MINUTES OF THE MEETING
OF THE
ASSEMBLY COMMITTEE ON JUDICIARY

Eighty-Third Session
March 31, 2025

The Committee on Judiciary was called to order by Chair Brittney M. Miller at 9 a.m. on Monday, March 31, 2025, in Room 3138 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. The meeting was videoconferenced to Room 3 of the Nevada Legislature Hearing Rooms, 7120 Amigo Street, Las Vegas, Nevada. Copies of the minutes, including the Agenda [Exhibit A], the Attendance Roster [Exhibit B], and other substantive exhibits, are available and on file in the Research Library of the Legislative Counsel Bureau and on the Nevada Legislature's website at www.leg.state.nv.us/App/NELIS/REL/83rd2025.

COMMITTEE MEMBERS PRESENT:

Assemblymember Brittney M. Miller, Chair
Assemblymember Elaine H. Marzola, Vice Chair
Assemblymember Lisa K. Cole
Assemblymember Joe Dalia
Assemblymember Cecelia González
Assemblymember Ken Gray
Assemblymember Alexis M. Hansen
Assemblymember Melissa R. Hardy
Assemblymember Selena La Rue Hatch
Assemblymember Cinthia Zermeño Moore
Assemblymember Hanadi Nadeem
Assemblymember David Orentlicher
Assemblymember Erica P. Roth
Assemblymember Toby Yurek

COMMITTEE MEMBERS ABSENT:

None

GUEST LEGISLATORS PRESENT:

Assemblymember Selena Torres-Fossett, Assembly District No. 3

STAFF MEMBERS PRESENT:

Cesar Melgarejo, Committee Policy Analyst
Karly O'Krent, Committee Counsel
Aaron Klatt, Committee Manager
Karyn Werner, Committee Secretary
Ashley Torres, Committee Assistant

OTHERS PRESENT:

James Humm, Executive Director, Cannabis Compliance Board
Drianna K. Dimatulac, representing Deep Roots Harvest
Layke Martin, Executive Director, Nevada Cannabis Association
Alisa Nave-Worth, representing Planet 13 Holdings, Inc.
Nick Vassiliadis, representing Nevada Resort Association
Warren B. Hardy II, representing Urban Consortium; SA Recycling; and Champion Recycling
Shelly Capurro, representing Charter Communications Operating, LLC; and Spectrum
Paige Barnes, representing Lumen
Mo Denis, representing Las Vegas Recycling
Adrian Hunt, Police Detective, Office of Intergovernmental Services, Las Vegas Metropolitan Police Department
Terry K. Graves, representing Western Metals Recycling; Nevada Trucking Association; and Nevada Manufacturers Association
Chloe Chism, Government Relations Advisor, NV Energy
Trevor Parrish, Manager, Government Affairs, Vegas Chamber
Helen Foley, representing T-Mobile
Omar Saucedo, representing AT&T
Jason Walker, Lieutenant, Legislative Liaison, Washoe County Sheriff's Office
Kerrie Kramer, representing NAIOP Nevada
Donna Laffey, representing Verizon Communications Inc.
Joe Harrington, Communications Director, Department of Transportation
John T. Jones Jr., representing Nevada District Attorneys Association
Mike Cathcart, Business Operations Manager, Finance Department, City of Henderson
Jill Hinxman, representing Cox Communications
Jeffrey S. Rogan, representing Clark County
Kelly Crompton, Government Affairs Manager, City of Las Vegas
Paloma M. Guerrero, Deputy Public Defender, Legislative Liaison, Clark County Public Defender's Office
Angela Knott, Deputy Public Defender, Legislative Liaison, Washoe County Public Defender's Office

Chair Miller:
[Roll was taken. Committee rules and protocol were explained.] We are ready to begin. We all know the routine of respect and courtesy. I will be taking the bills out of order, so I will begin with Assembly Bill 504.

Assembly Bill 504: Establishes certain deceptive trade practices relating to the sale of or an offer to sell certain hemp products. (BDR 52-867)

Assemblymember Joe Dalia, Assembly District No. 29:
I am here today to present Assembly Bill 504 on behalf of Speaker Steve Yeager. I am the lone presenter today, but I do have two phone-a-friends who have made themselves available for questions today: James Humm, Executive Director, Cannabis Compliance Board here in Carson City, and Layke Martin, Executive Director of the Nevada Cannabis Association in Las Vegas.

This bill is about deceptive trade practices in the cannabis industry and protecting consumers, our tourism industry, and our licensed cannabis dispensaries. Since 2019, there has been a 1,500-foot setback around our gaming and resort corridors where cannabis dispensaries are not permitted to operate. While our legal cannabis industry respects this setback, certain predatory actors have taken advantage of it by operating hemp shops that intentionally mislead consumers into thinking they are offering the real thing. This is a significant problem around both the Las Vegas Strip and Fremont Street. Many of these shops put on a convincing performance to appear like a dispensary, including presenting hemp leaves in the window and by selling hemp buds that appear and smell indistinguishable from cannabis. They also sell gummies, cartridges, and other products whose packages show smiling faces eating and vaping their products. Some even employ aggressive staff who will stand in front of their shops and tell people this is the right place to get high.

In reality, the CBD and hemp products these shops carry are not only unlikely to result in an enjoyable experience for the consumer, but they are also very unlikely to have been tested for safety. They may contain synthetic marijuana, pesticides, and other harmful ingredients. For tourists who come to Las Vegas from states where cannabis is still outlawed, and if this is their first experience with marijuana, they are very unlikely to feel like they got a good deal. They are very likely to feel scammed. That is not the experience we want to give to the people who patronize our state. We owe these visitors to our state an obligation to protect them from predatory actors. We also owe an obligation to our legal dispensaries to protect them because they may be suffering customer losses by virtue of these consumers being redirected to fake dispensaries.

With that background, I will briefly turn to the bill language. I will not say this is a certain "s-word," but I will say it is not very lengthy and not very complex. It is one section. Section 1, subsection 1, paragraph (a), requires certain signage to be posted indicating that this location does not hold a cannabis establishment license. Section 1, subsection 1, paragraph (b), prohibits false advertising about the nature of the location or the products.

