# MINUTES OF THE SENATE COMMITTEE ON FINANCE

# Eighty-second Session May 11, 2023

The Senate Committee on Finance was called to order by Chair Marilyn Dondero Loop at 9:22 a.m. on Thursday, May 11, 2023, in Room 1214 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. <a href="Exhibit A">Exhibit A</a> is the Agenda. <a href="Exhibit B">Exhibit B</a> 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 Senator Robin L. Titus

## **GUEST LEGISLATORS PRESENT:**

Senator Roberta Lange, Senatorial District No. 7

## **STAFF MEMBERS PRESENT:**

Wayne Thorley, Senate Fiscal Analyst Cathy Crocket, Chief Principal Deputy Fiscal Analyst Alex Haartz, Principal Deputy Fiscal Analyst Eileen O'Grady, Counsel Marie Bell, Committee Secretary

# OTHERS PRESENT:

Anthony Ruiz, Nevada State College Alejandro Rodriguez, Nevada System of Higher Education Constance Brooks, University of Nevada, Las Vegas

Areli Alarcon, Las Vegas Global Economic Alliance Annette Magnus, Battle Born Progress Alisa Nave-Worth, DailyPay, Inc. Mark Fiorentino, EarnIn Rebeckah Stetson, Executive Director, Farmily Organic Farms

CHAIR DONDERO LOOP:

We have 19 bill draft requests (BDRs) to introduce.

- BILL DRAFT REQUEST 18-1066: Makes various changes relating to the Department of Tourism and Cultural Affairs. (Later introduced as Senate Bill 477.)
- BILL DRAFT REQUEST S-1101: Makes a supplemental appropriation to the Office of the Secretary of State for an unanticipated shortfall related to credit card processing fees. (Later introduced as Senate Bill 478.)
- BILL DRAFT REQUEST S-1102: Makes a supplemental appropriation to the Department of Indigent Defense Services for an unanticipated shortfall related to reimbursements to certain counties for costs in excess of their maximum contribution amounts for the provision of indigent defense services. (Later introduced as Senate Bill 479.)
- <u>BILL DRAFT REQUEST S-1105</u>: Makes a supplemental appropriation to the Division of Forestry of the State Department of Conservation and Natural Resources for an unanticipated shortfall related to firefighting costs. (Later introduced as Senate Bill 480.)
- BILL DRAFT REQUEST S-1114: Makes an appropriation to the Office of Finance in the Office of the Governor for reimbursement of counties for the provision of indigent defense services. (Later introduced as Senate Bill 481.)
- BILL DRAFT REQUEST S-1117: Makes appropriations to the Office of the Attorney General for the replacement of ballistic vests and for licenses to upgrade the computer operating system. (Later introduced as Senate Bill 482.)

- BILL DRAFT REQUEST S-1118: Makes appropriations to the Office of the Secretary of State for the replacement of mail processing equipment and computer hardware and software and for desk risers and telephone headsets. (Later introduced as Senate Bill 483.)
- BILL DRAFT REQUEST S-1120: Makes appropriations to the Office of the Secretary of State for the costs of risk-limiting audits of election results, a mail ballot tracking and notification system, voter education materials and outreach, signature verification services and a statewide top-down voter registration database and election management system. (Later introduced as Senate Bill 484.)
- <u>BILL DRAFT REQUEST S-1121</u>: Makes appropriations to the Office of the Secretary of State for the costs related to the Office's business registration and filing system and website and to information security. (Later introduced as Senate Bill 485.)
- BILL DRAFT REQUEST S-1123: Makes appropriations to the Nevada Promise Scholarship Account and the Millennium Scholarship Trust Fund. (Later introduced as Senate Bill 486.)
- BILL DRAFT REQUEST S-1134: Makes an appropriation to the Department of Indigent Defense Services for replacement of computer hardware and associated software. (Later introduced as Senate Bill 487.)
- BILL DRAFT REQUEST S-1142: Makes appropriations to the Peace Officers' Standards and Training Commission for replacement of certain systems, furniture, vehicles and computer hardware and associated software. (Later introduced as Senate Bill 488.)
- BILL DRAFT REQUEST S-1151: Makes appropriations to the Department of Taxation for information technology projects and equipment, employee training and a cash counting machine. (Later introduced as Senate Bill 489.)
- BILL DRAFT REQUEST S-1160: Makes appropriations to the Nevada Gaming Control Board relating to information technology. (Later introduced as Senate Bill 490.)

