MINUTES OF THE MEETING
OF THE
ASSEMBLY COMMITTEE ON REVENUE

Eighty-Third Session
April 8, 2025

The Committee on Revenue was called to order by Chair Shea M. Backus at 3:39 p.m. on Tuesday, April 8, 2025, in Room 4100 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. The meeting was videoconferenced to Room 1 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 Shea M. Backus, Chair
Assemblymember Venicia Considine, Vice Chair
Assemblymember Reuben D'Silva
Assemblymember Tanya P. Flanagan
Assemblymember Danielle Gallant
Assemblymember Heather Goulding
Assemblymember Ken Gray
Assemblymember Gregory T. Hafen II
Assemblymember Duy Nguyen
Assemblymember PK O'Neill
Assemblymember Erica P. Roth

COMMITTEE MEMBERS ABSENT:

None

GUEST LEGISLATORS PRESENT:

Assemblymember Danielle Monroe-Moreno, Assembly District No. 1

STAFF MEMBERS PRESENT:

Michael Nakamoto, Chief Principal Deputy Fiscal Analyst
Susanna Powers, Deputy Fiscal Analyst
Kathryn Dodge, Committee Manager
Gina Hall, Committee Secretary
Cheryl Williams, Committee Assistant

OTHERS PRESENT:

Amanda Morgan, Executive Director, Educate Nevada Now
Valeria Gurr, Senior Fellow, American Federation for Children
Anahit Baghshetsyan, Research Assistant, Nevada Policy
Jeffrey S. Rogan, representing Clark County
Stephen Wood, Director of Strategy and Public Policy, Governor's Office of Economic Development, Office of the Governor
Andrew Clarke, Revenue Manager, New Day Nevada
Kent M. Ervin, Ph.D., Director of Government Relations, Nevada Faculty Alliance
Becky Dutro, Government Affairs Analyst, Nevada Taxpayers Association
Paul J. Moradkhan, Senior Vice President, Government Affairs, Vegas Chamber
Kerrie Kramer, representing NAIOP Nevada
Caden Grogan, representing Transfr, Inc.
Susan Keema, Executive Director, Nevada Association of School Superintendents
Alexis Motarex, Director, Government Affairs, Associated General Contractors of America, Nevada Chapter
Steven Koenig, Private Citizen, Las Vegas, Nevada

Chair Backus:
[Roll was taken. Committee rules and protocol were reviewed.] We are going to change our agenda a little bit today. We will start with the hearing on Assembly Bill 441, then we will do our work session. We will conclude with Assembly Bill 457 and Assembly Bill 539. I will open the hearing on Assembly Bill 441.

Assembly Bill 441: Revises provisions governing the Nevada Educational Choice Scholarship Program. (BDR 32-6)

Assemblymember Danielle Monroe-Moreno, Assembly District No. 1:
Joining me here at the table this afternoon is Ms. Amanda Morgan. We are here to present Assembly Bill 441, which revises provisions governing the Nevada Educational Choice Scholarship Program.

As you are aware, I also serve as the chair of the Ways and Means Committee. In that role, I had the pleasure of chairing the Interim Finance Committee (IFC) last interim. It was during our August 2023 IFC meeting that it became apparent to this body changes needed to be made and improvements needed to be made to the program in a way that benefited the families utilizing the program. I made a promise to some of the Nevada-based vendors that I would bring a measure to accomplish some of their goals.

I believe A.B. 441 is me keeping my promise to not only the vendors, but also to the children and their families. I want to make it perfectly clear Assembly Bill 441 is not, and I repeat, not a discussion or debate on the existence of the program. We, as a legislative body, made a

promise to these families years ago, so this is not in any way an attempt or a measure to eliminate it. Assembly Bill 441, as amended, simply addresses some of the critical gaps in the administration of the Nevada Educational Choice Scholarship Program.

