

**MINUTES OF THE
SENATE COMMITTEE ON FINANCE**

**Eighty-second Session
May 24, 2023**

The Senate Committee on Finance was called to order by Chair Marilyn Dondero Loop at 8:09 a.m. on Wednesday, May 24, 2023, in Room 2135 of the Legislative Building, Carson City, Nevada. The meeting was videoconferenced to Room 4412E of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. [Exhibit A](#) is the Agenda. [Exhibit B](#) is the Attendance Roster. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

COMMITTEE MEMBERS PRESENT:

Senator Marilyn Dondero Loop, Chair
Senator Roberta Lange (Substitute for Senator Nicole J. Cannizzaro)
Senator Dallas Harris
Senator Dina Neal
Senator Rochelle T. Nguyen
Senator Pete Goicoechea
Senator Heidi Seevers Gansert
Senator Robin L. Titus

COMMITTEE MEMBERS ABSENT:

Senator Nicole J. Cannizzaro (Excused)

GUEST LEGISLATORS PRESENT:

Senator Lisa Krasner, Senatorial District No.16
Senator Dina Neal, Senatorial District No. 4
Senator Pat Spearman, Senatorial District No. 1
Assemblyman Howard Watts, Assembly District No. 15

STAFF MEMBERS PRESENT:

Brenda Erdoes, Director
Wayne Thorley, Senate Fiscal Analyst
Cathy Crocket, Chief Principal Deputy Fiscal Analyst
Alex Haartz, Principal Deputy Fiscal Analyst

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John Kucera, Principal Program Analyst
Julie Waller, Principal Program Analyst
Eileen O'Grady, Counsel
Dee Chekowitz-Dykes, Committee Secretary

OTHERS PRESENT:

Sheila Bray, University of Nevada, Reno
Karissa Loper Machado, Division of Welfare and Supportive Services, Nevada
Department of Health and Human Services
Tom Clark, Reno + Sparks Chamber of Commerce; Children's Cabinet
Elyse Monroy-Marsala, Children's Advocacy Alliance
Dora Martinez, Nevada Disability Peer Action Coalition
Matthew Tuma, Deputy Director, Nevada Department of Administration
Mandee Bowsmith, Administrator, Division of Human Resource Management,
Nevada Department of Administration
Mary Pierczynski, Nevada Association of School Superintendents
Steven Cohen
Catherine Nielsen, Executive Director, Nevada Governor's Council on
Developmental Disabilities
Nick Shepack, Return Strong; Social Workers Against Solitary Confinement
James Dzurenda, Director, Nevada Department of Corrections
John Piro, Chief Deputy Public Defender, Clark County Public Defender's Office
Betty Guest, Return Strong
Amber Falgout, Battle Born Progress
Jodi Hocking, Return Strong
Christine Saunders, Progressive Leadership Alliance of Nevada
Christi Cabrera-Georgeson, Nevada Conservation League
Be-Be Adams, Friends of Nevada Wildlife
Rebecca Goff, The Humane Society of the United States
Bari Levinson, Sierra Club-Toiyabe Chapter
Susan Proffitt, Nevada Republican Club
Alex Tanchek, Pyramid Lake Paiute Tribe
John Ocegueda, Reno Sparks Indian Colony; Las Vegas Paiute Tribe
James Settelmeyer, Director, State Department of Conservation and Natural
Resources

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CHAIR DONDERO LOOP:

I will open the hearing on Senate Bill (S.B.) 126.

SENATE BILL 126 (1st Reprint): Revises provisions relating to the NV Grow Program. (BDR S-791)

SENATOR DINA NEAL (Senatorial District No. 4):

This bill has a General Fund impact and covers the NV Grow Program, which has been in existence since 2015. The General Fund impact, covered in S.B. 126, section 2, is \$950,000 for fiscal year (FY) 2023-2024 and \$950,000 for FY 2024-2025. The NV Grow Program started out as a pilot in 2015 that cost \$350,000 over two years. Funding was increased to \$450,000 spent over two years starting in 2017.

The NV Grow Program has grown exponentially from 53 businesses to over 700 businesses and now has 17 part-time staff. It has counselors who speak five different languages to help and assist clients. The General Fund impact reflects the Program's growth and the University of Nevada, Reno, Small Business Development Center which provides counseling. On top of that, the Program added the African Chamber. Several commerce groups provide marketing for the Program, including the Asian Community Development Council, the Las Vegas Asian Chamber of Commerce, Latin Chamber of Commerce Nevada, Urban Chamber of Commerce and now the African Chamber.

CHAIR DONDERO LOOP:

Could you speak to the fiscal note on this bill?

SENATOR NEAL:

The fiscal note attached to the bill from the Nevada System of Higher Education is \$0. The cost of the bill is the appropriation detailed in S.B. 126, section 2.

SHEILA BRAY (University of Nevada, Reno):

We support S.B. 126. I also represent the Cooperative Extension, which enhances and encourages the education of small businesses throughout the State. We look forward to partnering with the Senator and the NV Grow Program to expand the State's resources for small businesses.

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CHAIR DONDERO LOOP:

I will close the hearing on S.B. 126 and open the hearing on S.B. 278.

SENATE BILL 278 (1st Reprint): Revises provisions governing child care.
(BDR 32-290)

SENATOR PAT SPEARMAN (Senatorial District No. 1):

Senate Bill 278 creates a tax credit program against the Modified Business Tax (MBT) for employers who pay money to the Division of Welfare and Supportive Services of the Nevada Department of Health and Human Services (DHHS) for the purpose of providing childcare assistance to certain employees. The bill defines criteria of eligibility for participation in the tax credit program for the employee and childcare provider, such that employees must not earn more than 150 percent of the median household income in the State to be eligible for the program.

