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

Eighty-Second Session June 3, 2023

The Committee on Ways and Means was called to order by Chair Daniele Monroe-Moreno at 1:53 p.m. on Saturday, June 3, 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:

Senator Julie Pazina, Senate District No. 12 Senator Dallas Harris, Senate District No. 11 Senator Melanie Scheible, Senate District No. 9 Senator Dina Neal, Senate District No. 4



STAFF MEMBERS PRESENT:

Sarah Coffman, Assembly Fiscal Analyst Brody Leiser, Assembly Chief Principal Deputy Fiscal Analyst Shannon Riedel, Chief Deputy Legislative Auditor Janice Wright, Committee Secretary Janet Osalvo, Committee Assistant

OTHERS PRESENT:

Jeremy Aguero, Principal, Applied Analysis

Kathi Thomas-Gibson, Director, Office of Community Services, City of Las Vegas Karlos R. LaSane, II, Vice President, Government Relations, Caesars Entertainment Corporation

Erik D. Hansen, Chief Sustainability Officer, Wynn Resorts

Virginia Valentine, President, Nevada Resort Association

Mendy K. Elliot, representing Southern Nevada Regional Housing Authority

Christine Hess, Executive Director, Nevada Housing Coalition

Erin McMullen Midby, Vice President, Government Affairs, Boyd Gaming Corporation

Jason Gray, Vice President, Government Affairs, MGM Resorts International

Kanani Espinoza, representing Nevada HAND

Paul J. Moradkhan, Senior Vice President, Government Affairs, Vegas Chamber

Sarah Adler, representing National Alliance on Mental Illness, Nevada Chapter

Leslie Pittman, representing Station Casinos

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

William Brewer, Executive Director, Nevada Rural Housing Authority

Jack Giesea, Government Affairs Administrator, Regional Transportation Commission of Southern Nevada

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

Joanna Jacob, Manager, Government Affairs, Clark County

Beth Schmidt, Lieutenant, Director, Office of Intergovernmental Services, Las Vegas Metropolitan Police Department

John T. Jones, Jr., Chief Deputy District Attorney, Legislative Liaison, Clark County District Attorney's Office; and representing Nevada District Attorneys Association

John J. Piro, Chief Deputy Public Defender, Legislative Liaison, Clark County Public Defender's Office

Jared Luke, Director of Government Affairs and Economic Development, City of North Las Vegas

Sondra Cosgrove, Executive Director, Vote Nevada

Matthew Wilkie, Private Citizen, Nevada

Unidentified Caller

Michael Alonso, representing Caesars Entertainment

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

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

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

Richard P. McCann, representing Nevada Association of Public Safety Officers; and Nevada Law Enforcement Coalition

Brady Easterling, Political Action Department, American Federation of State, County and Municipal Employees, AFL-CIO

Matthew Tuma, Deputy Director, Department of Administration

Tina Leiss, Executive Officer, Public Employees' Retirement System

Shellie Hughes, Executive Director, Department of Taxation

Joy Grimmer, Administrative Services Officer, Department of Taxation

José Torres-Landeros, Senior Research Specialist, Nevada Gaming Commission

Josh Marhevka, Deputy Director, Department of Employment, Training and Rehabilitation

Kristine Nelson, Chief Financial Officer, Department of Employment, Training and Rehabilitation

James Settelmeyer, Director, State Department of Conservation and Natural Resources

Kacey KC, State Forester Firewarden, Division of Forestry, State Department of Conservation and Natural Resources

Unidentified Caller

Melanie Young, Deputy Administrator, Division of Child and Family Services, Department of Health and Human Services

A'Esha Goins, Vice President, Las Vegas Branch, National Association for the Advancement of Colored People

Cassie Charles, Campaign Director, Progressive Leadership Alliance of Nevada

Quentin Savwoir, President, Las Vegas Branch, National Association for the Advancement of Colored People

Chandler Cooks, representing National Association for the Advancement of Colored People

Dora Martinez, representing Nevada Disability Peer Action Coalition

Vinson Guthreau, Executive Director, Nevada Association of Counties

Stephen Wood, representing Carson City

Helen Foley, representing Storey County

Pamela Del Porto, Executive Director, Nevada Sheriffs' and Chiefs' Association

Mary Walker, representing Douglas County; Lyon County; and Storey County

Mark Fiorentino, representing Nye County

Chair Monroe-Moreno:

[Roll was called, and the Committee rules and protocols were explained.]

We have a lot on our agenda, which could grow throughout the day. I will let everyone know what we are going to do or at least what the plan is, but plans have changed a lot in the last few days as we go along. We will start with the first bill on our agenda. We are going to work up until about 3:30 p.m., then we are going to take a recess because we have some other committees that need to get work done. Then we will come back here, and it could be before the next floor session, or it might be after the next floor session. We will open the hearing on Assembly Bill 528.

Assembly Bill 528: Establishes a program to provide matching funds to certain qualified projects related to the prevention of homelessness and provision of assistance to persons who are experiencing homelessness. (BDR 18-1226)

Assemblyman Steve Yeager, Assembly District No. 9:

The gentleman to my right is Jeremy Aguero, Principal, Applied Analysis, and he is here to help present the bill and answer questions. This bill was introduced yesterday. The inspiration for <u>Assembly Bill 528</u> is a program on a campus that exists in San Antonio, Texas called Haven for Hope. I have not had a chance to visit it personally, but I know some of the individuals in the room have. What we will tell you is it is doing wonderful work there; they are able to coalesce different social services in one location. It becomes a one-stop shop for individuals who are experiencing homelessness, and it helps get them back on their feet. That is the inspiration for this bill.

I will walk you through what this bill does. It creates a program to provide a matching fund of up to \$100 million to qualified projects that are facilities to provide support services to people experiencing homelessness or who are at risk of becoming homeless. The bill begins with the list of definitions in section 3 through section 8 and includes the definition of a qualified project, which means a project undertaken by a business or group of businesses, including, without limitation, one or more nonprofit organizations or one or more local governments located within the boundaries of one or more project sites. What we envision is a collaborative approach with nonprofit organizations and local governments, with the state being a partner putting forward potential matching funds. Section 9 authorizes the lead participant of a project to apply to the Office of Economic Development, Office of the Governor (GOED) for a certificate of eligibility for matching funds of up to \$100 million and establishes the requirements for eligibility.

Section 10 sets forth provisions for a project to be deemed a qualified project that includes a facility or facilities that are designed to provide comprehensive, sustainable, and compassionate services to individuals and families experiencing homelessness or at risk of homelessness; assist those individuals and families to overcome the barriers created by homelessness; find housing stability and achieve their full potential, while at the same time allowing them the opportunity to contribute to the economy of this state and participate in its workforce.

Additionally, the lead participant of the project must identify the site where the project will be located. This bill does not contemplate a specific site. There was discussion early on about the Grant Sawyer State Office Building site and whether that could be something that would work with this project. This bill does not require that, but it could be an option. I want to make clear that there is no site anticipated. Everyone interested in this project wants to find the best site, and the site that works for everybody is going to be the most effective.

Additionally, the lead participant must provide a construction and development plan that identifies the sources and uses of funds to construct the project, including a capital investment of not less than \$75 million. There must be a financial operating plan that sets forth revenues and expenditures for the first ten years of operations. The operating plan must identify the services that will be provided for the project.

The project must establish a board of directors of at least nine members, each of whom must be a resident of the state of Nevada; must establish a qualified management and operating team of professionals; and must establish a technical advisory committee of nonprofits and local governments related to the prevention of homelessness to advise the board of directors.

Section 11 establishes requirements related to the contribution to the cost of the project, which may be made from matching funds. It includes the requirement that the lead participant must pay the initial \$25 million of the cost of development and construction, and the matching funds are used to pay the last \$10 million in project costs.

Section 12 requires the lead participant to repay matching funds under certain circumstances, the clawback provision, and allows GOED to act if the project is materially underperforming. Section 12 provides safeguards to make sure that the state's money is being used wisely. Section 13 allows a city or county to grant a tax abatement for permitting and licensing fees to a qualified project. Section 14 contains the qualifications required of a participating municipality, which include, among other things, an approved plan to provide affordable housing, attainable workforce development, and permanent supportive housing within the borders of the municipality. Section 15 requires the financial operating plan of the project to provide for the annual operations and maintenance of the facility as well as ongoing capital needs of the facility. Section 16 creates the Homelessness Support Services Matching Account. Section 18 appropriates \$100 million to that Account.

We have many challenges in the state when it comes to homelessness and social services. As a body, we decide how best to invest the state's money. This is a worthy project that could make a real difference, particularly modeled on what we saw of the success in San Antonio, Texas. There are a number of individuals who will testify in support. You will hear excitement about this concept from local governments and the private sector. This is intended to be an all-hands-on-deck concept. I will hand the presentation over to Mr. Aguero.

Jeremy Aguero, Principal, Applied Analysis:

I will express thanks to the individuals who provide social services in our state today, as well as the nonprofits and local governments that are on the frontline of the challenges that we face as a state when it comes to homelessness. I would also thank the leadership of the Governor, Senate Majority Leader Cannizzaro, other legislators, and the Nevada Resort Association and their members who have helped spearhead much of this effort.

Section 1 contains the definitions, and you will see that it is structured much the same way as we see other economic development projects structured. I do not want to suggest to you that this is necessarily an economic development project in the traditional sense. It is more of a community development project with workforce development, looking for the intersection between the challenges that we face socially in terms of homelessness, or individuals who are at risk of becoming homeless, and our need to have additional workforce, and giving people the opportunity for self-sufficiency through training and making sure that they have stable living conditions. There are many different sections within the definitions. The idea of having a lead participant is all about partnership. You see throughout here, the idea of facility or facilities, site or sites. The idea is to develop some kind of hub-and-spoke model. This is enabling legislation to allow the structure to exist within the statute that you are passing. A nonprofit must be developed to execute this. Speaker Yeager talked about all of the things that the lead participant is going to have to do, but we are mindful that they cannot do it alone. At Haven for Hope, they have over 180 not-for-profit partners, and they have had incredible success, including a recidivism rate that is somewhere between 9 percent and 11 percent for individuals who go through their transformational services programs.

Section 5 relates to the identification of matching funds, and these are same in-kind funds; in-kind services do not count. It will require cash from the private sector—cash in the matching funds—in order to develop the facilities that we are identifying here. Section 9 specifies that the application needs to be submitted to GOED. There are a number of key findings that need to be made, including the need to demonstrate that it will meet our economic development plan by helping individuals who may not be able to participate in our workforce find their way into the workforce. More importantly, section 9, subsection 3, contains a number of elements that must be included as part of the application process. It has to be a qualified project, which we will talk about in a moment. They must have a detailed business plan. The project investment can be no less than \$150 million. It must be expected to help with the homeless challenge and stem the tide of homelessness of those who are either homeless or at risk of becoming unsheltered. It must be expected to increase the workforce to address both the physical and mental wellbeing challenges that come with homelessness. It must increase opportunities for services and integration, including finding collaborations with existing service providers. There are many providers that do an incredible job. The idea is not to come in and replace those services, but to build and leverage those important services that are being done to promote collaboration.

Not being site specific, the project must have no less than \$75 million worth of private investment through a nonprofit. They must demonstrate their financial and operating expertise to the satisfaction of GOED, and they must demonstrate that it is a common

endeavor. The idea relies on partnership in order to make it work. They must have valid business licenses. They must enumerate all of their construction-related activities. They must have documentation of the number of people who are served.

Section 9, subsection 3, paragraph (r) talks about all of the reporting requirements. The lead participant must document and report each calendar quarter during construction, how much money has been invested and how many employees are being engaged. They have to talk about how many people are in construction as well as operations. They have to talk about not only the number of persons who are served but also the units of service that exist and any other information that is deemed necessary by the state.

Section 10 outlines the concept of what is a qualified project. There are a number of elements here, and I will go through them to make sure we are explaining them. It must have a qualified facility or facilities. This concept of hub-and-spoke under section 10 is one of the most important paragraphs in the entire bill, and I will repeat it. To be a qualified project under section 10, subsection 2, paragraph (a), it must provide comprehensive, sustainable, and compassionate support services to individuals and families experiencing homelessness or at risk of homelessness; and assist those individuals and families to overcome the barriers of homelessness, find housing stability, and achieve their full potential, while at the same time allowing them the opportunity to contribute to the economy of this state and participate in its workforce.

The bill provides for a broad cross section of providers, local governments, nonprofits, and businesses that all have the ability to participate. There is a concept of a lead participant that must be a nonprofit and must have nine members associated with it. They must demonstrate not only their willingness to invest not less than \$75 million but their capability to do that. They must have an operating plan. They must have already established a board of directors. They must also have a technical committee, and that technical committee must be composed of nonprofits and local governments to include those that are providing services in terms of homeless prevention, food insecurity, domestic violence, emergency services and public safety, workforce development, education, early childhood development, housing, health and wellness, and social services. That committee shall advise the board of directors and has other responsibilities in the event they fail to meet the expectations of the state.

A qualified project may include a number of services. They can provide navigation centers, health care and mental health care, job training and employment assistance, transitional housing services, permanent housing services to include permanent supportive housing services, as well as integrated social services and community engagement through public awareness campaigns. Section 11 provides for the certificate of eligibility and begins the process elements of all of this. If a project is qualified and meets the application requirements to receive these funds, it must go through a process to do that. That is the application process. It is limited to a maximum amount of \$100 million. If the project cost is \$250 million to construct, it is only \$100 million of funds. I do not expect that to be the case based on the evidence that we have. We believe that the project cost will be somewhere between \$150 million and \$200 million overall. The process is not that dissimilar to the

other projects that you have seen. The developer must put in the first \$25 million, the state will put in the last \$10 million. There must be a trust agreement to allow for the subsequent distribution of all of the funds to make sure that they have been qualified and the funds have been expended in accordance with the plan.

Section 12 provides the accountability provisions. It says that in the event that the lead participant fails to meet the obligations set forth, provides a false statement, does not construct the facility, does not continue its operations after ten years, then all of the matching funds must be repaid to the state. It allows for the revocation of the business license in the event of that occurring. It allows the Executive Director, in the event that he or she determines that the project is not meeting expectations, to require them to review, revise, and resubmit their application. The Executive Director can request that the advisory committee, local governments, and nonprofits provide a plan to help remedy the operations and can require that the facility retain a subject matter expert to help them address underperformance within the facility. In the event that the facility itself fails to perform altogether, it will revert back to the city if it is in an incorporated city, or the county if it is in the unincorporated county, and that local government may elect to either continue the operations or cease those operations and sell the facility to recoup any costs that it may have incurred.

Section 13 provides for permitting and license fees in an expedited process and the opportunity to abate local development fees in the event the facility moves forward. Section 14 provides for the concept of a participating municipality. This bill is based on partnership, and that partnership depends on municipalities having the opportunity to participate in its operations as well as being able to utilize its capacity. This is not a facility where someone has the ability to take the homeless from one location and move them to another jurisdiction. That is not allowed, but what is required is that every jurisdiction that is a participating jurisdiction have a navigation center or other facility to allow individuals to opt in to a higher level of support services to help get them back on their feet, get them into a permanent housing situation, and hopefully have the same type of success as Haven for Hope has had and similar projects have had throughout the United States.

Section 14 provides the requirements to be a participating municipality. You must have a navigation center; you must have entered into a shared services agreement that requires that the municipality will contribute annually to the ongoing facility operations and maintenance costs and receives equitable access to its share of qualified capacity. What you pay in is what you should be able to get out of the project. Section 15 provides that for those matching funds, and for the continued operation of the facility up to \$15 million, it will be matching funds with the state and matching the local dollars that are contributed to the project.

Section 15, subsection 3, allows the Department of Health and Human Services to effectuate codes that do not currently exist to assist with these types of services that will be provided. Section 15, subsection 4, ensures that the development is not somehow excluded from other activities or services that are being provided for housing or rehabilitation services or any services along those lines. Section 15, subsection 5 and subsection 6, provide for Consumer

Price Index adjustments. Section 16 is the Homelessness Support Services Matching Account. Section 17 provides the Committee with the ability to enact this legislation. Section 18 is a \$100 million appropriation that was alluded to, and section 19 provides for the effective dates.

Chair Monroe-Moreno:

Members, are there any questions?

Assemblywoman Anderson:

I want to thank the people who wrote the language including the word "compassionate" many times because it is easy for us to look at it analytically. Yet the way that we treat each other is much more important. I appreciate the abundance of using that word during the presentation and also in the language. My question has to do with page 6, section 10, subsection 4 about the project itself. I appreciate the information about using the site of the Grant Sawyer State Office Building. Somebody had talked with me about that earlier today. Will there be consultation with potential different sites, or will you decide that site is going to be the site we want, and that is all we want to do? Will you be speaking with local government entities about any other potential sites?

Jeremy Aguero:

The answer to that question is yes. The language specifically says in consultation with the local government, the site or sites will be identified.

Assemblywoman Anderson:

I want to make sure that even potential sites, or five different sites, could be considered. It is not one area; it is going to be potential sites even if we are thinking about this area.

Jeremy Aguero:

The answer would be yes. I want to make sure that I am clear. The analysis may review ten different sites for initial evaluation, though I do not know if it would necessarily rise to that. But at the point at which a project is going to move forward, it is required to do so in consultation with the local government that would be affected.

Assemblywoman Anderson:

I understand that it is more than one area. I do not know about the other area that you mentioned on which this will be based. Are all the shelters within one area or are there shelters in other areas? Is there going to be one area of concentration where everybody who is homeless is living? I am concerned and confused about the imagery of that.

Jeremy Aguero:

Most jurisdictions have shelters in various areas. As much as we like to believe that all of our homeless are sheltered, obviously within our state and in other states, they find shelter in ways that are less helpful than a physical structure, which is what we would prefer. The

requirement is that participating localities have navigation centers. We have shelters in southern Nevada in places like Catholic Charities that are doing remarkable work. The idea here is not to provide any type of encampment, but it is quite the opposite of that.