This legislation seeks to, first, ensure taxpayer-donated funds for which a tax credit has been provided are expended in a timely manner by the scholarship organization to benefit eligible students from lower-income households. Second, require a scholarship-granting organization applying for a tax credit for donations to provide the Department of Taxation with the number of pupils who are currently receiving a scholarship and who have applied for a scholarship for the upcoming school year, the number of siblings of pupils who currently receive a scholarship who are also applying for a scholarship for the upcoming school year, and the number of pupils applying for a scholarship who do not fall into categories A or B. It requires the Department of Taxation-approved donations go to fund pupils based on the priorities of pupils listed above to the extent funds are available. Finally, it requires scholarship-granting organizations to be Nevada-based organizations and incorporated in the state of Nevada.

You might ask why that is important. It was during that meeting when we learned an out-of-state organization received all the tax credits for the children in the program, leaving Nevada-based organizations that had children in their programs unable to provide the scholarships to those children. The Nevada Educational Choice Scholarship Program provides financial assistance to families with limited income, enabling them to enroll their children in schools of their choice, including private institutions.

The program operates by allowing businesses to receive dollar-for-dollar tax credits, which can be used against the modified business tax in exchange for donations made to approved scholarship organizations. These organizations then distribute these funds as grants to eligible students. For years, the program has relied on generous donations to support educational opportunities for Nevada students. As I mentioned, concerns have been raised that the existing framework does not do enough to prevent delays in the use of these funds. Under existing law, scholarship organizations must apply to the Department of Taxation for approval for tax credits before accepting donations. However, there is no clear timeline requiring these organizations to promptly allocate the funds to students. Without such a timeline, there is a risk that funds may remain unutilized, thereby reducing their impact on the educational opportunities of our deserving students.

Amanda Morgan, Executive Director, Educate Nevada Now:
I am going to briefly go through the bill language and the conceptual amendment [Exhibit C] language. I am going to start with the conceptual amendment since it is a bit more substantive, and then I will move on to what you have for A.B. 441.

In the drafted conceptual amendment, section 1 amends *Nevada Revised Statutes* (NRS) 363A.139, subsection 2, by requiring a scholarship organization to include with its application for tax credit, information regarding its scholarship applicants. This is in their application to the Department of Taxation. The information they must provide includes the

number of pupils currently receiving a scholarship from the scholarship organization who have applied for a scholarship for the subsequent school year, the number of siblings of pupils who are currently receiving a scholarship who have applied for a scholarship for the next school year, and the number of pupils who have applied for a scholarship who do not fall into either of those other two categories.

Subsection 3 would be amended to indicate an order of priority in which the Department would approve tax credits. To the extent that funds are available, the Department would approve applications for tax credits first to fund the pupils who are receiving a scholarship from that scholarship organization and have applied for a scholarship for the subsequent school year; second, to fund siblings of those students who are currently receiving a scholarship; and lastly, to fund any other pupils not in the first or second group, in the order in which those applications are received.

Section 2 amends NRS 363B.119, subsections 2 and 3, in the same way as section 1 that I just detailed. Section 2 applies the same language to the other payroll tax that is eligible for the tax credit.

Also proposed in the conceptual amendment, though not fully in a drafted form, is the requirement that scholarship organizations submit applications for tax credits to the Department of Taxation during a set 30-day period. Only after this 30-day period would the Department approve the tax credits. This was included to ensure the Department had all the information in a timely manner to honor that order of priority.

The last part of the conceptual amendment, which amends NRS 388D.270, section 3, subsection 1, paragraph (a), would require the scholarship organizations be incorporated in the State of Nevada.

Moving on to the bill language, A.B. 441, sections 1 and 2 would require scholarship organizations to expend the donations for which the tax credits are received within 18 months of the date on which the tax credit was approved by the Department of Taxation. The scholarship organization would be required to repay the tax credit to the Department after that 18-month period in an amount equal to the unused portion of that donation. That concludes my part of the presentation.

Assemblymember Monroe-Moreno:
By aligning the disbursement of donated funds with a strict timeline, A.B. 441 reinforces the integrity of the scholarship program and underscores Nevada's commitment to providing timely and effective educational support. This proactive measure will not only enhance program efficiency but also reinforce public trust in the use of taxpayer-supported initiatives for education. It will also ensure Nevada-based organizations providing these scholarships for Nevada's children are given a preference over out-of-state organizations to come in and not only get the money, but as we learned in that IFC meeting, to not hoard the money, but spend it on our children. I urge you to support this bill.

