Department of Health and Human Services

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

Steve Walker, representing Douglas and Lyon Counties

Jennifer Berthiaume, Government Affairs Manager, Nevada Association of Counties

Stephen Wood, representing Nevada League of Cities and Municipalities

Jim Foster, Manager, Elko Regional Airport

Jan Baum, City Manager, Elko, Nevada

David Cherry, Government Affairs Manager, City of Henderson

Lindsay Anderson, representing Reno-Tahoe Airport Authority

Kanani Espinosa, representing American Council of Engineering Companies, Nevada Chapter

Kenneth G. Moen, President, Nevada Aviation Association

Izack Tenorio, representing Churchill County, Nevada

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

Joy Grimmer, Administrative Services Officer, Department of Taxation

Jeffrey Mitchell, Executive Director, Department of Taxation

#### **Chair Monroe-Moreno:**

[Roll was called. Committee rules and protocols were explained.] We will start with <u>Assembly Bill 41 (1st Reprint)</u> which establishes the Nevada Innovation Account and invite the presenters to the table.

**Assembly Bill 41 (1st Reprint):** Establishes the Nevada Innovation Account. (BDR 18-213)

# Karsten Heise, Senior Director, Strategic Programs and Innovation, Office of Economic Development, Office of the Governor:

Assembly Bill 41 (1st Reprint) is meant to strengthen the formation and growth of technology-based small businesses, especially startups, or those businesses that have been formed recently, or have been formed for only a short period of time. In other words, these are very highly scalable companies that will be the beneficiaries of this bill. Because of the stage these businesses are in, they have very limited resources, and they are crucially dependent on the environment. Think of it like a small business that has just been formed and does not have good access to attorneys, no good access to capital, and needs some support with technologies. That is what we are trying to do here—strengthen the environment with this bill that is addressing the weaknesses in the support sectors. We are lagging behind other states and this bill enables us to at least catch up a little bit.

For the purpose of this Committee, let me stress that it does not contain a fiscal note. The intent is that we will be creating a framework and a mechanism so we can participate in a more targeted fashion and increase federal funding opportunities that are currently being made available. Two examples are the National Science Foundation Regional Innovation Engines under the CHIPS [Creating Helpful Incentives to Produce Semiconductors] Act and most recently, the EDA Tech Hubs [U.S. Economic Development Administration]. Again, no fiscal note. If you would like me to take you through the bill, I can do that, but I will stop here for questions.

#### Chair Monroe-Moreno:

Thank you, and no, there is no need to take us through the bill since this is a fiscal, not a policy committee. The reason that we brought the bill into the fiscal committee is because we had the bill, but it did not show an appropriation. I appreciate receiving the email that stated that you would not be asking for money. I did look at the bill and it will allow for gifts, grants, donations, and other sources of funds, but by establishing this Account you will be available to also go after federal dollars to help sustain it. During your presentation you said it is for new businesses, new startups, but some businesses have already been in place and how long is that? A year, or they have been established for three years? What are you targeting?

#### **Karsten Heise:**

Predominantly these are startups and early-stage formation companies. I would not so much put it on the timeframe, but more how they are developed. Some businesses scale very quickly, and some take a longer period of time. What we use is a benchmark and generally, it is a technology right in this level, so it is not so much the timeline. There are aspects of this bill, programs within the bill where businesses that have been in operation for a longer period of time would be beneficiaries. For example, there is a component in the bill that strengthens the internship and talent retention program that this Committee approved with the Attorney General's funds. Under that aspect, other companies that have been in operation for longer would benefit as well.

#### **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 <u>A.B. 41 (R1)</u>?

# Mendy K. Elliott, representing Northern Nevada Development Authority:

We are in strong support of A.B. 41 (R1).

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

This legislation will create opportunities, jobs, and economic development. For that reason, we are in strong support.

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

The Nevada System of Higher Education is in support of <u>A.B. 41 (R1)</u> and the opportunities it will provide for students and institutions.

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

We work closely with a number of these projects already and the bill has our full support.

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

We are in support of A.B. 41 (R1).

#### **Nathan Koons, Private Citizen:**

I am with Altaquo Ventures; we are a technology developer and software developer. We are highly in support of this bill.

# Jared Byer, Private Citizen, Reno, Nevada:

I am the managing director of Gener8tors Investment Accelerators. We run early-stage accelerator programs for technology companies in both Reno and Las Vegas. We believe this bill is imperative for us to stay competitive as a state and we are in full support.

# Kurt Walker, Private Citizen, Las Vegas, Nevada:

I believe that this bill is absolutely critical for us to conduit more capital and innovation into the small businesses and startups here in Nevada.

#### **Chair Monroe-Moreno:**

Is there anyone who would like to provide testimony in opposition to <u>Assembly Bill 41</u> (1st Reprint)? [There was no one.] Is there anyone who would like to provide neutral testimony on A.B. 41 (R1)?

# Joshua Leavitt, Private Citizen, Las Vegas, Nevada:

I am actually calling in to support <u>A.B. 41 (R1)</u>. I think I missed my opportunity earlier. Thank you.

### **Chair Monroe-Moreno:**

I will move that last caller to the position of support. Do the presenters have any closing remarks? [There were none.] We will close the hearing for <u>A.B. 41 (R1)</u>.

### **Assemblyman Yeager:**

As you probably recall, Assembly Standing Rule 57.4 requires a 24-hour waiting period before the time we hear a bill and process it out of Committee. That rule can be waived with approval of the Speaker of the Assembly. So, from here on out in this Committee, from now until the end of session, I am giving approval to process bills that we hear in this Committee without waiting the requisite 24-hours under Assembly Standing Rule 57.4.

#### **Chair Monroe-Moreno:**

Thank you so much. With that permission and waiving of the rules, I will open the work session for A.B. 41 (R1) and I will accept a motion.

**Assembly Bill 41 (1st Reprint):** Establishes the Nevada Innovation Account. (BDR 18-213)

ASSEMBLYWOMAN BACKUS MOVED TO DO PASS AS AMENDED ASSEMBLY BILL 41 (1ST REPRINT).

ASSEMBLYWOMAN JAUREGUI SECONDED THE MOTION.

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

THE MOTION PASSED UNANIMOUSLY.

I will assign the floor statement to Assemblywoman Brown-May.