The fiscal impact prepared by the Nevada Department of Taxation reflects the need for two new positions, a tax examiner to ensure appropriate tax credit is issued and to issue correspondence to employers and employees regarding the tax program, and a supervisor to oversee the addition of this tax credit. These two positions total \$125,078 for FY 2023-2024 and \$165,816 for FY 2024-2025. Getting information about the tax credit to employers can be accomplished using social media and public service announcements on television and radio.

Childcare is part of core infrastructure, especially as we come back from COVID-19. Without childcare in place, it will be very difficult for parents to work. I have spoken to some parents who have to choose between going to work or going to jail. Because they have young children, they cannot be left alone and these parents cannot afford two or three children. The average cost of a child is \$800 to \$1,000 per month.

CHAIR DONDERO LOOP:

Could you confirm the fiscal note for S.B. 278?

SENATOR SPEARMAN:

The first fiscal note is for the examiner, which as stated before is \$125,078 for FY 2023-2024, then 165,816 for FY 2024-2025. There is also a budgetary impact of up to \$5 million according to the Department of Taxation.

Several articles have been written regarding the importance of childcare in terms of expanding our economy. For every \$1 that we put into affordable childcare, we could conceivably reap more than \$10, because when parents go to work, it lowers pressure on social service operations.

As Nevada began to open up after COVID-19, I used to hear some say, people are so lazy they would rather stay at home and collect the check. That is not true. Maybe a small percentage of people are like that, but a lot of these people are good, hardworking folks who had somebody to take care of their child before COVID-19 hit. Some of the childcare providers those folks relied on unfortunately either died or closed down during the pandemic. This bill is an investment.

SENATOR NGUYEN:

Childcare is right up there with affordable housing as reasons that prohibit Nevada from getting back to a fully functioning economy. I have a question about S.B. 278, section 3, subsection 3, which mentions household incomes 150 percent above the median household income. What is that dollar amount?

SENATOR SPEARMAN:

During the policy hearing on this bill, we increased the cutoff from 125 percent above the median income to 150 percent because that allows far more people to benefit from the bill.

SENATOR NGUYEN:

Typically, with these kinds of tax credits, we have a way to see what the return on investment is. Does S.B. 278 have a mechanism to find that out? Do you have a metric in mind to quantify the success of this tax credit?

SENATOR SPEARMAN:

I do not have a specific way to quantify it. But since COVID-19, some people have stopped looking for work because it is just impossible to balance a job and childcare. Seeing how many people apply for the credit versus how many people are eligible once DHHS administers the program would be one way to look at it. We could also measure the credit's success from an economic growth standpoint and see how many people no longer rely on social services once the tax credit is in effect.

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SENATOR NGUYEN:

Does someone from DHHS happen to know what that 150 percent of the median income number is?

KARISSA LOPER MACHADO (Division of Welfare and Supportive Services,
Nevada Department of Health and Human Services):

It would be roughly \$93,000 per year.

SENATOR NGUYEN:

Is there a data collection and reporting mechanism built into the bill to determine the success of the tax credit?

Ms. MACHADO:

Not to my knowledge.

SENATOR NGUYEN:

Would it be easy for you to collect that information?

Ms. MACHADO:

Yes, especially if we have a year to do it.

SENATOR TITUS:

How will employees who qualify know about this childcare benefit? What are the logistics of how this will be implemented? Do the payments go directly to the childcare provider, or does it go to the employee and is earmarked for childcare costs?

SENATOR SPEARMAN:

The money does not go directly to the employees. The employers would get the benefit against their MBT for doing the childcare voucher or providing it on-site. It is really the employer's responsibility to make sure that the employees know about the childcare vouchers.

WAYNE THORLEY (Senate Fiscal Analyst):

The Nevada Department of Taxation would be responsible for administering this program, to determine the source used because it is not identified in the bill for the 150 percent of the median household income in Nevada. However, looking at the U.S. Census Bureau's most recent information that is available, the

median household income in Nevada is \$65,686 a year, so 150 percent of that is \$98,529.

SENATOR NEAL:

The employer will pay the childcare and then get the tax credit to offset those costs. The payments will go directly to childcare agencies. How employees will go about applying for the program will have to be defined in regulation. Businesses will volunteer for the program, so not every business will provide this childcare benefit.

CHAIR DONDERO LOOP:

Since employers are the ones responsible for informing employees and setting the program up, I assume they will face some costs?

SENATOR SPEARMAN:

There may be costs, but no one has told me the costs will be exorbitant. The cost to set up the program can probably be absorbed by an employer's human resources department.

SENATOR TITUS:

Senator Neal mentioned the employer must pay for childcare and then apply for the tax credit. A person can get a deduction on their federal income tax for childcare. Will programs created through S.B. 278 interfere with the federal deduction? Will employers be able to take a federal tax deduction for providing childcare?

SENATOR SEEVERS GANSERT:

Childcare is a huge obstacle and S.B. 278 is a nice way to incentivize companies to provide it. I imagine the answer to Senator Titus' last question is yes because the childcare program would be an expense.

SENATOR NEAL:

The MBT credit is up to 50 percent and many businesses currently take credit on the MBT in Nevada. Whatever businesses take part in this program will likely have participated in other tax credit programs. This program targets poor families that do not have any relief, not middle-class families who qualify for other childcare subsidies. Before COVID-19, it was common for poor families to be unable to offset a cost of \$3,000 a month for childcare; it was too extreme a burden. With this program, that may now be an option for those families.

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SENATOR SPEARMAN:

The reason the bill targets families making 150 percent of the median income was to get help to people who would not otherwise qualify for childcare assistance but need it.

CHAIR DONDERO LOOP:

I can think of many teachers who would fit that description.

TOM CLARK (Reno + Sparks Chamber of Commerce; Children's Cabinet):

We need childcare opportunities for everybody across the board. We support S.B. 278.