Chair Backus:
I appreciate your work on this because I, too, sat through that IFC hearing and was quite frustrated with how, unfortunately, the system worked and left some organizations out, especially those Nevada nonprofits and the students they had afforded funding for were not able to get it because of how the process works.

Assemblymember Gallant:
Why 18 months? How did you come to the 18-month mark? What was your reasoning behind that?

Amanda Morgan:
It was a rolling application process built into the bill. I think an additional six months gave a little bit of leeway. When we initially approached the Legislative Counsel Bureau (LCB) wanting to make it to where those funds are expended during that school year, that six months was added by them as padding because the way the statute currently stands is a scholarship organization applies for a tax credit, they have 20 days to approve that tax credit, and then an additional 30 days for that donor to actually make the donation. There is this rolling period. I think they were leaving a little bit of leeway. From that point, we are now asking for a 30-day period. I think that is open to some changes, but I believe that was LCB's thinking on the 18-month period.

Assemblymember Goulding:
Did I understand correctly that there were some students who had received scholarships in the past and were then denied scholarships? Can you give me a scope of approximately how many students were denied renewal of their scholarships?

Assemblymember Monroe-Moreno:
The actual organizations would have to tell you how many of their students they were unable to fund this school year because they were not able to get the funding. In that IFC meeting—a 14-hour meeting that was painful—the way the system is set up is kind of first come, first served. The organization that got there first put in for all the credits that were available, and they got the money. When the other organizations that are right here in Nevada—some right here in northern Nevada—got there to apply for theirs, they were all gone. Then, the students whom they had provided scholarships for in the past were not able to be funded. During the meeting, the out-of-state organization stated they would help their students. However, as of last week, in my conversation with one of the Nevada-based organizations, their students had still not been funded by the out-of-state organization, although they had the credits to do so.

Chair Backus:
We will go ahead and open testimony in support of Assembly Bill 441. We will start here in Carson City. Is anyone wishing to give testimony in support of Assembly Bill 441? [There was no one.] We will go to Las Vegas. [There was no one.] Is there anyone on the phone lines wishing to give testimony in support of Assembly Bill 441? [There was no one.]

We will open up for testimony in opposition to Assembly Bill 441. Is there anyone in Carson City wishing to give testimony in opposition to Assembly Bill 441? [There was no one.] We will go to Las Vegas for testimony in opposition to Assembly Bill 441.

Valeria Gurr, Senior Fellow, American Federation for Children:
I was here today to express support for the bill before the amendment, but now, unfortunately, I have to be against it. I want to make it very clear we are in support of changing the time of 5 years to 18 months for the grant-serving organizations so the funding can get to the students faster; we agree with that. However, adding all these unnecessary amendments and changing all the processes is going to overcomplicate the process of the program. I want to remind you there are 1,600 lower-income kids participating in this program. These are very low-income kids who do not make more than 300 percent of the federal poverty line, which is $56,000 in income for the year. These are minority students, and if anything, I want to make sure we make this program better and not worse. I look forward to having a meeting with the author of this bill sometime this week so we can discuss more, but at this time, I am going to have to say no.

Chair Backus:
Is there anyone else wishing to give testimony in opposition to the bill?

Anahit Baghshetsyan, Research Assistant, Nevada Policy:
Nevada Policy comes in opposition to the bill because this poses unnecessary requirements on the organizations granting scholarships. There are reports already out there on the Opportunity Scholarship. According to the most recent report, we can see pupils participating and their achievement results. Of course, the NRS has a heavy requirement on the use of the funds, with no more than 5 percent being directed to administrative funds and 95 percent of the funds actually being allocated to the scholarships. To us, this poses an unnecessary burden on the organizations and raises concerns. For that reason, we stand in opposition to the bill.

[Exhibit D, Exhibit E, and Exhibit F were submitted but not discussed and are included as exhibits for the hearing.]

Chair Backus:
Do we have anyone on the phone line to give testimony in opposition to Assembly Bill 441? [There was no one.] Is there anyone in Carson City, Las Vegas, or on the phone line for neutral testimony on Assembly Bill 441? [There was no one.] I will invite the bill sponsor back for any closing remarks.