The next item on our agenda is <u>Assembly Bill 62</u>, which revises provisions governing property tax exemptions for low-income housing.

Assembly Bill 62: Revises provisions governing property tax exemptions for low-income housing. (BDR 32-362)

# Assemblywoman Sandra Jauregui, Assembly District No. 41:

I will keep the bill presentation to just the fiscal impact, but I am here on behalf of <u>Assembly Bill 62</u> and as Chair of the Advisory Committee on Housing. The bill before you revises exemptions for affordable housing and there is no fiscal impact to the state. There is a small fiscal impact to Carson City of \$4,300 in fiscal year (FY) 2024 and \$4,600 in FY 2025. I did bring some back up with me if you have questions regarding the property tax exemption qualifications for affordable housing. I know there are representatives here from Carson City if you have questions regarding the Carson City fiscal impact.

#### **Chair Monroe-Moreno:**

I have one question. Do you know what the projected impact would be to the reduced property tax revenue collections under the provisions in the bill?

### William Brewer, Executive Director, Nevada Rural Housing Authority:

I am also a member of the Housing Advisory Committee that Assemblywoman Jauregui chairs. This bill should have little or no effect on the taxation revenues to local governments. This only enables the Housing Division to more effectively and efficiently allocate home funds, which right now are used to enact or enable the tax exemption. By enabling these other sources of funding to enable the tax exemption, we can target the home funds in a more thoughtful and efficient way.

#### **Chair Monroe-Moreno:**

Members, are there any other questions? [There were none.] Thank you for the presentation. Is there anyone who would like to provide testimony in support of <u>Assembly Bill 62</u>?

# Arielle Edwards, Director, Government Relations, Nevada HAND:

Assembly Bill 62 modernizes property tax exemptions for affordable housing. Currently, an affordable housing project must utilize home funds which result in an inefficient utilization of home and added time and cost for an affordable housing project. The proposed language in A.B. 62 will add other regulatory funding sources to trigger the property tax exemption for affordable housing projects. It is essential to consider the long-term cost of not having this bill in statute. The development community and affordable housing community has worked really hard on the proposal language to remove as many barriers as possible to the development of affordable housing.

# Nic Ciccone, Legislative Relations Program Manager, Office of the City Manager, City of Reno:

I do not think I could have said it better myself, so I will just say ditto to Arielle Edwards' comments.

# Mendy K. Elliott, representing Reno Housing Authority; and Southern Nevada Regional Housing Authority:

This piece of legislation will provide a great tool for us as we continue to expand multifamily throughout the state.

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

We believe that this is a responsible way to address the housing crisis in Nevada. I would like to echo my colleagues and ask for your support.

### Leonardo Benavides, Government Affairs Manager, City of North Las Vegas:

I also want to echo the sentiments of my colleagues in support of <u>A.B. 62</u>. We think this is great for helping the development of affordable housing in the long run.

# **Christine Hess, Executive Director, Nevada Housing Coalition:**

We want to express our strong support of <u>A.B. 62</u>; more affordable housing more quickly, and no extra cost to the state.

# **Susan Fisher, representing Ovation Development Corporation:**

We are in very strong support of A.B. 62.

# Nicole Rourke, Director, Government and Public Affairs, City of Henderson:

We are also here in support of <u>A.B. 62</u> and I echo the comments of my city colleagues about how this bill will affect affordable housing in our jurisdiction.

#### **Chair Monroe-Moreno:**

Is there anyone wishing to provide testimony in opposition to <u>Assembly Bill 62</u>? [There was no one.] Is there anyone who would like to provide testimony in the neutral position on <u>A.B. 62</u>? [There was no one.] There being no closing comments from the presenter, I will close the hearing on <u>A.B. 62</u> and open the work session on <u>A.B. 62</u>.

Assembly Bill 62: Revises provisions governing property tax exemptions for low-income housing. (BDR 32-362)

I will accept a motion.

ASSEMBLYWOMAN BACKUS MADE A MOTION TO DO PASS ASSEMBLY BILL 62.

ASSEMBLYMAN WATTS SECONDED THE MOTION.

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

THE MOTION PASSED UNANIMOUSLY.

I will assign the floor statement to Assemblywoman Jauregui.

The next item on our agenda is <u>Assembly Bill 156 (1st Reprint)</u>.

<u>Assembly Bill 156 (1st Reprint)</u>: Revises provisions relating to substance use disorders. (BDR 40-331)

### Assemblyman David Orentlicher, Assembly District No. 20:

Assembly Bill 156 (1st Reprint) is about promoting access to treatment primarily from substance use disorder, medication-assisted treatment, buprenorphine, et cetera. There are a number of provisions to do that as indicated in the document provided [Exhibit C]. There is also a provision to promote access to naloxone to reverse an opioid overdose, which is in section 1 of the bill.

The original bill called on the Department of Corrections (NDOC) and local jails to provide medication-assisted treatment to prisoners with substance use disorders. In section 17.5 that is turned into a study, so that as you will see, there are a few counties that submitted a new fiscal note saying that the amendment removed their fiscal concerns. I think there is still a fiscal concern with section 1, which creates a bulk purchasing account for naloxone and other opioid antagonists to make sure we get them as cheaply as possible. As I said, I think that is where it is. I am not an expert in this area, so I am open to hearing your questions about that bulk purchasing account, or any other questions.

#### **Chair Monroe-Moreno:**

As you stated, there were originally 19 fiscal notes on the original bill. It appears that all the local and county fiscal notes have been addressed, but there still remains the study, which is in section 17.5 of the bill, that would require NDOC to collaborate with the Department of Health and Human Services (DHHS) to conduct the study. I do not see if there are any costs associated with that, so if there is anyone in the room from NDOC or DHHS who could speak on the cost of the study, or if there would be a cost and how that would happen. I do not see anyone. I encourage you to reach out to them before we take this one to a work session. Members, do you have questions?

#### **Assemblywoman Peters:**

I talked to both DHHS and NDOC about this study and worked with them on ensuring that it would not have a fiscal impact. The NDOC intended to conduct a similar study anyway, and this would formalize it so that we would receive a report at the end to see what resources they would need in the future. If that is incorrect, I will correct it with follow up to the Department of Corrections, but at the time that was the intention and the fiscal impact.