ELYSE MONROY-MARSALA (Children's Advocacy Alliance):

We support S.B. 278. but I have some more numbers to provide just to contextualize the need. Based on a cost-of-living report, a family of four in Nevada must spend \$57,720 a year to provide basic necessities. That does not include childcare. Infant childcare costs \$800 a week. That adds up to \$41,000 a year. With childcare being so expensive, people need help to pay for it. To have a sustainable and strong economy, we need to have sustainable and strong families.

DORA MARTINEZ (Nevada Disability Peer Action Coalition):

I support S.B. 278. As a blind mom, I had to get childcare for my daughter. Childcare is very helpful and supports the economy.

CHAR DONDERO LOOP:

I will close the hearing on S.B. 278 and open the hearing on S.B. 279.

[SENATE BILL 279](#): Revises provisions relating to employment. (BDR 23-882)

SENATOR SPEARMAN:

Senate Bill 279 continues my ongoing work to ensure that our laws provide equal opportunities for every citizen in the State. It is specifically recognizing and fostering the employment of persons with disabilities. The bill establishes an employer program modeled after Tennessee that would retain persons with disabilities. It would ensure that qualified people are not disqualified because of their disabilities. It also requires the Division of Human Resource Management (DHRM) to work with the Rehabilitation Division of the Nevada Department of

Employment, Training and Rehabilitation (DETR) to provide technical assistance in complying with S.B. 279.

The DHRM projects that it will require one additional person to carry out the provisions of S.B. 279. The position costs approximately \$160,000 across the upcoming biennium plus travel and operating costs to carry out training and outreach efforts to State agencies, estimated to be \$13,739 in FY 2023-2024 and \$6,500 in FY 2024-2025. The fiscal note prepared by DETR determined there is no fiscal impact on the Department. The Americans with Disabilities Act of 1990 (ADA) required states to prepare a program that addresses the issues that S.B. 279 does. So, most of what is contained in the fiscal note, the State should already be doing.

SENATOR NEAL:

What will DHRM be looking for in this employer program?

SENATOR SPEARMAN:

The DHRM would be looking for things contained in the ADA. Does a State agency already have a program to address people with disabilities? Are office spaces configured to accommodate people with disabilities? The bill just requires Nevada to be more proactive on the provisions of the ADA.

SENATOR NEAL:

The fiscal note mentions that S.B. 279, section 3 will require training and outreach efforts to State agencies, which will necessitate the purchase of training materials Statewide. What is DHRM already doing with regards to ADA requirements?

MATTHEW TUMA (Deputy Director, Nevada Department of Administration):

Like Senator Spearman described, our current practices are reactive, not proactive, in working with supervisors, departments and divisions. Right now, all that is required for ADA compliance for supervisors to attend mandatory trainings on the ADA and respond to disability accommodation requests. Agencies have to fill out the essential functions for any position and tie any of the cognitive or physical abilities of that position to one of those essential functions through worksheets that DHRM provides.

We do not train people proactively throughout other departments and agencies. If a supervisor requests that guidance, then DHRM will accommodate that as

we are going through a recruiting process. If a candidate requests disability accommodations for a position, then DHRM will work with them to figure out if those common accommodations can be met.

This bill would create a program for a trainer to proactively work with other State departments and agencies and supervisors to establish their engagement on recruiting candidates with disabilities.

SENATOR NEAL:

Your fiscal note lists equipment costs of \$7,297 for FY 2023-2024. What equipment are you going to need?

MR. TUMA:

That equipment would be a one-time investment to cover the basics for a new position. Stuff like a desk, chair, computer and so on.

CHAIR DONDERO LOOP:

Is there a State employee specifically hired and trained to help people with disabilities get jobs? The current system seems to be working.

MR. TUMA:

There is no one individual who focuses on getting people with disabilities jobs at DHRM or most departments. The most dedicated effort is the 700-hour program in DETR, which focuses on getting folks with disabilities into the system where they can be assigned and put into a position when agencies are recruiting. But there is no equivalent at the Nevada Department of Administration or DHRM. This bill would require DHRM to hire a staffer with duties more like the 700-hour program, with the exclusive focus of getting people with disabilities hired.

MANDEE BOWSMITH (Administrator, Division of Human Resource Management, Nevada Department of Administration):

This bill is an opportunity for DHRM to work with DETR to improve the 700-hour list and bring individuals on that list to State employment. Neither DHRM nor DETR provides ongoing support to employees hired from that list with the agency that hires them. Some people need additional help and resources, and this legislation will help us figure out what those are, so we can provide support to disabled employees and the agencies that hire them.

SENATOR NEAL:

In DETR's vocational rehabilitation program, they deal with people with disabilities who want to work, providing support to such individuals and tying them to employers. What kind of crossover will that have with this bill, and why can DETR's trainers not be cross-referenced into DHRM? These trainers should already be engaging employers about accommodating people with disabilities. Why not just share the trainers between DETR and DHRM?

MS. BOWSMITH:

The vocational rehabilitation program in question focuses more on outside employment, not State employment. Our focus with this bill is to bring disabled people into State employment. This bill is an opportunity for DHRM to work with DETR to build a program like their vocational rehabilitation program but geared towards State jobs.

SENATOR SPEARMAN:

The ADA was passed in 1990 and, as a State, we have not been proactive about following its provisions. This bill is to remind us that 33 years later, the ADA still matters. There are people with disabilities out there who are qualified and willing to work State jobs. But if we are not proactively seeking them out, it is unlikely they will be hired.

MARY PIERCZYNSKI (Nevada Association of School Superintendents):

Our organization is an umbrella organization for providers who have group homes, jobs and day training facilities for the intellectually and developmentally disabled. We support S.B. 279. By not hiring the disabled, Nevada is missing out on a lot of talent.

