

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

**Eighty-Second Session
April 20, 2023**

The Committee on Ways and Means was called to order by Chair Daniele Monroe-Moreno at 5:20 p.m. on Thursday, April 20, 2023, in Room 3137 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. The meeting was videoconferenced to Room 4406 of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. Copies of the minutes, including the Agenda [[Exhibit A](#)], the Attendance Roster [[Exhibit B](#)], and other substantive exhibits, are available and on file in the Research Library of the Legislative Counsel Bureau and on the Nevada Legislature's website at www.leg.state.nv.us/App/NELIS/REL/82nd2023.

COMMITTEE MEMBERS PRESENT:

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

COMMITTEE MEMBERS ABSENT:

None

GUEST LEGISLATORS PRESENT:

Assemblywoman Clara Thomas, Assembly District No. 17
Assemblyman Gregory Koenig, Assembly District No. 38



STAFF MEMBERS PRESENT:

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

OTHERS PRESENT:

Daniel Marlow, Administrator, Administrative Services Division, Department of Administration
Michelle Maese, President, Service Employees International Union, Local 1107
Dakota Hoskins, Political Director, Service Employees International Union, Local 1107
Nicole Rourke, Director of Government and Public Affairs, City of Henderson
Kandice Townsend, Government Affairs Specialist, City of North Las Vegas
Dee Evans, President, National Juneteenth Observance Foundation Nevada
Blayne Osborn, President, Nevada Rural Hospital Partners
Stacie Weeks, J.D., M.P.H., Administrator, Division of Health Care Financing and Policy, Department of Health and Human Services
Cody L. Phinney, M.P.H., Deputy Administrator, Regulatory and Planning Services, Division of Public and Behavioral Health, Department of Health and Human Services
Tina Leiss, Executive Officer, Public Employees' Retirement System
Kabrina Feser, Operations Officer, Public Employees' Retirement System
Terri Laird, Executive Director, Retired Public Employees of Nevada

Chair Monroe-Moreno:

[Roll was called, and the Committee's rules and protocols were explained.] Thank you all for joining us tonight. We will have public comment at the end of today's Committee meeting. We will be hearing four bills tonight. Three bills have had a hearing in a policy committee meeting and our last bill has not. On that bill, we will hear some policy discussion and some fiscal aspects. The first three bills will focus on the fiscal aspects of the policy. We will open the hearing on Assembly Bill 140 (1st Reprint).

Assembly Bill 140 (1st Reprint): Makes Juneteenth Day a legal holiday in this State. (BDR 19-63)

Assemblywoman Clara Thomas, Assembly District No. 17:

I am pleased to come before you to present Assembly Bill 140 (1st Reprint), which makes Juneteenth a legal holiday in Nevada rather than a day of observance. According to the Congressional Research Service Juneteenth Fact Sheet, the Emancipation Proclamation went into effect on January 1, 1863. However, it was nearly 2.5 years later, on June 19, 1865,

when federal troops arrived in Galveston, Texas to take control of the state and ensure that all enslaved people be freed. On this day, June 19, 1865, it was the last geographic area in America where slavery existed that the slaves learned of their freedom. It is on this day, June 19th, that we wish to commemorate Juneteenth Day.

Currently, Nevada has 11 legal holidays, and Juneteenth will be the 12th legal holiday for the state. The bill makes a conforming change to account for the closure of state, county, and city governmental offices for Juneteenth Day. That is the entirety of the bill.

According to the Department of Administration, the fiscal impact is estimated to be \$482,924 in each fiscal year of the 2023-2025 biennium. Additionally, there is minimal impact for Washoe County as they currently observe the Juneteenth holiday. Thank you for listening to my brief remarks. I will do my best to answer questions from the Committee.

Chair Monroe-Moreno:

Thank you for the presentation and for the brief history of Juneteenth. I know not everyone has heard of the holiday or understands the reasons why it is a holiday. As you know, our Committee is a fiscal committee, and there are a few fiscal notes that were submitted on this piece of legislation. Have you had an opportunity to reach out to all the counties and cities that submitted the fiscal notes as well as the Department of Administration?

