MINUTES OF THE SENATE COMMITTEE ON FINANCE

Eighty-second Session May 26, 2023

The Senate Committee on Finance was called to order by Chair Marilyn Dondero Loop at 2:01 p.m. on Friday, May 26, 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 Nicole J. Cannizzaro, Vice Chair Senator Dallas Harris Senator Dina Neal Senator Rochelle T. Nguyen Senator Pete Goicoechea Senator Heidi Seevers Gansert

GUEST LEGISLATORS PRESENT:

Senator Robin L. Titus

Senator Roberta Lange, Senatorial District No. 7 Senator Julie Pazina, Senatorial District No. 12

STAFF MEMBERS PRESENT:

Wayne Thorley, Senate Fiscal Analyst Cathy Crocket, Chief Principal Deputy Fiscal Analyst Michelle Friedlander, Committee Secretary Marie Bell, Committee Secretary

OTHERS PRESENT:

Todd Ingalsbee, Professional Firefighters of Nevada

CHAIR DONDERO LOOP:

We will open today's meeting with Senate Bill (S.B.) 72.

SENATE BILL 72 (1st Reprint): Directs the Joint Interim Standing Committee on Education to conduct certain studies during the 2023-2024 interim. (BDR S-441)

SENATOR ROBERTA LANGE (Senatorial District No. 7):

I am here today to present <u>S.B. 72</u>. There is a zero fiscal note from the Legislative Counsel Bureau on this Bill because staff felt they could absorb this task force into their budget.

During the Interim, the Joint Interim Standing Committee on Education met 11 times. At these meetings, the Committee dealt with many topics and determined five issues needed further investigation. Those issues are mental health and wellness of students; teacher workload, including reviewing relevant requirements in statutes and regulations; teacher licensing requirements, including a review on the impacts of those requirements on teacher diversity, effectiveness and recruitment; high school student achievement and graduation trends; and policy and strategies to address the needs and provide intervention for students requiring additional resources.

If this Bill were to pass out of this Committee, the Interim Committee would be required to submit a report of its findings to the Legislature before the next Legislative Session.

SENATOR HARRIS:

What do you envision this study to look like? What does it mean to you for an Interim Committee to conduct a study on five separate topics? Are you looking for expert testimony? Would the requirement be met if the study were done in one joint interim meeting? Do you anticipate extra meetings being needed?

SENATOR LANGE:

This study is different from other studies because it came out of the Interim Committee. These are the people who are doing the work already. The Interim Committee found it necessary to have more time to study the issues that are important to education.

The study and its findings could be accomplished in a combination of ways. It could be broken up into work groups to study the issues. The Committee could also have experts from educational groups testify.

CHAIR DONDERO LOOP:

Can you tell me what will be discussed about teacher workload?

SENATOR LANGE:

The Interim Committee by the Nevada State Teacher Recruitment and Retention Advisory Task Force received this recommendation. The workload burden an educator carries is common knowledge. We will look at regulatory policy and statutory requirements. The Task Force indicated the extensive nature of these requirements sometimes impacts employee satisfaction, resulting in fatigue and excessive workloads. We want to look at the bigger picture.

CHAIR DONDERO LOOP:

I agree we need to understand the workload. It will help us understand if we need to change or alter it. Teachers are professionals. We need to remember they go to school to learn their craft and they are good at their jobs.

SENATOR TITUS:

During the Senate Committee on Education, it was my understanding this Bill is giving the Interim Committee direction. The issues identified during the last Interim needed further analysis. These items need to be addressed and perhaps have some changes. This is the objective of the study, and it narrows the Interim Committee's scope to avoid looking at other issues, if possible. This Bill is providing guidance for the Interim Committee to start with these objectives. Is today's hearing to fund this guidance?

SENATOR LANGE:

Yes.

SENATOR HARRIS:

In section 1, subsection 2, it states a requirement that the Interim Committee will submit a report for each study. Would it be five separate reports? Are you open to compiling the information into one report?

SENATOR LANGE:

I am not opposed to compiling it into one report. However, there may be different subgroups performing those studies, and five separate reports may be a better solution.

CHAIR DONDERO LOOP:

I agree with Senator Lange. What is studied and what is decided in those groups could be quite different.

We will close the hearing on S.B. 72. We are going to reschedule S.B. 505.

SENATE BILL 505: Makes an appropriation to the Office of Energy in the Office of the Governor for a program to reduce energy use by and emissions resulting from certain activities of state agencies. (BDR S-1217)

We will open the work session and begin with S.B. 166.