Section 1, subsection 2, provides these are not exclusive remedies and penalties; and subsection 3 indicates that these are deceptive trade practices for purposes of *Nevada Revised Statutes* (NRS) 598.0903 to 598.0999 inclusive. Section 1, subsection 4, sets forth certain definitions.

We also have two amendments. My apologies that the second one was late breaking. The first is from the Cannabis Compliance Board [Exhibit C], which really just tightens up the types of deceptive trade practices we are seeing around the nature of the products to help with the enforcement piece. The second one [Exhibit D] provides the applicable regulatory body will be able to set forth the dimensions, font size, color contrast, and exact language for the signage required to indicate this is not a licensed dispensary. With that, I have walked through the bill and the two amendments, so I am open to questions.

Assemblymember La Rue Hatch:
I know you do not have the details of what the sign will say, but just what is envisioned here? Are you imagining these shops cannot have things like marijuana leaves posted around? They will have to have a sign that says, We do not actually sell X, Y, and Z here. What is the overall effect going to be on these shops?

Assemblymember Dalia:
We do not want to set that standard for the regulatory body. We want to be intentional about making sure they set it. I do not think we want the character and feel of the establishment to indicate it is a dispensary. Right now, this has been carefully coordinated to appear like a dispensary in every form and fashion. I think we would want the sign to be understandable by consumers, to be clearly legible, and to indicate this is not a true dispensary, but I do not want to speak for the regulatory body. I know we intentionally want that to be in their jurisdiction.

Assemblymember Cole:
I appreciate your attempting to protect our real market and our real people who are doing good things for us. My question has to do with enforcement and how will customers know about this. Is there going to be an advertising program—like at the airport—to let people know that if they do not see a sign like this, they are not in the right place? Who would do the enforcement?

Assemblymember Dalia:
I think this might be a good place for me to phone a friend.

James Humm, Executive Director, Cannabis Compliance Board:
In contemplating this and then as we reviewed it, enforcement would actually come through the Bureau of Consumer Protection under NRS Chapter 598 as written. However, what we have started to do—and I think I brought that forward in front of this Committee—is to work with local licensing departments at the city and county levels. Our intention would be to also partner with the Office of the Attorney General (AG) on this. When we get complaints or reports, we would go directly to the AG's Office, and they are wonderful investigators.

Chair Miller:
I am going to ask you to stay there for a moment. Could you share with us how big of an issue or a problem this is for our industry? And if you want to, explain the impact and whether it is on the gaming resorts' association or the cannabis industry group. Describe whatever types of financial impact this has on our community.

James Humm:
It is multipronged. When you look at it, these products are not taxed at the same rate our legal cannabis is taxed. As well, our licensees have invested a lot of time, energy, and money into what they do. In this particular case, to go back to what Assemblymember Dalia has stated, some of these things are not tested, so there is a health and safety component. There are a lot of different aspects to the importance of this bill.

As to the exact number, it would be difficult to give you a full, accurate number. We do get complaints about this and have recognized it is an issue, which is why our enforcement division is working with the localities. Right now, it is just the business licenses we are able to enforce through—and again, it is not even our direct enforcement. This would not be direct enforcement either, but this would give us another tool to work with the Attorney General's Office under those consumer protection statutes.

Assemblymember Hansen:
My question is regarding the amendment from the Cannabis Compliance Board [Exhibit C]. In section 1, subsection 1, paragraph (b), subparagraph (2), in the green language at the very end, they must not advertise, including but not limited to, "that the hemp product has any beneficial health effects." Why that? There are claims that hemp seeds are beneficial. I am extremely naive when it comes to what is going on and how this is playing out. Are we talking about some stores that might have hemp seeds, or that sort of thing?

James Humm:
Absolutely. I am honestly happy to amend that out as well. Our initial concern was just to make it any claims that were not fully vetted or tested that came directly from the U.S. Food and Drug Administration (FDA). We are still in the gray area at the federal level. That was our main concern. I am happy to stop at "hemp product has any beneficial health effects." I think the first two portions of our amendment certainly can get that done. I will work with the Assemblymember on whatever he and the Speaker would like to do. We are certainly happy to discuss that further.

Assemblymember Hansen:
I am not a consumer of hemp seeds. I look at some other claims that are made when we buy supplements, and I would want to be consistent. There might not be some FDA studies or permissions per se, but I like the idea of not putting that in there since it seems consistency would dictate that when other supplements are being sold. I will leave that to you guys to discuss.

James Humm:
Just a reminder: we are actually neutral on this bill. This was brought forward by Assemblymember Dalia and the Speaker, so I am happy to continue to work with them on what, if any, adjustments they would like to make.

Chair Miller:
Thank you so much for again declaring your neutrality, but with that, along with what my colleague was asking, right now we know there are hemp products sold for medicinal uses, whether it is a lotion, a pill, or whatever. I know you can purchase those products in other stores, that it does not have to just be at a hemp shop, for lack of a better term. In the stores we are going after, do they just sell those medicinal products, or are these—I hate to use slang—just more shops that are selling pipes, vapes, and hemp and not necessarily the lotions and the medicine, but the other things?

James Humm:
I have not been in one of those, as it is not under our purview. We have not necessarily gone in and done a full inventory. The key to this one is looking at the intoxicating hemp or the "hot hemp," as it is called, which is synthetic and illegal in the state. They would really be looking at that. Again, I am happy to work with the Assemblymember on the amendment to take that particular statement out. This is really to go after the things that are not tested that are claiming to make people intoxicated, and nothing to do with any health benefits that have to do with some of these other hemp products.

Chair Miller:
I believe the Committee would support an amendment. We do not want anything to misidentify that it has health value, but we do not want to have an unintentional consequence for those products that do, are properly labeled, and are sold under authority. I appreciate your willingness to work on it.

James Humm:
We are in agreement with that.

Chair Miller:
I see no additional questions, so I will open support testimony for Assembly Bill 504.