You asked the question about Haven for Hope. It is a 23-acre facility. It is split into two sides. There is an entrance referred to as the courtyard, which is a place where individuals who are homeless can be safe, receive a meal, and some of those types of services. The City of Las Vegas has a facility that is a shining example of how something like that can work. On the other side, Haven for Hope has another facility that almost looks like a small college campus, with dorm rooms and classroom facilities, where individuals can receive different types of care. There are some facilities for people who are couples, there are places for individuals who have pets, there are places for individuals dealing with sobriety issues, and those types of needs are all separated.

The third component is what happens after an individual goes through the services and gets back on his feet. Each jurisdiction also needs to have a housing plan that can provide somewhere to go after the person graduates or transitions out of this type of facility. The idea is to try to have as much of a continuum of housing as possible, so they are not left with nowhere to go.

Assemblywoman Kasama:

I like this concept, and we can develop economies of scale by having one main center and then intake centers in the different municipalities to combine our resources, which provides more output for the programs and for the lead participants. Did you say that Haven for Hope was in Arizona or Texas?

Jeremy Aguero:

Haven for Hope is in San Antonio, Texas.

Assemblywoman Kasama:

Who is the lead participant there?

Jeremy Aguero:

There is no lead participant in the same way that we are talking about here. What actually happened there is a wealthy individual funded it, brought it forward, and we have borrowed a lot of their governance ideas. Nevada is different from Texas in a number of important ways. Texas had a successful individual in one industry who made this his mission to get it done. We would think of him as the lead participant, but he is much more of an individual as opposed to a traditional nonprofit like we are talking about here.

Assemblywoman Kasama:

It could be an individual or a large nonprofit, but you do not see it being a municipality, for example, which is the lead participant, correct?

Jeremy Aguero:

The answer to that question is, I do not see it that way. This might be a group of private sector individuals forming a nonprofit, funding that nonprofit, with the private sector component to unlock the match that you are considering here and bringing those services forward.

I want to be clear about this. It also will require partnership and collaboration. No one can handle this problem on their own. That is exactly what you were alluding to a moment ago. The cooperation and collaboration of local governments is critical, and the collaboration and cooperation with existing nonprofits is absolutely critical to make this happen. We do not have enough capacity alone. There are a lot of things that we are doing well in our state today. We ought to find a way to extrapolate those lessons, and this plan will facilitate that ability.

Assemblyman O'Neill:

You mentioned Haven for Hope. Are you also familiar with the Community First! Village in Austin, Texas? It is a homeless shelter, and they have apartments, tiny homes, and businesses.

Jeremy Aguero:

Yes, I am. I know that when we were at Haven for Hope, they talked about a couple of other facilities. They alluded to it. I have never been there.

Assemblyman O'Neill:

Since you have not been there, it may not be fair to ask. Was Haven for Hope saying they were similar to Community First! Village in Austin? I have been there. I stayed there for a week and learned quite a bit about it. I was impressed with their entire operation and would suggest you look at their website sometime. Did they say it was a similar operation? I can relate to that. It sounds similar. I was curious.

Jeremy Aguero:

I am happy to circle back on it. I cannot offer a lot of insight other than what you are describing. What we are talking about are similar things.

Assemblyman O'Neill:

I appreciate that. If you get a chance, look it up. I would be curious.

Jeremy Aguero:

Will do.

Assemblywoman Brown-May:

I have a couple of clarifying questions. I want to make sure that we get some of the details. Section 10, subsection 2, paragraph (a) says provide comprehensive, sustainable, and compassionate support services. No one organization can provide all of those comprehensive support services. We are talking about a collaborative effort there. Am I correct?

Jeremy Aguero:

The answer to your question is yes. Nonprofit cooperation is going to be a condition precedent to success here. From time to time, we have talked about that type of collaboration, which is what makes things work in our community. The Haven for Hope model has over 180 partners with whom they partner. You are right, nobody can handle this one on their own.

Assemblywoman Brown-May:

I appreciate that detail. I would assume that the same would be true for the \$75 million. Page 4, section 9, subsection 3, paragraph (h) says the participants collectively make a total capital investment of not less than \$75 million in the 5-year period immediately following approval of the application. I am curious to know about the funding mechanisms relative to that. You talked about cash and not in-kind, which I appreciate relative to matching funds. But are we talking about capital campaigns, or bond financing? Would there be a number of additional funding mechanisms that would be appropriate for this type of project? Are we talking about singularly cash and \$75 million?

Jeremy Aguero:

The answer to your question is it has to be like in-kind. A commitment will not be enough. As long as that commitment is irrevocable, I suppose it would be enough, but it needs to be contemporaneous in terms of timing, and it needs to be similar in terms of risk profile, which means that those dollars have to be provided. We have some protection because they have to put their money in first before the state puts money in, and then it has to be pari passu as it goes forward. The idea would be that if they had a cost overrun, they would have to solve the cost overrun before the state's money could be provided. The answer to your question is yes, they may get that through a capital campaign or some other type of donation. But to unlock the state funding, they must provide those dollars to be invested and not contingent upon some other action or activity at some later point in time.

Assemblywoman Brown-May:

The other thing that you said that I thought was particularly poignant, is given the number of bills that we are considering relative to homelessness, this is not proposing that we bus people who are unhoused from one location to another, but that we address the needs where they are in our communities.

Jeremy Aguero:

There is no desire here to do that. This is opt in. If I am struggling with homelessness, or I am at risk of becoming homeless, I can put my hand up and say I would like to get some additional help. You have the ability to opt in to this level of service. I would love to say that we could do that everywhere. Many of the individuals who are dealing with homelessness said we have to help people where they are. That is why there is this hub-and-spoke concept to make sure that our jurisdictions are helping individuals where they are and providing that outreach to allow the individuals who want additional services to get those additional services.

Assemblywoman Brown-May:

I appreciate the clarity and the details. A significant portion of the issues that we deal with are the people who are preparing to enter homelessness as opposed to the ones who are already homeless. If we can stop that upstream influx into homelessness, then collectively we have a better opportunity to solve the problem.

Assemblywoman Jauregui:

I have a question about section 12, subsection 2, paragraph (d). This is requesting significantly more money than we give to affordable housing projects. It would make me feel more comfortable if there were some consistencies because affordable housing projects are required to be affordable for a period of 30 years, and this is requiring these projects to maintain for 10 years. How did you get to 10 years?

Jeremy Aguero:

The 10 years was creating a standard in terms of when they have to refund all of the money, and they would have to cease the operations to do it. Housing will be a component of this, but there will also be other pieces and parts. I am not here to suggest to you that 10 years is a fixed number, but it seemed like a reasonable period for this group to have invested \$100 million into the project. If they fail to do that, they have not only lost their \$100 million, but they also have to repay the \$100 million and turn the facility over to the city or local government. I was trying to create a penalty that seemed reasonable. That is how it was created.

Assemblyman Watts:

You mentioned that there was one potential site being considered around the Grant Sawyer State Office Building, but that this legislation is not site specific, and there is not a site in mind. Some of the questions my colleagues have asked and have been trying to understand are what the process would look like moving forward. Is there any additional clarity that can be provided on the status of this plan? Is this something that we are putting out there to hope it incentivizes something coming together? Or are there conversations with nonprofits and local governments to actively explore these opportunities? I am trying to understand whether there is a direction that things are heading, or are there some aspects that are not finalized, and what is the status of getting this concept and potential structure deployed?

Jeremy Aguero:

The answer to your question is two-fold. There have been a number of individuals who have contributed to this. We had the opportunity to visit sites and talk about it. We are talking about a site that is going to require somewhere between 20 to 25 acres to make it work. There have been conversations about three or four potential sites. There is nothing that has been set in stone relative to that. This legislation provides an opportunity to create a framework to make this happen. If you are asking the question about whether there is a group that will come together to bring the private sector dollars and is ready, willing, and able to effectuate this, I believe the answer to that question is yes. But that is also going to require a lot of further conversations. This would become the end of the beginning of this

conversation. They have to get together to coordinate with those nonprofits and local governments in order to make it work. It is a complicated series of services that are provided.

Our state knows how to get things done, and the amount of cooperation and leadership to get us here was remarkable. Individuals were on the ground every day to tell their story and put their hand up and say we need some help. I wish I could tell you here it is, and here is exactly how it is going to work, but I cannot do that. What I can tell you is all of the pieces are in place to come together to effectuate what we are talking about here.

Assemblyman Watts:

There are a lot of components, and I understand we are trying to have flexibility, but it is important to have a holistic continuum of services as well to help individuals exit homelessness, achieve stability, get jobs and economic stability, but have the transitional supported housing as well. I hope that whatever vision comes forward has all of those different components in it.

There is only so much that we can address via legislation. The tough question is related to site selection, NIMBYism [Not in My Backyard], and concerns about this campus. A significant investment to build a robust campus that provides that support is critical to this. How do you navigate some of the concerns about where it is going to be located, the impacts that it might have on the surrounding area, and investments in that surrounding area?

Jeremy Aguero:

It is two words: leadership and partnership. That is the only way it gets done. You are right. There are going to be reactions. In conversations with local government leaders relative to this, I found that once we have a conversation about what is there and they see what we are talking about, those conversations change. There is a comprehensive need for a continuum of services. When you look at a place like Haven for Hope, it has medical services, rehabilitation services, and services for children who are homeless in much different ways than for adults.

When you talk about where exactly we place this campus, it is going to take a partnership and some local government individuals willing to stand up to concerns relative to that and to help educate individuals about the fact that what this is, is the idea of trying to stem the tide of homelessness. Often what we see out there creates this concern and anxiety. What we do not see is someone who is put into a permanent home. What we do not see is that person who gets that job. At some point, individuals are going to have to start to understand that by providing these services, the exact thing they are worrying about coming to their neighborhood is what we are going to prevent.

Assemblyman Watts:

Having a significant investment with this public-private partnership is the level of investment that we need to carry out this vision. I wanted to make sure that was on the record because there is definitely a balance that needs to be struck between not letting this project get shot

down or undermined, but also recognizing that there are communities that often feel like certain things located in their communities have spillover effects into their communities. Having been to the Corridor of Hope and learned about social service provisions there, I want to make sure that we are mindful of those things and trying to balance those moving forward.

Assemblywoman Jauregui:

I am coming back to that same section 12, subsection 2, paragraph (d). I understand the lead participant must meet the eligibility requirements for 10 years, and then they have to repay it. I am struggling with the 10 years. They are investing \$100 million. Our affordable housing projects invest a lot of money too and receive few state funds or property tax credits. They have to maintain affordability for 30 years. I am struggling with the 10 years because 10 years goes by quickly, and 10 years and 1 day might go by, and there is the potential of losing \$100 million if they all of a sudden do not meet eligibility requirements. I am curious to see whether there is flexibility. If we are giving you this amount of money, can you commit to providing this service for 30 years or more? My colleague talked about a continuum of care and having that continuum of service is important.

Jeremy Aguero:

I have zero objection.

Assemblywoman Peters:

I have two separate questions, one about the GOED piece and then another about the sites you considered and the timeline for this in line with my colleague's question about that 10-year period. What are some of the other sites that you considered? I am not familiar with the geography of Las Vegas or some of those other sites. What is the timeline for the build out or the services coming online or even finding the partner to fill this goal?

Jeremy Aguero:

In terms of looking at sites, all we did was look at where you can find 20 to 25 acres somewhere in and around southern Nevada. No one has gotten to the point of saying these are the five primary sites that we would consider. We thought about that. There was some discussion about where the Grant Sawyer State Office Building is largely because that is where the Corridor of Hope is today. I do not know how familiar everybody is, but there are many services that are being delivered to many individuals who are in that area. We were already thinking about the fact that there could be some collaboration, which could be a positive thing. All of that needs to be part of the discussion that needs to happen as the project comes forward.

Regarding the timing, I am happy to respond to that question as well. Whatever the Legislature feels is appropriate is what is going to be appropriate. To ensure that the state gets its money back, what I was attempting to do in assisting with thinking about how leadership was imagining this was to make sure that there was some type of clawback provisions that existed in the event that they do not fulfill their obligations, make a false

statement, or fail to do what they say they are going to do. If they fail to operate, it should not become a burden to local governments to somehow pick it up unless they feel like they want to do that. That was the intent and if it was not perfectly so, I welcome the opportunity to perfect it.

Assemblywoman Peters:

I was referring more to the implementation timeline. At what point do we expect the facility to be constructed? At what point do we expect the services to be comprehensive? At what point do we expect our partners to be in place or scoping to happen? What is the time expectation for timeline and implementation?

Jeremy Aguero:

The timeline is going to be quick from the standpoint that these are individuals who are already motivated to help move this forward so that they can engage. The community recognizes this problem. From my perspective, time kills all deals. You either move forward with the project or you do not. The expectation that this money would still be available 2 years from now when the Legislature reconvenes, seems to me to be optimistic. They have already gone through due diligence, they are already working on business planning, they are already thinking about sites, they are already having the collaboration work. Once this is unlocked with the formation of the Internal Revenue Code 501(c)(3) charitable organization, the development pieces will have to take place.

I did put a 5-year timeline in because when I talked to the individuals from Haven for Hope, they did not build everything right off the bat. There is this 5-year timeline, which is an automatic trigger that is included once the application is approved. But the one thing that Haven for Hope mentioned is they wished they would have built more of the facility all at the same time as opposed to bringing on pieces. I am hopeful that you can do that, but I am also mindful that we are asking a lot of people to come together to make those partnerships work. I also did not want to create an unreasonable expectation in terms of that.

Assemblywoman Peters:

That is an important piece to have on the record. I have one more question related to implementation. How did you decide GOED was the office to oversee this project? What is their experience with not-for-profit organizations? What is their experience with grant appropriations and ensuring the right project management that is needed for this kind of a program, especially with this type of investment in it? Why is GOED better than the Department of Health and Human Services or one of the other service providers in the state?

Jeremy Aguero:

The initial answer is because the idea was that the project lies at the intersection between economic development and social services. That was the starting point. The process that is included is one of an application, then oversight and review. There are elements for health and human services in here in terms of qualifying for Medicaid reimbursement and finding rates that would be there. But the idea is that the entity will identify it. They will come with a workable application, and it is their responsibility and not the state's responsibility to ensure

that those services are provided. They are going to have to work with the state and local governments. The idea is to think about them more as an autonomous entity that is working towards the solution to provide services as part of the solution to homelessness. There is no doubt it could have been drafted within the Department of Health and Human Services. But frankly, those individuals have so many things in so many directions that are outside of the scope of this. The idea here is to be project specific, get it built, get it operating, provide oversight that they are doing what they intended to do, and that felt most aligned with what GOED does for a living and the structure of their organization.

Assemblywoman Peters:

That is fascinating because it is not a traditional business model. When you are providing social services, the return on investment is not quantifiable in the same way as a profit and loss margin is, and how you quantify that is something we have been talking about a lot in the health and human services world. We have a bill going through the Senate Committee on Finance right now that is looking at determining the cost savings of providing services. We housed it in the Department of Health and Human Services because they have the data. It will be an interesting reach for GOED to be the entity looking at the social services, not as a business model structure but as the services to get to the safety nets that our individuals need, and our communities need. It is going to be a challenge. I hope that the oversight is there in partnership with our communities and the community-based services and the individuals who can quantify those benefits.

Chair Monroe-Moreno:

Section 10, subsection 4, paragraph (e) says that the nine board members must be residents of the state. But section 4, for the lead participant, does not say that the nonprofit has to be a Nevada nonprofit? Could that be an out-of-state entity coming into the state doing work?

Jeremy Aguero:

That is a great catch and something that we should add. I never imagined that it would not be because all of its members would have to be Nevada residents. I have to go back and make sure I catch that, but we will make sure that is the case.

Chair Monroe-Moreno:

My other question along the same lines as my colleague's question is there are a number of pieces of legislation going through this legislative session, and previous sessions, dealing with affordable housing, providing housing for the unhoused, wraparound services, and supportive housing services. How would this work with those other initiatives or would this supersede those other initiatives?

Jeremy Aguero:

It would have to work with them. This project will not address our affordable housing challenges. We are going to have to broadly address those and some of the initiatives that this Legislature and previous sessions have attempted to provide, to ensure they are making meaningful progress relative to this.

This project is intended to get individuals back on their feet so we can get them into that permanent housing situation, whether it is permanent supportive housing, or other housing along that continuum. At Haven for Hope, they indicated that they have about 1,700 people on site on any given day. They are actually built for about 1,200 individuals who they could serve. The average stay is somewhere between 4 and 6 months, and the longest individuals will stay there is about 2 years while they work through their program.

Much of the reason that we have imagined partnership at the front end, and that we have imagined that the participating entities must have a housing plan, is because we must have somewhere for people to go when we get them back on their feet. This is a link in the chain in terms of making that happen.

Chair Monroe-Moreno:

You answered this through your presentation, but I would like to get this on the record again. Once the qualified projects are completed, how will the ongoing expenditures be addressed?

Jeremy Aguero:

The idea is that it will be shared between the private sector, local governments, and state government. What you will see in the back of the bill is that there are matching funds that will be provided by the state. For every dollar local governments put in, the state government puts in an equal amount. The idea is to encourage all local governments to equitably participate in the project and equitably get access to it. What I have heard as we were going through this was some local governments said, will you please charge us for this so that we know that we can access some of the capacity. That is why that section is built the way it is.

Chair Monroe-Moreno:

There have been conversations about one site because that has been the conversation in the building in the last 24 hours. Could this happen or could these projects happen anywhere within the state? Or is it focusing on southern Nevada?

Jeremy Aguero:

The focus of the conversation has been on southern Nevada. I did not put in specific elements to it to make that happen. But the conversations and much of what you hear in the coming days, weeks, and months about projects are heavily focused on that location. As I have answered some of the other questions from the Committee members, the idea is to have a big project that has a meaningful footprint along those lines. If there is a belief that we need to create that type of limitation, to create clarification, I am more than happy to do it. That is an easy amendment to make. But that is what the intent is.