SENATE BILL 166 (1st Reprint): Revises provisions relating to collective bargaining by public employees. (BDR 23-556)

WAYNE THORLEY (Senate Fiscal Analyst):

<u>Senate Bill 166</u> was heard by this Committee on May 16, 2023, and was presented by Senator Julie Pazina. This Bill makes clarifications for purposes of collective bargaining and regarding individuals excluded from the definition of being a supervisory employee, if that employee performs civilian support services to a law enforcement agency, and who is otherwise authorized to be part of an approved collective bargaining group.

Additionally, the measure in its first reprint requires the Nevada Department of Business and Industry, Government Employee-Management Relations Board to establish separate bargaining units for supervisory employees who are category I peace officers, category II peace officers and firefighters. Section 2 of the Bill provides that a bargaining unit for peace officers must be composed exclusively of peace officers. The measure becomes effective on July 1, 2023.

The Nevada Department of Administration, Division of Human Resource Management (DHRM) submitted an unsolicited fiscal note on March 15, 2023, to fund the cost of two new full-time positions and associated operating costs.

The fiscal impact is approximately \$161,000 in fiscal year (FY) 2023-2024 and \$201,000 in FY 2024-2025. Subsequently, DHRM submitted an unsolicited revision to change the start date for the positions in the first year of the biennium. Therefore, the fiscal impact in the first fiscal year was reduced from the original \$161,000 to approximately \$65,000. In year two, the fiscal impact is approximately \$204,000.

The DHRM is an internal service fund, and the costs are funded through assessments charged to State agencies that use their services. Generally, General Fund appropriations are not allocated to DHRM or any other internal service fund unit. However, the Committee is not prohibited from doing so. To address the fiscal note, the Committee has a few options to consider. Option 1 is a General Fund appropriation could be amended into the Bill to cover the cost of the two positions, as updated from DHRM. Option 2 is not funding the positions and requesting DHRM to use reserve funding. If necessary, it could do a work program during the Interim to bring in funding from reserves to fund the positions. Option 3, although not preferred, is to change the assessment rate, but it will have a fiscal impact to other State agencies who are already budgeted at a certain rate.

If a General Fund appropriation is approved, Fiscal staff recommends it is a onetime appropriation. In addition, DHRM would be instructed to build the cost of these positions into their rates for the 2025-2027 biennium and the budget presented to the 2025 Legislature.

There was no testimony in support, opposition or neutral, and no amendments were offered during the bill hearing.

SENATOR SEEVERS GANSERT:

If I remember correctly, all of the categories you listed were already in a bargaining group. However, they were in one supervisory group, and this breaks them out. Are we adding candidates or certain groups to collective bargaining?

SENATOR JULIE PAZINA (Senatorial District No. 12):

This Bill is not adding anyone new to collective bargaining. It is changing how the bargaining unit is set up. Currently, all category I, II and III law enforcement and firefighter supervisors are in one group with other supervisors such as clerical. This makes it challenging for these positions to find common ground in collective bargaining. I had one person tell me that he has no desire to move up

in law enforcement because as a supervisor he could not participate in collective bargaining.

This Bill is not adding anyone new. It is just giving people the opportunity to collectively bargain effectively.

SENATOR SEEVERS GANSERT:

In your example, was the person you referred to in a supervisory position and could not participate in collective bargaining? Could he participate if he was not in a supervisory position?

SENATOR PAZINA:

He is not in a supervisory position and does not want to move into one. It is too difficult to form a group of supervisors on the State level. This is related to legislation from 2019. Although it was wonderful legislation, it made it more challenging because it did not have separate categories for them to collectively bargain within one group. Depending on the occupation, supervisors may have different concerns. All of the supervisors have been grouped into one category, as opposed to separate categories. This Bill is creating a category for each of them.

SENATOR SEEVERS GANSERT:

I see where supervisors are in separate occupational groups. It looks like there will be four new groups, one for fire supervisors and one each for the three categories of peace officers. Is that accurate? As I recall, there was a problem because there were not enough people in each category.

Mr. Thorley:

You are correct that it would be four additional bargaining units. However, the individuals eligible under these new bargaining units are currently eligible under Bargaining Unit J for supervisory employees. This Bill is not proposing additional positions will become eligible for collective bargaining. Bargaining Unit J does not achieve exclusive representation at this point. Senate Bill 166 would break it up and pull out smaller supervisory groups for the law enforcement officers and firefighters. The rest of the supervisors in the State would be eligible to get exclusive representation under Bargaining Unit J.