Assemblymember Monroe-Moreno:
Just one comment about the first person who spoke in opposition. She is a representative for the Florida company that took the funding for the Opportunity Scholarships last cycle. It was her organization—she is a wonderful person—that made the statement they would use the funds they had to help other organizations so the students would be able to go to school on their Opportunity Scholarship but they failed to do so. I appreciate the fact she wanted to

support the original bill, but the amendment makes it stronger for our families and children, so those parents know they have a scholarship that we, as a legislative body, said we would provide for them. It also protects those Nevada-based organizations for Nevada's children. Thank you for allowing us to present today, and I urge you to support the bill.

Chair Backus:
We can close the hearing on Assembly Bill 441. I believe we have all our members here, so we will move to our work session. With that, I will turn it over to Ms. Powers.

Assembly Bill 219: Revises provisions relating to the use of the proceeds of the tax on live entertainment. (BDR 32-652)

Susanna Powers, Deputy Fiscal Analyst:
The first bill in our work session is Assembly Bill 219, and the work session document [Exhibit G] is available to the public on the Nevada Electronic Legislative Information System. Assembly Bill 219 was sponsored by Assemblymember Watts and Senator Doñate. The bill was heard on March 6, 2025, by this Committee.

Assembly Bill 219 requires the annual distribution of 1 percent of total Live Entertainment Tax revenue generated from both gaming and nongaming establishments in the previous fiscal year to the Nevada Arts Council, replacing the previously fixed $150,000 annual allocation from the nongaming portion of the tax to the Nevada Arts Council.

A proposed amendment to Assembly Bill 219, submitted by Assemblymember Watts, makes the following changes: it requires at least 90 percent of the Live Entertainment Tax revenue provided to the Nevada Arts Council is distributed in the form of grants to artists and local arts agencies across the state. The Live Entertainment Tax revenue appropriated to the Nevada Arts Council must not be used to replace funding or supplant funding available from other sources. The amendment adds Assemblymembers Considine, D'Silva, Goulding, and Nguyen, as well as Senator Nguyen, as cosponsors. Assembly Bill 219 was denoted as being eligible for exemption by the Fiscal Analysis Division on February 10, 2025.

Chair Backus:
Do we have any questions regarding the work session document or the amendment to Assembly Bill 219? [There were none.] May I have a motion to amend and do pass Assembly Bill 219?

> ASSEMBLYMEMBER CONSIDINE MOVED TO AMEND AND DO PASS ASSEMBLY BILL 219.
>
> ASSEMBLYMEMBER NGUYEN SECONDED THE MOTION.

Is there any discussion on the motion?

Assemblymember O'Neill:
I will be voting no on this bill. I just feel it is excessive. The Nevada Arts Council has been receiving money, and they have been using it wisely. I did not hear a compelling need for the excess or the additional large amount of money to be taken from the tax to go over to their services. I will be a no.

Assemblymember Flanagan:
On this bill, I would like to stand as a "no" today, with the option that, should it make it to the floor with the fiscal impact it creates, I may change my mind as I hear more about it, but at this time, I am not in support of this bill.

Chair Backus:
We have a ditto from Assemblymember Gallant to Assemblymember Flanagan's comment. With respect to that, I will take a vote.

> THE MOTION PASSED. (ASSEMBLYMEMBERS FLANAGAN, GRAY, HAFEN, AND O'NEILL VOTED NO.)

I will assign the floor statement to Assemblymember Watts. We will move to our next item on the work session and turn it back to Miss Powers.

Assembly Bill 314: Revises provisions relating to economic development. (BDR 18-670)

Susanna Powers, Deputy Fiscal Analyst:
The second bill on our work session is Assembly Bill 314. This work session document [Exhibit H] is available to the public on the Nevada Electronic Legislative Information System. Assembly Bill 314 was sponsored by Assemblymember Edgeworth. This bill was heard on April 3, 2025, by this Committee.

Assembly Bill 314 requires the State Treasurer to establish a program to reimburse education and licensure costs for certain individuals pursuing careers in K-12 education and health care. It also provides grants to hospitals offering work-based learning for high school students, with input from the State Board of Education. The bill establishes a $10 million appropriation from the State General Fund to support these initiatives, with unused funds carried forward each year.