Assemblywoman Thomas:

The agency that submitted the fiscal impact gave us the accurate impact that it will cost the state. I did not contact others because we know that it will impact state employees and county employees.

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

We submitted a fiscal note for the Executive Branch, not including the Nevada System of Higher Education, for payroll that runs through the central payroll system. We used the previous Labor Day as an example of a typical state holiday, which was a little over 11,000 hours. Typically, those hours for paid holidays are worked by police, fire, and 24-hour agencies, and that \$482,924 number is calculated off of the 11,000 hours plus estimated fringe for the police and fire staff who receive a higher retirement fringe rate.

Chair Monroe-Moreno:

For the fire and police who would be working on this holiday, would they be paid at time-and-a-half, and is that included in the amount of the fiscal note that you submitted?

Daniel Marlow:

That is correct. That is the time-and-a-half rate. The estimated cost of \$482,924 would be anticipated to be covered using salary savings throughout the year or potentially through contingency requests or salary adjustment funds, the same as any other shortfalls in personnel costs.

Chair Monroe-Moreno:

I know there are a few other questions, but before I go to other members, I want to confirm that the amount that is on the fiscal note also includes any Public Employees' Retirement System (PERS) contributions, salaries, and everything is inclusive in the total amount of the fiscal note.

Daniel Marlow:

That is correct. That includes Medicare, unemployment workers' compensation, and PERS contributions.

Assemblyman Hafen:

I am perplexed by the Douglas County School District's fiscal note. Students are not in school on Juneteenth, correct, and yet they are claiming that all their 260 employees are going to have to be paid. I am curious if you had a chance to talk to them to get an explanation of why they are going to have to pay their employees when schools are not actually in session?

Assemblywoman Thomas:

I do not have a Douglas County fiscal note.

Assemblyman Hafen:

For clarification, it is the school district's fiscal note, and that was where my confusion was because I know school is not in session. I did not understand why 260 teachers were going to be paid for a holiday. They submitted that in error, but I thought that you could clarify that for us. Maybe they are on a 12-month school year of which I am unaware. I just thought it was an odd fiscal note. I hope that you had a chance to talk to them to ask them to remove it or clarify why that would be the case.

Assemblywoman Thomas:

No, I have not spoken with them. I have not seen their fiscal note and if I had, I would have asked them about Juneteenth and a fiscal note for something when they are not even in school. Thank you for bringing that to my attention. I do appreciate it.

Chair Monroe-Moreno:

I believe some of the Douglas County schools are year-round schools. For this day, it would be a paid holiday for those instructors who are assigned to those year-round schools.

Assemblyman Hafen:

That helps me understand this better.

Chair Monroe-Moreno:

I do not believe there is anyone here from Carson City or Clark County, but if you are here, would you address the fiscal notes that you have on the bill? [No one was present.] It does not affect the state budget, but I would like to know why the fiscal notes are there. Assemblywoman Thomas, if you can make contact with them before we have a work session and bring that information to the work session, that would be helpful.

Assemblywoman Thomas:

Clark County and Douglas County are the fiscal notes to verify, is that correct?

Chair Monroe-Moreno:

Yes. The local governments that have submitted fiscal notes include Boulder City, the City of Elko, Mesquite, Carson City, Clark County, Humboldt County, Lyon County, Carson City School District, and Douglas County School District, as we just discussed. Those are the local governments that submitted fiscal notes in addition to the one from the Department of Administration.

Assemblywoman Thomas:

Does it say when they submitted the fiscal notes?

Chair Monroe-Moreno:

Most of the fiscal notes were prepared on February 22, 2023. It is under the local government tab. There are a few pages as you scroll through. If you can bring that information back on the date of the work session, it would be helpful. The work session will not be any time soon. Members, are there any other questions?

Assemblywoman Dickman:

I wanted to know if you could clarify how many paid state holidays we have? Was it 12 or this will be the 12th?

Assemblywoman Thomas:

There are 11 paid holidays that the state of Nevada currently has, and Juneteenth would be the 12th.

Chair Monroe-Moreno:

Seeing no other questions, we will ask for testimony in support of A.B. 140 (R1).