#### **Chair Monroe-Moreno:**

Thank you so much for that additional information. Assemblyman Orentlicher, if we could just get something in writing that can go in the file, then we can move this to a work session.

#### **Assemblyman Hafen:**

I know there are around 20-something fiscal notes here on the Nevada Electronic Legislative Information System. How many are still remaining? I just want to know from a fiscal standpoint how much money we are talking about with all the different agencies, both solicited and unsolicited, and how much money is still out there?

#### **Assemblyman Orentlicher:**

I do not know of any actual dollars because there was, as I said, the provision to require NDOC and jails to provide medication-assisted treatment. That was going to create a significant fiscal impact and because now we just have the study committee, I do not know of any other fiscal impacts except concerns about section 1, which creates a bulk purchasing account for existing funds. It does not call for any new funding. It is just for the funds that we are going to dedicate to opioid antagonists, and we do it through a bulk purchasing program.

#### **Chair Monroe-Moreno:**

With the fiscal notes that are currently up to date in the file, there are no fiscal notes; we just need updated information from the NDOC of how much, if any, the study would cost. The other fiscal aspects associated with this piece of legislation are already in process, so there is no new fiscal impact to the state.

Is there anyone that would like to testify in support of Assembly Bill 156 (1st Reprint)?

# Jason Walker, Sergeant, Administrative Division, Legislative Liaison, Washoe County Sheriff's Office:

We are supporting A.B. 156 (R1) and I am just confirming for the record that, originally, we did have a fiscal note and because of the amendment, it has been removed.

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

I actually have one of those data waivers that allows you to write for buprenorphine. You had to take eight hours of training back in 2000 to 2003. It is very important that we get these medications out there. I have always said that any ethical pain specialist who writes for opioids has to know how to write for opioid antagonists. In effect, if you create a problem, you have to be able to solve it. That is what being a physician is all about. I am very supportive of this, and just so you know, there is a layer of complexity with methadone; it is much less with buprenorphine, and it is not even a controlled substance to use naltrexone, the opioid reversing agent given on a monthly basis. Five or six years ago, the Department of Corrections was routinely discharging people from prison having received the drug ReVia, which is naltrexone as a monthly injection, which was probably one of the most brilliant things I have heard of in many years.

I realize everything comes with a fiscal implication. I do not think this is going to be that expensive. The Drug Enforcement Administration has already dropped the need for doctors, nurse practitioners, all sorts of people, to get the specialized Data 2000 treatment and we are no longer required to have CSAT [Center for Substance Abuse Treatment] waivers. The implication is to get this down to where anybody's practice—from an emergency room to an urgent care, to a family practice, to a psychiatrist—can all just prescribe these medications if they are warranted. People will still have to go to methadone clinics if that is what they have going on, but in terms of buprenorphine and ReVia, there is really no reason for anyone not to be able to prescribe these. I love the idea that pharmacists can even do that. You go grocery shopping and get your medication while you are at the grocery store—that is just too convenient. I encourage your support for this bill.

# Krystal Riccio, Associate Professor, Roseman University of Health Sciences, Henderson, Nevada:

I am speaking on behalf of supporting <u>A.B. 156 (R1)</u> to improve access to care in Nevada, including our urban, rural, and frontier communities to be able to access this much-needed treatment.

# Susan Nguyen, representing Nevada Pharmacy Alliance:

We also support A.B. 156 (R1) and everything that has been said previously.

# Adam Porath, representing Nevada Society of Health System Pharmacists:

We strongly support this bill in order to improve access for patients.

### Amy Hale, Private Citizen:

I am a pharmacist here in Nevada, and I want to voice my support for A.B. 156 (R1).

#### **Chair Monroe-Moreno:**

Is there anyone who would like to provide testimony in opposition to <u>A.B. 156 (R1)</u>? [There was no one.] Is there anyone who would like to provide neutral testimony on <u>A.B. 156 (R1)</u>? [There was no one.] I will close the hearing on <u>A.B. 156 (R1)</u>. The next item on our agenda is <u>Assembly Bill 383 (1st Reprint)</u>.

Assembly Bill 383 (1st Reprint): Revises provisions relating to health care. (BDR 40-116)

### Assemblywoman Selena Torres, Assembly District No. 3:

Thank you for the opportunity to present <u>Assembly Bill 383 (1st Reprint)</u>, which preserves the right to reproductive health care. The bill makes various changes to ensure that working-class Nevadans have more affordable and accessible reproductive health care coverage. Instead of getting into the details of the bill and the policy, I am going to focus on the fiscal note, which applies to section 8, subsection 7 of the bill. We have had several conversations with the Department of Health and Human Services (DHHS) and the proposed conceptual amendment submitted will clarify how DHHS will set rates for translation services that will substantially reduce the fiscal note [Exhibit D]. We want to sincerely thank the Department for their collaboration and there is someone here from the Department to answer any questions that pertain to that specific fiscal note.

I want to close by highlighting the federal dollars that the state of Nevada is eligible to receive by funding translation services for reproductive health care, because we are missing out on those dollars right now. For Medicaid or the Children's Health Insurance Program, there is a respective 50 percent and 75 percent match by the federal government. This is a match that 15 other states and the District of Columbia already have received—some of them for decades. Unfortunately, the state of Nevada does not yet receive this. My emphasis here is that Nevada is missing out on federal funding, and we can leverage resources to improve the quality of care, lower long-term costs, and ultimately ensure every Nevadan is able to access the care that they need.

#### Chair Monroe-Moreno:

You did indicate that with the amended language there could be an adjustment to the fiscal note, and there should be someone here who could address that. I invite you to join the Assemblywoman at the table to address the fiscal note.

# Lynnette Aaron, Administrative Services Officer, Division of Health Care Financing and Policy, Department of Health and Human Services:

With the proposed conceptual amendment [Exhibit D], the Division can reduce the fiscal impact to \$158,377 in total for the biennium. This includes State General Funds of approximately \$38,551.

### **Chair Monroe-Moreno:**

I am going to ask if you could send that to me in writing so we have it for the file and then we can work session this bill. We will move to testimony in support of A.B. 383 (R1).

# Paige Barnes, representing the American College of Obstetricians and Gynecologists: We are here in support of A.B. 383 (R1).