SENATOR SEEVERS GANSERT:

I will vote yes but reserve my right on this Bill to get more information.

SENATOR GOICOECHEA:

How many people are we talking about?

TODD INGALSBEE (Professional Firefighters of Nevada):

We have 100 members including about 16 supervisors. It is a very similar count under the peace officer categories.

SENATOR GOICOECHEA:

Who is getting moved, the 16 or the 100?

Mr. Ingalsbee:

It would be the 16 supervisors who are now in the bargaining unit for supervisors Statewide.

SENATOR GOICOECHEA:

Is it 16 firefighters and an additional 16 on the police side? Are we talking about 32 members?

Mr. Ingalsbee:

The likely average is around 30 to 60 people. It will depend on the number of spots filled. For example, we have a total of 18 positions, but 16 are filled and 2 are open.

CHAIR DONDERO LOOP:

I will accept a motion on S.B. 166.

SENATOR NGUYEN MOVED TO DO PASS AS AMENDED <u>S.B. 166</u> WITH NO GENERAL FUND APPROPRIATIONS ADDED.

SENATOR CANNIZZARO SECONDED THE MOTION.

THE MOTION CARRIED. (SENATOR TITUS VOTED NO.)

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CHAIR DONDERO LOOP:

We will move on to S.B. 222.

SENATE BILL 222 (1st Reprint): Revises provisions relating to juries. (BDR 1-192)

CATHY CROCKET (Chief Principal Deputy Fiscal Analyst):

<u>Senate Bill 222</u> requires the Nevada Department of Health and Human Services (DHHS) to provide a list of names and addresses of persons who received public assistance for use in jury selection to a district judge or jury commissioner upon request to be placed on the list of qualified electors.

The Bill increases the fee a person receives when summoned as a juror or serving as a juror from \$40 per day to \$65 per day. The Bill also restores a person's civil rights to serve as a juror upon discharge from parole or probation, or release from prison in certain cases. The Bill is effective upon passage and approval for the purpose of adopting regulations or performing other preparatory administrative tasks. For all other purposes, the effective date of this Bill is on January 1, 2024.

Various local jurisdictions indicated there would be a fiscal impact to them. The Administrative Office of the Courts indicated a cost of \$20,000 in FY 2023-2024 to establish a new data connection. The Bill was presented by Senator Harris, who mentioned an amendment to remove sections 3, 4 and 5 from the Bill, which relate to serving on juries upon discharge from parole and probation.

There was no testimony in support, opposition or neutral on the Bill. Options for consideration by the Committee include amending and do passing the Bill with \$20,000 in General Fund appropriations to support the cost of the Administrative Office of the Courts for the new data connection or to do pass and not fund the data connection.

CHAIR DONDERO LOOP:

To confirm, are we proposing to delete sections 3, 4 and 5?

Ms. Crocket:

Yes, that is correct. It would be amend and do pass in either of those cases.

SENATOR TITUS:

You said the Bill proposes to restore people's rights after they are discharged from probation. However, if sections 3, 4 and 5 are deleted, then their rights

will not be restored. To be clear, I support the Bill with the amendment. I just want to make sure that is what we are hearing.

Ms. Crocket:

The amendment would remove those provisions.

SENATOR SEEVERS GANSERT:

As I read the statute, it states six years after the date of his or her discharge from parole, the right to serve was restored. Will it return to this language if we delete those sections? If so, is it a six-year time frame?

SENATOR DALLAS HARRIS (Senatorial District No. 11):

That is correct. The law is six years. The Bill, as originally drafted, would have changed it to immediately upon completing probation and parole. The proposed amendment will maintain the current law.

SENATOR GOICOECHEA:

To summarize, this Bill is only raising the jury fees by \$25 and adding the mailing list.

Ms. Crocket:

Senator Harris mentioned removing sections 3, 4 and 5. Section 6 would remain in the Bill.

SENATOR SEEVERS GANSERT:

Section 6 is the part that a district judge or jury commissioner can request a list of recipients pursuant to section 1, which are people on public assistance. This Bill adds people on public assistance and raises the amount paid per day.

CHAIR DONDERO LOOP:

I will accept a motion on S.B. 222.

SENATOR TITUS MOVED TO AMEND AND DO PASS AS AMENDED S.B. 222 TO INCLUDE \$20,000 IN GENERAL FUND APPROPRIATIONS TO SUPPORT THE COST OF THE ADMINISTRATIVE OFFICE OF THE COURTS' NEW DATA CONNECTION. IN ADDITION, SECTIONS 3, 4, 5 AND 6.5 WERE DELETED.