Drianna K. Dimatulac, representing Deep Roots Harvest:
We are in support of A.B. 504. Nevadans deserve full transparency when it comes to the products they purchase and consume. This is why Deep Roots Harvest takes great care to comply with Nevada laws and regulations. In contrast, unlicensed hemp sellers can often mislead consumers by falsely representing themselves as licensed establishments and marketing their hemp products as cannabis when hemp and cannabis differ significantly. Hemp contains less than 0.3 percent delta-9 THC—which is the primary chemical associated with intoxicating and psychoactive effects—while cannabis typically contains between 15 to 20 percent. Hemp and cannabis offer distinct uses, and it is crucial for consumers to know these differences to make informed choices about what they purchase. Allowing unlicensed

hemp sellers to continue these deceptive practices not only puts consumers at risk but also undermines the integrity of Nevada's regulated cannabis market. Licensed establishments have invested significant time and resources to comply with the law, and they should not have to compete with bad actors who operate outside of it.

By increasing transparency and imposing penalties for deceptive practices, A.B. 504 protects consumers, supports legitimate businesses, and strengthens market integrity. For these reasons, we respectfully urge this Committee to vote in favor of A.B. 504.

Chair Miller:
Not seeing anyone else in Carson, we will go to Las Vegas.

Layke Martin, Executive Director, Nevada Cannabis Association:
Fake dispensaries are a huge problem. As noted, they are operating in areas in the Resort Corridor and on Fremont Street under the canopy and making themselves appear as if they are legal cannabis dispensaries. Requiring some signage and stopping them from making these false claims to lure in tourists who know that cannabis is legal in Nevada, but do not realize they cannot buy it on the Strip and on Fremont Street, is again a tremendous issue. They are selling either fake, nonintoxicating hemp products that look like cannabis flower, or they are selling highly potent THC hemp-driven products that are dangerous and untested. Both of those will be addressed through this bill. We also have similar legislation in the Senate, Senate Bill 356, which will look at prohibiting these types of sales entirely. We are in support.

Alisa Nave-Worth, representing Planet 13 Holdings, Inc.:
We echo the sentiments of the Cannabis Association, as well as Deep Roots Harvest. Essentially, these establishments are taking advantage of a loophole in federal law and selling products to Nevada consumers that appear to be cannabis products. These products are not only untested, but they are also dangerous to public health, welfare, and safety. They are also not taxed at the same level that regulated and lawful cannabis is that is sold in Nevada. It is bad for Nevada consumers, and it is bad for the state of Nevada. We urge your support of A.B. 504.

Chair Miller:
Is there anyone else in Las Vegas who would like to testify in support? Not seeing anyone, please open the phone lines. There are no callers, but there is someone in Carson City.

Nick Vassiliadis, representing Nevada Resort Association:
We are having issues on the Strip and on Fremont Street with these deceptive practices and posting these things in the window and misguiding tourists and locals. We support A.B. 504.

Chair Miller:
We need to take a recess for a few moments because we are having some technical difficulties.

[The Committee recessed at 9:21 a.m. and reconvened at 9:26 a.m.]

We are going to resume our work; we are back up and running. We had taken testimony in support here in Carson, in Las Vegas, and on the phones. I will move to opposition testimony. Is there anyone here in Carson City who would like to oppose Assembly Bill 504? [There was no one.] Seeing no one in Las Vegas, will you open the lines? [There was no one.] I will open testimony in neutral. Is there anyone in Carson City, Las Vegas, or on the phone lines? [There was no one.] I will ask the Assemblymember if he has any final remarks. He is waiving off final remarks, so I will close the hearing on Assembly Bill 504.

Next on our agenda is Assembly Bill 503. I will open the hearing on Assembly Bill 503.

Assembly Bill 503: Revises provisions relating to utility wire. (BDR 15-394)

Assemblymember Selena Torres-Fossett, Assembly District No. 3:
I proudly represent Assembly District 3 in Las Vegas, Nevada, and today I am also here as a Chair of the Joint Interim Standing Committee on Government Affairs for the 2023-2024 Legislative Interim, which was the hardest-working interim committee we had, and this piece of legislation came out of those conversations. I am here to present Assembly Bill 503, which aims to address unlawful possession of utility wire. Joining me is Warren Hardy, as well as Shelly Capurro. They will provide some additional industry context and discuss the amendment with us. They will be here to help support any questions as well.

For a little bit of background information, A.B. 503 is being introduced in response to a series of copper wire thefts that have impacted Nevadans. With the wrong set of circumstances, the consequences of copper wire theft can cause more than a disturbance to electricity in our households or disruption in access to the Internet. It can also have life-threatening consequences. This bill was first discussed during the Joint Interim Standing Committee on Government Affairs about a year ago and is a culmination of over a year's work, with the combined efforts of local governments, law enforcement, telecommunication companies, public utilities, and the scrap metal industry.

Just a month ago, a serious incident occurred in February 2024 [*sic*], when a copper theft caused a massive outage at the Harry Reid International Airport in Las Vegas. This event highlighted the urgent need for stronger measures to combat copper wire theft and to protect critical infrastructure. Following this incident, the Clark County Commission took swift action by passing a new ordinance prohibiting the purchase of scrap metal or seven-strand copper wire without an affidavit or lawful documentation. However, it is necessary to address this issue at the state level since only the Legislature can create the kind of criminal penalties that will be a true detriment to these crimes.

While I am not a copper wire expert, in my conversations with industry experts, it has been made very clear to me that this type of seven-strand copper wire is not something a normal person would have in their house, or a copper wire artist would be in possession of. This is very specific to utilities and utility wire.

This measure is also based on the success of the catalytic converter law we passed last legislative session. That legislation has virtually eliminated the theft of catalytic converters in Nevada and is now being looked at across the country as model legislation. Therefore, we have high confidence A.B. 503 will effectively end the scourge of copper wire theft that has damaged our state and impacts everyday Nevada families way too frequently. This bill designates penalties for willfully and maliciously damaging critical infrastructure property, which includes any infrastructure used to transmit electricity to the public, such as power lines, traffic lights, and electrical substations. With the amendment language, it also adds those telecommunication providers, which are obviously our cell towers and, oftentimes, Internet access. An amendment [Exhibit E] will be submitted to add that portion of the legislation.