# Alex Tanchek, representing the Nevada Advanced Practice Nurses Association: We are also in support of A.B. 383 (R1).

### Marco Rauda, representing Americans for Contraception:

We are here in support of A.B. 383 (R1).

#### **Chair Monroe-Moreno:**

Is there anyone who would like to provide testimony in opposition to <u>A.B. 383 (R1)</u>? [There was no one.] Is there anyone who would like to provide neutral testimony on <u>A.B. 383 (R1)</u>? [There was no one.]

### **Assemblyman Hafen:**

I have a quick question on the local government fiscal notes. I see Carson City was able to remove theirs. Have you had a chance to talk to the others to see if they are removing their fiscal notes as well with the amendment?

### **Assemblywoman Torres:**

We have reached out to local governments. I do not know that all of them have had the time to submit the removal. I will note that I do not think it is necessary for us to have the response from local governments in order for us to move this piece of legislation. The amendment that was made addressed the issue that local governments had in section 3. I will just note that with the reprint of the bill, the concerns of local government are no longer applicable.

#### **Chair Monroe-Moreno:**

I will close the hearing on <u>A.B. 383 (R1)</u> and I look forward to getting those updated notes so we can work session this bill. The next item on our agenda is <u>Assembly Bill 399 (1st Reprint)</u>.

**Assembly Bill 399 (1st Reprint):** Creates the Subcommittee on Education Accountability of the Interim Finance Committee. (BDR 17-1043)

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

This bill was presented in the Legislative Operations and Elections Committee and was heard on the policy. I think it is important to talk a little bit about the policy because this bill would directly impact the members of this Committee who will also be serving on the Interim Finance Committee in the interim. You probably remember those couple of nights and days where we had the school districts come in and talk to us as a Committee and we were able to ask questions. I considered that to be a transparency measure. It is the first time we ever did that as a Legislature—actually bringing all 17 school districts and Charter School Authority in front of us.

What Assembly Bill 399 (1st Reprint) seeks to do is to put that into statute so that we will have an opportunity to converse with all the school districts and the public Charter School Authority every six months or so. During session, that makes sense because we can get together as a joint Interim Finance Committee with the Senate Finance Committee like we did earlier in the session. But that raises the question of how do we accomplish that in the interim? What this bill does is create a Subcommittee on Education Accountability. That Subcommittee has members from both the Assembly and the Senate. They are appointed by the Chair of the Interim Finance Committee. The Chair also appoints the Chair and Vice Chair of the Subcommittee and in the duties listed here, every six months the Subcommittee would have a meeting where they would be able to bring in the school districts to have conversations. These conversations would be much along the lines of the conversations we had with the districts, particularly in terms of what their plans were for spending the new revenue that they were getting. This will give us an opportunity to ask follow-up questions to see if that money was actually spent in the way that was indicated when we talked to them. If not, it will allow us to ask why, what changes were made, and what the impact of that funding has been. That is essentially what the bill does and getting to the fiscal part of the bill, there are two fiscal notes.

The Legislative Counsel Bureau has indicated that it has no fiscal impact, as no additional Bureau resources would be required, so that simply can be absorbed. We also have a fiscal note from the Department of Education, where they estimated the need for a half full-time employee. I have had productive conversations with the Department, and I think they are here this morning. In explaining my vision of the bill to them, I think they have agreed the intent of the bill would not pull them into the bill. The way I see this bill interacting with the Department of Education would merely be that the Department could provide already existing reports that they have to the Subcommittee, but we would not be asking them to do anything new, or to come present to the Subcommittee. It would simply be a transmittal of some of the great work they are already doing to measure outcomes in public schools. I think they will indicate today that they would be able to remove the fiscal note. I think those are the only two fiscal notes, but I am happy to answer any questions about either the policy or the fiscal impact.

#### **Chair Monroe-Moreno:**

Thank you so much for your presentation and that was going to be my question to the Department of Education. I know, as we went through the accountability meetings that this Committee conducted with the Joint Full Committees, we did not request any information, input, or collaboration with the Department of Education. I was taken aback when I saw the fiscal note. If you could just speak to that it would be great.

# Jhone Ebert, Superintendent of Public Instruction, Department of Education:

We had a wonderful conversation to make sure the intent of the bill was not to ask the Department of Education to produce any new reports and/or analysis; but we are more than happy to provide support with the reports that we already produce, as required.

#### **Chair Monroe-Moreno:**

Would you be able to get us an updated fiscal note so that we can work session this bill?

#### **Jhone Ebert:**

Yes, I would be more than happy to do so.

#### **Chair Monroe-Moreno:**

Members, do you have any other questions? [There were none.] Is there anyone who would like to testify in support of A.B. 399 (R1)?

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

We are in strong support of this bill and ask your support as well.

[Exhibit E was not discussed during the hearing but was submitted in support of Assembly Bill 399 (1st Reprint) and will become part of the record.]

#### **Chair Monroe-Moreno:**

Is there anyone who would like to provide testimony in opposition to <u>A.B. 399 (R1)</u>? [There was no one.] Is there anyone who would like to provide neutral testimony on <u>A.B. 399 (R1)</u>? [There was no one.]

We will close the hearing on A.B. 399 (R1) and we will open the hearing on Assembly Bill 403 (1st Reprint).

<u>Assembly Bill 403 (1st Reprint)</u>: Revises provisions governing halfway houses for persons recovering from alcohol or other substance use disorders. (BDR 40-1057)

# Sean O'Donnell, M.S., Executive Director, Foundation for Recovery, Las Vegas, Nevada:

Today I also have Paul Shubert from the Division of Public and Behavioral Health here to answer any questions specifically related to the fiscal note. <u>Assembly Bill 403 (1st Reprint)</u> offers a change in the licensing and certification requirements for halfway houses in the state of Nevada.

Halfway houses are safe, substance free, and healthy residential environments where people recovering from a substance use disorder are provided peer support, education, and learn skills vital for sustaining and recovering in a homelike setting based on various social model principles. Currently in the state of Nevada, there are only eight licensed halfway houses. What A.B. 403 (R1) does is remove the existing licensure requirements while upholding the existing certification requirement that exists in our state. Assembly Bill 403 (1st Reprint) also revises the terminology, or the name of what we are referring to these facilities as, from halfway houses to recovery homes or recovery residencies, which is more aligned with

national best practices. The fiscal impact is an annual reduction of \$46,160 in licensing fees that are currently being collected by the Bureau of Health Care Quality and Compliance and the Division of Public and Behavioral Health.