Chair Monroe-Moreno:

My last question goes back to the question before about the expenditure. Will this be a shared expense with the local municipalities and the state? Is that an ongoing expenditure for the state in addition to that initial \$100 million?

Jeremy Aguero:

It would be. The idea is that local government steps up, the state steps up, and we have this going into perpetuity with the private sector.

Chair Monroe-Moreno:

That \$100 million will need to come off my sheets every. . .

Jeremy Aguero:

No, that would not be correct. The \$100 million would be a one-time expense. The idea would be that the \$15 million that is included in there would pay the ongoing expenses. That is a small amount in comparison to what the actual cost is at the local government level. But the hope is that will be enough of an incentive to get the private sector and the local governments in the state all pulling the oars in the same direction.

Assemblywoman Kasama:

Madam Chair, you asked those questions about which I was most concerned. The \$100 million is the big lift at the beginning as my colleague and the Chair asked, and then it would be a smaller amount with community partners.

Chair Monroe-Moreno:

Are there any other questions? [There were none.] We will move on to testimony in support of Assembly Bill 528.

Kathi Thomas-Gibson, Director, Office of Community Services, City of Las Vegas:

I am here to support this bill. The City of Las Vegas has been studying the Haven for Hope model and has taken several cohorts to visit the campus. We have modeled one of our programs, which you know as the Courtyard Homeless Resource Center, on the Haven for Hope model. We have been operating since 2017 and constructing a site to fill in the gaps. We are a low-barrier navigation center. It makes an incredible difference for people who are chronically homeless choosing to come into services. We believe it is critically important to have additional programming across the valley so that people experiencing homelessness do not travel miles and miles to access services.

But as we have heard quite often today, the services must meet them where they are, and that is not socially and psychologically, but geographically meet them where they are. The City is currently expending about \$53 million this last fiscal year on all homeless services including the Courtyard and the Recuperative Care Center, which is a shelter for the medically fragile. We are at capacity, and we see the importance of having other jurisdictions also provide the services that people experiencing homelessness need to get back on a path to self-sufficiency.

We are excited to have the public sector and the private sector coming together in ways that have not historically occurred. In communities that are seeing a significant decrease in homelessness, this is the model they have. The private sector contributes significantly, not only in a financial sense but in a leadership and governance structure that ensures that the

services are sustainable in the long term. We have not traditionally had that model in the state of Nevada. This bill moves us in the direction of best practices that we have seen in all of the cities we have visited and studied including San Antonio, Miami-Dade County, and Phoenix.

It is important to note that the capacity of the existing services in the Corridor of Hope, where the Courtyard, Catholic Charities, Salvation Army, and other traditional shelters are located, is highly saturated. We are at capacity, and we see people experiencing homelessness choosing not to come into services for a variety of reasons. It would be important in this hub-and-spoke approach to not put the services where they are now because individuals are choosing not to be in those services, but to put services where people are experiencing homelessness now and can choose to opt in to services that meet their needs.

We would love to be a part of the technical advisory committee in any way that we can to provide the perspective that we have gained operating our Courtyard since 2017. The work we have done with existing community partners in the Corridor of Hope gets more than 1,000 people off the street every year. We know this model works. We are excited to see this three-legged stool with the state, local jurisdictions, and the private sector moving this forward in a timely way. We hope to see it spread across the entire region and not saturated or concentrated in a single area because homelessness is all over the region.

Karlos R. LaSane, II, Vice President, Government Relations, Caesars Entertainment Corporation:

Caesars Entertainment Corporation is proud to support <u>A.B. 528</u>. If enacted, this legislation would support our most vulnerable populations in southern Nevada and reduce homelessness in the region. On behalf of our company, I want to thank Governor Lombardo, Senate Majority Leader Cannizzaro, Speaker Yeager, all the nonprofit leaders throughout southern Nevada, and local government officials for collaborating with us in the private sector on this innovative public-private partnership legislation. Please support A.B. 528.

Erik D. Hansen, Chief Sustainability Officer, Wynn Resorts:

Thank you for the opportunity to speak today. On behalf of Wynn Resorts, I am here to express our support for A.B. 528 and urge you to champion its passage. This bill reflects the collaboration of the public and private sector working together to make a significant difference to address one of the most critical issues facing our community. We would like to acknowledge Speaker Yeager for his leadership in sponsoring this bill. We would also like to thank the Governor and Senate Majority Leader Cannizzaro for recognizing the importance of A.B. 528 and for their collaboration with a variety of stakeholders including nonprofit organizations and local governments.

The proposed enabling legislation presents a comprehensive and innovative approach, tackling the challenges of homelessness and providing vital support to those in need and bringing together nonprofit organizations and government agencies that have the expertise in

providing essential services and support mechanisms to those experiencing homelessness. This one comprehensive campus setting has the potential to have an enormous, profound, and lasting impact.

We have witnessed firsthand the power of this model during a visit to Haven for Hope. This campus offers a complete framework that emphasizes the importance of housing stability, employment assistance, mental health support, addiction treatment, and more, together in one place where all the resources are right there, and the agencies are working side by side. By addressing these interconnected issues, we can uplift individuals while simultaneously strengthening our community as a whole by addressing the root causes of homelessness. This model is working in San Antonio, and we can enhance the model to make it even more powerful for Nevada.

Assembly Bill 528 offers the ability to develop a first of its kind public-private partnership by bringing in private industry to support nonprofits and government agencies in this work. Matching state dollars is the collaboration between stakeholders such as government agencies, nonprofit organizations, and community members that will help foster a united effort and lasting solutions. Wynn Resorts, along with our colleagues in the resort industry, recognize government and nonprofits cannot do this work alone. It requires partnership. We stand ready to provide financial assistance to help make this campus a reality.

Assembly Bill 528 harnesses the collective impact model by involving private industry to be part of the solution. We wholeheartedly believe that this legislation will serve as a catalyst for positive change. By providing central resources, funding, and support mechanisms, it will enable local communities and service providers to effectively address homelessness and its underlying causes. We strongly urge you to support A.B. 528. Thank you for your dedication to public service and for considering my testimony. I trust in your commitment to make a positive impact on the lives of your constituents and look forward to the passage of this crucial legislation.

Virginia Valentine, President, Nevada Resort Association:

I am here to speak today in support of <u>Assembly Bill 528</u>. I would like to thank Speaker Yeager for sponsoring the bill and working with stakeholders on this issue. We would also like to commend Governor Lombardo and Senate Majority Leader Cannizzaro for their leadership on <u>A.B. 528</u> and for recognizing the power of a public-private partnership to make a collective impact on one of the most pressing issues facing our state. We believe this is a once-in-a-lifetime opportunity for us to provide resources to improve the lives of those experiencing homelessness and needing critical wraparound services and collaborate with a variety of nonprofit and government agencies.

I would be remiss if I did not take a moment to thank all of the people who do the hard work every day, including all of the nonprofits, first responders, and government agencies. We are going to leverage all of their expertise. That is the expertise we do not have, and we cannot make this model work without them. This is a unique model, and it would enable the development of a transformative campus designed to address homelessness by bringing

together nonprofits and government in one location to provide a full scope of essential services to those needing assistance. It also provides an opportunity for a historic investment by the state, local governments, and private industry to do something different.

Assembly Bill 528 builds on a successful model in San Antonio, and we are reimagining it to fit in Nevada. Addressing the causes of homelessness has long been a priority for the Nevada Resort Association and its members. Our members have a history of providing financial support, resources, and volunteers to nonprofits working in this space in the past. We look forward to collaborating with the stakeholders on this project. Nevada's resort industry is proud to come together and be on the forefront of this transformative initiative as supporters and funders. We are excited about this public-private partnership. We are committed to providing the resources to make it happen and to keep it going and partner with experts in the local governments and nonprofits in the state. Thank you again for this opportunity to be a part of the solution.

Mendy K. Elliot, representing Southern Nevada Regional Housing Authority:

I want to provide some statistics. I want to thank Speaker Yeager, Senate Majority Leader Cannizzaro, and Governor Lombardo for pulling together this amazing piece of legislation. The Southern Nevada Regional Housing Authority currently has 11,900 vouchers, and of those vouchers, we have 586 that are emergency preference vouchers. The last lottery that was held this year had 27,000 applications, and there are currently 10,000 families on the waiting list. You wonder why this piece of legislation is important. We truly need more housing, but of greater importance, we need a seamless solution that provides at least someplace for families waiting for permanent housing. This will provide that opportunity.

We have a piece of legislation, <u>Assembly Bill 310</u>, that provides some wraparound services for families and encourages developers to build the housing that we need. As you can hear from the statistics, we do not have enough housing at this point. We do not have enough vouchers in our state.

We are the Southern Nevada Regional Housing Authority. Jordan Lewis and his team are apologizing that they are not in Las Vegas. They had a family day for all of their team today or they would have been testifying in Las Vegas. We are here to help provide support and help provide some technical expertise.

Christine Hess, Executive Director, Nevada Housing Coalition:

I would like to thank the Speaker, Senate Majority Leader, and the Governor for this incredibly important piece of legislation. My previous role was economic development. When I came to the state of Nevada to do affordable housing, I looked around and said affordable housing is economic development. I am pleased that Mr. Aguero and the leadership noted that GOED needed to be a strong partner at the table. It is absolutely the case. We need economic development at the table because if every Nevadan is not prospering, are we succeeding in our state?

When I first came to the state into the affordable housing space, I looked around and said, where is the private sector? I do not think the government can or should solve our housing crisis. I am thrilled with this opportunity to bring private sector funding to the table in such a meaningful and substantive way to solve our housing crisis and our solutions. I appreciate the collaboration comments. Following up on the previous comments by Ms. Elliott, we currently have 37,000 subsidized units of affordable housing in our state. Of those subsidized units, only 1,200 are income restricted for households whose income is below 30 percent of area median income. As this project hits the ground, stabilizes, and puts those services to work in the temporary fashion, transitional services are important. We need more housing if people are going to be able to truly maintain their trajectory towards stability and economic growth.

That is what <u>A.B. 310</u> does. It catalyzes and provides funding to catalyze the housing to be built for that population below 30 percent of area median income. People can move. As we talk about that spectrum, we need to invest in <u>A.B. 528</u>. We need to continue those incredible investments as a state. I want to applaud everyone in this room and the Legislature and Governor. Now is the time. Things are bad, but they could get worse. If we do nothing, it is going to get worse, and if we do the same thing, we are getting behind. We must take these actions.

Erin McMullen Midby, Vice President, Government Affairs, Boyd Gaming Corporation:

I want to thank Speaker Yeager, Senate Majority Leader Cannizzaro, the Governor, and all of your leadership for bringing this bill forward. It is important and critical legislation. Boyd Gaming has called Nevada home for more than 50 years and is committed to providing the necessary resources to help solve the homelessness issue in the state. We believe that A.B. 528 will help to expand extensive support services to at-risk individuals and families in our community. We are eager to help break the cycle through the creation of a comprehensive facility that would provide essential services to those experiencing homelessness. I want to urge passage of this bill.

Jason Gray Vice President, Government Affairs, MGM Resorts International:

We offer our strongest support for this bill. In the interest of time, I will support the comments that have already been put forward by my industry colleagues and thank those, of whom there are many, who partnered to bring this legislation forward. We believe that it will transform lives. MGM Resorts International is committed to providing resources, financial and otherwise, to help these initiatives succeed and thrive. We appreciate your sincerest consideration and urge your support.

Kanani Espinoza, representing Nevada HAND:

On behalf of Nevada HAND, the state's largest nonprofit affordable housing developer, we appreciate the leadership from the Office of the Governor for creating <u>A.B. 528</u>. We think that this is going to be a great partnership and tool. We look forward to the collaborative process as an affordable housing developer.

Paul J. Moradkhan, Senior Vice President, Government Affairs, Vegas Chamber:

Vegas Chamber is in support of <u>A.B. 528</u>, and we appreciate the efforts of Speaker Yeager, Senate Majority Leader Cannizzaro, and Governor Lombardo. We support both the policy provisions of the bill and the financial provisions of this bill. We believe that the bill provides the necessary oversight and safeguards to protect the state's interests and important flexibility of finding the right location in southern Nevada. We believe this investment in social services between the private sector and the state is an important step to move our community forward in helping those experiencing homelessness, or at risk, to help uplift them in their struggles.

Sarah Adler, representing National Alliance on Mental Illness, Nevada Chapter:

The homeless and those who are at risk of homelessness are our family members; these are our people. We are in support of A.B. 528. The scale of this bill is the scale of what is needed, especially in southern Nevada, to provide stability and health to the mentally ill. Many of them have co-occurring disorders and addictions as well. We are in support. I would like to connect a few dots and underscore some things that you all have brought up. In addition to the words "collaboration and compassion," the words "complexity and subsidy" need to be added to this discussion. The gentleman from Wynn Resorts hit it right on the head—housing stability is the missing link for homeless people. This will save you money. In the Division of Public and Behavioral Health, Department of Health and Human Services budget, you have allocated \$342,000 per forensic bed, and that is a correctional bed for the mentally ill. Instead, supportive housing costs \$26,000 a year. This investment will save us all a lot of money over time.

To add a microcosm to the workforce piece, I did interviews during the point-in-time count here in Carson City this year—the annual count of the homeless—and of the seven people I interviewed, four could rejoin the workforce with housing stability and some services. But three of them, I do not think ever could. They need that permanent supportive housing too. To the Majority Leader's point, 10 years is not adequate. We need the ability to provide ongoing support for housing, which means we need revenue streams and ongoing subsidies.

Assembly Bill 310 is an exciting kickstart to supportive housing. This bill will add to that opportunity, but as has been pointed out in section 14, subsection 2, paragraph (c), participating municipalities having a housing plan that includes transitional supportive housing is going to be an important part of this.

Leslie Pittman, representing Station Casinos:

I am here today on behalf of Station Casinos. I want to quickly ditto what our industry colleagues have indicated. I appreciate the support, the work that has gone into this bill, the bill's sponsors, and respectfully request your support for the bill as well.

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

We could not be more appreciative of the Speaker, our partners within the resort corridor, local government officials and staff, as well as the nonprofit community for this significant legislation. Being part of the solution in addressing the critical issue of the unhoused is a priority for Dr. Keith E. Whitfield, President, University of Nevada, Las Vegas. We stand ready to be a contributing partner in providing research, data analytics, facilitation, and in other ways as needed as this work progresses. In particular, as a professor in the School of Social Work, I am personally excited about the opportunity for my colleagues, our dean, and our students to benefit from the learning opportunities that would result from this work. As a Nevadan and a southern Nevadan, I am excited about how this legislation will help our most vulnerable citizens.

William Brewer, Executive Director, Nevada Rural Housing Authority:

I appreciate this opportunity to meet with you today in support of <u>A.B. 528</u>. This is a great step forward in something that is desperately needed in our state. We appreciate the state's willingness to take this kind of a giant step forward to address the problem that is so rampant in our state right now. We would hope that we can continue to build on this discussion and this action in the future. There are several questions that are good to be answered with this bill. We appreciate the discussion that has taken place today and look forward to participating in additional ongoing discussions.

Jack Giesea, Government Affairs Administrator, Regional Transportation Commission of Southern Nevada:

I want to echo many of the sentiments of my colleagues. As the public transportation provider and the metropolitan planning organization for southern Nevada, we are supportive of these efforts. We look forward to being part of the solution and the partnerships that will come to advance the goals of A.B. 528.

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

We are here in support of <u>A.B. 528</u>. We have started the planning process for a navigation center in the City of Henderson, including an application for federal funds to allow that to happen for the acquisition of a building and to start those services in Henderson. We look forward to working with the private sector, the state, and our other local government partners on this and helping our most vulnerable populations.

Joanna Jacob, Manager, Government Affairs, Clark County:

We are here in support, and we would like to thank all of those involved. This is a significant investment on behalf of our state. We are also in support of this strong partnership and equitable contribution between the state, private sector, and local governments. This is something that we have long felt was needed in our community in southern Nevada. It has been a recommendation for those who are working on the ground. I am thankful to see this come to fruition today.

There are a few things that I wanted to add. I appreciate the testimony today and the testimony of Mr. Aguero that not one entity can do this alone. This is something that we know as the regional service provider. We are there for the homeless, and we are statutorily required to do this. We invest hundreds of millions of dollars in homeless services and human services for our community, but we know that it is not ever enough. Homelessness impacts our whole entire region, not just one sector of our region. We know that this is a skeleton structure that is put before you today, but we will continue to work with those who are testifying today to see how this can benefit our community.

I appreciate the conversation about affordable housing. One thing that Mr. Aguero also mentioned is that this is a link in a chain. Many have listened to Clark County's models. I know Assemblywoman Kasama and Assemblyman Watts got on a bus with me, and we viewed some of our county's housing initiatives that we have developed. We have invested significant amounts of dollars into affordable housing, building affordable housing in our community, in bridge housing, and in transitional housing. This system that we are talking about today can link, in turn, to that resource that the county is providing. We see this as a viable part in how this all connects together. It is not one solution that fits everything, but how we make these systems work together in collaboration. We do that by bringing all of the public sector and private sector together, so we are in support.

Beth Schmidt, Lieutenant, Director, Office of Intergovernmental Services, Las Vegas Metropolitan Police Department:

This bill aligns with Sheriff Kevin McMahill's priority to get all-hands-on-deck working in partnership to address homelessness. Our agency has spent a significant amount of time at Haven for Hope, and we believe this is a model that we should aspire to in Las Vegas and in the state of Nevada. <u>Assembly Bill 528</u> is a significant step in our collective efforts to address homelessness.