Copper wire thefts have far-reaching consequences. They leave neighborhoods literally in the dark and impose significant costs on taxpayers. Power outages caused by these thefts are increasingly common. They affect small businesses, schools, and entertainment venues, particularly in Las Vegas. As an educator in east Las Vegas, I cannot count how many times we have had the power go out because of these copper wire thefts. It really does damage to the education we provide. You can only do so much when most of our textbooks are online these days. It really is a challenge to the small businesses that surround us that are now losing a day's worth of sales because of this outage.

Worse than the cost is the danger these thefts also present for residents. Tragically, in September 2023, a 7-year-old girl was hit and killed in a crosswalk when streetlights were out due to copper wire theft. Just a couple of months ago, some residents in east Las Vegas who are educators reached out to me because their streetlights had been out for weeks. My streetlights in Las Vegas had been out for weeks also, and it is because copper wire thefts are happening so quickly, it is hard for local government to address these issues as they occur. As soon as they put in a new one, these thieves are back getting more copper. They are doing the same thing, and they are selling the copper.

At this time, I am going to walk through the bill, and then I will pass it on to my copresenters to address some of the amendment language and the impact of this bill. Section 1 establishes penalties for willfully removing, damaging, or destroying any critical electrical infrastructure to obtain used utility wire. The amendment [Exhibit E] also includes tampering. The severity of this penalty is dependent on the value of the property affected and whether the act caused an interruption to service. The penalties include: if the property is less than $500, a person is guilty of a misdemeanor; if $500 or more, the person is guilty of a category D felony with a prison term of not less than 1 year and not more than 4 years, and a fine of not more than $5,000; and if it causes an interruption of services provided by any critical electrical infrastructure, a person is guilty of a category C felony with a prison term of not less than 1 year and a maximum term of not more than 5 years, and a fine of not more than $10,000.

Section 3 makes it unlawful for a person to possess used utility wire unless the person falls under specific categories, such as operating a disposal site, holding an electrical contractor's license, or being a licensed scrap metal processor. Section 4 prohibits the purchase of used

utility wire unless it is from authorized entities or individuals with proper documentation. Section 5 outlines the penalties for violating sections 3 and 4, ranging from a misdemeanor to a category D felony, depending on the value of the wire involved.

Sections 8 through 10 establish requirements for scrap metal processors regarding the purchase, recordkeeping of transactions, and method of payment for purchasing used utility wire. Section 16 requires scrap metal processors to submit information electronically to local law enforcement agencies about purchases of used utility wire.

We are open to having a conversation about some of the penalties described herein, but obviously this legislative process moves quickly, so I look forward to having that conversation in the next couple of days with the public defenders. At this time, I will pass it off so they can go through the amendment.

Warren B. Hardy II, representing Urban Consortium; SA Recycling; and Champion Recycling:

I do want to give a shout out to Las Vegas Recycling. I do not represent them but they have been a great partner in this. This is a piece of legislation the Urban Consortium brought to the Chair during the interim, and we appreciate her and the Committee's openness and willingness to look at this. This has been an ongoing problem in southern Nevada, and we have actually adopted ordinances in Clark County, Las Vegas, North Las Vegas, and Henderson to deal with this. But it became evident after the success of the catalytic converter law that the key to this was stricter penalties. We understand the concern and the reluctance to provide felonies on a lot of different things. That is why this legislation is very, very narrow, in our opinion, regarding seven-strand wire, which as the Chair indicated, is the wire being stolen and sought after by thieves. That is my introduction.

I would indicate we have one amendment [Exhibit E], including Ms. Capurro's clarification of her section of the bill. We appreciate her coming forward and supporting this bill and bringing the concept of critical infrastructure because that is going to be important. The change I suggest in the amendment before you, Requested Change 2, is a simple matter of process. It is a little confusing that section 3, subsection 1, paragraph (c), references the catalytic converter law specifically, and we think it might be cleaner if we pull out and just delineate those sections that apply to the metal theft. There are requirements in the catalytic converter law that require vehicle identification numbers, make, and model of vehicles that do not apply here. What I handed to the Legislative Counsel Bureau (LCB) at the last minute was kind of a mess, and I am really amazed LCB did such a remarkable job of getting this bill substantially right. That is the only request we have. It is not a substantive change, just a cleanup so those who are required to live by this bill can understand it better.

Shelly Capurro, representing Charter Communications Operating, LLC; and Spectrum:

Critical infrastructure, such as telecommunication systems, serves as the backbone of our daily lives. These systems provide essential services that keep our communities connected, businesses operating, and families safe. When intentional damage occurs, the impacts are

devastating and far reaching. The financial cost to taxpayers and businesses is unsurmountable. We do not know how often this occurs. We know when it hits the headlines and that is the problem—we do not know how often all of this occurs.

The other thing I want to bring up before I get to the amendment is sometimes these acts are more dangerous to the perpetrators than a typical stealing of a cell phone, a laptop, et cetera. Tampering with high-voltage electricity systems and hazardous waste can cause injury or death.

In the amendment, in section 1, subsections 1, 2, and 3, we are adding "tampers with." It is not just theft, but it is tampering that can be catastrophic. We would also like the name to be called "critical infrastructure property" in this definition because we feel it is more fitting. In that definition, we are asking for the following things to be added to the already existing definition that is in the bill: video service, broadband service, telecommunication service, fiber, telephone service, wireless telephone service, natural gas, water, sewer, storm water collection, and disposable services. That encompasses what we would consider critical infrastructure.

Assemblymember Roth:
I just want some points of clarity. I know with the catalytic converter bill that was worked on last session, one of the main pieces was going after the businesses selling the catalytic converters. I want to make sure this bill is reaching that same kind of conclusion of trying to go after who is actually selling them.