SENATOR NGUYEN SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR DONDERO LOOP: Let us move on to S.B. 242.

SENATE BILL 242 (1st Reprint): Requires the Department of Health and Human Services to establish the Psychedelic Medicines Working Group. (BDR S-39)

Mr. Thorley:

Senate Bill 242 was heard by this Committee on May 25, 2023, and was presented by Senator Rochelle Nguyen. During the 2023-2024 Interim, this Bill, as amended, requires DHHS to establish a Psychedelic Medicines Working Group. This Working Group will study certain issues relating to the therapeutic use of entheogens. The Bill further prescribes the membership and duties of the Working Group. It also requires DHHS to submit a written report, describing activities, findings, conclusions and recommendations of the Working Group for transmittal to the 2025 Legislature. The effective date of the Bill is upon passage and approval.

Based on the Bill as currently amended, DHHS anticipates it will be able to manage the Working Group without any additional costs. Therefore, if the Committee wishes to move on this, DHHS does not anticipate it will need additional funding to meet the requirements of this Bill.

There was testimony provided in support from Deep Roots Harvest, the Libertarian Party of Nevada, the Nevada Coalition for Psychedelic Medicines and Battle Born Progress. The Nevada Psychiatric Association provided opposition testimony. The Nevada United Veterans Legislative Council provided neutral testimony. The Nevada Psychiatric Association submitted an amendment. However, the sponsor is not considering that amendment.

SENATOR TITUS:

The sponsor knows my concerns. I do not have a question on the fiscal note. The policy is what I cannot accept.

SENATOR SEEVERS GANSERT: I will be a no on this Bill.

CHAIR DONDERO LOOP: I will accept a motion on S.B. 242.

SENATOR HARRIS MOVED TO DO PASS AS AMENDED S.B. 242.

SENATOR CANNIZZARO SECONDED THE MOTION.

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

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CHAIR DONDERO LOOP: We will move to S.B. 276.

SENATE BILL 276 (1st Reprint): Revises provisions related to collection agencies. (BDR 54-158)

Ms. Crocket:

Senate Bill 276 creates new licensing and regulatory requirements for debt buyers. It also defines such agencies as collection agencies which require oversight by the Nevada Department of Business and Industry under current law. The Bill, among other things, requires a collection agency to display certain information on the Internet. It establishes certain remote working location requirements and employment standards. The Bill revises licensure application, recordkeeping, annual reporting, permitting and certification requirements. The Bill revises certain domestic provisions and provisions relating to bonding. It also removes certain permitting fees and examination requirements, repeals certain foreign provisions, prohibits certain actions and provides for related penalties.

Sections 1 through 48, 50, 51 and 52 become effective on passage and approval for preparatory tasks and for all other purposes on October 1, 2023. Section 49 of the Bill becomes effective upon notice to the Legislative Counsel Bureau that the Nationwide Multi-State Licensing System and Registry has sufficient capabilities to allow the Commissioner of Financial Institutions to carry out the provisions of chapter 347, *Statutes of Nevada 2021*, at page 2030.

The Nevada Department of Business and Industry, Division of Financial Institutions indicated there would be approximately 200 new licenses if the Bill passed. The additional licenses would generate approximately \$502,000 in revenue in FY 2023-2024 and \$381,000 in FY 2024-2025. The Division would have costs associated with this Bill for new positions and operating costs. The fiscal note indicates it would be approximately \$224,000 in FY 2023-2024 and \$287,000 in FY 2024-2025. Fee revenue would be sufficient to support projected operating costs. Therefore, it would not be necessary to add any funding to the Bill if the Committee wishes to approve the measure.

The Bill was presented by Senator Roberta Lange who was accompanied by the general counsel of Receivables Management Association International. At the May 20, 2023, hearing, HOA Collections LLC presented a proposed amendment (Exhibit C). After discussion with staff, Senator Lange is agreeable to the amendment. It would clarify in section 10, subsection 2 the provisions of that section would apply to collection agents working from a remote location.

Senator Lange has also provided a proposed amendment (<u>Exhibit D</u>) to change section 14, subsection 2, paragraph (k). The revised language would read 15 USC section 1692a(6)(A) to 1692a(6)(F), inclusive.

There was no testimony in support or opposition of this Bill. One person testified in neutral. If the Committee wishes to approve the measure, an appropriate motion would be to amend and do pass with both amendments.

CHAIR DONDERO LOOP:

Would you repeat the information for the amendment on section 14?