An amendment to Assembly Bill 314 was submitted by Assemblymember Edgeworth, which would make the following changes:

- Replace sections 1 and 2 and require the Governor's Office of Workforce Innovation, as part of the Career Pathways Demonstrations Program, to establish a Health Care Pathways Program in Nevada.

- Delete sections 3 and 4 and replace these sections with language allowing a person who completes the program and works in a Nevada health care position for at least three years to qualify for tuition and fee reimbursement from the fund created for the Teacher Academy College Pathway Program pursuant to *Nevada Revised Statutes* 226.420, with appropriate authority given to the State Treasurer's Office to administer these provisions.

Assembly Bill 314 was denoted as being eligible for exemption by the Fiscal Analysis Division on March 3, 2025.

Chair Backus:
Are there any questions regarding Assembly Bill 314? [There were none.] With that, I would entertain a motion to amend and do pass Assembly Bill 314.

ASSEMBLYMEMBER GRAY MOVED TO AMEND AND DO PASS ASSEMBLY BILL 314.

ASSEMBLYMEMBER D'SILVA SECONDED THE MOTION.

Is there any discussion on the motion? [There was none.]

THE MOTION PASSED UNANIMOUSLY.

I will assign the floor statement to Assemblymember Edgeworth. Next, we will move to Assembly Bill 377.

Assembly Bill 377: Revises provisions relating to real property. (BDR 32-923)

Susanna Powers, Deputy Fiscal Analyst:
This work session document [Exhibit I] is available to the public on the Nevada Electronic Legislative Information System. Assembly Bill 377 was sponsored by Assemblymember Gallant, et al. This bill was heard on March 20, 2025, by this Committee.

Assembly Bill 377 requires the property value declaration form for each deed that transfers the title of real property or records a land sale installment contract with the county recorder to include a section for claiming partial property tax abatements for primary single-family residences and qualified rental properties that meet certain fair market value rent criteria established by the Department of Housing and Urban Development.

A proposed amendment to Assembly Bill 377, submitted by the Nevada Association of Counties, adds a section to Chapter 361 of the *Nevada Revised Statutes* that allows county assessors' offices to accept the declaration of value from the recorder's office.

Chair Backus:
Do we have any questions regarding the work session document for Assembly Bill 377? [There were none.] With that, I will entertain a motion to amend and do pass Assembly Bill 377.

> ASSEMBLYMEMBER NGUYEN MOVED TO AMEND AND DO PASS ASSEMBLY BILL 377.
>
> ASSEMBLYMEMBER GALLANT SECONDED THE MOTION.

Is there any discussion on the motion? [There was none.]

> THE MOTION PASSED UNANIMOUSLY.

I will assign the floor statement to Assemblymember Gallant. With that, we will go to the next item on our work session, which is Assembly Bill 462. I will turn it back to Ms. Powers.

Assembly Bill 462: Revises provisions relating to economic development. (BDR 22-823)

Susanna Powers, Deputy Fiscal Analyst:
This work session document [Exhibit J] is available to the public on the Nevada Electronic Legislative Information System. Assembly Bill 462 was sponsored by Assemblymember Backus. This bill was heard on April 3, 2025, by this Committee.

Assembly Bill 462 revises the Inland Port Authority Act to include industrial parks and authorities; authorizes a participating entity to establish a tax increment area within an inland port or industrial park to fund infrastructure projects using a portion of property taxes within these zones; and adds a director to the authority board, if no participating entity is a city, with the Governor making the appointment.

Additionally, this bill revises the Teacher Academy College Pathway Program by removing the three-year teaching requirement for certain fee reimbursements, making any program graduate who submits a federal student aid application eligible. It also requires school districts with high school career pathway programs to provide career exploration opportunities for middle and junior high students and to assign full-time coordinators. A new oversight committee will set goals, evaluate programs, and report annually.