- BILL DRAFT REQUEST S-1167: Makes an appropriation to the Department of Business and Industry for replacement or purchase of computer hardware, software and certain equipment. (Later introduced as Senate Bill 491.)
- <u>BILL DRAFT REQUEST S-1169</u>: Makes appropriations to the State Department of Conservation and Natural Resources for the replacement or purchase of information technology, vehicles and equipment. (Later introduced as Senate Bill 492.)
- BILL DRAFT REQUEST S-1181: Makes appropriations to the Department of Health and Human Services for computer hardware and software. (Later introduced as Senate Bill 493.)
- <u>BILL DRAFT REQUEST S-1183</u>: Makes appropriations to and authorizes the expenditure of money by the Division of Health Care Financing and Policy of the Department of Health and Human Services for replacement or purchase of computer hardware and software, a new database and a centralized credentialing process. (Later introduced as Senate Bill 494.)
- BILL DRAFT REQUEST S-1186: Makes appropriations to and authorizes the expenditure of money by the Division of Child and Family Services of the Department of Health and Human Services for replacement of computer hardware and software, equipment and vehicles and deferred maintenance projects. (Later introduced as Senate Bill 495.)

SENATOR NGUYEN MOVED TO INTRODUCE <u>BDR 18-1066</u>, <u>BDR S-1101</u>, <u>BDR S-1102</u>, <u>BDR S-1105</u>, <u>BDR S-1114</u>, <u>BDR S-1117</u>, <u>BDR S-1118</u>, <u>BDR S-1120</u>, <u>BDR S-1121</u>, <u>BDR S-1123</u>, <u>BDR S-1134</u>, <u>BDR S-1142</u>, <u>BDR S-1151</u>, <u>BDR S-1160</u>, <u>BDR S-1167</u>, <u>BDR S-1167</u>, <u>BDR S-1169</u>, BDR S-1181, BDR S-1183 AND BDR S-1186.

SENATOR TITUS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR DONDERO LOOP:

I open the hearing on Senate Bill (S.B.) 273.

<u>SENATE BILL 273</u>: Changes the name of the Nevada State College to the Nevada State University. (BDR 34-968)

SENATOR ROBERTA LANGE (Senatorial District No. 7):

This bill is simple. It changes the name of Nevada State College to Nevada State University to give more flexibility and credibility to the degrees that its students earn.

WAYNE THORLEY (Senate Fiscal Analyst):

There is a Proposed Amendment 3649 (<u>Exhibit C</u>) to <u>S.B. 273</u>. The amendment cleans up existing language. The amendment strikes the reference to Sierra Nevada College, which no longer exists.

#### CHAIR DONDERO LOOP:

I want either Senator Lange or a representative of Nevada State College to confirm for the record that the intent of <u>S.B. 273</u> is the name change, that it would have no impact on the higher education funding formula and that the college's courses would still be weighted at the community and state college level, not the university level.

ANTHONY Ruiz (Nevada State College):

I confirm <u>S.B. 273</u> is designed to change our name only. It is not designed to change our classification and for funding or course weight purposes.

ALEJANDRO RODRIGUEZ (Nevada System of Higher Education): We support S.B. 273.

CONSTANCE BROOKS (University of Nevada, Las Vegas):

We strongly support <u>S.B. 273</u>. The name change will help students get their credentials more broadly recognized in the marketplace.

ARELI ALARCON (Las Vegas Global Economic Alliance): We support S.B. 273.

#### CHAIR DONDERO LOOP:

I will close the hearing on <u>S.B. 273</u> and open the hearing on <u>S.B. 232</u>.

<u>SENATE BILL 232 (1st Reprint)</u>: Requires the State Plan for Medicaid to include coverage for postpartum care services. (BDR 38-45)

SENATOR NICOLE CANNIZZARO (Senatorial District No. 6):

Senate Bill 232 extends Medicaid coverage for postpartum care services from 60 days to up to 12 months. Research shows that postpartum care is essential for much longer than the 60 days covered by statute. To keep moms and babies healthy, it should be at least 12 months. There are a host of complications that can occur for women who have recently given birth for up to 12 months postpartum. These include mental issues, physical issues and other ailments that might not present themselves until after 60 days.

There are fiscal notes for this bill from the Department of Health and Human Services. Because this bill includes Medicaid dollars, there is federal match of a significant amount. An appropriation of \$1,396,596 is made from State General Fund account for the 2024-2025 biennium.

#### **SENATOR TITUS:**

I absolutely support <u>S.B. 232</u>. In the long run, it will save lives and money; healthy moms give birth to healthy babies. The \$20 million fiscal note that was initially put on the bill was exorbitant considering the federal match that is received. The recalculation of approximately \$1.3 million may still be high but is well worth the investment.

## ANNETTE MAGNUS (Battle Born Progress):

We strongly support <u>S.B. 232</u> because extending postpartum Medicaid coverage to 12 months will help ensure parents and babies in Nevada thrive together. This will also save money. This is a wise use of the State's resources to ensure that we are taking care of Nevada's families at a critical time to help deal with health issues.