STEVEN COHEN:

I ditto the prior remarks and support S.B. 279.

CATHERINE NIELSEN (Executive Director, Nevada Governor's Council on Developmental Disabilities):

Working age people with developmental and other disabilities are among the most unemployed and underemployed segments of our society. Too often, unemployment is accepted as an inevitable result of living with a significant disability. Employment is the avenue to independence and increased socialization for individuals with disabilities. Our Council believes that all individuals with disabilities who can and want to work should have access to

the resources and support necessary to gain and maintain meaningful community-based employment.

The State currently employs more than 18,000 people and, as an employer, has a duty to its citizens to employ people of all abilities and should be considered a model employer. We also encourage you to implement Employment First policies that transform the expectations of State agencies, service providers and people with developmental disabilities. The expectation is that people with developmental or other disabilities can and want to work and we should be successfully finding these individuals meaningful and gainful employment that meets their needs and interests by tailoring services to help them succeed in the workforce.

We worked with DHRM on the 700-hour list. Previously, there were positions that people on the 700-hour list could not apply for. I am glad DHRM no longer prohibits disabled people from applying for those positions. We support S.B. 279.

SENATOR SPEARMAN:

When I was in the military, I had a mantra. You cannot teach what you do not know and you cannot lead where you will not go. For Nevada to enforce the ADA, we must become a model employer because everyone who wants to work and is qualified to do the job should have an opportunity to do so.

CHAIR DONDERO LOOP:

I will close the hearing on S.B. 279. Before we continue, Mr. Thorley has a correction for the record on S.B. 278.

MR. THORLEY:

I have a clarification regarding the cost of childcare. When the Division of Welfare and Supportive Services presented their budget to the human services subcommittee on March 3, they indicated the cost of childcare in Nevada for families can range from \$800 to \$1,000 per week for infant care, \$600 per week for toddlers and \$400 per week for Pre-K after-school care. After that hearing, the Division sent us a memo, explaining they had misspoken and those were the costs per month, not per week.

CHAIR DONDERO LOOP:

I will open the hearing on S.B. 307.

SENATE BILL 307 (1st Reprint): Revises provisions relating to human rights.
(BDR 16-881)

SENATOR SPEARMAN:

In 2017, I sponsored a bill related to incarceration. That bill was pretty good, but there are some areas that needed to be tightened up, which is what S.B. 307 does. The fiscal note previously attached to this bill is no longer a concern.

NICK SHEPACK (Return Strong; Social Workers Against Solitary Confinement):

The prior version of S.B. 307 had a fiscal note but, as amended, that fiscal note is now \$0. The bill passed unanimously out of the Senate Committee on Judiciary. We have another proposed amendment that makes small fixes to the bill. The first portion of the proposed amendment ([Exhibit C](#)) changes the definition of “serious mental illness” to line up with the definition used by the Department of Veteran Affairs, as there is no concrete definition for the term in *Nevada Revised Statutes* (NRS).

The second portion of the amendment applies to the fiscal note in section 12.5, subsection 7 and changes “psychologist” to “mental health clinician.” The Nevada Department of Corrections (NDOC) only has a few psychologists on staff and would have trouble procuring more for rural areas like Ely, but it does have qualified mental health clinicians who could sit on multidisciplinary teams at no extra cost to the State.

SENATOR GOICOECHEA:

The prison in Ely had 21 solitary cells set aside for death row inmates or prisoners who were a risk to other inmates. How do those cells and inmates factor into this bill? Will they be required to vacate those cells every 15 days?

JAMES DZURENDA (Director, Nevada Department of Corrections):

The kinds of prisoners Senator Goicoechea is talking about are confined to their cells 22 hours a day. This bill would prevent that from occurring for more than 15 days in a row. These inmates would, after a maximum of 15 consecutive days, be remanded to less stringent restrictions for at least 1 day while a committee reviews their mental health and behavior. If the inmate fails a review, they can be put back into 22-hour-a-day solitary confinement after their 1-day reprieve has passed.

The intent of this bill is to put more emphasis on mental health. The committee will review and see if solitary confinement is helping reform the individual's behavior or making it worse. If solitary is not working, we need to consider what other options are available. The bill also prevents NDOC from putting someone who is 90 days away from being discharged into solitary confinement. This does not apply to death row inmates who are confined less than 22 hours a day.

SENATOR GOICOECHEA:

I like that S.B. 307 would have an assessment every two weeks to see if the inmates in solitary confinement are gaining or losing ground on their mental health.

SENATOR TITUS:

In section 12.3, subsection 4 of the bill it reads, "The Department shall ensure that each offender placed in solitary confinement receives a health and welfare check conducted at least once each day by a provider of health care at his or her cell." Does NDOC have personnel capable of doing that? And if so, how do you define healthcare provider?

MR. DZURENDA:

The bill's intent is to have someone that is a qualified health professional, but not necessarily a mental health professional, do that check. It could be done by someone qualified in behavioral issues or a nurse that has been trained in mental health. These professionals go in the cells every day. The Department does medical prescriptions and distribution of medicines to regular and solitary confinement cells. This requires us to make sure inmates do not have serious problems. This portion of the bill is not an evaluation.

SENATOR TITUS:

Does NDOC screen inmates for mental health issues and have a mental health plan on all inmates that are admitted to its facilities?

MR. DZURENDA:

The Department has different criteria. We evaluate every offender that comes into the institutions for medical and mental health needs. Those we identify as seriously mentally ill are not to be placed in segregation. A mental health professional can say a seriously mentally ill person needs to be secured in his or her cell 24 hours a day for certain reasons. That is a mental health decision, not

a custody decision. Whether an inmate's mental health needs are minor or serious, they are still evaluated for those needs and the type of clinician intervention needed. The seriously mentally ill have many evaluations periodically, those with minor mental health needs do not. And no, I do not want those individuals to be forgotten. Inmates with minor mental health problems can become worse if they do not get their medication, which is why we want someone to check on them frequently.