Three amendments were submitted to the bill as follows:

One, an amendment to Assembly Bill 462, submitted by Clark County, proposes to restrict the authority to create an inland port or industrial park to counties with populations over 700,000, limit the undertaking defined in section 11 related to the creation of an inland port to projects that include an airport with a runway length of at least 5,001 feet, and require the fees authorized in section 17 to be approved by a supermajority of the port authority and adopted in the bylaws of the port authority.

Second, an amendment to Assembly Bill 462, submitted by Assemblymember Backus, proposes the following:

- Restores the requirement of three years of full-time teaching to qualify for reimbursement of certain fees.

- Adds a requirement that the person be enrolled in a Nevada System of Higher Education institution with a declared major in a teacher preparation program to qualify for reimbursements.

- Specifies that student loans are not regarded as financial aid or financial assistance under *Nevada Revised Statutes* 226.420, subsection 2.

- Continues reimbursement of certain fees for individuals who complete a Teacher Academy College Pathway Program and work as full-time, licensed public-school teachers in Nevada for one or two years, including students who complete the program in higher education instead of high school due to circumstances beyond their control and teach at least three years in the state.

- Requires at least one licensed educator, including a school counselor, coordinate career pathways programs instead of a full-time staffer.

- Clarifies "career pathway program" means a Teacher Academy College Pathway Program in high school, involving two academic years in career and technical education in teaching and at least 15 hours of work-based learning, including internships and other opportunities.

- Adds definitions for "career and technical education program" and "career exploration."

- Revises the Career Pathways Oversight Committee to additionally include the superintendent of a district where the Teacher Academy College Pathway Program is mandatory, or their designee, and makes changes by assigning a public school teacher nominated by the majority teacher organization in large districts to implement the program, adding a full-time teacher nominated by the majority teacher organization in smaller districts, and replacing the Nevada Association of School Administrators with superintendents from districts where the program is mandatory.

Third, an additional amendment submitted by Stephen Wood from the Governor's Office of Economic Development in the Office of the Governor changes any reference to "inland port or industrial park" to "inland port and industrial park."

Assembly Bill 462 was denoted as being eligible for exemption by the Fiscal Analysis Division on April 7, 2025.

Chair Backus:
Do we have any questions regarding the work session document for Assembly Bill 462?

Assemblymember O'Neill:
I apologize for bringing this up this late in time, but on amendment 1, if I am reading it correctly, it would only restrict an inland port to Clark County. It would be the only one to benefit based on population.

Chair Backus:
This was also brought to my attention. We can have Mr. Rogan come up for Clark County, but I do believe the intent was to restrict the authority to only the county or counties over 700,000, not to just do a blanket restriction only to counties over 700,000, if that makes sense. I can have Mr. Rogan explain it. We also have someone from the Governor's Office of Economic Development (GOED) here who has been involved in this as well.

Jeffrey S. Rogan, representing Clark County:
That is correct. There is a little bit of a discrepancy between the work session document and the actual amendment. The actual amendment reads that "in counties over 700,000." Only the county would have the authority to create the inland port or industrial park. It is not intended to limit only Clark County to create the industrial park or the inland port.

Chair Backus:
Does anyone else have any other questions regarding the work session document?

Assemblymember O'Neill:
If I understand what you are saying correctly, it is not limiting. I will pick on Lyon County, which is one of my concerns. They would not be restricted.

Jeffrey S. Rogan:
That is correct. Every single county would be able to create an inland port or an industrial park with Clark County's amendment. Again, only Clark County is restricted to the county only having that authority.

Assemblymember O'Neill:
I think I understand it now.

Assemblymember Gray:
If I am reading this right, in counties of less than 700,000, there would be more than one entity that could create an inland port or office park. In Lyon County, which is near and dear to my heart, who would have that authority besides the county board of commissioners?

Stephen Wood, Director of Strategy and Public Policy, Governor's Office of Economic Development, Office of the Governor:
We talked in the hearing about the inland ports we are looking at doing. One of them is in unincorporated Clark County. From my understanding in discussing this with Clark County, and just in Clark County, as Mr. Rogan said, it would only be the county that could initiate the process to create the authority. In all other counties, it would not have to be just the county that creates the authority or that initiates the process to create the authority; however, the county would still have a seat on the board of the authority if that makes sense. This is just about the initiation process, who gets to start the process with my office at GOED, and who gets to initiate the creation of that authority.