Michelle Maese, President, Service Employees International Union, Local 1107:

I sent an email on June 17, 2022, to Yolanda King, Clark County Manager, about declaring Juneteenth as a holiday and requesting that our Service Employees International Union (SEIU) members have it off to celebrate. I will not read the entire email that I sent, but I want you to hear her response. Ms. King said "I do not think we would be able to close

Clark County since *Nevada Revised Statutes* require some offices to be open to the public Monday through Friday unless there is a state-declared holiday. I am hopeful that the 2023 Legislature will pass Juneteenth as a holiday for our employees so that they can observe and celebrate the holiday with their families." I wanted to make sure to put that on the record.

Dakota Hoskins, Political Director, Service Employees International Union, Local 1107:

As you heard previously, we are here in support of the bill. The Service Employees International Union is an anti-racist organization. The SEIU believes celebrating and acknowledging this important holiday and important day in our country's history is something that we want to continue to bring forward and make sure we can celebrate and discuss with Nevadans and our children.

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

In consultation with our Diversity, Equity, and Inclusion Coalition, our city council has already established Juneteenth as a citywide holiday for employees. We are here in support and that is reflected in our \$0 fiscal note.

Kandice Townsend, Government Affairs Specialist, City of North Las Vegas:

I am calling to testify in support of A.B. 140 (R1). The City of North Las Vegas was the first municipality in Nevada to recognize Juneteenth after it became a federal holiday. For this and many other reasons, we are in strong support of A.B. 140 (R1). It is imperative that as a state we recognize and celebrate Juneteenth, often considered by some as America's second Independence Day. I want to thank Assemblywoman Thomas and all her cosponsors for bringing this important bill forward. I strongly urge you all to support it.

Dee Evans, President, National Juneteenth Observance Foundation Nevada:

I am calling in support of A.B. 140 (R1). We are part of the National Juneteenth Observance Foundation that obtained the federal holiday in 2021. Juneteenth is the realization of freedom legislation. It is the actualization of the Emancipation Proclamation and General Order No. 3 and the 13th amendment, making this the true day of independence for America, adding balance to the celebration of freedoms as we recognize that wave of freedom in 2023. I am here in sponsorship and requesting that you vote for passage of Juneteenth in A.B. 140 (R1).

[[Exhibit C](#) was not discussed during the hearing but was submitted in support of Assembly Bill 140 (1st Reprint) and will become part of the record.]

Chair Monroe-Moreno:

There are no additional callers wishing to testify in support at this time. We will move to opposition. Is there anyone who would like to testify in opposition to A.B. 140 (R1)? [There was no one.] Is there anyone who would like to testify in the position of neutral? [There was no one.] Assemblywoman Thomas, do you have any closing remarks before we close the hearing?

Assemblywoman Thomas:

For the record, in closing, I would like to thank the Committee members for hearing this bill today, and I urge your support for A.B. 140 (R1).

Chair Monroe-Moreno:

We will close the hearing on A.B. 140 (R1) and will open the hearing on Assembly Bill 277 (1st Reprint), which establishes provisions governing rural emergency hospitals.

Assembly Bill 277 (1st Reprint): Establishes provisions governing rural emergency hospitals. (BDR 40-637)

Assemblyman Gregory Koenig, Assembly District No. 38:

I am pleased to come before you today to present Assembly Bill 277 (1st Reprint), which seeks to establish rural emergency hospitals in our state. I would like to give a special thanks to Chair Monroe-Moreno, who sought me out yesterday and told me what to expect. I appreciate that she said to keep it brief. I am going to read a couple of the paragraphs of my introduction.

What we want to do is address the struggles of rural hospitals in Nevada. The rural hospitals in Nevada, and throughout the nation, are facing a crisis. In recent years, many of these facilities have been struggling to maintain their operations and meet the needs of their communities. When a rural hospital closes, communities lose access to essential health care services such as emergency care, primary care, and behavioral health services. This can lead to long travel times to access care, worsening health outcomes, and exacerbating existing disparities in health equity in rural Nevada. It is a domino effect that impacts the entire community, from the families who rely on these hospitals for care, to the health care professionals who lose their jobs, and the local economies that will suffer.