#### **Chair Monroe-Moreno:**

Thank you for your presentation. I see from the fiscal note there is a negative impact in both fiscal year (FY) 2024 and FY 2025 for the Division of Public and Behavioral Health. If there is someone from that Division that could speak to that impact.

# Paul Shubert, Chief, Bureau of Health Care Quality and Compliance, Division of Public and Behavioral Health, Department of Health and Human Services:

The negative fiscal note is in reference to the loss of fee revenues that we would be receiving from those eight currently licensed halfway houses and over the biennium, it would amount to \$92,320. It was determined that this decrease in fee revenue will not have an impact on the ability of our agency to accomplish its overall mission.

#### **Chair Monroe-Moreno:**

Would that loss of revenue have a significant impact on your Division, or is that something that you can absorb?

#### **Paul Schubert:**

It is something that we have determined we can absorb.

#### **Chair Monroe-Moreno:**

Members, are there any questions? [There were none.] Does anyone wish to provide testimony in support of A.B. 403 (R1)? [There was no one.] Is there anyone who would like to testify in opposition to A.B. 403 (R1)? [There was no one.] Is there anyone who would like to provide neutral testimony on A.B. 403 (R1)? [There was no one.] I will ask the presenters if you have any closing remarks.

### Sean O'Donnell:

I would like to thank the Committee for considering <u>A.B. 403 (R1)</u>. This is an important step in the right direction for recovery homes in the state of Nevada.

#### **Chair Monroe-Moreno:**

Members, we will close the hearing on <u>A.B. 403 (R1)</u>, and knowing that the rules have been waived, we will open the work session for <u>A.B. 403 (R1)</u>.

<u>Assembly Bill 403 (1st Reprint)</u>: Revises provisions governing halfway houses for persons recovering from alcohol or other substance use disorders. (BDR 40-1057)

I will accept a motion to do pass as amended.

# ASSEMBLYWOMAN BACKUS MOVED TO DO PASS AS AMENDED ASSEMBLY BILL 403 (1ST REPRINT).

#### ASSEMBLYMAN WATTS SECONDED THE MOTION.

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

THE MOTION PASSED UNANIMOUSLY.

I will assign the floor statement for <u>A.B. 403 (R1)</u> to Assemblyman Miller. I will open the hearing for <u>Assembly Bill 429 (1st Reprint)</u>.

**Assembly Bill 429 (1st Reprint): Revises provisions relating to aviation. (BDR 18-716)** 

#### Assemblyman Bert Gurr, Assembly District No. 33:

Assembly Bill 429 (1st Reprint) seeks an appropriation of \$12 million to fund two separate but equally important things; a \$10 million appropriation over the next biennium is requested for the Nevada Air Service Development Commission. The Commission provides funding to help support flights for essential air services to rural airports. A portion of the funds will be used for economic relief for the city of Elko, which provides a revenue guarantee for the essential air service to Elko. A portion will be used to conduct a study to help the Commission develop and implement a strategic plan. In addition to the funding request, the bill also revises the Commission, as defined in *Nevada Revised Statutes* Chapter 494, moving it from the Department of Tourism and Cultural Affairs to the Governor's Office of Economic Development (GOED). It also lays out what industry, local government, and agencies are to be represented by the Commission.

Part two is a \$2 million appropriation that is requested over the biennium to supplement the Nevada Fund for Aviation within the Department of Transportation (NDOT). This fund helps smaller airports provide the match required to access grants from the Federal Aviation Administration's (FAA) Airport Improvement Program. It is important to note that the FAA provides about 94 cents on the dollar and the local airports are required to come up with the other 6 cents. With a \$2 million appropriation, this fund translates into over \$32 million for improvements to Nevada's predominantly rural airports and provides jobs and tax revenue. In 2022, NDOT released a study titled the Nevada Airport Heliports System Plan and Executive Summary. The study showed aviation in Nevada supports 285,000 jobs statewide. Aviation generates \$12.1 billion in labor and \$40 billion in additional economic output. This does not include the impact of the military aviation or aeronautical activity not associated with an airport, for example, aeronautical manufacturing or off-airport advanced air or unmanned aerial vehicle activity. We have a friendly amendment with us today [Exhibit F] and I have Susan Fisher here to describe it.

### Susan Fisher, representing Nevada Aviation Association:

I realize that this is not a policy committee, but the intent of the bill is to help provide air carrier service to remote areas within the state of Nevada. Nothing in this measure seeks to diminish the equal access to the National Plan of Integrated Airport Systems (NPIAS) airports for general aviation or other airport user groups. This amendment that we are presenting today, which you should have a copy of and is on the Nevada Electronic Legislative Information System, includes the definition of an NPIAS airport. A public use airport is defined in the most recent version of NPIAS published by the U.S. Secretary of Transportation. There are 49 public use airports in Nevada, but only 3 have commercial air service: Harry Reid International Airport; Reno-Tahoe International Airport; and Elko Airport. The amendment language regarding small hub, large hub, et cetera, simply ensures that funds may be used to incentivize flights that begin or end at one of the large hub airports like Reno-Tahoe or Harry Reid, but only if the flight plan includes flight to the other smaller airports such as Elko, Carson City, et cetera. In section 1.4 of the amendment, it specifically includes language to clarify that an air taxi operator is included in the definition of air carrier. I want to thank the Legislative Counsel Bureau for catching that omission for us so we could include that. I would be happy to answer any questions.

#### **Chair Monroe-Moreno:**

There is a \$10 million State General Fund appropriation request in the bill with an additional General Fund appropriation of \$1 million each year of the biennium. That was the first reason why the bill was brought to this Committee, but in addition to that, there is a fiscal note from GOED that is a pretty significant fiscal note. Do you have anyone here to speak on that fiscal note today?

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

I am happy to answer any questions about the fiscal note that you might have.

#### **Chair Monroe-Moreno:**

If you could go into a little detail for the Committee about the aspects in the fiscal note. It is a pretty large amount, and the Office may or may not be able to absorb that and it would have to come out of the General Fund to help with this.