Assemblymember Gray:
Your office at GOED would only be able to initiate that besides the county. That is kind of troublesome that another entity could walk into a smaller county and initiate a process even though they will have a seat at the table. That is odd.

Stephen Wood:
If I could ask a clarifying question. Are you thinking that a private entity would be able to come in and do that?

Assemblymember Gray:
I am thinking that a private entity in another county, state, or anybody who may benefit from it.

Stephen Wood:
My understanding is that this would be the government authority, so the court would have to be within the jurisdiction of the authority initiating the process. In the case of Lyon County, it could only be the county or the city of Fernley at this point that would have the authority to do it, or in the case of the inland port in that area, Churchill County, which is where the actual intermodal port is. It would have to be within their jurisdiction. You could not have, for instance, Washoe County creating an inland port in Elko County.

Assemblymember Gray:
So, it would only be the municipalities that are covered. That makes much more sense.

Chair Backus:
I know that was a lot. We had three amendments to this bill. With that, if we do not have any other questions, I would entertain a motion to amend and do pass Assembly Bill 462.

> ASSEMBLYMEMBER D'SILVA MOVED TO AMEND AND DO PASS ASSEMBLY BILL 462.
>
> ASSEMBLYMEMBER CONSIDINE SECONDED THE MOTION.

Is there any discussion on the motion?

Assemblymember Hafen:
I just want to say thank you to both of the gentlemen who came up to clarify. I think I feel good with what was said. I am going to vote yes today; however, I want to reserve my right to see the actual language and to make sure the language is correct. I trust both of these gentlemen, and I do appreciate all the work that went into this.

Assemblymember Gray:
I am just going to ditto what Assemblymember Hafen said.

Chair Backus:
Assemblymember O'Neill is throwing a ditto out as well. With that, we will go ahead and vote.

THE MOTION PASSED UNANIMOUSLY.

I will assign the floor statement to myself. That wraps up our work session. Our next bill on the agenda is Assembly Bill 457. We will go ahead and formally open the hearing on Assembly Bill 457.

Assembly Bill 457: Revises provisions governing the commerce tax. (BDR 32-167)

Assemblymember Venicia Considine, Assembly District No. 18:
I will be presenting Assembly Bill 457, which requires certain business entities that are primarily engaged in the business of renting real property to be treated as a combined taxpayer group for purposes of the commerce tax.

As a little background information, I did leave a copy of this recent *Las Vegas Review-Journal* article with all of you before the meeting started. Recently, a headline in the *Las Vegas Review-Journal* was "A New York hedge fund is the largest homeowner in Clark County." [Not submitted as an exhibit.] The article talks about a homes-for-rent management company that owns at least 3,190 homes in Clark County. The hedge fund has more than $55 billion in assets but refused to confirm the exact number of houses it owns in Clark County. Of these hedge funds, private equities and corporations are commodifying the housing industry. Institutional investment firms that own thousands of homes are making it difficult for people to obtain home ownership. Lower-income residents are unable to enter into homeownership with corporations, hedge funds, and private equity because they are buying those same homes, those starter homes, those lower-income homes, and they are buying them in bulk, and then they are holding on to them without investing in the communities where the houses are located.

I want to back up a little bit to bring, in my opinion, the genesis of all of this. It is the foreclosure crisis in 2008, 2009, 2010, and 2011. When that started, Las Vegas was hit in a triple manner. Not only was it the Great Recession, it was also a hit to gaming and construction. It was right after a boom in house building.

For those of you who were here, you may remember there were entities and hedge funds that came in and bought houses by the block. They bought more houses in North Las Vegas than in any other place in the country. Initially, the idea was that we would buy these houses to help the economy, and then we would put them back on the market. In many respects, that did not happen because it turned out to be a very lucrative stock or shareholder way of making passive income, and those numbers have just grown.

I want to highlight that in December 2019, there was another article in the *Las Vegas Review-Journal* that talked about three entities that owned about 8,000 houses in Clark County. The reason the article was even written is those houses and those three main landlords had the highest number of maintenance issues, evictions, and other community-level problems. I just want to put that timeline together.