Ms. Crocket:

It is section 14, subsection 2, paragraph (k). It would change the reference to Title 15 USC section 1692a(6)(A) to 1692a(6)(F).

SENATOR SEEVERS GANSERT:

What is the purpose of this federal code? Were sections A and B deleted?

MR. THORLEY:

This amendment is making the correct reference to the section in U.S. Code.

Ms. Crocket:

This U.S. Code appears to relate to the definitions of a debt collector.

CHAIR DONDERO LOOP:

I will accept a motion on S.B. 276.

SENATOR NGUYEN MOVED TO AMEND AND DO PASS AS AMENDED S.B. 276, PROVIDING SECTION 10 APPLIES TO COLLECTION AGENTS WORKING FROM A REMOTE LOCATION AND REVISING LANGUAGE IN SECTION 14 REGARDING THE U.S. CODE.

SENATOR CANNIZZARO SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR DONDERO LOOP: Let us move to S.B. 279.

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

MR. THORLEY:

Senate Bill 279 was heard before this Committee on May 24, 2023, and was presented by Senator Pat Spearman. This Bill establishes the State as a Model Employer Program in DHRM. Its intent is to ensure State agencies are implementing the best, promising and emerging policies, practices and procedures relating to hiring, promoting and retaining persons with disabilities. The Bill further requires DHRM and the Nevada Department of Employment, Training and Rehabilitation to provide training and technical assistance to State agencies on such policies, practices and procedures. The Bill becomes effective upon passage and approval for the purpose of adopting any regulations and performing any other preparatory administrative tasks that are necessary to carry out the provisions of the Bill. For all other purposes, the effective date is on January 1, 2024.

A fiscal note was submitted by DHRM based on the current version of the Bill as introduced. It is indicating a fiscal impact of approximately \$80,000 in FY 2023-2024 and \$98,000 in FY 2024-2025 for personnel and other

associated operating costs to implement the provisions of the Bill. During testimony on the Bill, the Agency stated, based on its interpretation of the Bill, DHRM would need to create a new program since it does not already exist. Therefore, it is requesting an additional position to carry out those duties.

Testimony in support was provided by the State of Nevada Association of Providers, Stephen Cohen and the Nevada Governor's Council on Developmental Disabilities. There was no testimony in opposition or neutral. There were no amendments presented at the Bill hearing, and fiscal staff has not received any amendments after the Bill hearing.

As discussed on a prior bill, DHRM does not generally receive General Fund appropriation. Instead, the operations are funded through an assessment or various assessments charged to State agencies using the Agency's services. If the Committee wishes to address the fiscal note, the Committee could add General Fund appropriation. It could include that the General Fund appropriation is onetime funding for only the 2023-2025 biennium. It could instruct DHRM to build the ongoing costs related to this position in its rates for the 2025-2027 biennium. Alternatively, the Committee could follow the action on a previous bill and request the Agency fund it out of reserves. I will note that the Agency does not have unlimited reserves. If the Agency does not have enough reserves to fund this position, they would either raise the rates or find an alternative funding source.

CHAIR DONDERO LOOP:

Would you please confirm the details of this fiscal note?

Mr. Thorley:

Per the fiscal note submitted by DHRM, the Agency indicated one full-time position would be needed to carry out the duties associated with this Bill. They are estimating position-related costs for salary and benefits, and some operating costs related to travel and new equipment. The total estimate is \$80,195 in the first year of the biennium and \$98,171 in the second year. For an ongoing basis, it is approximately \$196,000 per biennia.

SENATOR SEEVERS GANSERT:

To clarify, initially we could allocate General Fund money and later DHRM could rely on its rates. It sounds like the Agency may not be able to depend on the

reserve because it is too low. Being a model State for people with disabilities is valuable. We should fund the fiscal note.

Will we put General Fund money into it, or how will we fund it?

CHAIR DONDERO LOOP:

That will be the decision we will be making. I will accept a motion on S.B. 279.

SENATOR CANNIZZARO MOVED TO AMEND AND DO PASS AS AMENDED S.B. 279 WITH GENERAL FUND APPROPRIATIONS FOR THE 2023-2025 BIENNIUM FOR DHRM AS DISCUSSED BY THE COMMITTEE.

SENATOR NGUYEN SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR DONDERO LOOP: Let us move to S.B. 301.