Warren Hardy:
Part of the reason the catalytic converter law was successful is we did some groundwork. In fact, none of my clients accepted used catalytic converters as a matter of business practice. The challenge we had with the catalytic converters is the same challenge we are having now with utility wire: catalytic converters being stolen and taken out of state. They were not bringing them to us. My client was the subject of a sting where we turned it away and said we do not buy catalytic converters. Most scrap metal companies had that policy. The problem was they were not taking it to us. The bad guys quickly figured out we were not buying them, so they started taking them, ironically, to California, Arizona, and Utah, where they did not have strict laws. The key to the success of that bill was the possession of a catalytic converter was made a crime, two or more catalytic converters. There is no reason on earth why somebody should have more than two catalytic converters. There is really no reason on earth they should have more than one, and probably no reason they should even have one. The fact that possession was against the law enabled law enforcement. If somebody had five catalytic converters in their car or truck on the way to California, that was the crime they were charged with. We are now seeing catalytic converters showing up in dumpsters and drop boxes because they are completely worthless as an instrument of crime.

The work has already been done; we have been working for years. If you look at the statute regarding scrap metal—much of it my client helped put in the law 15 to 20 years ago—it requires the business to get identification. If you bring any kind of scrap metal to

SA Recycling, my client, you will be required to show your driver's license, to give your vehicle license plate number, to give a fingerprint, and a bunch of other requirements, so bad guys do not bring this stuff to us. What we are seeing is these things are being taken out of state. The problem with the catalytic converter was you had to catch them in the act before you could charge them with a crime.

Now it is possession. It is exactly the same thing we are trying to accomplish here. Today you must catch somebody in the act of stealing the wire before you can charge them for a crime. Under this law, for that very narrow definition of scrap of seven-strand utility wire—which is the wire being targeted—law enforcement will be able to charge you with a crime for possession. The difference between catalytic converters and this is there is no reason for somebody to have a catalytic converter, but there are some reasons why a normal individual would have seven-strand wire. That is why the ordinances and the laws have said you have to be able to demonstrate you legally own it, or you have to sign an affidavit that says you legally possess it. That is how it ties together and how the industry is involved.

Assemblymember Roth:
Could you explain the gap in the current law? It seems to me you could currently be charged with possession of stolen property, burglary, or destruction of property. Where is the gap in the enforcement now?

Warren Hardy:
You can currently charge on a catalytic converter for the possession of stolen material. In this case, you cannot. In the case of seven-strand copper wire or used utility wire, you cannot. That is what we are trying to accomplish here. To charge somebody with a penalty under the current law, you have to catch them in the act of stealing the wire. This would make it so that, under certain circumstances, unless you can demonstrate you legally acquired that used utility wire, you could be charged with a crime for possessing it. It is a unique structure; I will acknowledge that. That is why we have tried to make it as narrow as possible to the destruction. In the case of the critical infrastructure, stuff is not being stolen there. They are maliciously just cutting it off. They are cutting it to disrupt service at the airport. They are not stealing it, so this bill really covers two very important components for this issue in Nevada.

Chair Miller:
Not many of us are experts in this field, but you just said something interesting. People are literally doing this just to be destructive. I understand the motive of stealing to obtain money. For the most part, with the catalytic converter, you steal it, you sell it, and you get money. Are you saying people are just doing this for the sake of destruction?

Shelly Capurro:
Yes. We have a story that is an example. In Sacramento, California, on April 18 of last year, the investigation found it was an intentional and deliberate fiber cut which led to the airport outage, which then led to flight delays for hours. That was not Charter fiber—that was another fellow company—but this is increasing across the country. These are intentional

disruptions, and you can have a hospital affected, or as the Assemblymember said, a school affected, or emergency responders affected. A lot of times it is just intentional damage and sometimes they do it because they think they can get copper wire. Sometimes that is linked to it, but sometimes it is just intentional disruption.

Warren Hardy:
Just to clarify, it is a little confusing because this bill really, in some ways, is dealing with two very separate and distinct actions. The one Ms. Capurro describes is an intentional act. There is no value in the fiber wire they have. Our guys do not purchase it; at least I am not aware that they do. So those are just intentionally trying to cause mischief, trying to shut down the airport, trying to shut down Allegiant Stadium, and in the case of Sacramento, trying to shut down the legislature. That is separate.

On the copper wire theft side, I am unaware of anybody who does it just to be mischievous. On the copper wire side, people are stealing it because it has value, and they want to resell it. Just to clarify, there are two real distinct portions to this legislation.

Assemblymember Cole:
Is this seven-strand wire the same kind of wire is used in air conditioning, condensing units, and that kind of thing, or is it different?

Warren Hardy:
It is very similar. Seven-strand copper wire is used in residential applications, which is why we had to set up the provision that says you can establish you are legally authorized to possess the material. There are legitimate reasons why a homeowner doing a renovation of their house has some of this wire. The inclusion of the words "used utility wire" helps us get closer. Again, as I said, we are really trying to narrow this because we understand the hesitancy to increase penalties; that is the reason. In the catalytic converter law, it just says you cannot have it; it does not matter the circumstances. In this case, it says you have to establish that you legally own it, or you have to sign an affidavit saying you do. That is the reason for that.

Assemblymember Torres-Fossett:
To give a little bit of clarity to this section, the amount of used seven-strand utility wire that you are going to have from an air conditioning unit at your home is going to be very different from somebody who is actively going out and stealing large amounts of the seven-strand utility copper wire. Those are two very different circumstances. An individual working at one of these plants would also be able to very quickly tell the difference unless you are providing HVAC [heating, ventilation, and air conditioning] services for multiple units at a time, in which case you would be qualified as an individual who could hand this type of equipment over. That is different from a person stealing all of that copper wire from HVAC units from across the state.

Assemblymember Roth:
That was my point. I just wanted to make sure it did include that because there have been a lot of businesses—specifically on the Strip and the Fremont Corridor area—that were affected by this just last summer. I want to make sure thefts of that kind of wire are wrapped up in this.

Assemblymember Torres-Fossett:
Yes, that is definitely included. Also, that type of commercial HVAC unit obviously has quite a bit more wire than my unit at home, so they would definitely be captured within this.