Recently, as of January 2023, the Centers for Medicare and Medicaid Services have created a new provider type, the rural emergency hospital, which is something that can address the unique needs of our rural communities. I have Blayne Osborn here with me, who represents Nevada Rural Hospital Partners, and he is going to briefly go over what this bill covers.

Blayne Osborn, President, Nevada Rural Hospital Partners:

This is an exciting bill for us because the rural emergency hospital is a brand-new type of hospital designation. It was approved by Congress in December 2020, and just this January, the Centers for Medicare and Medicaid Services finalized the rules on it. Since that time, we have already had ten states act through their legislatures to license rural emergency hospitals at the state level. That is exactly what we are trying to do here.

This is another tool in the toolbox that will keep access to care in rural communities because it gives hospitals a chance to try this model before they must close. This applies to existing rural hospitals with fewer than 50 beds. We provided a map to the Committee [[Exhibit D](#)]. There are only 13 critical access hospitals in the state that will qualify as a rural emergency hospital. This designation allows a hospital to continue to provide most services rather than

closing the entire hospital. In 2015, the hospital in Tonopah had to shut down its entire hospital. This designation allows a rural hospital to close the inpatient unit of the hospital but keep open its out-patient unit, 24/7 emergency department, lab, pharmacy, radiology services, and any distinct parts such as skilled nursing, psychiatric or rehabilitation services. The designation keeps all those services in the community. I appreciate your consideration of A.B. 277 (R1) and would be happy to take any questions.

Assemblyman Koenig:

I have talked to some people in Tonopah about the Nye Regional Medical Center that closed in 2015, who were under the opinion that if this designation existed in 2015, they would have been able to make that conversion and not had to shut down. We have the community of Tonopah that has been without medical services for eight years now, and if this designation had existed, the hospital would have been able to stay open.

Another great piece of advice I received from Chair Monroe-Moreno was to find out who put the fiscal notes on your bill and talk to them and see if they can reduce the cost. The two entities that submitted fiscal notes on this bill were the Division of Public and Behavioral Health, Department of Health and Human Services, and the Division of Health Care Financing and Policy, Department of Health and Human Services. I met with them this afternoon, and both of them have decided to withdraw their fiscal notes, and they are both here today to verify that.

Stacie Weeks, J.D., M.P.H., Administrator, Division of Health Care Financing and Policy, Department of Health and Human Services:

When we did this analysis, we stated in the fiscal note that the majority of the costs are the system changes that are involved. We expect only one actual hospital to get this designation initially, and we think the cost to the state is minimal. We assume that we can absorb the \$10,000. As you can see that cost is going to be ongoing for this program.

Cody L. Phinney, M.P.H., Deputy Administrator, Regulatory and Planning Services, Division of Public and Behavioral Health, Department of Health and Human Services:

I would like to thank Assemblyman Koenig for bringing us together and explaining to us that this will be a replacement of some of our workload, not in addition to our workload in the Bureau of Health Care Quality and Compliance, Division of Public and Behavioral Health, Department of Health and Human Services. We can absorb the cost without additional staff, and we are comfortable removing the fiscal note.

Assemblywoman Kasama:

Thanks for bringing forward this important bill to help the rural hospitals. I wanted to get some background to understand the problem. The big cost sounds like it has been the inpatient care that was not sustainable. This will stop the inpatient care. I am curious about the rurals. If a hospital has 50 beds but is serving only 10 to 15 patients at a time, what is the historical context?

Blayne Osborn:

The rule nationally is that you must be a small rural hospital with fewer than 50 beds; to be one of the 13 critical access hospitals in the state, you must have 25 beds or less. We have even less than that. Yes, sometimes those inpatient units see low volumes. For example, two of our critical access hospitals only have four acute care beds. They are very low volumes with a high cost of care and high acuity for inpatient care. That is where you would see that reduction in expense.

Chair Monroe-Moreno:

Members, are there any other questions? [There were none.] Is there anyone who would like to testify in support of Assembly Bill 277 (R1)? [There was no one.] Is there anyone who would like to testify in opposition to the bill? [There was no one.] Is there anyone who would like to testify in neutral on the bill? [There was no one.] Are there any closing remarks?