## CHAIR DONDERO LOOP:

I will close the hearing on S.B. 232 and open the hearing on S.B. 290.

SENATE BILL 290 (1st Reprint): Provides for the regulation of employer-integrated earned wage access providers and direct-to-consumer earned wage access providers. (BDR 52-9)

## SENATOR NICOLE CANNIZZARO (Senatorial District No. 6):

<u>Senate Bill 290</u> establishes a new regulatory framework for earned wage access providers and allows them to be regulated here in Nevada. Wage access services, or on-demand pay services, are a type of financial service that allows

an employee to access their earned, but not yet paid, wages prior to a regular pay day. This innovative financial service provides a benefit to those employees who may need immediate access to their wages.

This bill will authorize direct-to-consumer and employer-integrated pay providers to apply for licensure as an earned wage access provider through the Department of Business and Industry, Division of Financial Institutions (FID). This process requires earned wage access providers to disclose consumer protection and data privacy policies, identify fee schedules—which must include a no-cost option for users—and otherwise demonstrate to FID that they are competent to obtain a license to provide those services to Nevada users. This bill requires licensees to submit annual compliance reports and imposes other rules and policies that will enable FID to assert effective and ongoing regulatory oversight.

Senate Bill 290 is accompanied by a fiscal note submitted by FID. The fiscal note includes estimates of revenue that would be obtained from the regulatory process, as there will be fees associated with it. The Financial Institutions Division would be required to administer the regulatory process and ensure proper oversight. Because the fiscal note covers incoming revenue, it would allow FID to cover the employees and additional services that they may need to provide to regulate earned wage access providers. The Legislature tried and failed to pass a similar bill last Session.

Some technical changes were requested by FID, as covered in the proposed amendment (Exhibit D). The proposed amendment would allow FID to use the Nationwide Multistate Licensing System for background checks, fingerprinting, and related licensure procedures. This language replicates existing FID language in other statutes. The proposed amendment would require applicants to submit audited financial statements as part of the initial application for a license. This language was inadvertently omitted from the bill when it was introduced. The proposed amendment clarifies FID's authority to assess administrative fees for investigation, audit and related functions. Those fees are authorized under similar administrative statutes and ensures FID recovers the costs of carrying out its enforcement role. These adjustments should not affect the fiscal note; they should make the licensure and investigation procedures easier.

**SENATOR TITUS:** 

Conceptually, I support S.B. 290. What is the fee based on?

ALISA NAVE-WORTH (DailyPay, Inc.):

Every earned wage access provider has a different fee structure. Often the fee structure is a flat fee, like an ATM would charge, only cheaper.

## **SENATOR TITUS:**

Is this earned wage access program required for every employer with an automatic payroll system?

Ms. NAVE-WORTH:

This program is 100 percent optional. It is something employers can offer as an employee benefit.

## SENATOR NEAL:

I had a question about the credit score piece. Is there a credit score that would prevent an earned wage access provider from getting licensed?

## Ms. Nave-Worth:

That would be at the discretion of FID, which is consistent with its application of credit for similar licensing programs it oversees.

#### MARK FIORENTINO (EarnIn):

The Majority Leader and all stakeholders have worked hard on this complicated issue. Senate Bill 290 is truly a consensus bill and we support it.

## CHAIR DONDERO LOOP:

I will close the hearing on S.B. 290 and call for a vote on S.B. 273.

SENATOR TITUS MOVED TO AMEND AND DO PASS AS AMENDED S.B. 273.

SENATOR NGUYEN SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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#### CHAIR DONDERO LOOP:

I open the floor for public comment.

REBECKAH STETSON (Executive Director, Farmily Organic Farms): I am here to make a comment on <u>S.B. 244</u>. It is a school garden bill that I have been working to make some amendments to.

SENATE BILL 244: Makes an appropriation to the Other State Education Programs Account for the creation and maintenance of school gardens. (BDR S-557)

Farmily Organic Farms teaches 2,000 kids in northern Nevada every year and has formed a coalition with other organizations who represent garden education in northern Nevada. We want to make some amendments to  $\underline{S.B.\ 244}$  to open it up to garden education in northern Nevada. As written, the bill is specific to school gardens. In my 20 years of experience, garden education is most effectively done outside of schools through after-school and summer programs. We want to make  $\underline{S.B.\ 244}$  more equitable between northern and southern Nevada.

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Senate Committee on Finance May 11, 2023 Page 10	
CHAIR DONDERO LOOP: Having no further business, the Senate 9:56 a.m.	Committee on Finance adjourns at
	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
	Α	1		Agenda
	В	1		Attendance Roster
S.B. 273	С	5	Wayne Thorley	Proposed Amendment 3649
S.B. 290	D	7	Senator Nicole Cannizzaro	Proposed Amendment