SENATOR TITUS:

Do you have adequate access to mental health beds when you need to move a person from your facility?

MR. DZURENDA:

If there is a shortage of mental health beds, we expand to meet the facility's needs. If an inmate suffers a serious mental health deterioration in solitary confinement, they will be moved to another facility.

SENATOR SPEARMAN:

When Mr. Dzurenda became the Director of NDOC in 2016, there were several seriously mentally ill inmates that had been in solitary confinement for several years. He presented this information to the Senate Committee on Health and Human Services in 2017, and we passed a bill at the time to give inmates a safety net so that situation would not happen again. This bill will strengthen those safety nets.

SENATOR NEAL:

In 2019, there was an audit on NDOC's mental health services that said there were no performance measures for mental health services to monitor the success of the programs in place. Has that been remedied?

MR. DZURENDA:

I am not aware of this audit. When I came back in to NDOC this year, our mental health staffing was depleted. I am concerned that NDOC meets the minimum mental health needs; it is not enough to get offenders back on track. The mental health services have their own goals, to stabilize inmates and to look for evidence-based programs to change behaviors. It is not enough support for offenders before we release them back into the community.

SENATOR NEAL:

The audit also stated that there was no plan or relationships for community partners that engaged in mental health work to give resources and support for inmates who had mental illness to reintegrate into communities. That needs to be managed as well. It does not matter if the inmates have sufficient mental resources in prison if they have no support once they get out. The program also needs a metric and data to ensure it works.

JOHN PIRO (Chief Deputy Public Defender, Clark County Public Defender's Office):

As Director Dzurenda said, the mental health of inmates is going to directly affect their behavior when they are released. I support S.B. 307.

BETTY GUEST (Return Strong):

We support S.B. 307. I am personally impacted by this bill because my son is incarcerated. Our organization spends a lot of time talking to people in solitary confinement and reading letters about the horrors of this practice. This bill is an important step to restrict the use of solitary confinement.

In recent years, we have begun to understand the horrors of what happens to people in solitary confinement physically, emotionally and psychologically. It is torture. Before I joined Return Strong, I thought that solitary confinement was saved for people who had no redeeming qualities. But even those who have committed horrific crimes can have redeeming qualities.

More importantly, solitary confinement is not reserved for the worst of the worst. It is used on inmates who steal a stick of butter from the mess hall, have too much mail in their cell, have hobby items without permission or talked back to a correctional officer. It is used for women waiting for a behavioral class before they can be moved back to the general population. In Nevada, we use solitary confinement excessively and are harming people who will be coming home to our communities. Solitary confinement is torture. Is it possible to calculate torture? Can you put a number on unimaginable suffering? Is there a way to accurately count the human cost of a system designed to cause harm? There is not. Please support S.B. 307 and help us in the fight for humanity and creating a world that ends torture.

AMBER FALGOUT (Battle Born Progress):

We support S.B. 307. Investing in our prison system and improving the policies that offenders are beholden to is an appropriate use of our money and resources. While prison used to be thought of as rehabilitation, in practice it is completely the opposite. Spending resources on health and wellness checks for offenders in solitary confinement is the least we can do to ensure offenders are not being further harmed by this practice.

JODI HOCKING (Return Strong):

I am providing testimony on behalf of somebody who is actually incarcerated at the Ely State prison. Solitary confinement is used to break spirits, destroy minds and rob people of their sanity.

I was in a cell for 23 to 24 hours a day. After only a few months, I cut off everyone that I knew, family, friends, lawyers and even became unresponsive to prison staff. I crawled into myself. Isolation can do this. I quit showering, shaving and caring about any hygiene, including brushing my teeth. Nothing mattered anymore. I lost all track of time and all the psychologists cared about was offering to pass a pill or if I was feeling suicidal. Most definitely a ploy that would permit the confiscation of the rest of my clothes and leave me naked in the freezing cell. I was not interested. Each passing day pushed me deeper and deeper into the abysmal pit. When you are on the brink of sanity leaving you, there is no true self-awareness to what is happening. Autopilot rules the days as they arrive. I was vulnerable beyond measure. Agonizingly paranoid is an understatement to what I became. Simply the effects of solitary confinement, psychological toil, are real and they generally last for a lifetime, especially when the effects are slowly and constantly being fed; the conditions that created them.

This inmate and Return Strong support S.B. 307. The vast majority of people going through solitary confinement take the issues they develop home when they are released. We should take any and all steps possible to end or restrict this practice.

MS. NIELSEN:

Speaking for myself, not the Nevada Governor's Council on Developmental Disabilities, I used to be a psychiatric caseworker in Fallon for the rural clinics.

Working with those individuals strained my heart, seeing the quality of mental health care available in Nevada. I recognize the challenges that policymakers and administrators face in addressing the current needs of the mental health care in Nevada and specifically the mental health care of our incarcerated persons. Currently, available treatment options in Nevada are not sufficient to serve the needs of the incarcerated. Increased access to mental health care services is necessary to meet their needs, particularly those with mental health conditions. Most of these individuals will be released into society, and we owe it to them to provide the services so they can be rehabilitated. I support S.B. 307.

CHAIR DONDERO LOOP:

I will close the hearing on S.B. 307 and open the hearing on S.B. 88.