SENATE BILL 301 (1st Reprint): Revises provisions governing public works. (BDR 28-967)

MR. THORLEY:

Senate Bill 301 was heard by this Committee on May 17, 2023, and was presented by Senator Roberta Lange. This Bill revises the definition of a worker employed on a public works project and who will be eligible to be paid prevailing wage. Pursuant to this Bill, the definition would include a worker employed to deliver or remove construction material or structures to or from the public works site, and the worker is necessary in the execution of a contract for the public works project. The worker is also deemed to be employed on the public work for the purposes of the payment of the prevailing wage. The Bill further defines construction material or structures to mean aggregate, asphalt and concrete.

The effective date of the Bill is upon passage and approval for the purposes of adopting any regulations and performing any other preparatory administrative tasks. For all other purposes, the effective date is on January 1, 2024.

The Nevada Department of Transportation submitted an unsolicited fiscal note on the current version of this Bill. The Agency indicated a cost of approximately \$43,000 in FY 2023-2024 and \$79,000 in FY 2024-2025 for personnel and operating costs to ensure compliance with the provisions of the Bill. The Nevada Department of Business and Industry, Office of Labor Commissioner also submitted a fiscal note indicating a cost of approximately \$184,000 in FY 2023-2024 and \$314,000 in FY 2024-2025 for additional positions to carry out the provisions of the Bill.

There is no testimony provided in support of the Bill. The Nevada Trucking Association and the Urban Consortium testified in opposition. The Nevada Labor Commissioner provided testimony in neutral. No amendments were discussed during the hearing and Fiscal staff is not aware of any additional amendments after the hearing.

The Nevada Department of Transportation is funded through the State Highway Fund authorization. The Department has access to the Highway Fund during the Interim. If the Committee wishes, I could instruct the Department to access those funds during the Interim, should the projected cost materialize, and the funding is needed to support those costs. Fiscal staff contacted the Office of Labor Commissioner on its fiscal note. It has maintained the four requested positions are needed to carry out the provisions of this Bill. Two of the positions would be in northern Nevada and the other two positions would be in southern Nevada.

The Senate Finance Committee and Assembly Ways and Means Committee asked for the cost if only two positions were funded, and the Office of Labor Commission complied. If the Committee wishes to fund only two positions, the cost would be \$86,353 in FY 2023-2024 and \$144,576 in FY 2024-2025. Again, the Office of Labor Commission has indicated to Fiscal staff it would not be a sufficient number of personnel to carry out the provisions related to this Bill.

SENATOR GOICOECHEA:

I worked on this Bill in Committee to try to narrow the focus. Today I will address the fiscal notes. If we provide half of the Labor Commission's inspectors, does that mean only half of the trucking industry has to comply?

CHAIR DONDERO LOOP:

I cannot answer that question. However, that is not how it works because everyone must comply. We are deciding on whether the workload constitutes four positions or two positions.

SENATOR GOICOECHEA:

I understand. I was just trying to make light of it. If we reduce staffing, then only half of the people who are supposed to pay would have to pay. If that is the case, let us provide one position, which means 25 percent.

SENATOR SEEVERS GANSERT:

I will not support this Bill. We have found it is a struggle to figure out who is supposed to pay the prevailing wage. We have contractors who are in and out of the State. I am not able to support this legislation.

SENATOR TITUS:

We have not had a motion, but I might as well say this now. Not only is this legislation a logistical nightmare, but it does a disservice to all of those that come into our State to work. We remain a right-to-work State. Whether we are referring to the trucking industry or delivery, it is a logistical nightmare to regulate. To come down on these people is not right.

Whether we need two or eight positions to do this, it is just not good policy. I will be a no on this Bill.

SENATOR CANNIZZARO MOVED TO AMEND AND DO PASS AS AMENDED <u>S.B. 301</u> TO INCLUDE GENERAL FUND APPROPRIATIONS TO THE OFFICE OF LABOR COMMISSIONER FOR PERSONNEL, OPERATING, TRAVEL AND INFORMATION SERVICES COSTS FOR COMPLIANCE AND ENFORCEMENT DUTIES RELATED TO THE PROVISIONS OF THIS BILL.

SENATOR NGUYEN SECONDED THE MOTION.

SENATOR GOICOECHEA:

I will be a no on this Bill. It is impractical. I do not care how many positions we have following the records. You could have situations where a person hauls to a site in Carson City in the morning and in the afternoon hauls to another private project in Spooner. There is no way to track it. It does not matter how many inspectors or auditors the State has on it.

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

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CHAIR DONDERO LOOP: Let us move to S.B. 305.