John T. Jones, Jr., Chief Deputy District Attorney, Legislative Liaison, Clark County District Attorney's Office; and representing Nevada District Attorneys Association:

I am here on behalf of the Clark County District Attorney's Office. I wanted to voice our support for <u>A.B. 528</u>.

John J. Piro, Chief Deputy Public Defender, Legislative Liaison, Clark County Public Defender's Office:

We are also in support of this policy. As a state, we have been trying to solve this problem in the criminal justice system, which is expensive, and the results have not been good. This is moving us forward. We strongly urge support for this measure.

Jared Luke, Director of Government Affairs and Economic Development, City of North Las Vegas:

I want to throw our support in on this measure. In the interest of time, I will say ditto to the comments that have been made before me. I want to thank Speaker Yeager, Governor Lombardo, Senate Majority Leader Cannizzaro, and you, Madam Chair, and your

Committee for what I expected would be a good round of questions, and Mr. Aguero for his clarifying responses.

Sondra Cosgrove, Executive Director, Vote Nevada:

Vote Nevada has been holding community meetings with stakeholders both in the north and the south, and we have been discussing chronic homelessness among the mentally ill. We have looked at the San Antonio model and think that is a wonderful model. We have also been looking at empty commercial property. For instance, there is an empty K-Mart building on the east side of town, and we have some other big box stores that have been sitting empty. We want to make sure that we are fighting for services where people are at, especially if they have severe mental illness, because sometimes they need to stay in their familiar environment. I am strongly in support of A.B. 528, and I am heartened to see how many people are at the table saying they also want to solve this problem.

Matthew Wilkie, Private Citizen, Nevada:

I am calling in full support of <u>Assembly Bill 528</u>. I support any bill that addresses and supports our houseless brothers and sisters. Most of your constituents are one or two paychecks away from being houseless themselves. I fully support this bill. One thing I personally would like to see is getting away from using the verbiage of homelessness. If home means Nevada, then these people are not homeless, they lack a house.

Chair Monroe-Moreno:

Is there anyone who would like to provide testimony in opposition to <u>A.B. 528</u>? [There was no one.] Is there anyone who would like to provide neutral testimony on <u>A.B. 528</u>?

Unidentified Caller:

I am a late caller on <u>A.B. 528</u>. I am supportive of this since I am also in favor of <u>Senate Bill 275</u>. I am disabled. I am under the senior age, and I am speaking up for those who are disabled. I am hearing about a lot of mental illness and unhoused. But if we are piggybacking on <u>S.B. 275</u> and it does not go through, I am scared of where that puts us. My concern is we do need this. We do need to have a local 911 of resources to find out where we could go to find help. If we are in a home, it would be beneficial to keep us in our homes. If we could lose our homes in 90 days, we would be at risk of being houseless ourselves. I am in support of this. Please also consider those who are disabled or need physical wheelchairs, walkers, and those types of things.

Chair Monroe-Moreno:

I will move your testimony to support, but could you state your name for the record? We did not get it when you first started. [The caller was disconnected.] Do we have any other callers on the line? [There was no one.] Does the presenter of the bill have any closing comments?

Jeremy Aguero:

I only want to express my thanks to you and the entire Committee.

Chair Monroe-Moreno:

We will close the hearing on <u>A.B. 528</u>. As I said at the beginning of this meeting, we would be taking a recess between 3 p.m. and 3:30 p.m. so other committees could convene. I had anticipated we would have a few more presentations before that, but that did not happen. We will be going into a recess. We have a few committees that have some bill hearings, and then we will return at the call of the chair. I do not know when that will be, but I would suggest you get dinner. This meeting is in recess [at 3:27 p.m.].

This meeting will reconvene [at 8:22 p.m.]. Good evening and welcome back to the Assembly Committee on Ways and Means. We are going to do everything we can to get through this entire agenda before we go back to the floor. There are a few changes and a few additions to the end of the agenda, and hopefully we can hear <u>Senate Bill 450 (1st Reprint)</u> and <u>Assembly Bill 529</u>. We will be removing <u>Senate Bill 162 (1st Reprint)</u> from the agenda. We will open the hearing on <u>Senate Bill 266 (2nd Reprint)</u>.

Senate Bill 266 (2nd Reprint): Revises provisions relating to the inclusion of entry fees for participation in certain contests or tournaments as gross revenue of gaming licensees and the reports required by gaming licensees participating in foreign gaming. (BDR 41-943)

Senator Julie Pazina, Senate District No. 12:

It is my pleasure to come before you today to present <u>Senate Bill 266 (2nd Reprint)</u> along with copresenter Michael Alonso. I will provide some quick background because I know this is going to be a long evening. Casinos and resorts frequently hold gaming contests and tournaments for which participants pay an entry fee. Currently, those fees are considered part of the gross revenue for a casino and are included in the calculation of how much the casino must pay for its monthly license fee. The reason for exempting entry fees under these specific circumstances is that none of this money ever actually comes into the casino as income. It is either used to pay employees, as a donation for a nonprofit, or as prize money. It falls into one of those three buckets and is not revenue. While there is no dollar amount tied to local government fiscal notes, this would result in lost gross gaming tax. We are trying to solve an unintended consequence of taxing casinos for tournament entry fees where casinos have generated no income. Please note that we do have a friendly amendment that will be explained by copresenter Michael Alonso. This is posted on the Nevada Electronic Legislative Information System as the 2nd Reprint of the bill. I would like to hand it over to Michael Alonso.

Michael Alonso, representing Caesars Entertainment:

I am here in support of $\underline{S.B.266}$ (R2). I want to thank Senator Pazina for sponsoring the bill for the Nevada Resort Association. There are other members of the Nevada Resort Association also here in the audience in support.

Prior to the 2019 Legislative Session, entry fees paid by patrons for the right to enter contests and tournaments were not taxable. In 2019, the Nevada Gaming Control Board backed a bill passed by the Legislature, and the Nevada Resort Association worked with them, and then it

became apparent to us in the interim period that there was an interpretation issue on whether these portions of the entry fees were taxable. We are talking about fees the customers know about when they come into the tournament. They are paying an entry fee to play in the tournament that goes to the prize pool. They are paying an additional fee for employee compensation because tournaments and contests are different from cash games. If it is a charitable tournament, they are paying a fee to the charity that then goes to the charity. We are a conduit for that. The same thing is true with the marketing and also the guaranteed prize pools. That is what we are doing in trying to clean this up.

We worked with the Nevada Gaming Control Board prior to this legislative session to come up with this language. The language is specific to those four buckets. The language also has backstops that if the fees are not used for their intended purpose, then we have to take them into revenue and pay tax on them.

The other portion of the bill, section 1.5, was amended in the bill on the Senate side. This was one part of the Boyd School of Law, University of Nevada, Las Vegas annual bill that was proposed by law students to modernize one of the foreign gaming statutes, and it makes the filing requirements more streamlined. There were other portions of that bill that did not make it through. We tried to save this piece of the bill for the law students, and the operators and the gaming equipment manufacturers also appreciate the modernization. The foreign gaming statute was originally enacted in 1977, and the last time it was amended was in 1997. It is trying to streamline the paperwork that is required to be filed with the Nevada Gaming Control Board. I would be happy to answer any questions.

Chair Monroe-Moreno:

Did you say you have a new amendment?

Senator Pazina:

The amendment that I was referring to as a friendly amendment is part of the 2nd Reprint that was adopted in the Senate. That is part of the bill. Full transparency, Speaker Yeager had mentioned adding an amendment on the floor, but that has not happened yet and is not part of the bill that is presented today.

Chair Monroe-Moreno:

Members, are there any questions?

Assemblywoman Brown-May:

I want to get some clarity around a form that exists currently that delineates each one of the fees and where it goes. When you are the person who is paying an entry fee, you already know where each one of the portions of the entry fee is being allocated, whether it is to the nonprofit organization or the fee to actually participate. Is that correct?

Michael Alonso:

Yes, that is correct. Every casino does it slightly differently, but what they call the form has two purposes—it is there to inform the player, the person who is going to pay the entry fees,

what those fees are being allocated for, and it is there for the audit trail for the Nevada Gaming Control Board.

Chair Monroe-Moreno:

Members, are there any other questions? [There were none.] We will invite anyone to testify in support of S.B. 266 (R2).

Virginia Valentine, President, Nevada Resort Association:

I am here to testify in support of the bill. We appreciate your consideration. I want to thank the sponsor for bringing the bill.

Erin McMullen Midby, Vice President, Government Affairs, Boyd Gaming Corporation:

I will say ditto to what my colleagues have said. We are in support of the bill. Thank you to Senator Pazina for bringing the bill.

Chair Monroe-Moreno:

Is there anyone who would like to testify in opposition to <u>S.B. 266 (R2)</u>? [There was no one.] Is there anyone who would like to provide neutral testimony on <u>S.B. 266 (R2)</u>? [There was no one.] We will ask the presenters whether you have any closing comments. [There were none.] We will close the hearing on <u>S.B. 266 (R2)</u> and open the work session. There were no amendments presented to our Committee and no fiscal note attached to this that would affect the legislation. I would accept a motion.

ASSEMBLYWOMAN BACKUS MADE A MOTION TO DO PASS SENATE BILL 266 (2ND REPRINT).

ASSEMBLYMAN HAFEN SECONDED THE MOTION.

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

THE MOTION PASSED. (ASSEMBLYMEN JAUREGUI, WATTS, AND YEAGER WERE ABSENT FOR THE VOTE.)

I will present the floor statement on this bill. Moving on to the next item on our agenda, I will open the hearing on <u>Senate Bill 368 (2nd Reprint)</u>.

Senate Bill 368 (2nd Reprint): Revises provisions relating to real property. (BDR 10-989)

Senator Dallas Harris, Senate District No. 11:

Thank you for taking your time to hear <u>Senate Bill 368 (2nd Reprint)</u> today. I know this is not the policy committee, but I want to make sure you at least know what the bill does. It creates a process to remove some of the discriminatory language in the housing documents that you may sign as you purchase a house. That language is often in the covenants, conditions, and restrictions (CC&Rs). At one time in our history, the CC&Rs were allowed

to restrict some buyers from purchasing based on various criteria and could state you may not sell to a person based on X, Y, or Z criteria.

What we are going to do with this bill is create a process where you can go to a judge, ask for a petition to direct the county recorder to redact that language moving forward. We want to make sure we are creating a historical record, and we are not going to go back. We want to make sure people know that the language was there. But if that language offends you as a homeowner, you can file a petition to make sure that information is redacted moving forward on that property.

Here is the cool thing and why we are here in the Assembly Committee on Ways and Means. There is a program at the University of Nevada, Reno (UNR) where they are mapping these restrictive covenants. They know exactly where the CC&Rs are. They are working on it right now. They are working on educating the community on the existence of these covenants. If this bill passes, they will work on educating the community on how to proactively remove that language. In fact, there is an interesting provision in this bill that would allow institutions like UNR and the University of Nevada, Las Vegas (UNLV) to file these petitions, especially since they already know where they are. They are going to have to notify the homeowner, and the homeowner will have an opportunity to object.

That is where the fiscal note comes in. Both UNR and UNLV are looking for \$150,000 in each fiscal year, in order to proactively remove these, document the history of structural racism, and provide education and outreach. What we are going to be looking for is salaries for professors and graduate students. It is a great educational experience. I have met some of the members of the team at UNR, and it is cross-disciplinary. They have history students and journalism students all working together on this issue. I also have Mr. Flores here, who might be able to answer some more questions about the program at UNR, if you are interested. I am happy to answer any questions the Committee may have.

Chair Monroe-Moreno:

Thank you for joining us, Mr. Flores. Would you tell us more about the program and what is going on at UNR since we are being asked to put some money into it?

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

Senator Harris covered most of it already in the work that is already happening across the different disciplines at UNR. We are working closely with UNLV on this as well. I do not have detailed information about the research they have been doing, but I know they met with Senator Harris and other members of the Legislature around this work.

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

One of the things that one of our programs is doing at UNR is looking at the covenants that currently exist and doing some data mapping of those. Then they are going into specific zip codes and areas that might have been built earlier and trying to pull those out so we can get

those fixed. There is already some current work being done. This work would help expedite that and partner with UNLV, so that we are covering the entire state.

Chair Monroe-Moreno:

We received the amendment [Exhibit C]. It is coming around to you now, and I will give you a chance to look that over and see whether you have any questions for Senator Harris.

Senator Harris:

What you are looking at is a conceptual amendment drafted by the Legal Division, Legislative Counsel Bureau, which includes the appropriation and a couple of guidelines on the use of the appropriation.

Chair Monroe-Moreno:

Members, look over this amendment quickly because by the sound of it, you all are going to be running down to the Senate Committee on Finance and taking turns presenting bills. I will need a quorum to do a work session. Are there any questions on the amendment? My understanding of the testimony and my review of the amendment is we would need to amend into the bill the appropriated amounts of \$150,000 in fiscal year (FY) 2024 and additionally \$150,000 in FY 2025 for UNR and UNLV. Is it not \$300,000?

Senator Harris:

My apologies. The amount should be \$75,000 for each university in each year, and \$300,000 total over the biennium.

Chair Monroe-Moreno:

Members, are there any questions?

Assemblyman O'Neill:

I was curious; how is this used? You had mentioned that this \$75,000 would be used for salaries. I did not catch the details. How is that broken down? Is that \$75,000 for salaries for the students and information technology equipment?

Senator Harris:

We have a proposed draft budget that I believe was shared with Committee members, but if not, I will make sure that each one of you gets a copy. Yes, there are some faculty expenses as well as stipends for graduate assistants and undergraduate students as well.

Assemblyman O'Neill:

Is it inappropriate for me to ask what those numbers are? Could you break those numbers down for me, please?

Senator Harris:

Absolutely. For UNR, the budget included one faculty course release for Professor Dorman that costs \$22,895.50; and for Professor Andrews it is \$26,626.50. There is one history Ph.D. candidate, so you are looking at \$22,800 times 0.1 in fringe minus some salary savings,

which would be \$5,794.50. A journalism graduate student is \$19,200 times 1.05 for fringe minus salary for a professor. That will be a savings of \$1,760.50. They are going to share an undergraduate research assistant for \$6,048. Five research assistants would cost \$30,240; two judicial assistants would be \$12,096; and one shared history graduate assistant would be \$23,940. They were budgeting \$4,968 for meetings with stakeholders and travel; \$5,000 for consultants; \$4,108 for web hosting; and \$10,000 for microfilm digitization.

For UNLV, the budget included one faculty course release for \$25,980; another faculty course release for a different professor for \$19,959.58; two history graduate assistants at \$28,000; five undergraduate student research intern stipends at \$20 an hour for \$32,000; two undergraduate community research interns at \$20 an hour for \$12,800; partnership with an oral historian, which would be an in-kind contribution; meetings with stakeholders and travel for them at \$1,500; local history consultants at \$1,500; and then publishing costs of \$1,500. These are rough estimates of what a draft budget would be if we were to be funded.

Assemblyman O'Neill:

My math did not go all the way through, but it sounded like you exceeded \$75,000 a year. I assume this balanced out. So, I will accept it.

Sheila Bray:

One side was equaling out for a total of \$150,000 over the two years for UNR and the same thing for UNLV. We can share it.

Assemblyman O'Neill:

You are breaking it down for the 2 years.

Sheila Bray:

We are breaking it down over the two years; the work will be done over 2 years.

Chair Monroe-Moreno:

Members, are there any other questions? We can get you a copy of the document that had those amounts on it so that you will have it. Are there any other questions for the presenters? [There were none.] Is there anyone who would like to testify in support of S.B. 368 (R2)?

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

I am here this evening in support of <u>S.B. 368 (R2)</u> with an official position of support from our Board of County Commissioners. This was an important issue to them. In fact, we had contemplated bringing this bill draft request on our own. We are grateful to Senator Harris. We ask for your support for this appropriation for this program and getting the word out about it. There are education components in here; the word to the community about how they go about getting this language out of their property records will be important to carry it forward. We ask for your support.

Chair Monroe-Moreno:

Is there anyone who would like to testify in opposition to <u>S.B. 368 (R2)</u>? [There was no one.] Is there anyone who would like to provide neutral testimony on <u>S.B. 368 (R2)</u>? [There was no one.] We will ask the presenter whether you have any closing comments. [There were none.] We will close the hearing on <u>S.B. 368 (R2)</u>.

Members, if we would like to work session this bill, we will have to add in the appropriations. It would be \$75,000 in FY 2024 to both UNR and UNLV each, and then again in FY 2025 to both institutions for a total of \$300,000. I will accept a motion.

ASSEMBLYMAN WATTS MOVED TO AMEND AND DO PASS AS AMENDED SENATE BILL 368 (2ND REPRINT).

ASSEMBLYWOMAN PETERS SECONDED THE MOTION.

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

THE MOTION PASSED. (ASSEMBLYMEN BACKUS, JAUREGUI, AND YEAGER WERE ABSENT FOR THE VOTE.)

I will present the floor statement on this bill. We will move to the next item on our agenda and open the hearing on <u>Senate Bill 388 (1st Reprint)</u>.

Senate Bill 388 (1st Reprint): Revises provisions relating to certain public employees. (BDR 23-131)

Senator Melanie Scheible, Senate District No. 9:

Senate Bill 388 (1st Reprint) allows law enforcement officers who are employed by the State of Nevada in their collective bargaining agreements, to bargain with their employers to have the employer pay part of their portion of the Public Employees' Retirement System (PERS) contribution the same as local jurisdictions are already able to do. The purpose of the bill is to create more parity between the two and help to decrease the vacancy rate in our state law enforcement offices. There is no fiscal note on the bill. It simply allows for the bargaining to take place. It would be up to individual departments or agencies to budget for that accordingly. I am happy to answer any questions.

Chair Monroe-Moreno:

Members, are there any questions? My career was in law enforcement, and I appreciate the ability to bargain, but I know I am here in the state, and we must treat all of our employees the same. Could you tell me why you would open this option up to only law enforcement, and if it was going to be collective bargaining, why not to all state employees?