### James M. Humm:

Our thought process behind this was as the air service person would then be embedded within our office, they would basically be administering \$12 million worth of grant funding as well as conducting the study and setting up these meetings. Our thought was to have a person at a base funding of \$72,000 plus travel to some of the rural airports, to initially conduct this study and then get it off the ground. As you go through the bill, section 1 creates the Commission within GOED, plus the meeting planning; section 2 and section 3 would be grant administration and program development; and section 4 would be conducting the study and then disseminating the grant funding. As we look at this, we would be happy to take this all under consideration as well as work with the bill sponsors to discuss it further.

#### **Susan Fisher:**

Madam Chair, may I make a quick correction there? Mr. Humm mentioned \$12 million that they would be administering—GOED would be administering \$10 million. The other \$2 million is under NDOT and that provides the direct match dollars to be able to access the FAA dollars.

#### **Chair Monroe-Moreno:**

Could you share the amount of traffic—the number of people flying into the rurals? I have never flown into the rurals, so that is just information for me if nothing else.

#### **Assemblyman Gurr:**

At this point in time, it is not as heavy as it used to be. I think we have representatives from the City of Elko and from the airport who might address it, but when you go from five flights a day each direction down to one—it has gone down—and that is because of the economics. I might also add that this is putting the money back into the bill that was passed back in 2019. The bill passed, but the money was never put into it. This is just requesting the money to go back into the Nevada Air Service Development Fund that was already established by law.

#### **Chair Monroe-Moreno:**

You said the money never went into it. So, there was enabling language that was passed in 2019?

# **Assemblyman Gurr:**

Yes, Madam Chair.

#### **Chair Monroe-Moreno:**

The enabling language did not also come with the appropriations, just the enabling language; there was not money taken out—there was just never money appropriated for it. I just want to get that corrected.

Members, are there any questions?

# **Assemblywoman Backus:**

I remember the Commission was originally set up in the Department of Tourism and Cultural Affairs and that it was coming out to go to GOED. When this passed in 2019, I understand that the big dollar amounts sought to be appropriated, were not appropriated. Do you recall whether or not General Funds were appropriated to the Department of Tourism and Cultural Affairs to house this Commission or if any money from the General Fund was in fact set aside to pay for one of our other agencies to help with this Commission?

#### **Susan Fisher:**

To my knowledge, none was ever appropriated. As was mentioned before, it was enabled in the legislation but not actually appropriated.

#### **Chair Monroe-Moreno:**

I will open testimony in support of A.B. 429 (R1).

#### **Steve Walker, representing Douglas and Lyon Counties:**

I am representing Douglas and Lyon counties in full support of A.B. 429 (R1).

### Jennifer Berthiaume, Government Affairs Manager, Nevada Association of Counties:

On behalf of our members who represent all 17 of Nevada's counties, we are in support of A.B. 429 (R1). The bill provides an appropriation to support air service to our local communities. Air services are a vital element of economic development to rural Nevada and across the state. We are in full support.

#### Stephen Wood, representing Nevada League of Cities and Municipalities:

We are in full support of this bill. In fact, this is one of our priorities for this session to get air service out to all regions of the state. We are in full support and thank the sponsor for his work on this and appreciate your support as well.

# Nic Ciccone, Legislative Relations Program Manager, Office of the City Manager, City of Reno:

I want to say ditto to Stephen Wood's comments and also say that we appreciate the inclusion of Reno Stead Airport in the list of eligible airports.

# Leonardo Benavides, Government Affairs Manager, City of North Las Vegas:

We are in support of <u>A.B. 429 (R1)</u> and are looking at the potential as well, and how that could work with the North Las Vegas Airport in the future.

### Jim Foster, Manager, Elko Regional Airport:

To answer one of the questions about the numbers of people coming to our airport; since 2019 we have lost about 50 percent of our enplanement numbers, which was right around 20,000 in 2019 and it has dropped down to 8,000 as of last year. That is part of our AIP [Airport Improvement Program] funding as well. I am here to offer testimony and support of this bill.

#### **Chair Monroe-Moreno:**

Thank you for that additional information.

# Jan Baum, City Manager, Elko, Nevada:

I also support A.B. 429 (R1) and I want to mention that the one flight the City of Elko is maintaining. We are currently paying approximately \$1.4 million a year to maintain that flight and it is a direct access to Salt Lake City, Utah, not to anywhere in Nevada.

### David Cherry, Government Affairs Manager, City of Henderson:

I am here in support of <u>A.B. 429 (R1)</u>. We are proud members of the Nevada League of Cities and support our fellow cities in the League's priority bill.

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

We are in support of <u>A.B. 429 (R1)</u> and I would like to echo my colleagues' comments regarding rural tourism.

### Lindsay Anderson, representing Reno-Tahoe Airport Authority:

I have two quick points to add. I think you would be hard pressed to find a smaller match from the state perspective or local perspective for federal dollars. There has never been more money available at the federal level for airports than there is right now because of the Bipartisan Infrastructure Law. Airports not having the 6 percent match they need to access these federal dollars is really unfortunate. This \$2 million appropriation specifically to access those federal dollars is particularly important. The second point I want to make is the importance of economic development in terms of aviation. I made this sort of joke in the policy committee, but the future of aviation looks like the Jetsons, and we are going to be talking about air travel with Uber and things like that. We want our airports to be prepared for the future of transportation, which includes a lot of smaller areas and smaller aircraft, and we want our airports to be in good working condition.

# Mendy K. Elliott, representing Northern Nevada Development Authority; and City of Fernley:

We would like to thank the bill's sponsor for bringing <u>A.B. 429 (R1)</u> and the Committee for hearing this bill. We hope the bill takes off and has a soft landing.

# Kanani Espinosa, representing American Council of Engineering Companies, Nevada Chapter:

We are in full support of A.B. 429 (R1).

### Kenneth G. Moen, President, Nevada Aviation Association:

A mile of road will take you one mile—a mile of runway will take you anywhere in the world. In order to connect the state of Nevada, not just within the state, but also to other markets outside the state, internationally, it is vital that we maintain and improve our airport and airport systems. Assemblyman Gurr talked a lot about the hard numbers as far as employment, labor income, and the overall economic impact of daily operations. But when we leverage these federal grants into this \$2 million of leverage to over \$33 million, that number also expands in sales tax base and other dollars that are spent by contractors purchasing supplies and labor for these projects.