SENATE BILL 305 (1st Reprint): Provides for the establishment of a retirement savings program for private sector employees. (BDR 31-933)

Ms. Crocket:

<u>Senate Bill 305</u> was heard by this Committee on May 18, 2023. Existing law provides for individual retirement accounts and individual retirement annuities by which persons may save money for retirement under favorable income tax treatment. <u>Senate Bill 305</u> establishes the Nevada Employee Savings Trust under the direction of the Board of Trustees. It has the power to establish a similar program and to encourage private employees to establish such accounts.

Sections 36 and 38 of the Bill become effective upon passage and approval. Sections 1 through 35 and section 37 become effective upon passage and approval for performing administrative preparatory tasks. For all other purposes, the effective date is on January 1, 2025.

The Office of the State Treasurer submitted a fiscal note indicating a cost of \$669,491 in FY 2023-2024 and \$535,074 in FY 2024-2025 for three new positions, a management analyst, a program officer and an administrative assistant. This fiscal note also included the cost for an investment consultant to serve as an independent fiduciary and other operating costs for the program.

Testimony on the Bill was provided by Senator Dallas Harris, and she was accompanied by State Treasurer Zach Conine. There was discussion of Nevada possibly joining with another state that has a similar program which could lower the cost. However, there is not a definitive estimate on the lowered cost for this time frame. Further, there was discussion during the Bill hearing of a possible amendment to require the cost of the fiscal note to be repaid once the program starts generating participant fees and becomes self-sufficient.

Several people testified in support of this Bill. They include AARP Nevada, the Las Vegas Urban Chamber Commerce, American Retirement Association, the Pew Charitable Trusts, Battle Born Progress and a few individuals. There was no testimony in opposition or neutral.

If the Committee wishes to approve this Bill today, a motion to consider is the addition of General Fund appropriations for startup costs in the upcoming biennium. This funding could have a provision that the General Funds will be repaid from participant fees when the program begins to generate income and becomes self-sustaining.

SENATOR DALLAS HARRIS (Senatorial District No. 11):

Ms. Crocket noted a couple of the important points, but I want to reiterate a few. The estimated cost includes what may be a worst-case scenario if Nevada does not join another state. This fiscal note requested three additional positions. Other states have run this program with two employees. Nevada will likely join with another state, so we would not be required to have our own investment adviser. Once all is said and done, it will cost the State significantly less. If the provision for repayment is included, it will cost the State nothing.

CHAIR DONDERO LOOP:

I will accept a motion on S.B. 305.

SENATOR CANNIZZARO MOVED TO AMEND AND DO PASS AS AMENDED <u>S.B. 305</u> TO INCLUDE GENERAL FUND APPROPRIATIONS TO THE OFFICE OF THE STATE TREASURER FOR COSTS RELATED TO THE ADMINISTRATION OF THE PROGRAM TO BE REPAID.

SENATOR NGUYEN SECONDED THE MOTION.

SENATOR TITUS:

I will be a no on this Bill. Although it is well-intended, and we want people to save, an employee has to opt out versus opting in. In addition, the Bill is down to five employees, which is a small operation, and it is forcing them to do this. For these reasons, I will be a no.

SENATOR GOICOECHEA:

I tried to work with the sponsor on this Bill on whether it is 25 employees or 5 employees. With the language including five employees, I have to oppose it.

SENATOR SEEVERS GANSERT:

I am a no for similar reasons. Retirement plans are complicated, and the time frames do not match up. The legislation should be for larger companies. I appreciate the sponsor's efforts because people need to have access to retirement plans. However, this Bill requires people to opt-out rather than opt-in. In addition, the timeline does not match for withdrawing money and adding it back in without a tax penalty. It is a little complicated and larger companies can manage this better.

SENATOR HARRIS:

This may not change anyone's mind, but we have ensured anyone can opt out of the program within 90 days. For most people, this is six paychecks. This would be penalty free if employees see the money is coming out of their paycheck and they cannot afford it. While it is an opt-out, every employee will have an opportunity to change their election to zero. This would be without penalty because that money is prior to placing it into the system where it may have tax implications if removed and not paid back.

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

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CHAIR DONDERO LOOP:

Let us move on to S.B. 439.

SENATE BILL 439 (1st Reprint): Revises provisions relating to communicable diseases. (BDR 40-987)

Ms. Crocket:

<u>Senate Bill 439</u> was heard by this Committee on May 25, 2023. This Bill revises various provisions relating to communicable diseases. Among other provisions, it requires the development of policies to provide uninterrupted services during a public health emergency to persons who have been diagnosed with human immunodeficiency virus (HIV) or are at a high risk of acquiring HIV. It imposes certain requirements to ensure prisoners have access to treatment and prevention methods for HIV.