Senator Scheible:

Because we see a specific problem with law enforcement officers and agencies where law enforcement officers start their career at the state. They go through one of the state

Peace Officers' Standards and Training Commission (POST) academies, for example with the Nevada State Police, and then they go to work for other law enforcement agencies and the local agencies including those in our more populous counties. One of the things that I myself, along with Nevada Association of Public Safety Officers and the Nevada Police Union heard over and over in talking to these individuals who have left state service to go to local service, is that they are able to have the local agencies pay for their PERS contribution, and it seems to be a big factor in their decisions. The purpose of <u>S.B. 388 (R1)</u> is to eliminate that disparity and put the state in a stronger position, specifically to recruit more law enforcement officers where we have a severe shortage.

Chair Monroe-Moreno:

I appreciate that explanation. Members, are there any questions for the presenter? [There were none.] Is there anyone who would like to testify in support of S.B. 388 (R1)?

Richard P. McCann, representing Nevada Association of Public Safety Officers; and Nevada Law Enforcement Coalition:

We are here in support of <u>S.B. 388 (R1)</u>. I will ditto everything that the Senator has said. I cannot say it any better.

Brady Easterling, Political Action Department, American Federation of State, County and Municipal Employees, AFL-CIO:

For the record, the American Federation of State, County and Municipal Employees, AFL-CIO is in support of <u>S.B. 388 (R1)</u>.

Chair Monroe-Moreno:

Is there anyone who would like to provide testimony in opposition to <u>S.B. 388 (R1)</u>? [There was no one.] Is there any testimony in the neutral position?

Matthew Tuma, Deputy Director, Department of Administration:

We do have a fiscal note on this legislation for the Division of Human Resource Management (DHRM), Department of Administration. There are two aspects to this fiscal note on the implementation of it. One relates to implementing these changes to our current payroll system. In total transparency, this would be the cost of making these various changes in our current payroll system, which is the Advantage System. The Committee is aware of Assembly Bill 468; the Enterprise Resource Planning System appropriation. The plan is to replace the current payroll system during the next biennium. Any changes associated with our current planning system may not be in effect related to that appropriation as well.

The other aspect of this fiscal note is an additional staff member for DHRM, due to this bill increasing the complexity of collective bargaining in the negotiation phase, as well as in the execution phase of adding an additional variable and mandatory bargaining subject that the DHRM would be responsible for negotiating on behalf of the state as well as implementing. I am available for any questions.

Chair Monroe-Moreno:

Members, are there any questions? [There were none.] There is legislation moving through the body right now that was contemplated by this Committee that would change the PERS contribution for all state employees. We are hoping that the Governor signs it. There were fiscal notes attached with that legislation as well, correct?

Matthew Tuma:

No, we did not have a fiscal note attached to that legislation. One of the main reasons being is that the change would be ubiquitous across all state employees. One of the caveats here would be that we would be adding different levels of potential compensation and different levels of benefits, depending on the group of employees that we would be talking about. It would not be ubiquitous across all employees. There is a level of complexity that the DHRM would have to oversee, manage, and communicate.

Assemblyman O'Neill:

You partially got to where my question is, and the response with this being for law enforcement and the complexity about which you were talking. Does it damage any of the stability of PERS and put PERS at any risk? Because if I understand correctly, you would not be part of the bargaining unit, would you?

Matthew Tuma:

I would defer to PERS to be the authority on what would affect them. My reading of the legislation would be that there is an intention to fully fund the PERS contribution that is required for every filled full-time-equivalent position with this legislation. It is a matter of how that is going to be done on an employee group basis. Some employee groups could potentially have a lower PERS contribution but also a commensurate lower cost of living adjustment with this legislation. There would be different playing fields for each potential bargaining unit and what they could collectively bargain around. Any of those agreements would have to go through the process of being approved through the State Board of Examiners and be funded by the Legislature in the future. There is that potential for variance across all of these entities.

Chair Monroe-Moreno:

Would PERS come up and speak about how those changes would affect the PERS system?

Tina Leiss, Executive Officer, Public Employees' Retirement System:

This would not affect PERS because the law already provides that when there is a contract contribution rate increase, the employees' portion can be paid either through a reduction of salary, which is what the state does, or in lieu of a promised pay increase, which is what local government does.

The statute already provides for this. This bill is allowing state employees to collectively bargain which of those two choices are being made. It would not affect us. We get the same contributions in, and some employers already do it the other way.

Assemblywoman Kasama:

To clarify the record, with our current system, this would not increase the employer's contribution, is that correct?

Tina Leiss:

It does not increase the employer's contribution. It increases the employee's salary because now a reduction is not paying the employee's portion, it is being paid in lieu of a promised pay increase. For instance, if there is going to be a 1 percent increase in our contribution rate, then the employee pays half a percent. The employer pays half a percent. Under the reduction, that half a percent is a reduction of salary. Under the other method, the employer is saying, we were going to give you a half a percent pay increase, in lieu of that, that is going to your portion of the contribution rate. The employee would not see the change in the contribution rate. I said that is the way local government does it, but not always.

Chair Monroe-Moreno:

Members, are there any other questions? [There were none.] We have gone through support, opposition, and neutral testimony. I will ask whether you have any closing comments.

Senator Scheible:

I want to apologize for forgetting about my fiscal note. I hope you know that even if I thought I could get away with telling you there is no fiscal note when there was, I would never do that. I have seen this fiscal note, and I did understand the request that they are making. It would depend on what happens with that other bill and the funding for the information systems in total as well as what goes on with other things in PERS. I do think that it is a minimal impact to the bottom line for the State General Fund, but of course nothing is free. Thank you for hearing my bill.

Chair Monroe-Moreno:

We will close the hearing on <u>S.B. 388 (R1)</u>. Moving to the next item on our agenda, we will open the hearing on <u>Senate Bill 467 (1st Reprint)</u>.

Senate Bill 467 (1st Reprint): Makes an appropriation to the Department of Taxation for the relocation of its Carson City office. (BDR S-1154)

Shellie Hughes, Executive Director, Department of Taxation:

I have with me tonight Joy Grimmer, Administrative Services Officer, and she will be presenting Senate Bill 467 (1st Reprint).

Joy Grimmer, Administrative Services Officer, Department of Taxation:

<u>Senate Bill 467 (1st Reprint)</u> is a one-shot appropriation from the State General Fund to the Department of Taxation for the relocation of its Carson City office in the amount of \$1,415,085. This concludes my testimony. We will be happy to answer any questions.

Chair Monroe-Moreno:

To make sure I am understanding correctly, is this for the relocation to the Harley-Davidson building?

Shellie Hughes:

That is correct.

Chair Monroe-Moreno:

Those costs were associated with the approval of the Capital Improvement Program, and this is still needed because we have already passed legislation with the funding for the Harley-Davidson building in another piece of legislation.

Joy Grimmer:

Yes, the funding would be needed to set up the office with cameras, security barriers, and customer service windows. Funding would also be needed to relocate the furniture from our existing office that we have been in since 1995. We have to take the furniture out of it before we leave it, and then we will relocate the cameras from there to the new location.

Chair Monroe-Moreno:

Members, are there any questions? [There were none.] We will move to testimony in support for $\underline{S.B.467}$ (R1). Is there anyone who would like to testify in support? [There was no one.] Is there any testimony in opposition? [There was none.] Is there any testimony in the neutral position? [There was none.] Are there any closing comments? [There were none.] I will close the hearing on this bill and open the work session. Members, the appropriation is in the bill. We do not have to make any amendments. I will entertain a motion.

ASSEMBLYWOMAN BACKUS MADE A MOTION TO DO PASS SENATE BILL 467 (1ST REPRINT).

ASSEMBLYWOMAN PETERS SECONDED THE MOTION.

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

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

I will present the floor statement on this bill. Moving to the next item on our agenda, I will open the hearing on <u>Senate Bill 469</u>.

Senate Bill 469: Makes an appropriation to the Nevada Gaming Commission for employee training and registration fees for conferences. (BDR S-1161)

José Torres-Landeros, Senior Research Specialist, Nevada Gaming Commission:

The Nevada Gaming Commission Chair Jennifer Togliatti asked that I share the following information with the Committee. <u>Senate Bill 469</u> seeks an appropriation of \$17,680 to the Nevada Gaming Commission for employee training and registration fees related to gaming conferences. Before the COVID-19 pandemic, the training category of the Nevada Gaming Commission budget was more substantial. Due to the impact of the pandemic, the funding was significantly reduced as traveling to conferences was suspended.

<u>Senate Bill 469</u> aims to restore necessary funding to support training and gaming conferences for the Commission. In the past, Commissioners have participated in key industry events such as the Global Gaming Expo and the University of Nevada, Las Vegas International Gaming Institute conference on gambling and risk taking. As regulators of Nevada's gaming industry, it is crucial for the Commission to remain well informed about the practices and developments in other gaming jurisdictions. These training sessions and conferences offer invaluable learning opportunities. I am available to address any questions from the Committee.

Chair Monroe-Moreno:

Members, are there any questions? [There were none.] We will move to testimony in support of <u>S.B. 469</u>. Is there anyone who would like to testify in support? [There was no one.] Is there any testimony in opposition? [There was none.] Is there any testimony in the neutral position? [There was none.] Are there any closing comments? [There were none.] I will close the hearing on this bill and open the work session. Members, the appropriation is in the bill. We do not have to make any amendments. I will entertain a motion.

ASSEMBLYWOMAN BACKUS MADE A MOTION TO DO PASS SENATE BILL 469.

ASSEMBLYMAN WATTS SECONDED THE MOTION.

Is there any discussion on the motion?

Assemblyman Watts:

I wanted to congratulate Mr. Torres-Landeros on a job well done. Congratulations on your new role. Thank you for all of your service that you provided to the Legislature previously, and I wish you well.

Chair Monroe-Moreno:

We have a motion.

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

I will present the floor statement on this bill. Moving to the next item on our agenda, I will open the hearing on Senate Bill 475 (1st Reprint).

Senate Bill 475 (1st Reprint): Makes appropriations to and authorizes the expenditure of money by the Department of Employment, Training and Rehabilitation for the replacement of computer hardware and associated software. (BDR S-1175)

Josh Marhevka, Deputy Director, Department of Employment, Training and Rehabilitation:

I am going to have our Chief Financial Officer, Kristine Nelson, present this bill.

Kristine Nelson, Chief Financial Officer, Department of Employment, Training and Rehabilitation:

I am here this evening to present to you <u>Senate Bill 475 (1st Reprint)</u>, which makes one-shot appropriations to and authorizes expenditures of money for the replacement of computer hardware and associated software [<u>Exhibit D</u>] pursuant to the Division of Enterprise Information Technology Services, Department of Administration's replacement schedule.

Section 1 requests appropriations from the State General Fund in the sum of \$8,840 for the Commission on Postsecondary Education budget. Section 2, subsection 1 requests appropriations from the General Fund in the sum of \$19,907 for the Bureau of Vocational Rehabilitation, Department of Employment, Training and Rehabilitation for the replacement of computer hardware and associated software. Section 2, subsection 2 requests authorization of \$73,546, not appropriated from the General Fund or State Highway Fund, for the Bureau of Vocational Rehabilitation budget for the replacement of computer hardware and associated software. Section 3 requests an appropriation from the General Fund in the sum of \$2,117 for the Nevada P20 Workforce Reporting budget for the replacement of computer hardware and software. That concludes my presentation on this bill, and we will answer any questions.

Chair Monroe-Moreno:

Members, do you have any questions on the presentation for these one-shot appropriations? The appropriations were added in. You see them in the 1st Reprint amended on the Senate side; we will not have to do any amending to the bill here. Are there any questions for the presenters? [There were none.] We will move to support for <u>S.B. 475 (R1)</u>. Is there anyone who would like to testify in support? [There was no one.] Is there any testimony in opposition? [There was none.] Is there any testimony in the neutral position? [There was none.] Are there any closing comments? [There were none.] I will close the hearing on this bill and open the work session. Members, the appropriation is in the bill. We do not have to make any amendments. I will entertain a motion.

ASSEMBLYWOMAN BACKUS MADE A MOTION TO DO PASS SENATE BILL 475 (1ST REPRINT).

ASSEMBLYMAN WATTS SECONDED THE MOTION.

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

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

I will present the floor statement on this bill. Moving to the next item on our agenda, I will open the hearing on Senate Bill 480 (1st Reprint).

Senate Bill 480 (1st Reprint): Revises provisions relating to the Division of Forestry of the State Department of Conservation and Natural Resources. (BDR S-1105)

James Settelmeyer, Director, State Department of Conservation and Natural Resources:

<u>Senate Bill 480 (1st Reprint)</u> is an appropriation of \$14,967,394 for an unanticipated shortfall in the firefighting costs last year and also the projection for the remaining cost for the rest of this year. That being said, we have Kacey KC here who is the State Forester Firewarden if there are any questions. One of the things that was also recommended in the Senate, which we agree with, is the concept of an audit to see whether we can get out of the practice of being too far behind on bills and to make sure everyone understands the process of how the bills work. I stand for questions if you want, or I could have the State Forester Firewarden provide more discussion.

Chair Monroe-Moreno:

I am interested in the audit. I was surprised at how far behind we are in getting money when we fight a fire. If someone could speak to that; what would an audit do to improve the situation?

James Settelmeyer:

A lot of discussion comes in when fighting fires. During a legislative session, sometimes resources are scarce, and sometimes they try to save a penny by putting off the cost until later. Then we have to come back during the interim and ask for funds. I will let Kacey KC follow up with that.

Kacey KC, State Forester Firewarden, Division of Forestry, State Department of Conservation and Natural Resources:

There are a couple of things. First of all, there are delays in receiving the bills. We pay for all the bills coming in from the local governments and federal government. We have to receive them in order to pay for them. The other issue, which I have spoken to you all about before, is we start out with \$4.5 million in our State General Fund bank account, but we spend about \$20 million a year on firefighting. We do actually get money back in, and all of these expenses are reimbursable. I have to pay everything upfront in order to get reimbursed on the back end. Some of the delays in getting reimbursements are that if I am sitting on bills waiting for funds from the Interim Finance Committee Contingency Account or a supplemental appropriation, I cannot pay those bills until I receive the funding. Then I pay the bills, and then I can seek reimbursement.

There are quite a few factors in this budget account that make it challenging. A lot of our bills are caught up right now. We are as caught up as we have ever been. We have six people in our billing unit. The online billing system is working, and local governments are using it, and bills are coming in a lot faster. The issue right now for us is on the federal government's side. They have few employees as everybody is faced with that challenge. Payments are coming in much slower than we have seen historically.

Chair Monroe-Moreno:

I want to say thank you for what you do. You are an amazing asset to the state of Nevada, and the Director is lucky to have you. Members, are there any questions? [There were none.] I am looking forward to seeing the audit. We will move to testimony in support of <u>S.B. 480 (R1)</u>. Is there anyone who would like to testify in support? [There was no one.] Is there any testimony in opposition? [There was none.] Is there any testimony in the neutral position?

Shannon Riedel, Chief Deputy Legislative Auditor:

As legislative staff, we do not advocate for or against any particular legislation. We are here today to testify in the neutral position regarding the audit that is required under <u>S.B. 480 (R1)</u>. In the fiscal note, you see we do not require any additional resources to perform this audit. It would simply take the place of another audit that would have been performed on our audit schedule during the biennium. If you have any questions, I would be happy to answer them if I can.

Chair Monroe-Moreno:

I only have one question. If you had more staff in your Division, would you be able to do all the audits that we are requesting without putting off audits for another year if you had the manpower?

Shannon Riedel:

Our audits tend to take a period of time, and that depends on the makeup of our office and staff who have more experience or less experience. That dictates how well we can work through that audit cycle in any given biennium. We are adequately staffed at the moment to perform our audit cycle in a normal biennium. The makeup between having less difficult audits and more difficult audits tends to determine whether we get through the whole cycle in the biennium or not. We are adequately staffed at the moment. We have had some turnover over the past couple of years, and we have continued to hire staff. At this point now, we are trying to train and get people up and running so that we can do the audits as efficiently as possible.

Chair Monroe-Moreno:

I will ask our presenters whether you have any closing comments before we close the hearing? [There were none.] We will close the hearing on $\underline{S.B.480}$ (R1). The appropriation amounts are already included in the 1st Reprint of the bill. We do not have to make any amendments. I will entertain a motion.

ASSEMBLYWOMAN BACKUS MADE A MOTION TO DO PASS SENATE BILL 480 (1ST REPRINT).

ASSEMBLYWOMAN PETERS SECONDED THE MOTION.

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

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

I will present the floor statement on this bill. Moving to the next item on our agenda, I will open the hearing on <u>Senate Bill 492 (1st Reprint)</u>.

Senate Bill 492 (1st Reprint): Makes appropriations to the State Department of Conservation and Natural Resources for the replacement or purchase of certain information technology, vehicles and equipment. (BDR S-1169)

James Settelmeyer, Director, State Department of Conservation and Natural Resources:

<u>Senate Bill 492 (1st Reprint)</u> makes appropriations to the State Department of Conservation and Natural Resources for replacement purchases of certain information technology equipment and things of that nature. We are following the *State Administrative Manual* (SAM) related to the replacement schedule for technologies handled by the Division of Enterprise Information Technology Services, Department of Administration. Within SAM, as certain computer hardware and software gets old, it needs to be replaced.

As far as the vehicles are concerned, we are following the policy of replacing vehicles over 10 years old. Also, if a sedan has over 100,000 miles, or a truck, van, or SUV has over 125,000 miles, it should be replaced. All of our vehicles that are being replaced are within this or beyond those limits. The other committee asked us to look at the concept of fleet services. None of these vehicles are offered by our fleet services because they are one-ton trucks, fire trucks, and things of that nature.