Aviation is the 21st Century transportation solution to access any part of the state. Nevada is the most mountainous state in the nation, and to be able to shrink distances and times, we need aviation to do that. Not only does aviation support tourism and economic development, but it also supports emergency medical evacuations, routine medical clinics, and care positions. Travel from Las Vegas or Reno to these rural markets to provide these clinics, and you do not have to build infrastructure in that area in order to support that help. As you know, wildfire has also become a challenge for our state and our neighboring states, and firefighting supports these capabilities through the rural airports.

I want to urge the Committee to support this piece of legislation. You may look at this as an appropriation coming out of the fund, but what you will see back through this economic development is more money returned back to the treasury through state and sales taxes and other fees and services that these users provide back to the system and also serve the community for further development.

### **Izack Tenorio, representing Churchill County, Nevada:**

We are in support of  $\underline{A.B.429}$  (R1).

[Exhibit G and Exhibit H were not discussed during the hearing but were submitted in support of Assembly Bill 429 (1st Reprint) and will become part of the record.]

#### **Chair Monroe-Moreno:**

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

Assemblyman Gurr, if you could come back to the table, I think we may have a question or two from members.

#### **Assemblywoman Peters:**

There were a couple of acronyms used that I was not familiar with: AIP and MRG. Can you explain those?

#### **Assemblyman Gurr:**

I am going to have to ask Ken.

#### Kenneth G. Moen:

Minimum Revenue Guarantee is MRG, and AIP is the federal Airport Improvement Program.

#### **Chair Monroe-Moreno:**

Although the rules have been waived for work session, we all know that we cannot pass any budget or any bills that impact a fiscal note of the state budget for the next fiscal year until our budget bills, especially our Education Bill, gets out of this house, the Senate, and over to the Governor. A.B. 429 (R1) will have to go into a holding pattern until that happens, along with many other bills that will impact the fiscal year 2023-2025 biennium. I will close the hearing on A.B. 429 (R1) we will move on to Assembly Bill 443.

**Assembly Bill 443:** Expands the institutions which certain recipients of the Governor Guinn Millennium Scholarship are authorized to attend. (BDR 34-352)

#### Assemblywoman Sandra Jauregui, Assembly District No. 41:

Assembly Bill 443 expands the institutions in which students can use their already earned Governor Guinn Millennium Scholarship to a handful of schools that are nursing schools, to expand the number of students who can attend nursing school, home grow our nurses, and

start tackling the nurse shortage that exists in our state. I have some great news. There were some fiscal notes that have been submitted—zero from the Treasurer's Office—and there was an undetermined fiscal note from the Nevada System of Higher Education. They have come to a determination that there will be zero fiscal impact. We do have the Nevada System of Higher Education here if you need to confirm that. No fiscal dollars today.

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

I read through the fiscal note this morning and I understand the logic of it, but it would be very difficult to track students who would have otherwise attended an entry institution, who are now attending a private institution. I notified Assemblywoman Jauregui this morning that I am happy to withdraw the fiscal note.

#### **Chair Monroe-Moreno:**

Is there anyone who would like to testify in support of <u>A.B. 443</u>? [There was no one.] Is there anyone who would like to testify in opposition to <u>A.B. 443</u>? [There was no one.] Is there anyone who would like to testify in neutral? [There was no one.] I will close the hearing on <u>A.B. 443</u>. We will go to the last bill on our agenda for today, <u>Assembly Bill 448</u>.

Assembly Bill 448: Revises provisions governing the real property transfer tax. (BDR 32-938)

# Assemblyman Steve Yeager, Assembly District No. 9:

It is an honor to present <u>Assembly Bill 448</u>. This came out of the Committee on Revenue, and it involves the real property transfer tax. I will tell you very briefly what it does. Every time there is property transferred in the state, there is a tax that is collected. The important thing to know about that tax is it is distributed to local governments, the Account for Affordable Housing, school districts for capital construction in some counties, and some of it to the State General Fund. This is a tax that is on the books and what I learned over the last couple of years is that there were some very creative and legal ways where entities could get out of paying the real property transfer tax. Just to give you an idea of the magnitude of what we are talking about, on the Las Vegas Strip since the year 2007, there have been \$27.5 billion in sales of property that represent 24 different sales; we are talking about an average of almost a billion dollars per transfer. A \$4 billion sale would generate \$21 million in transfer tax.

Essentially, this is what happens; sometimes a very large and sophisticated entity wanting to sell real property will create a holding company and place that property into the holding company, and then the acquiring entity will simply purchase the holding company. There is no real transfer of the property from a buyer to a seller. There is a loophole in the law and on the very first page in section 1, that essentially is the loophole. If you are simply transferring property between an entity and its parent or subsidiary, of course, that is not intended to be captured. But when you get creative, and again—I will say in a completely legal way on the accounting and the legal side—you have a way to avoid this transfer tax. What this bill seeks

to do is say very clearly that if you are doing that, meaning transferring your property, you are creating a holding company, you are transferring your property within your own business structure. If you are doing that for the purpose of avoiding transfer tax, you still have to pay the transfer tax.

This is an attempt to fill a loophole. I am not going to pretend for a moment that this is the perfect solution. It is not. I think it will give local governments, with some guidance from the Department of Taxation through the regulatory process, an opportunity to take a second look at some of these transactions and make a determination whether real property transfer tax should be paid. I think as a state we should want that to happen, because this tax goes to really good programs and every dollar that gets taken out of those programs is something we as a Legislature, have to deal with through the General Fund.

I do not want to imply that everybody is doing this. Some entities are—some are not. There are a couple I want to highlight that have done this the right way. The Fontainebleau Las Vegas Casino property that has been in the news a lot was a \$600 million sale that generated \$3 million in real property transfer tax. When the Raiders purchased the land upon which Allegiance stadium was built, it was a \$177.5 million transaction that generated \$395,000 in real property transfer tax, which helped the county, the Account for Affordable Housing, and the state.