The Bill requires school districts to establish a course unit of evidence-based, factual instruction in sexuality education that includes certain topics. It authorizes a healthcare provider, or other qualified person, to teach such a course. The Bill also requires certain health plans to cover all drugs approved by the U.S. Food and Drug Administration for treating HIV or hepatitis C, certain drugs for treating substance use disorder and testing for treatment and prevention of sexually transmitted diseases.

Sections 3 to 10, 13, 76, 77 and 78 are effective upon passage and approval. Sections 1, 2 to 11, 12, 14 to 75 and 79 become effective upon passage and approval for preparatory tasks. For all other purposes, the effective date is January 1, 2024.

During the hearing on May 25, 2023, Senator Dallas Harris presented the Bill and discussed Proposed Amendment 3666 (Exhibit E), which is available on the Legislative website. It was noted there was a fiscal impact indicated by the DHHS, Division of Health Care Financing and Policy (DHCFP). The fiscal note is approximately \$2.4 million in FY 2023-2024 and \$4.8 million in FY 2024-2025. However, the proposed amendment would remove the fiscal impact to DHCFP.

The Nevada Department of Education's fiscal note indicated a cost of \$115,609 in FY 2023-2024 to implement the revised educational standards required for sexuality education. Fiscal staff noted in the breakdown of the costs included \$20,323 for overtime, as well as contracts, travel and task force-related expenses. Overtime is not typically a budgeted cost. Therefore, the Committee may wish to consider funding the other operational costs and not overtime. If so, then the cost would be reduced from \$115,609 to \$95,286 in FY 2023-2024.

The Nevada Public Health Association and Pharmaceutical Care testified in support of this Bill. A number of people testified in opposition including the Nevada Republican Committee and the Libertarian Party of Nevada. If the Committee wishes to consider approving the Bill, an appropriate motion would be to amend and do pass. Additionally, the Committee needs to determine whether funding should be added to the Bill and the amount approved for the Nevada Department of Education given the inclusion of overtime in its fiscal note.

SENATOR GOICOFCHEA:

Can you show me in the Bill where it discusses an advisory committee to the school board that recommends the age of the students and curriculum to teach? I see the reference in sections 16 and 17, but not how the committee is created.

SENATOR DALLAS HARRIS (Senatorial District No. 11):

Section 17 refers to the Council to Establish Academic Standards for Public Schools. That Council already exists, and *Nevada Revised Statutes* 389.520 defines the standard. This is the reason it is not in the Bill. In section 17, subsection 3, it states the advisory committee, made up of parents and others, will continue to advise the district concerning the content and materials to be used in this course.

CHAIR DONDERO LOOP:

I will accept a motion on S.B. 439.

SENATOR NGUYEN MOVED TO AMEND AND DO PASS AS AMENDED S.B. 439 TO REVISE PROVISIONS RELATED TO THE NEVADA DEPARTMENT OF EDUCATION AND THE LIST OF PREFERRED PRESCRIPTION DRUGS TO BE USED FOR THE MEDICAID PROGRAM AS IT RELATES TO THIS BILL.

SENATOR HARRIS SECONDED THE MOTION.

SENATOR SEEVERS GANSERT:

I will vote yes, but I am going to reserve my right. There is a little confusion between sections 17 and 18.

SENATOR TITUS:

I am going to be a no on this Bill. I expressed my concerns during the policy committee hearing.

SENATOR GOICOECHEA:

This Bill has been a hot topic in my rural communities, so I will be a no.

THE MOTION CARRIED. (SENATORS GOICOECHEA AND TITUS VOTED NO.)

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CHAIR DONDERO LOOP:

Having no other business, this meeting is adjourned at 6:28 p.m.

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	RESPECTFULLY SUBMITTED:
	Mary Ashley, Committee Secretary
APPROVED BY:	
Senator Marilyn Dondero Loop, Chair	
DATE:	

EXHIBIT SUMMARY				
Bill	Exhibit Letter	Introduced on Minute Report Page No.	Witness / Entity	Description
	Α	1		Agenda
	В	1		Attendance Roster
S.B. 276	С	12	Cathy Crocket	Proposed Amendment – HOA Collections LLC
S.B. 276	D	12	Cathy Crocket	Proposed Amendment – Senator Roberta Lange
S.B. 439	Е	21	Cathy Crocket	Proposed Amendment 3666