One of the other major items that is included in this request is a Huey helicopter that is important to mention. What we are seeking to do is replace the helicopter that is 53 years old and has over 5,000 airframe hours. It was purchased as military surplus from the federal government, and the federal government has red tagged it, meaning that if a federal employee needs to be flown, they are not allowed to be in it because we are told no, it is too dangerous for them to be inside of the old helicopter. The new helicopter is a used one. It costs us far less to run per hour because finding parts for a 53-year-old Huey is difficult. Sometimes parts have to be manufactured. That is another major ticket item here.

For some reason in the past, it used to be that all the different divisions in the Department had their own one-shot appropriation bill. This time, they decided to save you a lot of time by putting them all in one bill. That is eight divisions in four stand-alone programs that are

replacing vehicles and equipment. That is why the bill is lengthy and unfortunately costly. I stand for questions at this time.

Chair Monroe-Moreno:

Did you say that our helicopter is 53 years old?

James Settelmeyer:

We can have the State Forester Firewarden come up. They have three helicopters in the fleet. This is replacing the oldest one, which they tend to not fly often. I was lucky enough or unfortunate enough to do some flood investigation in the newest helicopter, which luckily is 2 years younger than I am, which is not that young, but I will leave it at that.

Chair Monroe-Moreno:

Members are there any questions for the presenters on S.B. 492 (R1).

Assemblywoman Peters:

I am glad to see this. It was stressing me out last session. I am glad that we are able to look at this and hopefully move this forward.

Chair Monroe-Moreno:

Members, are there any other questions? [There were none.] We will move to testimony in support of <u>S.B. 492 (R1)</u>. Is there anyone who would like to testify in support? [There was no one.] Is there any testimony in opposition? [There was none.] Is there any testimony in the neutral position?

Unidentified Caller:

I am calling in neutral, I guess you would say. I am all for them getting a new helicopter. Yes, please do. You should not be flying a 53-year-old bird around Nevada. I agree with that. My only problem in making investments into certain information technologies, vehicles, and equipment would be anything that would involve any kind of weather modification, geoengineering, atmospheric alterations, or any equipment that has to do with that level of conservation through some of the newer initiatives. I have a problem with anything being invested in that, but I am all for them getting a new helicopter and getting the equipment and everything that they need to monitor and sensor and keep us informed on our air quality and different things like that. I have to oppose anything that has to do with weather modification or geoengineering for reasons which I do not have time to present here. I appreciate you giving me the opportunity to call in the neutral position. Please get a new bird.

Chair Monroe-Moreno:

Is there anyone else who would like to provide neutral testimony? [There was no one.] Are there any closing comments? [There were none.] I will close the hearing on this bill and open the work session. Members, the appropriation is in the bill from the Senate side. We do not have to make any amendments. I will entertain a motion.

ASSEMBLYWOMAN PETERS MADE A MOTION TO DO PASS SENATE BILL 492 (1ST REPRINT).

ASSEMBLYWOMAN JAUREGUI SECONDED THE MOTION.

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

THE MOTION PASSED UNANIMOUSLY.

I will present the floor statement on this bill. Moving to the next item on our agenda, I will open the hearing on <u>Senate Bill 495 (1st Reprint)</u>.

Senate Bill 495 (1st Reprint): Makes appropriations to and authorizes the expenditure of money by the Division of Child and Family Services of the Department of Health and Human Services for the replacement of computer hardware and associated software, equipment and vehicles and for deferred maintenance projects. (BDR S-1186)

Melanie Young, Deputy Administrator, Division of Child and Family Services, Department of Health and Human Services:

<u>Senate Bill 495 (1st Reprint)</u> makes appropriations and authorizations in the amount of \$2,791,834 to the state for expenditures for the Division of Child and Family Services, Department of Health and Human Services' deferred maintenance at all the facilities, information technology, equipment replacement, necessary software, vehicle replacements, and other various equipment replacement and equipment purchases. Instead of going through all 14 sections of the bill, I stand ready to answer questions.

Chair Monroe-Moreno:

Members, are there any questions? [There were none.] The bill was amended. We have the 1st Reprint in front of you. It was amended in the Senate to include the appropriations and authorizations necessary for passage. Is there anyone who would like to testify in support of S.B. 495 (R1)? [There was no one.] Is there any testimony in opposition? [There was none.] Is there any testimony in the neutral position? [There was none.] Are there any closing comments? [There were none.] I will close the hearing on this bill and open the work session. Members, the appropriations and authorizations are in the bill. We do not have to make any amendments. I will entertain a motion.

ASSEMBLYWOMAN BACKUS MADE A MOTION TO DO PASS SENATE BILL 495 (1ST REPRINT).

ASSEMBLYWOMAN JAUREGUI SECONDED THE MOTION.

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

THE MOTION PASSED UNANIMOUSLY.

I will present the floor statement on this bill. Moving to the next item on our agenda, I will open the hearing on Senate Bill 498 (1st Reprint).

Senate Bill 498 (1st Reprint): Makes appropriations to the Division of Museums and History of the Department of Tourism and Cultural Affairs for the replacement and purchase of computer hardware, software and related services, office furniture, equipment and vehicles and for deferred maintenance projects. (BDR S-1132)

Sarah Coffman, Assembly Fiscal Analyst:

<u>Senate Bill 498 (1st Reprint)</u> makes State General Fund appropriations to the Division of Museums and History, Department of Tourism and Cultural Affairs for several replacement pieces of equipment, computer subscription services, deferred maintenance, surge protectors, and other replacement vehicles.

This bill was heard and amended in the Senate Committee on Finance. I would be happy to answer any questions.

Chair Monroe-Moreno:

Members, do you have any questions on this bill? [There were none.] Is there anyone who would like to testify in support? [There was no one.] Is there any testimony in opposition? [There was none.] Is there any testimony in the neutral position? [There was none.] I will close the hearing on this bill and open the work session. Members, the appropriation is in the bill. We do not have to make any amendments. I will entertain a motion.

ASSEMBLYWOMAN BACKUS MADE A MOTION TO DO PASS SENATE BILL 498 (1ST REPRINT).

ASSEMBLYWOMAN JAUREGUI SECONDED THE MOTION.

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

THE MOTION PASSED UNANIMOUSLY.

I will present the floor statement on this bill. Members, we have a few bills that were added to the agenda, one was Assemblyman O'Neill's and the other was Senator Neal's bill. We are going to go ahead and open the hearing for <u>Senate Bill 450 (1st Reprint)</u>, which establishes a program for the relocation of persons residing in the Windsor Park neighborhood of the City of North Las Vegas.

Senate Bill 450 (1st Reprint): Establishes a program for the relocation of persons residing in the Windsor Park neighborhood of the City of North Las Vegas. (BDR S-794)

Senator Dina Neal, Senate District No. 4:

As part of my testimony, I wanted to show this eight-minute video, and then I can answer questions.

[Senator Neal showed the 8-minute video <u>Exhibit E</u> that can be requested from the Legislative Counsel Bureau Research Library.]

<u>Senate Bill 450 (1st Reprint)</u> is about those last 90 houses. It is about fixing those homes, relocating those residents to another plot of land, and then giving them the justice that they should have received back in the 1990s. The 45 homes, which were part of phase two, are the reasons why those residents did not move. They did not move because the 45 homes were poorly built.

In the Senate Committee on Revenue meeting, I put on the record that the paint was peeling within 2 years. The 45 houses did not have a front yard, and their tubs were peeling. I am assuming it was tub paint because I do not know how tubs peel. This is all cited in the city council minutes [Exhibit F, Exhibit G, Exhibit H, and Exhibit I]. This bill allocates \$12 million from the State General Fund and \$25 million in American Rescue Plan Act of 2021 (ARPA) funds. The City of North Las Vegas would be required to repay the state over a period of four years for the \$12 million in General Funds. The original version of the bill had a different mix or a different arrangement. The reason we did it this way is because there was opposition from the City related to this bill, and later they came in support, but it was more like opposition. I did not feel that they would fund the \$20 million, and we would have to wait even longer and then wage a whole other battle. We rearranged the bill and put in some protections for the residents around moving expenses. We were using the existing Community Development Block Grant (CDBG) dollars that were left over in the City. Based on the hearings that we have had, they have \$2.7 million in CDBG dollars.

Also in the hearing, I found out the City has Federal National Mortgage Association (Fannie Mae) dollars from 1998, which were supposed to have generated \$300,000 a year since 1999. Fannie Mae came in and bought general obligation bonds from the City. The expectation is that those funds will be used and hopefully we will get some more transparency around those Fannie Mae dollars that we see in budget line items in their public budgets, but it is not actually clear how much is being generated from the Fannie Mae bonds. With that, I will open myself up to questions.

Chair Monroe-Moreno:

Thank you, Senator Neal, for the testimony and the video presentation. Would you give me the numbers again for the CDBG and Fannie Mae funds?

Senator Neal:

The Fannie Mae bond was a 1999 bond. The City of North Las Vegas sold a \$4 million general obligation bond and Fannie Mae purchased it around July of 1999. According to the documents, it was supposed to generate \$300,000 every year. From the current budgets up to 2023, the 1998 bond is still cited in the publicly adopted budgets of the

City of North Las Vegas. We know that it still exists. We are not clear on how much money is being generated because year to year, it shows different amounts. From the testimony in the Senate Committee on Revenue hearing, there are three budget accounts in the City budget for the CDBG dollars at a total amount of \$2.7 million.

In the documentary, it said there was \$5.4 million. I have documentation that it was \$6.75 million. Then additional money was generated from the bond, which equated to \$14 million. The expectation is that the Fannie Mae and the CDBG dollars that are listed in this bill will then assist with the moving expenses and restitution payments that are associated with these families, because the last 90 houses should still be eligible for the \$50,000 relocation. However, because this would be a new property with new taxes and new home insurance, I specified in the bill that some of that \$50,000 has to go toward that new tax payment and new home insurance because I do not want the families to be in a situation where they cannot afford it. I need that money to revert to that. I am limiting the use of those funds.

The other piece of the bill allows a \$10,000 restitution payment to the 45 homes that happened to be the colloquialism of the area that is called the baby Windsor homes. Those are the 45 houses that I established through city council minutes where citizens came to the City of North Las Vegas and reported that their homes were built poorly and had bad paint. They asked the City to talk to the developer that happened to be DASCO Development, LLC. In a regular home, the front doors face the street, but in their homes, their front doors face each other. You walk out and this is your neighbor's front door. DASCO said that they built them that way because the setback did not allow them to build the homes appropriately where you would have a door facing the front. These houses did not end up with a front yard. They ended up with a smaller piece of property than what the others currently have. The current Windsor Park homes have a 6,000 square foot lot, even though they might have a smaller home, like a three-bedroom, one-bath home, but they were not given the equivalent size home.

We know that we need 20 acres in order to move them, and the idea is to move them as a census group. The reason is because they are still families trying to find land that is close by because a lot of them still attend local churches. There are two churches in the area—Greater Faith Baptist Church, and then there is a church on Clayton Street, North Las Vegas. There is C V T Gilbert Elementary School, a magnet school on West Cartier Avenue, and some of the residents have children who go to that magnet school. To disrupt them in entirety, 3 decades later, is not of interest.

We have new residents who have moved into the neighborhood since we have had the hearing. There is a mix now of African American and Latino residents who live there. Latino families have moved in there because they were somehow duped and not told that these houses were not suitable. We found out that certain people lied about the inspections or the appraisals because they now have stories of their back walls falling down. One Latino resident says if she puts anything on her countertop, it slides. Recently, because the bill had been getting traction, I had a young mother who contacted me who purchased her house on November 9, 2021. She found me from Defend Our Future. I looked her up, and she bought

a house in Windsor Park, and she thought it was called Winslow Park. Her grandmother was telling her this is Windsor Park, and these are the sinking neighborhoods. It turns out that she got an inspection. She went through a Homebuyers Assistance Program. She had a realtor, and she sent me all of the paperwork that shows that she had a home inspection. She had an appraisal. I do not know how this happened, but she also received down payment assistance from the City of North Las Vegas. She sent me the documentation. There were U.S. Department of Housing and Urban Development, Housing Assistance Payment (HAP) contract funds that were given to her of \$15,000, and she has a second mortgage on the property. The City would have to record the deed on that property because the down payment assistance prevents her from moving within 5 years or she has to repay those funds.

This has been a journey for me. The research took 4 or 5 years, but the action of working with the Boyd School of Law, University of Nevada, Las Vegas, who is in this documentary, has been a 3-year journey. It is important that we try to do something for these families so that new families do not keep moving into this neighborhood. There is no remedy and no way to fix what is going on with their property. We see it, and the community has come together, and this bill represents trying to offer that remedy.

Chair Monroe-Moreno:

I want to make sure I heard you correctly. Did this mom whom you spoke to about purchase a home in Windsor Park in 2021?

Senator Neal:

Yes, November 9, 2021. I pulled her records up in the assessor's records. Her name is Laquanna Sonnier.

Chair Monroe-Moreno:

In pulling up the records on that home, did you find any record of any improvements to the land or to the home before the purchase?

Senator Neal:

No.

Chair Monroe-Moreno:

Members, are there any questions?

Assemblywoman Kasama:

Following up on your question, you said the Latino family had moved there in 2021. I am confused. They moved in and now they purchased a house that is not in good condition, and it has issues. Real estate regulations, *Nevada Revised Statutes* Chapter 645, state that if the seller has intentionally withheld information or lied about the condition of the home when it gets passed on, the buyer has the right to go after the seller for treble damages. These people should immediately be going after the seller who sold this house.

Senator Neal:

This is a person who called me 2 days ago. This is actually an African American female. The Latino residents purchased their homes in 2019, 2017, 2015, and even one purchased a home 15 years ago. The female is the most recent. She is of interest to me because the HAP funds that were given to her from the City of North Las Vegas for down payment assistance have a habitability provision in it. I know that it requires the recording of the second on the property. You have to know which parcel it is and what neighborhood to which it was assigned. She is a mom with small children who works two jobs. Finding this out, I have not pressed her into getting a lawyer because I was trying to get her documentation. I asked her to send me everything. She sent me her realty company information. She sent me her email chain of who she worked through in order to get down payment assistance. Then I checked the assessor's records to make sure her name matched to the property records so I could find the date.

She bought the home from a Latino family who clearly realized that this was not a good property, and then sold it. It was sold for \$224,000 to her. Within a year of moving in, she had to replace the roof. She has discovered cracks and other problems that were going on in the property, but she did not know about these when she purchased the home. She thought she could call her home insurance company, and this would all be settled. They told her that these are things that you should have identified in your inspection when you had the appraisal. She did have an appraisal. They asked whether she had an inspection. She said it was all digital. There is a deeper discussion there around how these homes are being sold and how they are taking advantage of people and the knowledge that is in place. I will leave it there.

Assemblywoman Kasama:

For every home that is sold, per our statutes, there is a form called a Seller's Real Property Disclosure Form, and that is a requirement in any transaction and must be filled out by the seller. If they withhold information or do not say that they have had settling issues or things like that, then that is something that can be pursued, and the previous homeowner is liable for treble damages for that. That is a first recourse when people know that there is an issue with the home. They should be following up on that with the seller of the property. We already have regulations that take that into account when these things happen. That is just information.

Senator Neal:

I have turned into a social advocate/legislator in this particular instance. I will have to figure out how to direct her towards her legal remedy. I believe you that she is squarely within a potential legal remedy. She called me because she was afraid that if she were to participate in this program under this bill that she would have to pay back the City of North Las Vegas for the down payment assistance that they gave her to move into the home.

Chair Monroe-Moreno:

Not everyone is in a good financial position. If this homebuyer had to use a program to help her be a first-time homebuyer to get into the home, I am sure she may not have the other

assets sitting in a bank account or a trust account or a bond that she could cash in to pay for an attorney to fight for her rights and may even be unaware of her rights. People may not know that they were moving into what I would call a sick home, and a sick neighborhood. It sounds like Assemblywoman Kasama could be their advocate to help out the neighbors and that community.

Assemblywoman Backus:

I watched the video and your first presentation of this and was moved by this project. I was thinking of the logistics. A lot of these people, unlike Ms. Sonnier, are probably barred from any claim to bring an action against the prior seller due to the statute of limitations because it sounds like a lot of them have been there for many years. I know, unfortunately, someone has to hire an attorney, usually it is hourly, and it is impossible with these cases. I have two questions. One, I was trying to think whether there needed to be an amendment to this with respect to addressing the situation of dealing with the second mortgage. I was not sure because I started thinking of the HAP funds linked to federal funds, and I saw that as a headache. But if it were paid off then I guess that would be removed.

Senator Neal:

I did deal with that in this bill. I am trying to figure out where the Legal Division, Legislative Counsel Bureau added it, but we added a provision about how it would be handled if they had any down payment assistance. I cannot deal with all of the issues, but at least I tried to protect what I knew and any of the corporate entities that may exist over there. Since this bill has come about, I have had calls from realtors whom I do not know, who are claiming that they are a listing agent for potential property and then saying that they own a property, but their name does not match the assessor's records. They ask if the City then is going to sell to these predators. I have also put a provision in the bill to guard against them ever coming in and believing that there is a remedy for them because it will not exist. We know that some of the homeowners have rented their houses to family members. I have the protection in there that you also have to be able to produce either that city council record related to you either being initially a part of the set or your assessor's record, your deed, or anything that is associated with a trust showing your relationship to this property. I am trying to guard against what ended up happening after I presented this bill. People are interesting and predatory.

Assemblywoman Backus:

I noticed there was already another property that was specific that was being considered. I did not know if that was available. I know in North Las Vegas and throughout, there are a lot of weird soil problems going on out there. I saw that you even provided conditions for engineers to make sure that the land that they build on is adequate for the homes.

I trust your math. I am sure the money that you put in here is going to be adequate to cover all those costs. Did you talk to a builder?

Senator Neal:

I did, and that is why the sewer, power, and the other utility services are transferred over with the property. That could cost tens of thousands of dollars that would add up in the transfer. We tried to cover everything. In the video, a gentleman was mentioning getting the easement and right-of-way to go onto the existing properties and trying to do anything that we can to eliminate the roadblocks.