Assemblyman Koenig:

I want to thank you for hearing this bill and helping us to help our rural communities to access quality health care.

Chair Monroe-Moreno:

We will close the hearing on A.B. 277 (R1) and open the hearing on Assembly Bill 388.

Assembly Bill 388: Makes an appropriation to the Department of Sentencing Policy for the purpose of funding certain grants awarded by the Nevada Local Justice Reinvestment Coordinating Council. (BDR S-1049)

Assemblyman Steve Yeager, Assembly District No. 9:

The reason we are here is because this includes an appropriation that is not included in The Executive Budget. We did have a hearing on this bill in the Assembly Committee on Judiciary, and they kindly decided to process it. I am not going to go through all that hearing. We had a number of people there to help me present and support it. I am going to curtail that presentation.

To really understand Assembly Bill 388, we must go back in time a couple of sessions. The Legislature approved Assembly Bill 236 of the 80th Session. That was the Justice Reinvestment Act, a comprehensive criminal justice reform measure that was approved by the Legislature and signed by Governor Sisolak. The impetus for that bill was a letter sent by our state leaders in May 2018. That letter was signed by Brian Sandoval, Governor; Michael L. Douglas, Chief Justice of the Supreme Court; Aaron Ford, Senate Majority Leader; and Jason Frierson, Speaker of the Assembly. They sent the letter to the federal government asking for help because our state was on track to have to build new prisons at a large cost if we did not do something to get our prison population under control. At the time they realized that is not where the state wanted to be spending its money. Thankfully, we were chosen to be part of what is known as the Justice Reinvestment Initiative, which is a private-public partnership between the Bureau of Justice Assistance and the Pew Charitable

Trusts. Their staff came into the state and crunched all our data. They spent a lot of time in basements with boxes of documents, figuring out who was going to prison in the state and for what reasons. What came from that data was Assembly Bill 236 of the 80th Session, which made substantial reforms.

That bill went through a vetting process, unlike any other bill. It went through the interim process where I cochaired the Advisory Commission on the Administration of Justice with Justice Hardesty, and we had about two years' worth of hearings on that bill before we got to the 2019 session. We got to the 2019 session and like every other bill we work on, we had hearings in both houses and working groups. The bill was amended substantially throughout the process, as every bill is. I am proud to say ultimately, that bill received bipartisan support and was signed by Governor Sisolak.

Why do I tell you all that? Part of the philosophy behind A.B. 236 of the 80th Session was reinvestment. It is called justice reinvestment. The idea is you make changes to what you are doing in your state to be able to avoid having to do things like pay for more prisons. But you do not put that money that you save back in the State General Fund. You reinvest it in the criminal justice system on the front end of the system. The idea is you reinvest it so you can address some of the drivers of criminal activity including mental health treatment, substance use disorders, and things that can get people into the criminal justice system. You try to amplify that. That was the idea behind the bill, and we were on track to do that.

Then the COVID-19 pandemic hit. Those of us who came here for the 2020 Special Session when we had to slash all our budgets know what that was like. It was awful. But the bottom line is there was no money for justice reinvestment. The reinvestment part of that bill has not yet been realized and that was the impetus for A.B. 388.

The reason this appropriation goes to the Department of Sentencing Policy is twofold. Number one, they are the agency that is tasked with figuring out how much money we would have otherwise spent if not for A.B. 236 of the 80th Session. That is one of their duties. The most recent projections have been a changing number because COVID-19 changed the landscape of what was happening in the justice system. There are projections upwards of \$480 million in costs avoided in the state over the next ten years.

Number two, A.B. 236 of the 80th Session created a council called the Nevada Local Justice Reinvestment Coordinating Council. We put together this Council that was required to administer grants for money that was saved. This Council is comprised of members from each county in the state and two members from Washoe County and two members from Clark County. Our colleague, Assemblyman Ken Gray, Assembly District No. 39, was on the Nevada Local Justice Reinvestment Coordinating Council for his county until he was elected to this office. He had positive things to say about the work of the Nevada Local Justice Reinvestment Coordinating Council. This Council exists to determine where we need more resources in our respective communities to address the drivers of the criminal justice system. The problem is they have not had any money to do anything. They have some good ideas, but they have no funding.