SENATE BILL 88: Requires the Joint Interim Committee on Natural Resources to conduct an interim study of certain state agencies. (BDR S-345)

ASSEMBLYMAN HOWARD WATTS (Assembly District No. 15):

Senate Bill 88 would task the Joint Interim Standing Committee on Natural Resources to conduct a study during the next Interim of agencies that regulate natural resources. There is a fiscal note from the Legislative Counsel Bureau that said the cost cannot be determined. This bill follows a recommendation from the last Interim Standing Committee on Natural Resources, which was tasked with conducting a study of water conservation and related issues. That was built into the work plan brought before the Legislative Commission to approve the budget for that Interim Committee's meeting schedule.

This bill envisions the same thing. It would not require additional staffing or any sort of contract resources to conduct this study. The bill would ensure that this item must be on the agenda for the next Interim. There will be some meeting time dedicated to putting forward a work plan that would be presented when the Interim Committees are chosen by the Legislative Commission for the next Interim. While there will be some time dedicated to the study, this does not expand the financial resources required to operate this Joint Interim Standing Committee during the next Interim.

SENATOR HARRIS:

Will there ever be an end to the studies?

ASSEMBLYMAN WATTS:
Unfortunately, no.

SENATOR TITUS:

I too am not a big fan of studies; what is the purpose of this study? The bill says the Joint Interim Standing Committee is going to examine its composition and mission scope. What would you do with that information? Is the purpose to understand whether it is functioning at the level it is supposed to be, whether it needs to be in existence at all or whether we need to change the scope of it? What is the ultimate goal of S.B. 88?

ASSEMBLYMAN WATTS:

Not to call out Senator Goicoechea, but he has brought forward legislation related to certain agencies that regulate natural resources, particularly wildlife. Other legislators have brought forward ideas to reform the makeup of and mission of the Board of Wildlife Commissioners. I brought legislation last Session related to the regulation of mining and how that is organized. The Sunset Subcommittee evaluates entities on their statutory responsibilities, not their makeup or alterations to mission scope as things change over time.

This bill gets away from our current practice of having someone try to fix an entity with an individual bill based on their idea of what works and uses the Interim to, for example, have the National Conference on State Legislatures come and present how similar entities work in other states. Then invite all stakeholders to come present their ideas and have a discussion with the Joint Interim Standing Committee without resorting to a bill hearing.

My hope is that S.B. 88 will lead to ideas to fix a given entity with more consensus or vetting prior to the next Session. If nothing comes forward, at least there would be an open forum to bring forward and discuss ideas, rather than rushing them through a regular Legislative Session. This bill ensures such a discussion during the Interim for a specific committee.

SENATOR GOICOECHEA:

This bill is quite broad. If the State Department of Conservation and Natural Resources (DCNR) and all its internal commissions and divisions come to present, that would be a long meeting. Would it make more sense to narrow the presentation down to more relevant agencies like the Division of Forestry (NDF)?

ASSEMBLYMAN WATTS:

The bill is broad because I did not want it to be so limited for an agency if something else came up during a discussion. I expect there would be a discussion about the Board of Wildlife Commissioners or the Commission on Mineral Resources. The State Department of Conservation and Natural Resources is included in S.B. 88 as an option, but the aforementioned commissions and the State Environmental Commission do most of the regulatory rulemaking related to the Division of Environmental Protection. Those commissions are the main focus of S.B. 88, but I did not want the bill to be too narrow in case someone brought forward another idea for consideration.

SENATOR GOICOECHEA:

I have been going after the NDF this Session, so make sure they are on the list.

ASSEMBLYMAN WATTS:

Since NDF is within DCNR, this bill allows someone to put it on the table for discussion. The Division of Water Resources is also a rulemaking entity, even if it does not have a board like other entities. The bill is broad, so the Interim Committee has the option to address other entities and how they are structured.

CHRISTINE SAUNDERS (Progressive Leadership Alliance of Nevada):

We support S.B. 88. It is time to take a holistic look at how we manage and regulate natural resources in Nevada, the driest State in the Nation. We must ensure we are protecting our limited water supply. As a site for many extractive industries, we must ensure that we are placing people and planet first. This will be an effective use of the Interim Committee's time and we urge your support.

CHRISTI CABRERA-GEORGESON (Nevada Conservation League):

We support S.B. 88.

BE-BE ADAMS (Friends of Nevada Wildlife):

We support S.B. 88.

REBECCA GOFF (The Humane Society of the United States):

We support S.B. 88.

BARI LEVINSON (Sierra Club-Toiyabe Chapter):

We support S.B. 88. It is time to take a detailed, extensive holistic look at all these environmental agencies and how they manage natural resources, protect

our limited water supplies and ensure that we are not putting extractive moneyed interests over protecting our environment for all Nevadans. A study would allow for a more thorough examination of these agencies and allow various interest groups to meet and discuss other State trends and regulatory structures. For these reasons, we urge you to support the bill. I have submitted a letter of support for the bill ([Exhibit D](#)).

SUSAN PROFFITT (Nevada Republican Club):

I support S.B. 88. I suggest that when this study is done, those involved also consider how to combine agencies doing redundant work so we can put them under one umbrella and save money.

CHAIR DONDERO LOOP:

I will close the hearing on S.B. 88 and open the hearing on S.B. 364.

SENATE BILL 364 (1st Reprint): Makes various changes relating to cultural remains. (BDR 33-533)

SENATOR LISA KRASNER (Senatorial District No. 16):

I am here to remove the fiscal note from S.B. 364. The bill makes changes regarding discovered remains thought to be Native American remains. Only one such case has been reported in the last ten years. There is a new proposed amendment ([Exhibit E](#)) which changes section 1 to add "The work of consulting with the Tribes will be done by the Nevada Indian Commission. The Department of Conservation and Natural Resources will do the regulations, without further consultation." It also strikes "adopt" from section 3 and replaces it with "submit to LCB." The bill would allow a member of the tribes to say a prayer over remains thought to be Native American as a form of repatriation.

ALEX TANCHEK (Pyramid Lake Paiute Tribe):

We support S.B. 364.