Whoever the developer is, this is not going to be a for-profit gain. This is going to be a goodwill gain. This is important. I trust the Housing Division, Department of Business and Industry to do this right. If you have the will to move this bill, we will look at other federal funds that we can tap into for this. The idea is to take the General Fund and the ARPA dollars to try to have the remedy happen faster than having to continue to go through a battle in a fight that I do not know if I have the bandwidth to do. Ms. Annie Walker is in the video, and her church is Greater Faith Baptist Church, and she was one of the original residents where her husband's park is right by Greater Faith Baptist Church because he helped build that church. My interest is to make sure that she is still alive by the time this remedy comes about.

Assemblyman Miller:

Thank you for bringing this forward with the passion that you have. Greater Faith Baptist Church is the church that my granny went to my entire life. I spent a lot of my Sundays at Greater Faith Baptist Church and on other days because that was back when you went to church a lot of the days of the week. I am curious to know whether we have any information about the lenders or the type of lenders and loans that have been given to the more recent buyers. I imagine that traditional lenders are not lending on these properties because there probably are some issues when they go back and do their title searches and all of those things that are required to close to ensure that the property is a safe investment.

Senator Neal:

That is what is disturbing about the whole story as we unravel and find out more because the 2021 purchaser did get a loan. She was qualified. She sent me her paperwork, and I do not understand how this is happening. What I keep hearing is there are potentially young realtors who are making their first dollar off of these homes. That is what has been the common trend. That is the only thing that makes sense, that someone is taking advantage of these families.

That is how I ended up going to law school in the first place. I ended up going to the William S. Boyd School of Law, University of Nevada, Las Vegas because I was looking for a legal remedy. I was saying, I cannot do this by myself. I need someone else who is going to help me figure this out. We talked about the statute of limitations, and we talked about the different ways that we could figure it out. I kept saying there must be a nexus. There has to be a nexus. The nexus is tied to the fact that the original federal money still exists from the 1990s, and because that money still exists, there is a way to tie this to what did not occur then.

Then they said let us look and see whether we can find an attorney who would take the case pro bono. We called a few, and we had some law school interns to assist. We still have two law school interns who are assisting. We have not found anyone who is interested in taking this on for the lender side of it. People are watching this to see whether this bill comes out. We are starting to compile more documentation. When I have a bit more time, I will try to produce a pathway for these people. I believe that we will have to hand that to them. I have done 50 years of research on this project, and because I have been serving at the Legislature, I have not had time to do the data collection that I normally would do, which is go around to gather all the documents and compile them and then produce something. Then sit and say, let us take this class and try to figure out how to deal with these recent homeowners because I do think that there is a different legal remedy for them.

I do not know what is going to happen. I feel like I have taken on a fight that has put me out there, but I am determined to go the distance. I need the time, not in this building, to do my data gathering and research that led me to the 50 years of documentation that I collected because the families have it, and I have told them not to throw anything away. I have asked them to please not talk to anybody who we have not designated for you to talk to. If it is not this set of individuals, do not give them any information because people are popping out of the woodwork; I ask who are you and why are you even associated with this? We are trying to guard these residents as much as possible and tell them these are the only trusted individuals with whom you should be having a conversation.

Assemblyman Miller:

On a point of clarity, if I remember correctly, was there a period of time when they were not lending to borrowers in Windsor Park?

Senator Neal:

Yes, they were redlined. These homes were redlined in 1989, according to the legislative minutes. The City of North Las Vegas came to the Legislature in 1989, and early 1990s. In those legislative minutes, a man named James Hobby said that the homes had been redlined, and the home insurance had been arbitrarily canceled for all of these homes. The families were left without a remedy because their homes started to sink because the groundwater was removed. What I found in the research was that an engineering study was never done, and there was never a geological study done for the area. They did not know that they built on a fault line.

In the documentary video, you saw one of the first African American neighborhoods right after the Fair Housing Act was passed. Here they come building these homes and they did not know it was on a fault line. When the groundwater was removed, the land started to sink. There was a period around 2000 when they started to do a recharge. Then they realized that continuing the recharge started to lift the homes about an inch, but they still needed to keep the water in Lake Mead. They continued to draw the water out, which then continued to exacerbate the problem because these particular homes were on a hill. So, everything started to sink, the sidewalks and streets started to crack, and everything and all of their homes started to separate. The foundations started to separate from the walls and that is the

condition that the current 90 homes are in. The residents only stayed because they continued to fight for the best remedy that they could, and they did not want the solution of the 45 poorly built homes.

Assemblyman Miller:

It seems that if they were at one time redlined and loans were not approved, there would be some history associated with the title of the properties that should come up in a proper title search. My next question is about the habitability inspection that you mentioned for the new loans, and the home assistance program. Is there any information that could be provided about what is entailed in a habitability study that would have revealed whether these homes were safe?

Senator Neal:

I am waiting to get a copy of that appraisal and inspection report. The purchaser sent me her award letter and the email chains. I told her to find her documentation because we need to understand. Then I had it looked at by another agency to see what conditions are associated with the homebuyer's assistance program. That is when I found out that there was a habitability provision associated with the homebuyer assistance program because it comes from Federal Housing Administration loan funds, but it was specific to North Las Vegas, and it was operated from North Las Vegas. It did not come from any other agency. That is why it is of interest to find out what additional information was provided to her because she went through counseling. I saw the paperwork. How do you go through counseling, but no one checked to find out about the house into which you are moving? There was confusion because her grandmother was saying this is Windsor Park. The colloquialism is Winslow Park. She was saying it is Winslow Park, and her grandmother said no, it is the same neighborhood, but she was thinking it is not, but it was, and it is.

Assemblyman Miller:

I know we have the City representatives in the room so maybe they can provide some more information on the habitability piece when they come up.

Assemblywoman Dickman:

Not being an attorney, I hope I can ask this question in a way that makes sense. In section 9.7, the bill says it is unlawful to sell or list for sale any real property intended for occupancy as a residence. When this bill becomes effective, could it be a taking of property by the state?

Senator Neal:

Number one, this is considered a special act. We have the power as a state to do a taking. That is established. However, this particular provision is to prevent any new residents moving in there so that the class remains finite. No one else should be moving in other than the particular homeowners who are there now. The more individuals who are able to sell this property, the more that class is enlarged, which creates a further problem. I know that as a state, when we take a public policy position limiting the ability to sell property to someone

else, we are moving in a public policy position with police powers for safety, and at this point, for the health and safety of these particular families. That is one legal position.

The second is we do have the power under the statutes to do a taking, but it has to be with a fair market exchange. But for these particular residents, it would be a voluntary move. I have spent enough time with them to know that they do want to move. There was a time when they did not want to move. They wanted to continue to fight, they wanted to continue to stay there. After the past 3 years of dealing with trying to find a developer and trying to find a remedy, the decision was made that we have to pick another route than continuing to fight with the City over rehabilitating your home.

The largest concern for me was when during COVID-19, one of the residents, Pastor Miller, passed away. He was the one who would go around and put blocks underneath the residents' homes to keep them from falling. That is when I realized that I did not want to lose anybody else, and as much as I could go on for another 10 years, they cannot. I had a conversation with them, and I said, here is what is the best thing to do, and they agreed. I said I cannot withstand another person passing away. Yesterday, Ms. Annie Walker's daughter passed away, and I am not interested in continuing to fight my own City for these individuals. I have a lot of strength and a lot of passion, but what I do not have is time. I do not have it, and they do not have it.

The City has tried to make weak and ridiculous arguments, saying Senator Neal used to fight for them to stay. I did what they asked me to do. I was an advocate for them because that is what they asked me to do. When a developer was going to build on 86 acres, and they were asking the question, how can someone come in and build a warehouse, but you cannot build a 1,500 square foot house? How is science good for them but not good for a 1,500 square foot house, because they were talking to the developers and having meetings with them. The developers were saying science has changed, and we can make flexible foundations and things that will prevent the house from falling. The residents decided that they would make that argument at a couple of city council meetings, and this was the argument that they would like to push. I said fine because it was completely logical, and it made sense.

However, that was in 2019; we are now in 2023. It is that simple—sometimes advocacy shifts. That does not mean that I am somehow reclassifying my position. My position has always been to advocate for what they want and advocate for what they tell me they want. That is it. I have served them since 2011. I knew as a freshman coming into this building, that this lift in this bill that is in front of you is big. There is no way I would have gotten that bill out, and I had to build a record, which I did. I spent years collecting this information from Congress, the state, and city minutes to build a record so I could come in here one day and make this argument.

Assemblywoman Dickman:

I can see that your heart is in this, and I feel so bad. I hate to even ask these questions. I was wondering whether anyone knows for sure if this is an authorized use of ARPA funds.

Senator Neal:

I can answer that question. One thing is for sure, I do my research. These ARPA funds are eligible; you can buy vacant land with them, and you can also use it for housing. Trust me, I spoke with Terry J. Reynolds, Director, Department of Business and Industry, and Stephen Aichroth, Administrator, Housing Division, Department of Business and Industry. We looked up the law, we looked at the statute, and we determined that I could use either source of funds. However, if you would like to see that information, I can forward it to this Committee. I can forward you the exact response.

I have to tell you something. If I am going to do this kind of move, I am not going to come in light, and I am certainly not going to come unresearched. Why? Because I am not going to come to a problem where I am going to create a deeper problem for a solution that I thought I wanted to have. You have only known me for a short period of time, but I do my research, and I try to make sure that I am solid when I do move. That is why I came with 50 years of research. If you would like to see any of the research that I did not put on the record in the Senate Committee on Revenue, I have a stack.

Assemblywoman Dickman:

I was not questioning you. I was trying to understand.

Assemblyman Hafen:

I appreciate the amount of work that you put into this, because I too have seen soil issues in my district, especially in Pahrump. We have homes that are collapsing in the middle and running into similar issues. In my day job, I have caught subcontractors cheating and causing subsidence issues all over the place. My question is going to be hopefully a simple one. Why are we going to limit this to one area of the state in this one neighborhood rather than leaving it open for other municipalities to apply for these ARPA funds to address similar issues.

Senator Neal:

Number one is the particular issue of subsidence. There is a geotechnical report that was done and there was more than one neighborhood that was affected by subsidence. There is documentation that one of the other neighborhoods was also built on a fault line. It had a remedy and was condensed and changed into a smaller area. They now have a golf course, and they now have homes that are not in any way close to the shape of Windsor Park houses. Windsor Park, in particular, has been left in this particular condition since 1999, though they claim that the last move was in 2007. I have not seen the document that said that the last move happened in 2007.

This is a special act for this particular neighborhood that has suffered from subsidence and that has not been given the appropriate remedy. Families are still living in these conditions. I know that one of the arguments that is constantly played is why them; why this particular group when other people are in need? There is no way that 2 days before this legislative session ends, I could have presented to this Committee the full record that I did in the Senate Committee on Revenue hearing. I would suggest that you watch that hearing where I laid

out, in an hour and a half, the minutes from 1966 forward because that helped to establish the position on why this neighborhood and why not any other neighborhood, and why this particular issue. I have heard the argument saying, well, there is bad soil everywhere. Well, if that is the case, then why are they still popping up new neighborhoods everywhere, and why are they still building homes in other places? At the end of the day, these 90 houses need this remedy. They are not sitting on the sidelines manipulating anyone. They trust me to bring this forward on their behalf, and that is it.

Whatever is flirting out there in terms of trying to reduce the necessity or say she is doing some special act—it is a special act. That is what it is. We have the authority to do that outside of general law, and that is what is happening.

Chair Monroe-Moreno:

Thank you, Senator Neal, for that statement. Yes, this bill was brought for this neighborhood. It was not brought for every neighborhood in the state of Nevada. Each and every one of us, when we see that there is an issue within our district, have a responsibility as elected officials to address that in legislation, and we can expand it outside of our districts. We have done this in some other legislation that we passed out of this Committee. But collectively, once we know of an issue that is happening anywhere in our state, we have a responsibility to deal with that because now we all know about it as elected officials, whether we were there or responsible for how the condition is now, or how it got there. Well, now we know about it, and we have a responsibility to take care of it. This bill is targeted for this neighborhood for this problem. We can come back to the next legislative session and bring other legislation to address the other problems throughout the state. But today we are talking about this issue.

Assemblywoman Anderson:

Thank you, Senator, for the passion and all the research. My question has to do with a specific item in section 11 on page 7. Is that the amount of time given to have the money given to people if the bill were to go through? Is this enough time? And if not, is there any way that there is a possibility for an extension through the Interim Finance Committee (IFC)? I do not see it in the language, but if there is a need for more time, is there a way to ask? How do you envision that? That is one thing I am concerned about, making sure that everybody gets the means that they should have.

Senator Neal:

The bill does allow for quarterly reports to IFC. We have discussed this with the Housing Division. In order to move this forward within that timeline, what we would need is a sophisticated developer who is well established and knows what to do. There is a strong belief that we will be able to identify that person. If not, we should be able to go back to this provision. This provision puts us right before the next legislative session, and we should be able to come back and make any kind of adjustment around this reversion language.

Assemblyman O'Neill:

I have known you, and I knew your father too. I can hear your passion on this issue. It is interesting and upsetting to me to hear how this situation has evolved and continues to get worse. I want to ask about a specific area. Assemblywoman Anderson will key in on this because we were discussing it regarding another bill. Page 6, section 9.3, subsection 3, paragraphs (a) and (b) relate to descendants. We were talking on this other issue about how far does that descendancy go? You could have descendants who never knew the family members who lived there, were never involved, or never damaged by the actions there. Yet, the person could be, as the family grows, a descendant. My wife and I now have four children and six grandchildren and that will keep expanding over the years. That is what I was curious about because you talk about \$10,000 to the person who is the initial occupant—no argument—or to the descendants of that person. As I said, the family keeps growing. I was wondering, can you help me understand that part?

Senator Neal:

The limiting factor is you can be a descendant, but if you have no right to the estate, you are therefore limited. You have to at least have a right to the estate. You can transfer property by deed, you can transfer property by a life estate, or you could have it given to you, or it could be held in trust. You also could have been provided the property by will. That is the limitation for a descendant. We know that there are living persons who have their nephews, sisters, or brothers living in the property. We also know that some of the families have passed away and when we looked at the assessor's records, it is under a family trust, meaning that they kept the property, but they kept it under the name of the family and in the trust. That is the limitation. There is not going to be Cousin Bobo coming from the side corner seeking a family benefit. You have to be able to provide some documentation that you have a relationship to this property. This is not random.

Assemblyman O'Neill:

That is what I was curious about. You answered that. I appreciate your passion on this issue too because it is an abuse to me that these people have experienced. How come this property has not been condemned already? You said that recently nobody is allowed to purchase now, but that sounded like it was in the last couple of years. To me, it should have been years ago. These houses were sinking down and falling down. It should have been condemned.

Senator Neal:

It ties back to the question that Assemblywoman Dickman mentioned. The residents still live there. They were not willing to move. The only way that they could come in and move them out is by either voluntary movement, which is what this bill is doing, or they could buy them out and take them out. I know there was a threat potentially, but they held together and continue to go to city council meetings and continue to advocate for themselves. They kept hoping that something would change, that somehow either rehabilitation would occur or the proper relocation would occur. Those things never happened, but they continue to advocate exactly for those things.

Assemblywoman Kasama:

There are many issues here, starting from when the community was first developed, with geological issues, and opportunities were given for people to move, and they did not take it. Now we have people who are there. It is confusing to me where we are talking about building new homes for them and then people can move there, but then we have a \$50,000 restitution, one layer, and then there is a \$10,000 rehabilitation. Why would you use \$10,000 for rehabilitation if you are going to be moved to a new home and then you have moving expenses, but there is no cap or control or is that part of the \$12 million? Do the moving expenses come from that? I have several areas of concern. Then some of these homes have a mortgage on them and probably some are paid in cash. Then there is a section in the bill that says the loan will be paid off. Does that create a disparity for somebody who owns the home free and clear, and then for somebody you pay off the loan and then they both get a new house? There is more tightening up to do.

Senator Neal:

Number one, the \$50,000 applies to the 90 homes that happen to be in Windsor Park. There was \$50,000 that was offered for the relocation in the initial CDBG funds. That is where this applies. Subsection 3 on page 6 applies to the 45 homes that are associated with the baby Windsor homes that I mentioned, which are listed in the documentary video. Those particular homes were the ones where the paint was peeling in 2 years. The owners went to the city council saying that the developer, DASCO, who built these homes, built them poorly. There is an entirely different subset of individuals related to that.

The moving expenses will all come out of the \$12 million. A lot of the residents, outside of the new ones, range from 60 to 86 years of age. To tell them to go ahead and get a moving truck, but they are 80 years old, is why it made sense to offer moving expenses. The provision that is in section 9.3, subsection 4 for the transfer from the Housing Division will still apply to the rehabilitation. You see that it is all attached to the CDBG dollars. I do not think it needs tightening because we know that there are also going to be regulations. You cannot prescribe every single piece, but it is clear what my intent was.

There were two groups that are a part of this conversation, the baby Windsor group, which is the 45 homes and then the 90 homes. The Housing Division will be able to take this and establish the program. We know from the assessor's records there are 38 mortgages, but we do not know the range of those mortgages or whether they have \$5,000 left on the mortgage. We know that some of the new homes were purchased for \$115,000 and the latest was purchased for \$224,000. It will have to be a special mortgage program. For the homes that have a mortgage, that mortgage is not going to be relieved. We cannot do it. What we have to do is recreate that mortgage on a new property and have them pay that off. There is no intention of somebody who has an existing mortgage saying I will no longer have a mortgage; they will have a mortgage. It will be a special program that has to be created within the Housing Division. They have the expertise to do that because they have several mortgage programs within the Housing Division.