Assemblymember Orentlicher:
The concern I probably hear the most from my constituents is that getting their streetlights back up is now measured not so much in weeks or months, but it is crossing into years. Is there anything we can do? I know it is costly to do the replacements, and their budgets are tight at the local level, but is there something we can do to speed up the replacement for our constituents?

Warren Hardy:
One of the provisions in this bill that makes it so effective is, when you determine the penalties, the cost of the damage that you have done and the cost of replacement is included in the expense of the crime, which is critical.

We have had great success, and you need to have some context with what we have already been doing as an industry with local governments. We have what I call a "task force," but Metro [Las Vegas Metropolitan Police Department] does not like that because that means something specific. We have a working group that meets every month. We have an online program in real time so if somebody, a pizza shop for example, has a theft, they could notify Metro within seconds. That is on the radar screen of all the scrap metal processors in Nevada.

You may have read about the major bust that was done at the Fontainebleau Las Vegas a year or so ago. That was a result of this process we have with law enforcement. This individual was someone who was well-known to the processor, and he would bring metal in because his employer authorized him to take it in and get the bonus of keeping the money that came from the recycling. Well, he got fired by that company but went on bringing scrap metal in for six or seven months until Metro put his picture on our website. One of our members said, Yeah, that guy has been coming in for six months, and by the way, here is his driver's license, his fingerprint, his car license, his driver's license number, and the amount of stuff he has brought in since he was fired. They were able to make an arrest in that case. I give you that background to answer your question whether there are things being done in the background to expedite this. This is what we need from the Legislature to be able to deal with this.

Assemblymember Torres-Fossett:
While there might be some good actors who are providing this right now, I think it is important to note not all scrap metal processing centers are doing this work, not tracking this information. This puts it into statute and requires that they do it. I am happy to discuss what the penalty for those bad actors looks like. This is something they should be doing because it makes sure Nevadans are safe, and it allows for law enforcement to track it a lot easier. To the point you made earlier, I am happy to discuss what that might look like.

Assemblymember La Rue Hatch:
I just want some clarification. I assume it is already illegal to destroy public property and to possess stolen property. How does this step up or how is this a change from what is currently in statute?

Shelly Capurro:
I was actually touching base with the Legal Division this morning, and what we have seen is typically more like a misdemeanor, and we are increasing that to a felony. But again, there are levels within the bill depending on the amount. Does that help clarify it?

Assemblymember La Rue Hatch:
I am wondering if your bill also adds to these penalties for the bad actors who are purchasing this. Was that not in statute already, like the scrap metal processors who were not keeping this documentation and all of those other requirements?

Warren Hardy:
There are strict requirements in law already for scrap metal processors who receive this. What there is not is the very specific extra requirements on utility wire. That is what is increased by this legislation. We have strict requirements to the point that most things that are questionable are not even worth our time, effort, or resources to accept. Right now, the way it works with all the major processors—and the Chair is exactly right—one of the challenges we have is not with the licensed recyclers, but with the unlicensed folks. You can go online on Facebook or anywhere else, and they will say, We buy this wire, no questions asked. We buy cars without titles, all of which are against the law. The challenge is the penalties are so limited it is almost to the point where these bad actors say, Look, just keep my credit card on file and when you need to fine me for that misdemeanor, go ahead and fine me. It is just not significant enough to stop it.

There are significant laws in place right now. As I indicated earlier, we have to get fingerprints, and we have to identify the individual to get their driver's license. We are not allowed to pay them cash over $250. It has to be a check or electronic transfer. The other thing we will say is we immediately notify Metro when we see something at all suspicious, and we will set it aside until Metro comes and clears it and lets us know it is okay to process. That is based on the current law regarding scrap metal processing. There are significant requirements in current law.

Assemblymember Gray:
I am just a little concerned. You had me, and you have not lost me yet, but just the mere possession of it without even knowing there is a crime to tie them to, much less if they committed the crime, that goes contrary to "innocent until proven guilty." It really concerns me. How do you address that?

Warren Hardy:
I do not disagree, but there are certain penalties that are necessary in order to put a stop to this stuff. Right now, the level of penalty is why we have very narrowly defined it. Under the law, all you have to do to be able to sell it—my guys probably will not purchase it with this—is to sign an affidavit saying you legally possessed it. That gives law enforcement the ability to go back and do additional research, and if it is proven you stole it from a location, then the penalties can be enhanced. One of the things you will notice we put in the bill was one way you can identify legal wire is if it has identifying marks on it. One of the things we are encouraging local governments to do is to put in their bids "identifying wire" so it would be identified as belonging to Clark County or identified as belonging to the City of North Las Vegas. That would make law enforcement's job easier.

The way we have dealt with that in the past is most of the current language and legislation here relates to burning copper wire. That is the method people use if they are bad actors. If you are not a bad actor, you are not going to burn the wire, you are going to bring it in because it belongs to you. It is difficult, but again, we feel if you are willing to sign an affidavit saying you legally possess it—that is under the new statute or the proposed statute—that is evidence you own it legally.

Assemblymember González:
A lot of the conversation has been specific to Clark County. I was just wondering if this issue is happening in other places throughout the state.

Warren Hardy:
Happily, we are not getting a lot of reports in other areas of the state that this is happening. But again, this would be preemption against it happening. It is a scourge in southern Nevada—an epidemic.

Assemblymember La Rue Hatch:
My question is on the exemptions for people who are allowed to have this wire. I am looking at page 4 [section 1, subsection 1, paragraphs (a) and (b)], and it says people who hold a permit issued pursuant to *Nevada Revised Statutes* 444.553 and people who have a contractor's license are allowed. I am just wondering, do the folks who are working for the contractor have that license and are they covered, or does that only apply to the person at the top who owns the business?

Warren Hardy:
That is a great question that has come up. A lot of times what will happen is an electrical company will give an employee the opportunity, sort of as a bonus, to take all this scrap down and trade it in and keep the value. That happens all the time in the industry. We really grappled with that in the local ordinances. What happens in practice is if you work for XYZ Electric and you are a journeyman, and your boss says to go ahead and take it and get the value, he will give you a letter that says, We authorize Joe to take this, and he will bring it in. That works as verification he is authorized to hold it. In most cases, the good actors in the industry have relationships with those businesses, and we will know those individuals. There are business-to-business exemptions in the local ordinance, as well as here, that allow us to do that. That is what happens most of the time. It is the employer allowing one of their good employees to take it and get the extra benefit, and it is covered under this.