Ultimately, the Department of Sentencing Policy had a meeting, and they recommended \$3 million as an ask for this cycle. Think about that, out of \$480 million of costs avoided, the ask is for \$3 million. That is a fraction of a percent. Ultimately, that did not make it into The Executive Budget, which led me to bring this bill here.

Number one, this is how we can act upon and realize the promise behind A.B. 236 of the 80th Session. I should note the Nevada Local Justice Reinvestment Coordinating Council is comprised of prosecutors, public defenders, and social services individuals. It is everybody in the criminal justice system. One of the questions you may have is what would they use this money for? Essentially, what they would do is meet and decide the needs in their communities and grant the money to local nonprofits or agencies doing criminal justice work. One of the programs they talked about was the mobile outreach safety team, called MOST. The idea is when law enforcement goes out and responds to someone in a mental health crisis or experiencing a substance abuse issue, MOST brings a mental health professional with them in the car. They are able to talk to that person to determine if this is really someone who needs to go to jail, or is this someone who needs mental health treatment, substance abuse services, or someone with a disability who is unable to communicate with officers in the way that officers expect? That was one of the ideas that was raised. The disbursement of funds is going to be up to the Nevada Local Justice Reinvestment Coordinating Council.

I am here asking for what I think is a relatively small appropriation of \$3 million for the Department of Sentencing Policy given the savings that will be realized from A.B. 236 of the 80th Session. I have advised them that I would be asking for this on their behalf. I made no promises because I am not the one who makes the decision. It is this Committee who makes the decision and, ultimately, the Assembly, the Senate, and the Governor. I would be delighted to answer any questions that you may have and appreciate the time to present A.B. 388 this evening.

Assemblywoman Jauregui:

Did you work with the group to come up with the \$3 million amount or was this an amount you came up with on your own? Do you think that amount is sufficient, or do you think there will be money reverted?

Assemblyman Yeager:

Excellent question. That was a question I was asked in the Assembly Committee on Judiciary hearing. I should note that when I presented in the Assembly Committee on Judiciary, the Carson City District Attorney presented with me as well. He indicated that the amount came from the Nevada Local Justice Reinvestment Coordinating Council's research of what other states were doing in terms of funding. The funding in other states ranged from \$3 million to \$100 million a year in the state of Oregon. The Nevada Local Justice Reinvestment Coordinating Council came up with the recommendation at their meeting on May 4, 2022. They came up with the \$3 million ask, and they picked the lowest end on purpose because they did not want to have to return the money. They said we would start with \$3 million because that is the lowest we can find. We think we can spend that in our communities and our 17 different counties. The intent is to track that, see how it goes,

and perhaps be back in the next budgeting cycle to ask for more if they need more in the next biennium. If it does not make it in the budget, then we will be back in this same situation. My sincere hope is that through tracking the data, they are going to see that this was an investment that was well worth it, not just for keeping people out of the criminal justice system, but to fill some of those gaps that we talk about in this building every day that are happening in our communities.

Chair Monroe-Moreno:

Seeing no other questions, we will move to testimony in support of A.B. 388. 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 hearing on Assembly Bill 461.

Assembly Bill 461: Revises provisions relating to the Public Employees' Retirement System. (BDR 23-1075)

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

Assembly Bill 461 was requested by the Public Employees' Retirement Board to create the position of Chief Administrative Analyst within the Public Employees' Retirement System (PERS) executive staff structure. The cost associated with the creation of the position was included in the proposed budget submitted by the Public Employees' Retirement Board to the Legislature.

The *Nevada Constitution* and *Nevada Revised Statutes* (NRS) Chapter 286 creates the Public Employees' Retirement Board's authority to hire necessary staff to properly administer PERS in Article 9, section 2, subsection 4 of the *Nevada Constitution* and in NRS 286.170, subsection 1. *Nevada Revised Statutes* 286.160, subsection 1, sets forth certain positions that the Board must employ, and the qualifications required to hold those positions. Assembly Bill 461 proposes to amend NRS 286.160 to include the position of Chief Administrative Analyst within the list of positions that are necessary for the Board to employ.