JOHN OCEGUERA (Reno Sparks Indian Colony; Las Vegas Paiute Tribe):

We support S.B. 364.

MS. PROFFITT:

I support S.B. 364. We should be considerate to our Native American neighbors; this sounds like a no-brainer to me.

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JAMES SETTELMAYER (Director, State Department of Conservation and Natural Resources):

We are neutral on S.B. 364. I am here to confirm that this amendment would remove our fiscal note from the bill.

CHAIR DONDERO LOOP:

I will close the hearing on S.B. 364 and open the hearing on Assembly Bill (A.B.) 520.

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

MR. THORLEY:

Assembly Bill 520, commonly referred to as the Appropriations Act, makes various changes regarding State financial administration and makes appropriations for the support of the civil government of the State. This bill was heard and discussed as bill draft request (BDR) S-1210 on May 22, 2023. The Appropriations Act is the culmination of all the work of the subcommittees and joint full committees over the Session and represents all the closing decisions related to the General Fund and Highway Fund appropriations from the Senate Committee on Finance and the Assembly Committee on Ways and Means. There have been no changes to the language of A.B. 520 since it was last discussed.

SENATOR NGUYEN:

What is the total cost of this bill?

JOHN KUCERA (Principal Program Analyst):

The total General Fund appropriations are \$3,454,000,000 in FY 2023-2024 and \$3,588,000,000 in FY 2024-2025 for a total of \$7,042,000,000 over the biennium. Total Highway Fund appropriations are \$167,500,000 in FY 2023-2024 and \$168,600,000 in FY 2024-2025. There are appropriations in back language of \$14,900,000 in FY 2023-2024 and \$13,500,000 in FY 2024-2025 and \$6,900,000 contingent on the outcome of legislation.

CHAIR DONDERO LOOP:

I will close the hearing on A.B. 520 and open the hearing on A.B. 521.

ASSEMBLY BILL 521: Authorizes and provides funding for certain projects of capital improvement. (BDR S-1211)

MR. THORLEY:

Assembly Bill 521 authorizes and provides funding for certain projects of capital improvement. It is commonly referred to as the capital improvement program (CIP) bill. This bill was heard as BDR S-1211 on May 22, 2023. The bill contains funding for the various Executive Branch and Legislative Branch CIP, as discussed in the subcommittee during the Session and approved during the closing process. There have been no changes to A.B. 521 since it was last discussed.

SENATOR SEEVERS GANSERT:

Regarding the expansion to the legislative building in Las Vegas, Brenda Erdoes presented a proposed budget with tenant improvements for \$42 million to \$44 million for each of the buildings. If those monies are not spent, are they reverted to the General Fund? Those improvements cost between \$500 and \$715 per square foot.

JULIE WALLER (Principal Program Analyst):

No, those funds do not revert to the General Fund. They are appropriated to the Legislative Fund. Unexpended bond proceeds of the \$100 million bond would revert to the Bond Interest and Redemption Fund at the end of the four-year period.

SENATOR SEEVERS GANSERT:

If the State were to spend the cash before spending the bonds, then potentially the unneeded balance of the bond funds, in total, could be reverted. Is that accurate?

MS. WALLER:

There is no directive in terms of which pot of money would be spent first, but unexpended bond proceeds always revert to the Bond Interest and Redemption Fund. The cash is available to pay for projects that would not be bonded. It could also be used for projects that would take 20 years or longer.

SENATOR SEEVERS GANSERT:

Typically there are transparency reports to check in on some projects and see how much they cost; they could be for informational items, but the

Interim Finance Committee (IFC) does that sometimes. Does this bill have any accounting or transparency built into it on how these dollars are spent?

MS. WALLER:

There are no reporting mechanisms for any of the CIP projects included here. However, if the State Public Works Division desires to transfer funding from one project to another, it would have to come to the IFC for approval. Funding transfers must remain within the same agency. That also applies to the Nevada System of Higher Education (NSHE).

SENATOR SEEVERS GANSERT:

So NSHE currently does transparency reports?

MS. WALLER:

If the State Public Works Division of the Nevada Department of Administration or NSHE wishes to transfer money from one project to another within the same agency, they may do so upon approval from the IFC.

BRENDA ERDOES (Director):

Regarding the cash versus bond payments for these improvements, we will get the cash first, and the bonds about six months later. The cash will naturally be spent first because of this gap.

CHAIR DONDERO LOOP:

I will close the hearing on A.B. 521 and open the hearing on A.B. 522.

ASSEMBLY BILL 522: Revises provisions relating to the compensation of state employees. (BDR S-1212)

MR. THORLEY:

Assembly Bill 522 revises provisions relating to the compensation of State employees. It is commonly referred to as the pay bill. This bill was also heard as BDR S-1212 on May 22, 2023. However, a change was made by the bill drafters. All the changes are on page 42 of the bill. The revisions do not change dollar amounts or the intent of the bill. The changes are clarifying language to ensure the legislative intent is clear.

The revisions relate to the appropriations in the bill for longevity payments for the restoration of the longevity program. The bill makes appropriations to the

Executive Branch, Judicial Branch and the Legislative Branch for longevity payments. However, the new language makes it clear that the Judicial Branch and Legislative Branch must establish a longevity program similar to the one established by A.B. 522, section 32. Section 32 of the bill revises provisions to NRS 284. However, the Judicial Branch and Legislative Branch are exempt from NRS 284. So, the new language on page 42 of the bill, adds the explicit requirement that the Judicial Branch, Legislative Branch and NSHE establish a longevity program.