There are a couple of fiscal notes. One is from local government and by and large, I think all the local governments have said zero because this should, if anything, increase revenue. Not surprisingly, they indicated they do not have a sense of how often this is happening, so they were not able to quantify what the revenue coming in would be. The real fiscal note that we are here for is from the Department of Taxation because it would be up to the Department of Taxation, through the regulatory process, to promulgate regulations, giving guidance to county recorders about how to administer this. The fiscal note has a cost in future biennia of \$38,125, and that is a cost increase for their utilization of the Attorney General's Office, who I believe would help through that regulatory process.

I would love to tell you I have had a conversation with the Department of Taxation about this, but I have not. All I have is what is in front of me, and I am hoping that somebody is here to be able to address that, or if not, I will try to get in touch with them. I simply ran out of time to have that conversation before this morning's hearing.

#### **Chair Monroe-Moreno:**

You said there may be someone in the audience from the Department of Taxation and the Attorney General's Office. Perhaps both could come up.

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

As Assemblyman Yeager said, the Department anticipates that it will have to draft regulations to provide guidance to the county recorders, which will require us to have the assistance of the Attorney General's Office. The fiscal note anticipates that our cost allocation would go up in future biennia because it is built on the previous two years.

#### **Chair Monroe-Moreno:**

I was going to ask you that and you just answered it. Can you estimate that this would bring in additional revenue and what that might be?

### Jeffrey Mitchell, Deputy Executive Director, Department of Taxation:

I believe it would bring in additional revenue because we would be capturing the real property transfer tax on these large transfers. Unfortunately, I do not have a number.

#### **Chair Monroe-Moreno:**

Members, are there any questions for any of the presenters? [There were none.] Is there anyone who would like to testify in support of <u>Assembly Bill 448</u>?

#### **Christine Hess, Executive Director, Nevada Housing Coalition:**

I want to share very strong support. This is a high priority for the Nevada Housing Coalition. I want to thank the Speaker and Majority Leader for bringing this forward. The annual real property transfer tax collected and utilized for affordable housing varies. But for the past five years, it has ranged from roughly \$6 million to \$10 million. Every year these funds are exhausted, as the Housing Division funds the gap for affordable housing projects. Based on the reporting by the *Las Vegas Review Journal* this past summer, on the amount of real property transfer tax that was not collected from the large gaming deals, it is estimated there could have been an additional \$23 million to \$25 million for affordable housing in our state. Every \$3 million leverages about \$60 million, which means that we could have left more than \$400 million on the table. How many affordable homes did not get built? We are in strong support of this bill.

#### William Brewer, Executive Director, Nevada Rural Housing Authority:

We are here in strong support of this bill which closes the loophole that is vital to the funding of affordable housing in Nevada.

# Nic Ciccone, Legislative Relations Program Manager, Office of the City Manager, City of Reno:

Ditto.

### Arielle Edwards, Director, Government Relations, Nevada HAND:

We would like to echo the comments from the Nevada Housing Coalition, and we are in support of this bill.

# Mendy K. Elliott, representing Reno Housing Authority; and Southern Nevada Regional Housing Authority:

Ditto.

### Leonardo Benavides, Government Affairs Manager, City of North Las Vegas:

For all the reasons mentioned, ditto.

#### David Cherry, Government Affairs Manager, City of Henderson:

And we also are ditto support for this bill.

#### **Chair Monroe-Moreno:**

Is there anyone who would like to testify in support of <u>A.B. 448</u>? [There was no one.] Is there anyone who would like to testify in opposition to <u>A.B. 448</u>? [There was no one.] Is there anyone that would like to provide neutral testimony on <u>A.B. 448</u>? [There was no one.] I will close the hearing on A.B. 448.

Knowing that the rules have been waived, I will open the work session for <u>Assembly Bill 448</u> and I will accept a motion to do pass.

Assembly Bill 448: Revises provisions governing the real property transfer tax. (BDR 32-938)

### **Assemblywoman Peters:**

I just want to express as the Chair of the Committee on Health and Human Services, I have been hearing about the disparities in local shares to support community-based services that are essential for supporting our communities. Any help with funding to support those programs is appreciated and goes far in making sure that we are making the dollars in our state go to as many families as possible.

ASSEMBLYWOMAN PETERS MADE A MOTION TO DO PASS ASSEMBLY BILL 448.

ASSEMBLYWOMAN JAUREGUI SECONDED THE MOTION.

#### **Chair Monroe-Moreno:**

Is there any discussion on the motion?

# **Assemblywoman Dickman:**

I have a bit of a problem with the transfer tax, but as long as we have it, I think everyone should pay it fairly. I will be voting for it.

Assembly Committee on	Ways and Means
May 25, 2023	•
Page 26	

Ch	air	M	onroe	-Mo	rena	٦.

I will take the vote.

# THE MOTION PASSED UNANIMOUSLY.

I will assign the floor statement to Assemblywoman Peters. Thank you, members, that completes this morning's agenda. We will be coming back later today at the call of the chair and we will not adjourn but we will be in recess.

The meeting was recessed [at 9:43 a.m.].	
The meeting was adjourned [at 3:14 p.m.].	
	RESPECTFULLY SUBMITTED:
	Anne Bowen
	Committee Secretary
APPROVED BY:	
Assemblywoman Daniele Monroe-Moreno, Chair	<del></del>
DATE:	

# **EXHIBITS**

Exhibit A is the Agenda.

Exhibit B is the Attendance Roster.

Exhibit C is a copy of a PowerPoint presentation regarding Assembly Bill 156 (1st Reprint), presented by Assemblyman David Orentlicher, Assembly District No. 20.

Exhibit D is a proposed conceptual amendment for Assembly Bill 383 (1st Reprint), dated May 22, 2023, submitted by Assemblywoman Selena Torres, Assembly District No. 3.

Exhibit E is a letter dated May 24, 2023, submitted by Amanda Morgan, Esq., representing Educate Nevada Now, in support of Assembly Bill 399 (1st Reprint).

Exhibit F is Proposed Amendment 3661 to <u>Assembly Bill 429 (1st Reprint)</u>, submitted by Assemblyman Bert Gurr, Assembly District No. 33.

Exhibit G is a letter dated May 24, 2023, submitted by Marissa Adou, Airport Manager, Boulder City, Nevada, in support of Assembly Bill 429 (1st Reprint).

Exhibit H is a packet of letters from various entities in Elko, Nevada, in support of Assembly Bill 429 (1st Reprint).