The structure of PERS is unique when compared to other governmental agencies. In addition to the provisions of the *Nevada Constitution*, NRS 286.110, subsection 1, provides that PERS is a public agency supported by administrative fees transferred from the retirement funds and provides for regular review of the system by the Executive and the Legislative Branches of state government. The retirement fund is a trust fund, which must be administered for the exclusive benefit of the members and beneficiaries of our system. The Public Employees' Retirement Board and certain staff members are fiduciaries to the trust fund. As such, the Public Employees' Retirement Board must exercise extreme care and independence in managing the executive staff structure. Due to the growth of the system, complexity of laws and regulations governing the system, complexity of the system's projects, succession

planning, and our fiduciary duties, the Public Employees' Retirement Board has determined it is in the best interest of the system to include this position in the executive staff. I will now turn the presentation over to Kabrina Feser, Operations Officer, to give you a brief recitation of the proposed duties of this position.

Kabrina Feser, Operations Officer, Public Employees' Retirement System:

The Public Employees' Retirement Board has requested the Chief Administrative Analyst position to create a series within the executive staff and allow for practical distribution of work between two analysts due to increased workload and complexity. This position will act as the liaison between business and the executive staff for the implementation of our new pension administration system and also assist with organizational change management.

The position will support agency objectives including:

- Supporting the audit committee of the Board and the internal audit team.
- Monitoring federal and Internal Revenue Service regulations such as the federal Secure 2.0 Act of 2022 as well as the changes to the W-4P and W-4R and required minimum distribution provisions.
- Reviewing and updating official policies to meet evolving business needs.
- Serving as the project lead for ongoing actuary inquiries and reporting.
- Identifying potential areas of compliance, vulnerability, and risk.
- Assisting with development, implementation of risk management, and mitigation for resolution of problematic issues.
- Providing guidance on how to avoid or address similar situations in the future.

The position will report directly to the Executive Officer of PERS and be part of the executive staff.

Chair Monroe-Moreno:

Any other questions? [There were none.] We covered this last Saturday, but we needed the bill to go along with the information that we had.

Tina Leiss:

If I could clarify one thing, the Public Employees' Retirement Board sets the executive staff positions' salaries, hires the Executive Officer, and the Executive Officer then hires the Chief Administrative Analyst. I just wanted to make sure that was clear in the testimony as well.

Chair Monroe-Moreno:

Hearing no other questions, we will move to testimony in support of Assembly Bill 461. Is there anyone who would like to testify in support?

Terri Laird, Executive Director, Retired Public Employees of Nevada:

The Retired Public Employees of Nevada is a nonprofit, nonpartisan organization, representing close to 8,000 dues-paying members in 17 chapters statewide who are all PERS recipients. Since our formation in 1977, one of our missions has been to protect the pensions

earned by PERS participants. We fully support A.B. 461 to create this new position, Chief Administrative Analyst. Nevada PERS continually ranks high among its peers and does so with a smaller than usual staff. We recognize the importance and need for this new position and expert in the field and ask for your support.

Chair Monroe-Moreno:

Is there any other 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.] I will close the hearing on this bill.

That brings us to the last item on our agenda, which is public comment. I will open public comment. [There was no public comment.]

There being no further business before the Committee, this meeting is adjourned [at 6:15 p.m.].

RESPECTFULLY SUBMITTED:

Janice Wright
Committee Secretary

APPROVED BY:

Assemblywoman Daniele Monroe-Moreno, Chair

DATE: _____

EXHIBITS

[Exhibit A](#) is the Agenda.

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

[Exhibit C](#) is a letter dated February 15, 2023, addressed to Assemblywoman Selena Torres, Chair, Assembly Committee on Government Affairs, submitted by Jyoti Chopra, Chief People, Inclusion, and Sustainability Officer, MGM Resorts International, in support of Assembly Bill 140.

[Exhibit D](#) is a map of the rural hospitals in Nevada presented by Blayne Osborn, President, Nevada Rural Hospital Partners, in support of Assembly Bill 277 (1st Reprint).