The new language added to A.B. 522, section 36, subsection 3 is “for classified employees and, for professional employees, a plan to encourage continuity of service that provides payments as in the same manner as the plan established in section 32 of this act.” This language clarifies that the longevity program set up by NSHE is both for classified employees and professional employees. New language was added to A.B. 522, section 36, subsection 6 clarifying that the appropriation to the Judicial Branch is for a program for longevity payments. The same language was added to A.B. 522, section 36, subsection 7 for the Legislative Branch. None of the dollar amounts in the bill have changed from when A.B. 522 was heard as a BDR.

CHAIR DONDERO LOOP:

I will close the hearing on A.B. 522. I will ask for a motion on A.B. 520.

SENATOR NGUYEN MOVED TO DO PASS A.B. 520.

SENATOR HARRIS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR DONDERO LOOP:

I will ask for a motion on A.B. 521.

SENATOR NGUYEN MOVED TO DO PASS A.B. 521.

SENATOR HARRIS SECONDED THE MOTION.

SENATOR SEEVERS GANSERT:

I will oppose this bill. We need more information about the expansion to the legislative building in Las Vegas. We are looking to hire about 30 people in the expansion and potentially build a building that might be ready in 5 years. This has become a \$125 million project with three buildings and parking garages and a lot of staff to maintain and protect those buildings. If possible, I would prefer a slimmed down version of the project.

SENATOR NGUYEN:

I support this budget. These improvements are part of a packaged real estate deal for Las Vegas that would include the Office of the Governor and other executive agencies. Mr. Thorley can you confirm that please?

MR. THORLEY:

The 18 buildings in Las Vegas are combined as one project and will be purchased as a group. There is language in A.B. 521 that would quitclaim three of the buildings and two additional parcels to the Legislative Branch. But the initial purchase will be a package deal.

SENATOR SEEVERS GANSERT:

I had extensive conversations about this and fully support the purchase of the buildings. All 18 buildings and improvements cost about \$290 million, which is a great deal. The problem with this proposal is that is a significant overreach. The Legislative Branch is looking for offices for about 30 staff plus additional hearing rooms. At most, the Legislature needs two buildings to meet its needs. Adding in a third building will leave us with hundreds of spare offices the Legislature cannot staff. I agree we need to expand our staff in Las Vegas but A.B. 521 is far beyond what we need.

SENATOR NGUYEN:

The original plan was to build a single building to meet our needs, but that would have cost roughly the same as buying these 18 buildings that will house many State agencies. Having the extra space would give legislators the opportunity to have more in-depth conversations with constituents without having to go to the local Starbucks. This bill would be a much cheaper option for the taxpayers than the original proposal and provide more opportunities for growth. I support A.B. 521.

SENATOR SEEVERS GANSERT:

The purchase of the 18 buildings makes sense. I am concerned about the cost of the improvements and building use. We could save the taxpayers a lot of money by using and improving one building instead of two, plus one building with hearing rooms. The tenant improvements on these three buildings will cost \$86 million versus the \$75 million being spent on the other 15 buildings.

CHAIR DONDERO LOOP:

The initial plan was to purchase a building that would be like the Grant Sawyer State Office Building. After we chose that Building, Governor Joe Lombardo decided he wanted that Building, which set this whole process in motion. Many State employees are working in rough conditions and this plan put them in a good, constructive work environment. The State has many vacancies, but it has been operating on a shoestring budget for decades. This is not frivolous spending; it is buying what we need to run this State.

SENATOR NGUYEN:

Passing this bill is the fiscally responsible thing to do. Building a new building that we would not be able to use for five years and would cost the same as 18 existing buildings is a poor idea. The Legislature would have to find a new building in the Interim because we cannot stay in the Grant Sawyer Building for the next five years while we wait on the new building. This is cheaper, even with the tenant improvements, and it allows for expansion. We have heard about the huge number of State worker vacancies which the Governor wants to fill. Having these buildings will give those employees a place to work and consolidating those offices into a campus makes our workforce more cohesive and efficient.

THE MOTION PASSED. (SENATORS GOICOECHEA, SEEVERS GANSERT AND TITUS VOTED NO.)

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CHAIR DONDERO LOOP:

I will take a motion on A.B. 522.

SENATOR NGUYEN MOVED TO DO PASS A.B. 522.

SENATOR HARRIS SECONDED THE MOTION.

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SENATOR GOICOECHEA:

I took a close look at A.B. 522 because of my relationship with one of the employees. Seeing as the bill does not treat him differently than anyone else, I will support it.

SENATOR HARRIS:

I was hoping to see more salary adjustments for the Public Utilities Commission (PUC). It has been looking for salary adjustments for a long time. It is nice that the administrative attorney position that I used to hold is getting a good salary increase. There is some more work that could be done for the rest of these positions. For example, the general counsel at the Commission on Judicial Discipline makes \$159,930 and the general counsel at the PUC makes \$134,342. The Public Utility Commission is not funded through the General Fund and so salary adjustments would have no impact. I hope that in the future, we can have a serious discussion about bumping up some of the rest of these salaries.

THE MOTION PASSED UNANIMOUSLY.

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CHAIR DONDERO LOOP:

Having no further business, the Senate Committee on Finance is adjourned at 7:09 p.m.

RESPECTFULLY SUBMITTED:

Spencer Jones,
Committee Secretary

APPROVED BY:

Senator Marilyn Dondero Loop, Chair

DATE: _____

| EXHIBIT SUMMARY | | | | |
|-----------------|----------------|--------------------------------------|---|--------------------|
| Bill | Exhibit Letter | Introduced on Minute Report Page No. | Witness / Entity | Description |
| | A | 1 | | Agenda |
| | B | 1 | | Attendance Roster |
| S.B. 307 | C | 13 | Nick Shepack / Return Strong | Proposed Amendment |
| S.B. 88 | D | 21 | Bari Levinson / Sierra Club-Toiyabe Chapter | Letter of Support |
| S.B. 364 | E | 21 | Senator Lisa Krasner | Proposed Amendment |