Chair Miller:
We will open it up for testimony in support starting in Carson City. Is there anyone who would like to testify in support of Assembly Bill 503?

Paige Barnes, representing Lumen:
We are here in support of Assembly Bill 503. Tampering and destruction of critical utility infrastructure and telecom wires disrupt essential services, including calls to 911. Disruption of services interferes with business practices and jeopardizes lives. Stricter penalties aim to safeguard the essential infrastructure and ensure reliable telecom services. We urge your support and passage of A.B. 503.

Mo Denis, representing Las Vegas Recycling:
We are in support of A.B. 503 and the amendment. We have been participating with Metro in the work group for the past several years. We have noticed a huge impact on the east side of Las Vegas with the lights, the copper being stolen, and taking months to replace. The reason it takes so long as we work with the city is they just have too many of them for them to keep up, not only with the copper theft, but also with the maintenance. We think this is a critical issue and urge support.

Adrian Hunt, Police Detective, Office of Intergovernmental Services, Las Vegas Metropolitan Police Department:
We greatly support this bill. It tremendously supports our Theft Crimes Bureau by addressing the challenges officers face in deterring utility wire theft. We urge the Committee to advance this bill for it.

Terry K. Graves, representing Western Metals Recycling; Nevada Trucking Association; and Nevada Manufacturers Association:
Having worked in this for several years, legitimate licensed scrap metal processors already have a policy of only purchasing from known businesses. They do not purchase from off-the-street or walk-in clients. I would just like to point out the features about damages. Sometimes these thefts result in $300 worth of copper but result in $10,000 worth of damages to repair what was taken. That is an important aspect of this. Regarding manufacturing and trucking,

any disruption of public services also disrupts their businesses, probably true of most businesses. They are also in support of this bill. I will continue to work with the sponsors to bring this bill to the final form, but we fully support it and the amendments that have been recommended.

Chloe Chism, Government Relations Advisor, NV Energy:
I am here from NV Energy to express our strong support for Assembly Bill 503. Copper wire theft is not a victimless crime. Each time it is stolen from our infrastructure, Nevadans pay the price through power outages, public safety risks, and increased operational costs that ultimately affect our customers. Assembly Bill 503 takes meaningful steps to deter this criminal behavior by creating clear penalties and tightening oversight around the possession, sale, and purchase of used utility wire.

NV Energy has seen this issue escalate. In 2023 alone, we recorded 19 outages caused by copper theft, nearly one every two weeks. A major incident at Harry Reid International Airport earlier this year disrupted operations and thousands of travelers. On average, we have experienced over ten copper-related outages per year, and many more likely go unreported if those do not result in immediate service interruptions. These thefts impact more than just equipment. They threaten public safety and divert resources away from maintaining and improving our systems. These crews often respond urgently, and these costs can add up very quickly.

In closing, A.B. 503 offers a practical solution. It balances enforcement with reasonable protections for legitimate businesses, aligns wire sales with existing laws on catalytic converters, and gives law enforcement better tools to prevent repeat offenses. We appreciate the Legislature's leadership on this issue, and we respectfully urge your support.

Trevor Parrish, Manager, Government Affairs, Vegas Chamber:
The Vegas Chamber is in support of A.B. 503 and agrees with the premise of the bill and the policy objective to deter the illegal removal of utility wire from public infrastructure. The removal of such wiring, as you know, causes a significant public safety issue for both residents and businesses in our community. The theft of the utility wire can be found throughout the community, and the cost and time to repair it is time consuming and costly. We believe this bill will further strengthen efforts to deter the illegal wire removal, which will help serve our community. We appreciate the stakeholders' efforts in coming together to develop what we believe is a fair and practical policy.

Helen Foley, representing T-Mobile:
We really appreciate the sponsor of the bill, Warren Hardy, as well as Shelly Capurro for expanding this a bit outside of the copper wire setting. There is a new amendment which is the critical infrastructure property. We want to make sure this also includes the batteries. We have large vaults underneath our cell sites that include a big backup battery. If something happens to the electricity from a fire or whatever, there will still be wireless service for an extended period of time because of those batteries. We want to make sure that is included, but we think this is a fantastic bill, and we thank you for considering it.

Omar Saucedo, representing AT&T:
I want to echo the comments of my colleague at T-Mobile and at Lumen. We at AT&T have seen a large amount of theft nationally on our copper wire. It is becoming a pretty serious issue for us. Unfortunately, we do not have the time local governments do to repair these wires. Our consumers depend on Internet connectivity and on wireless communications. When that copper or wiring is stolen, and our consumers do not have the ability to make phone calls, we lose customers. It is important for us to make sure we continue to serve those customers whom we serve. The last thing we want to do is lose customers because they think we are unreliable.

We have seen this as recently as last year during Thanksgiving, when we had an outage in Pahrump. I was in communication with the Assemblymember out there letting them know we were trying to restore service as quickly as possible, but these things happen quite frequently. We want to make sure we are ahead of it. We are in full support of the deterrence. We need to make sure folks are aware if they are going to be impacting our critical infrastructure, there will be a deterrent for that theft.

Jason Walker, Lieutenant, Legislative Liaison, Washoe County Sheriff's Office:
We echo the comments from all the previous testimony. For Washoe County, we have had multiple instances of destruction of property, uncertain if it is for this specific wire. We are supporting this bill. It is in direct line with what we were able to accomplish with the catalytic converter law.

Kerrie Kramer, representing NAIOP Nevada:
We are here in support of this bill.

Donna Laffey, representing Verizon Communications Inc.:
Verizon is supportive of A.B. 503 with the amendment, and we just want to echo all the comments of our colleagues in the telecommunications industry. We request you support this because we need protection for the critical infrastructure we provide.