Chair Monroe-Moreno:

Members, do you have any other questions on this bill? [There were none.] Is there anyone who would like to testify in support?

A'Esha Goins, Vice President, Las Vegas Branch, National Association for the Advancement of Colored People:

I am here on behalf of the Las Vegas Branch, National Association for the Advancement of Colored People (NAACP). We fanatically stand behind and support Senator Neal. We appreciate her bringing this bill here, and we also emphatically support the community of Windsor Park or Winslow Park. I have told this story, but I will tell it briefly. When I was in foster care, I was in junior high. I lived in Windsor Park and as crazy as it is going to sound, those times were some of the most fun and loving times of my life. I look back on those days, and I am still friends with some of those people. I want to impress on you a time when that neighborhood was thriving and full of life. Children and youth were fulfilling the future and becoming our ancestors' wildest dreams.

The NAACP has an executive board, and one of the executive committee members has been talking to Laquanna, who is the young lady whom Senator Neal is talking about. He is appalled that there is a \$224,000 loan on this home, and then a second mortgage was given to this young lady from the City of North Las Vegas. He is helping her collect the data to position her so that she can sue. She bought the home 2 years ago and already had to replace the roof, even though she had an inspection done and went through escrow and now has a \$224,000 loan. These houses are sinking, and the resale was \$224,000.

Senator Neal has had to bring this up consistently, asking for restitution for these citizens. I feel like they are waiting for the homeowners to die off. That is unfortunate because now Senator Neal has had to come up here this session and announce that someone has passed. I am urging, begging, pleading that this Committee and this Chair take this into consideration and move this bill forward.

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

While this is a sad instance of injustice within our state, this is a beautiful example of how the University of Nevada, Las Vegas (UNLV) stands ready to help solve some of Nevada's challenges, especially those that have historic injustices. We are grateful to Senator Neal for this wonderful opportunity for our staff, our faculty, and our greatest asset, our students, to be involved in such a rich learning opportunity and to provide justice for those who certainly deserve it.

Cassie Charles, Campaign Director, Progressive Leadership Alliance of Nevada:

We are here in support and would like to echo the testimony of Ms. Goins from the NAACP. We sincerely would like to thank the bill sponsor for championing this much needed and long overdue policy.

Quentin Savwoir, President, Las Vegas Branch, National Association for the Advancement of Colored People:

I want to echo the sentiments of Vice President Goins. We fanatically stand behind Senator Neal and the residents of Windsor Park. I want to add this to the conversation: alongside our friends at Make the Road Nevada, the NAACP took about 30 people to the North Las Vegas City Council meeting as they were discussing and approving their budget. What we did at that meeting was articulate our concerns about there not being any line item in the budget for them to account for how they would make whole these families in Windsor Park. Without making any assumptions about anyone's intention, it was not met with the level of urgency that you have heard here tonight from Senator Neal and the passion that she has demonstrated. The City had a flippant response, and I am deeply worried that if this body does not act, then this matter will continue to get glossed over. I want to thank our friends at Make the Road Nevada for standing in solidarity with us that day. I would also add this: as an organizer, it is hard to get people to believe in the movement because government does not show up as tangible for their lives. This is the way that we can show tangibly how government is still working and protecting our communities and our interests. I urge your support.

Chandler Cooks, representing National Association for the Advancement of Colored People:

I want to start by thanking Senator Neal for being a fearless leader and not allowing the opposition to overshadow progress and fighting for sustainable solutions for our community. It is disheartening that the City of North Las Vegas did not commit to allocating any funds for this community. A move as such would have been justice, fairness, and a real investment in the City's growth. Unfortunately, that was not considered in the future budget. But here we are, and I strongly support this legislation. I urge each of you to stand tall with the people and support the change this transition and community needs.

I have one comment on the descendancy piece. This issue has exasperated these families long enough. Please understand how one generation living in this neighborhood changes the wealth trajectory of their families for generations to come. The clock is ticking as you see, and the community is watching. Please continue to show us you are leaders of integrity by supporting S.B. 450 (R1).

Matthew Wilkie, Private Citizen, Nevada:

I live only a few miles up the road off U.S. Highway 50, many miles from this community. I cannot imagine what the people of this community have gone through. I am calling in support, and I urge the Committee to do so as well.

Dora Martinez, representing Nevada Disability Peer Action Coalition:

I want to thank Senator Neal for her passion and hard work. We love her, and we urge you to please vote yes and support this bill.

Chair Monroe-Moreno:

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

Senator Neal:

I want to thank the Assembly Committee on Ways and Means for having this hearing late at night and trusting me with this policy. I am trying to do the right thing, and I tried to be consistent. I hope that you can find it in your wisdom to move this policy out and allow me to continue to advocate and fight for the people in my district.

It has been hard because people think that they can wound me, come for me, and try to paint a narrative about me that is not true. I have the strength to withstand it, but this will show that I stand for the right things, and I always have. I have never been whatever they are trying to characterize me as. As much as they would like to see me down and as much as they would like to see me fall, I am not ever going to do it. I am not ever going to give up. I am not ever going to let somebody tear my character down through whatever media or whatever lies they can run. They can keep doing it, they can keep coming for me and acting like I am in the wrong for standing up for my own people when they actually should be standing up for their own people whom they serve. They have the audacity to think that they have the right to discredit me because I am standing up for 90 families for over 30 years, and that is absolutely wrong. I have been silent, and they have been watching this play out because they had no other ammunition against me except to make up some lies. But I can say it right now because we are coming out of this session, and I am going to go home. The person who you know me to be, Dina Neal without title; I am an advocate for my people, and I have stood for integrity and served them. As much as you would like to throw dirt on me, keep doing it because the constituents who I serve do not believe you and they think you are liars.

Chair Monroe-Moreno:

Senator Neal, before you leave, I know you have to rush to the floor, but I want to let you know that you are not in this fight alone. We know you; we see you; your community sees you; and we have your back. We definitely have your back, and we appreciate the presentation. I know you have to run to the floor. I will close the hearing on $\underline{S.B.450}$ (R1) and open the work session. Members, the appropriation was amended into the bill. We do not have to make any amendments. I will entertain a motion.

ASSEMBLYMAN MILLER MADE A MOTION TO DO PASS SENATE BILL 450 (1ST REPRINT).

ASSEMBLYWOMAN JAUREGUI SECONDED THE MOTION.

Is there any discussion on the motion?

Assemblywoman Kasama:

I will vote this out of the Committee. There were some points I brought up that I would like to see someone work on. One other thing I thought of was the bill says to apply for federal funds. It would be nice to see whether federal funds are received, and that would reduce the portion from the City, because if you try to use ARPA funds, when the federal funds come in you could reduce that portion. I have questions like that, but I will vote it out of Committee.

Chair Monroe-Moreno:

I do not think we will get those federal funds within the next 42 hours, but I appreciate the comment. Are there any other comments? [There were none.] We have a motion on the floor.

THE MOTION PASSED UNANIMOUSLY.

I will present the floor statement on this bill. We do have one more bill hearing, but we have three work sessions before that. We are going to do those so I can get those bills to the floor, and then we will do the last bill hearing. I will open the work session on <u>Assembly Bill 528</u>.

Assembly Bill 528: Establishes a program to provide matching funds to certain qualified projects related to the prevention of homelessness and provision of assistance to persons who are experiencing homelessness. (BDR 18-1226)

Chair Monroe-Moreno:

Earlier today, we had a bill presentation on <u>Assembly Bill 528</u>. There was some discussion during the hearing if you remember correctly. In section 4 of the bill, the definition for lead participant said it meant a nonprofit corporation. It would be the Chair's suggestion to add a local nonprofit, Nevada nonprofit corporation. Regarding section 12, subsection 2, paragraph (d), another member cited that most affordable housing projects have a 30-year cease operations clause, and the bill included a 10-year cease clause. It would be the Chair's suggestion to amend that to 30 years to be in line with other affordable housing projects. Members, are there any other questions or comments? [There were none.] With those two amendments, I would accept a motion.

ASSEMBLYWOMAN BACKUS MOVED TO AMEND AND DO PASS ASSEMBLY BILL 528.

ASSEMBLYWOMAN JAUREGUI SECONDED THE MOTION.

Is there any discussion on the motion?

Assemblywoman Brown May:

I appreciated the presentation and details that are included in the bill. I look forward to working through this as we go forward. I want to draw attention to the local nonprofits that are on the ground solving the problems right now to make sure that as we continue to develop this going forward, we do not leave them out and unintentionally do them harm. It is

going to be important that, as this Nevada nonprofit corporation is developed, we take into consideration the existing teams that are currently doing the work on the ground.

Assemblywoman Anderson:

I also appreciate the theory and everything within the presentation earlier today. I am not from the Clark County area, so I do not know it as well as others do. I had an opportunity to speak with a few of my colleagues from Clark County. There were three who made it clear that they had a concern about making sure that it was unduly concentrated in the unsheltered population in that one area. I know that has been mentioned many times during the hearing. That is important to put on the record, and I know that will be discussed before it goes to a full vote on the floor. I wanted to make sure that was on the record. I will be voting for this because the idea is good. I am concerned about the location creating a large group as opposed to a large concentration of areas.

Chair Monroe-Moreno:

A question was asked during the presentation, and the presenters had said that there would be different areas and projects in different areas of Clark County, not centralized in one area. There is one project in one centralized location, but this would not be the same. We will have to hold onto that. We have a motion on the floor.

THE MOTION PASSED UNANIMOUSLY.

I will present the floor statement on this bill. We will open the work session for Senate Bill 82 (2nd Reprint), which we heard a few days ago.

Senate Bill 82 (2nd Reprint): Revises provisions related to public works. (BDR 28-535)

Sarah Coffman, Assembly Fiscal Analyst:

<u>Senate Bill 82 (2nd Reprint)</u> makes various changes to the requirements for the use of apprentices on public works. It expands the circumstances under which a person is treated as an apprentice for certain requirements. It eliminates the threshold of numbers of workers for the applicability of certain requirements for certain apprentices. The Labor Commissioner included a fiscal note on this legislation. If this were to be approved, they identified \$376,876 in fiscal year 2025 for four new full-time positions and associated operating expenditures to review audits and investigate the annual reporting requirements associated with the bill. If the Committee wishes to move this bill, the amendment with that additional funding would need to be added, and the motion would be amend and do pass as amended.

Chair Monroe-Moreno:

You heard the amendment that would be needed for the appropriation for this bill. I will accept a motion.

ASSEMBLYWOMAN BACKUS MOVED TO AMEND AND DO PASS AS AMENDED SENATE BILL 82 (2ND REPRINT).

ASSEMBLYWOMAN JAUREGUI SECONDED THE MOTION.

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

THE MOTION PASSED UNANIMOUSLY.

I will present the floor statement on this bill. We will open the hearing for Assembly Bill 529.

Assembly Bill 529: Revises provisions relating to the compensation of certain county officers. (BDR 20-1229)

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

I am here this evening to present to you <u>Assembly Bill 529</u>. This is an emergency bill. I know it just came up, but the issues just came before me. The bill has support from the various county elected officials, and it was appropriate to bring it forth to give it the opportunity for a hearing. This bill is allowing the elected officials in the counties to receive raises like we have already dedicated to our state employees, district judges, and to our Supreme Court justices. The bill gives them that opportunity. I am open to any questions that you may have.

Chair Monroe-Moreno:

Members, I know you just received this bill. It was being printed as we walked in. I do not know whether you have had an opportunity to look it over. If you have not, we can ask a presenter at the table to go into a bit more detail for the members before we take it to a vote.

Vinson Guthreau, Executive Director, Nevada Association of Counties:

We are the collective voice for all 17 of Nevada's counties. I will walk through the bill, and I will make one point before I do that. This is a local government expense, so there is no state fiscal impact to local government salaries. Those salaries are listed in the *Nevada Revised Statutes*, so we need to come to you currently.

In section 1, we are providing a catch-up provision. It has been 6 years since there has been a change to compensation for local elected officials. That includes the county commissioners on my Board, but also those other elected offices such as your clerks, recorders, assessors, and public administrators in some counties when they serve that way. We are providing an initial 15 percent increase in base salaries.

The second piece of the bill that I wanted to highlight is that subsequent adjustments would then be based on classified state worker compensation. We are doing that to provide some state oversight over the collective statewide fiscal piece. This will take you out of the business of doing this so that we do not have to come to you every couple of years. The

salaries will match what other public servants are receiving. There are some provisions throughout the bill that make this apply to county commissioners. The elected offices for the counties are listed, and then the commissioners are separated out.

The last piece is that you cannot anticipate what budgetary impacts might be at the local level including downturns, global economic pieces, or budgetary impacts. There is an opt-out provision for a board of county commissioners that could opt out or fluctuate that increase in some way. They would need to do that by a majority vote, and it would apply to all their elected officials. That is the bill.

Assemblywoman Kasama:

Are there any State General Fund appropriations? This is allowing counties to provide raises from their own funds.

Vinson Guthreau:

That is correct to get that on the record again. This is a local government expense, but the salaries are set in statute currently.

Chair Monroe-Moreno:

Members, do you have any other questions on this bill? [There were none.] Is there anyone who would like to testify in support?

Stephen Wood, representing Carson City:

We are in support of this bill.

Helen Foley, representing Storey County:

We are in support of this bill.

Beth Schmidt, Lieutenant, Director, Office of Intergovernmental Services, Las Vegas Metropolitan Police Department:

We support this bill.

John T. Jones, Jr., Chief Deputy District Attorney, Legislative Liaison, Clark County District Attorney's Office; and representing Nevada District Attorneys Association:

We support this bill.

Pamela Del Porto, Executive Director, Nevada Sheriffs' and Chiefs' Association:

We support this bill.

Mary Walker, representing Douglas County; Lyon County; and Storey County:

We support this bill and thank Assemblyman O'Neill for bringing this forward. If this bill does not go through, it would be 8 years since we have had a raise.

Mark Fiorentino, representing Nye County:

We support the bill and hope that does not change your mind on it.

Chair Monroe-Moreno:

Is there anyone else to testify in support of this bill? [There was no one.] Is there any testimony in opposition? [There was none.] Is there any testimony in the neutral position? [There was none.] Are there any closing comments? [There were none.] I will close the hearing on this bill and open the work session. We do not have to make any amendments. I will entertain a motion.

ASSEMBLYWOMAN BACKUS MADE A MOTION TO DO PASS ASSEMBLY BILL 529.

ASSEMBLYWOMAN JAUREGUI SECONDED THE MOTION.

Is there any discussion on the motion?

Assemblyman Hafen:

The original bill that this started with came from Nye County. Because I do a lot of business in Nye County and go in front of the Nye County Board of Commissioners, I had received legal advice from my personal attorney that I would need to abstain from voting on this. I did not know the changes in the bill or how it now expands to all counties. In an abundance of caution, I am going to abstain from voting tonight. Being that it is now 11:15 p.m. on a Saturday, I do not think I am calling my attorney. She might be mad at me. Hopefully, I will be able to get an answer before the floor vote.

Assemblyman Yeager:

I wanted to say I am going to support the bill, but I am disappointed in how we have gotten to this process. There is a more robust discussion to have on this bill, but we are here at 11:15 p.m., and this bill has to get to the floor and to the Senate by midnight tonight to survive. There were some efforts by individuals along the way that I considered to be hijacking other bills to put this concept into their bill. Assemblyman O'Neill was gracious enough to give them this bill. I will say I do not know whether I am against the policy, but I do not like being put in a position to have to decide this without a real discussion on the bill. I would hope on the Senate side, where they have a full 3 days to consider the bill, that the discussion can be had because it is an important one.

For those of you who want this bill, you should be thankful that Assemblyman O'Neill did this because the efforts to hijack other bills were not the appropriate way to go about this. I hope that discussion can happen. To keep this bill alive, I will vote for it. Hopefully, we can get down to the floor in time to get this over to the Senate in the next 45 minutes.

Assembly Committee on	Ways	and	Mean	S
June 3, 2023	_			
Page 68				

Chair Monroe-Moreno:

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

THE MOTION PASSED. (ASSEMBLYMAN HAFEN ABSTAINED FROM THE VOTE.]

I will present the floor statement on this bill. That will take us to the last item on the agenda because we are not coming back here tonight. Is there anyone here for public comment? [There was no public comment.] Members, we will see you all on the floor. This meeting is adjourned [at 11:17 p.m.].

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

EXHIBITS

Exhibit A is the Agenda.

Exhibit B is the Attendance Roster.

Exhibit C is a conceptual amendment to Senate Bill 368 (2nd Reprint), submitted by Senator Dallas Harris, Senate District No. 11.

<u>Exhibit D</u> is testimony presented by Kristine Nelson, Chief Financial Officer, Department of Employment, Training and Rehabilitation, in support of <u>Senate Bill 475 (1st Reprint)</u>.

Exhibit E is a Windsor Park video that can be requested from the Legislative Counsel Bureau Research Library, presented by Senator Dina Neal, Senate District No. 4, in support of Senate Bill 450 (1st Reprint).

<u>Exhibit F</u> is a copy of the minutes titled "City of North Las Vegas Special City Council Meeting Minutes," dated February 11, 2014, presented by Senator Dina Neal, Senate District No. 4, in support of <u>Senate Bill 450 (1st Reprint)</u>.

Exhibit G is a document titled "Limited History of Windsor Park #Lift Up Windsor Park," dated April 27, 2023, presented by Senator Dina Neal, Senate District No. 4, in support of Senate Bill 450 (1st Reprint).

Exhibit H is a document titled "Part 2 Limited History of Windsor Park #Lift Up Windsor Park," dated April 27, 2023, presented by Senator Dina Neal, Senate District No. 4, in support of Senate Bill 450 (1st Reprint).

Exhibit I is a document titled "Part 3 Limited History of Windsor Park #Lift Up Windsor Park," dated April 27, 2023, presented by Senator Dina Neal, Senate District No. 4, in support of Senate Bill 450 (1st Reprint).