Joe Harrington, Communications Director, Department of Transportation:
We are also in support of Assembly Bill 503. In addition to the many safety hazards you heard about, like lighting outages and disruption to traffic control devices, I did want to put on the record this has become a significant drain on the State Highway Fund. We are currently spending about $5 million per biennium to address copper theft here in the state of Nevada. To address some of the questions presented earlier, it is about a 4:1 Clark County issue, but we are seeing it in other areas of the state. I should specify the $5 million is just on Nevada Department of Transportation right-of-way. We are also supportive in concept of the amendment. We see individuals who are trying to dig up copper wire, they find fiber instead, they are frustrated, they vandalize it, and it costs us more to replace than the copper. We think including that vandalism component is also a great idea. Again, we are in support of Assembly Bill 503.

John T. Jones Jr., representing Nevada District Attorneys Association:
The Nevada District Attorneys Association is in support of A.B. 503.

Mike Cathcart, Business Operations Manager, Finance Department, City of Henderson:
Copper wire theft is an issue in Henderson just like all the other local governments in southern Nevada. We are very supportive of A.B. 503. I believe it is a step forward in solving this issue.

Jill Hinxman, representing Cox Communications:
On behalf of Cox Communications, we are in support of the bill and the proposed amendment.

Jeffrey S. Rogan, representing Clark County:
Clark County is in support of A.B. 503. The Clark County streetlight network has been under attack from copper wire thieves since 2007. Here are some statistics I think might help you understand the scope of the problem. From January 2022 to January 2025, over 650,000 linear feet of copper wire has been stolen from county streetlights from 850 separate locations. As of January 2025, 562 of those locations were repaired, costing the county over $1.8 million. In January, the county estimated the cost to repair the remaining locations would range from an additional $1.8 million to nearly $2.1 million.

Assembly Bill 503 will help with our efforts at the local level that you heard about in the testimony today. It rightly punishes with a felony offense those people who unlawfully steal or possess copper wire in excess of $500. Like our local ordinances, the bill also attempts to curtail the secondary market for stolen wire by imposing reasonable duties on businesses that purchase scrap metal. We urge passage of this legislation.

Kelly Crompton, Government Affairs Manager, City of Las Vegas:
I will be brief and say we are in support of the bill. We echo many of the comments the other jurisdictions have provided. Over the past two years, we have seen over a million dollars worth of damage to roadway-lighting copper wire theft, so we urge the support of this bill.

Chair Miller:
Seeing no one else in Carson City, is there anyone in Las Vegas who would like to testify in support? Not seeing anyone, will you open the phone lines, please? There are no callers, so I will open it for opposition testimony, beginning here in Carson City.

Paloma M. Guerrero, Deputy Public Defender, Legislative Liaison, Clark County Public Defender's Office:
We look forward to working with the sponsors to find a solution that works for everybody. I do want to push against one thing. Currently, there is not a mechanism to go after these bad actors; they just get a theft misdemeanor.

I personally represented somebody who was accused of this crime last year. I looked at the criminal complaint, and they were charged with malicious destruction of property, a category C felony, and theft, a category B felony. When we talk about these copper wire cases or utility wire cases, they are really expensive, so a $500 limit for a misdemeanor is a really, really low threshold. Not only is the wire expensive, but the units they are in are also expensive. That is why they are also being charged for restitution for the destruction of those units. The amount of money it would take to fix these units and replace the wire already elevates it to those felony thresholds.

Angela Knott, Deputy Public Defender, Legislative Liaison, Washoe County Public Defender's Office:
Just a few quick things. One, I also know of a case in Washoe County. We do not get very many of them—there is only one and it stood out. He did not actually get any of the copper wire, but what he had was a backpack with what they called possession of burglary tools. He also went into an abandoned building, so he was charged with burglary, which is a category B felony, and possession of burglary tools, which is a gross misdemeanor. There are already mechanisms to charge felonies for these crimes, even attempting to try to get to these copper wires.

Specifically, I also want to quickly discuss the mandatory community service on top of any kind of prison time or jail time. I find it very difficult, and I am not sure how the courts would do it, to mandate community service if you have already served your prison time. I could see it in lieu of prison time, that you have to do community service while you are out, but when you do prison time, the courts do not have the power to watch over you to make sure you do the community service. This is just one area we have spoken with the Assemblymember about discussing further.

Lastly, when I was listening to the presentation, it looked like one of the biggest issues was adding—and I think it would be reasonable—the used utility wire to the scrap metal statute. Based on what we heard, it took care of the catalytic converter. It is cleaning up the scrap metal issues, so I think just adding that to the already existing statute would solve a lot of the issues we are already seeing.

Chair Miller:
Assemblymember Torres-Fossett has assured me she plans to continue to work with you all. Any other opposition testimony here? [There was none.] Is there anyone in Las Vegas or on the phone lines? [There was no one.] I will go ahead and open neutral testimony here in Carson City. Not seeing anyone here or in Las Vegas, please open the phone lines. [There was no one.] The presenters have waived final comments With that, I will close the hearing on Assembly Bill 503.

Our last item of business today is public comment. Starting here in Carson City, is there anyone wishing to make public comment? Not seeing anyone and not seeing anyone in Las Vegas, please open the lines. [There was no one.] With that, I will close public comment and adjourn this meeting. I will see you all at 8 a.m. tomorrow morning. We are adjourned [at 10:20 a.m.].

RESPECTFULLY SUBMITTED:

_____
Karyn Werner
Committee Secretary

APPROVED BY:

_____
Assemblymember Brittney M. Miller, Chair

DATE: _____

EXHIBITS

Bill	Exhibit	Witness / Agency	Description
	A		Agenda
	B		Attendance Roster
A.B. 504	C	Cannabis Compliance Board	Statement of intent and proposed amendment
A.B. 504	D	Assemblymember Joe Dalia, Assembly District No. 29	Conceptual amendment
A.B. 503	E	Shelly Capurro, representing Charter Communications Operating, LLC; and Spectrum; and Warren B. Hardy II, representing Urban Consortium; and SA Recycling; and Champion Recycling	Proposed amendment