Because of that opportunity, we are still in a situation where we are close to one out of every two people in Clark County and Washoe County being renters and not homeowners. The foreclosure crisis in these larger entities created these businesses, and that is what they are. They are businesses engaged in owning and renting homes for profit and, as businesses, they should be paying the commerce taxes other businesses that meet the commerce tax requirements are already paying. That is what A.B. 457 does. It creates a combined taxpayer group for business entities primarily engaged in renting real property.

A "combined taxpayer group" is a term used in a couple of other states. There may be more, but I know for sure they do it in Ohio and Pennsylvania. The idea is, when there are owners who have a controlling interest of 50 percent or more—in the case of housing, every house has its own limited liability company (LLC), like an LLC for 103 South Maine LLC, and a lot of these entities will just have the address of the house as a separate LLC—it will aggregate all of those when there is a controlling interest of 50 percent or more strictly for the purposes of meeting and paying the commerce tax when they do meet the commerce tax.

The reason for this is our housing market is in crisis. As I think I said the last time, we either need to raise the wages of working people to allow them to buy homes in our state, build equity, and have an investment to help them through hard times, or we need to lower housing prices. We need to find ways to close the gap between the first two—either by raising wages or lowering housing prices. This bill will help close the gap. Combined taxpayer groups who meet the existing requirements to pay the commerce tax will be investing in the state and in our communities, or more homes will be on the market for working families to purchase for attainable housing. Essentially, that is the bill.

Assemblymember Gallant:
I have a couple of questions because I feel we tried to deal with this last session, and there were some roadblocks amid that. I have my properties in an LLC, and my husband and I jointly own them. I guess if we got to that level, I would still be included in the commerce tax because I am not a hedge fund. Is this a way to get around the laws that are included in the commerce tax that hedge funds are exempt from?

Assemblymember Considine:
The bill you are talking about from last session was about real estate investment trusts, and they have a specific carve-out in the commerce tax, so this is not trying to find a way around that. What this is trying to do is, if you meet the commerce tax requirements as a controlling interest, under the terms of that, then yes, you would be paying the commerce tax. This is not just regular taxes. You have to essentially be a pretty large corporation or entity to meet those commerce tax requirements and make that payment.

Assemblymember Gallant:
I am looking at this, and one of the challenges last year when I talked to Mr. Nakamoto was it was hard to track everybody. Is there a process already in place to track it so it is not going to be arduous? Are we setting ourselves up for failure, or would this be successful?

Assemblymember Considine:
There is no process. We have some issues since we do not have a way—and it is even listed in the article—to really track everyone who owns the home because they are not being transparent about who the owners are. There is a way to do that if there is a requirement to register a controlling interest in entities, which is something I spoke about in a previous bill. There may be other ways to do it as well. This is a way to begin building that system so we really know what the numbers are. In many cases, we do not know.

The hedge fund in this article would not say how many houses it owned in Clark County. It owns at least 3,200 but less than 4,500, but we do not know. Obviously, if we ask them, they will not tell us. We do need to find a way to require that transparency to make this work.

Assemblymember Gallant:
I know we are not a money committee, but I still have to ask this. There is a fiscal note; it is minimal. I am curious if there have been any studies about what kind of revenue this would bring to the state, and the expectation of protections for homeownership for actual Nevadans. How might this open more opportunities for them?

Assemblymember Considine:
Can you rephrase the first part of your question?

Assemblymember Gallant:
Have there been any studies or have you looked into what kind of revenue it would bring to the state if they start paying that commerce tax?

Assemblymember Considine:
The problem is there is no way to know. There has not been a study to determine this because we do not know who all the owners actually are to determine whether they pay the commerce tax. This round-robin thing is going around and around and around. This, and a previous bill, will hopefully kickstart a way to create those transparencies and being able to know. This is a question we can refer to Mr. Nakamoto.

Chair Backus:
I am always happy to have Mr. Nakamoto chime in on these issues.

Michael Nakamoto, Committee Chief Principal Deputy Fiscal Analyst:
Could I ask you to repeat the question? I was sending an email.

Assemblymember Considine:
I believe the question was, is there any way for us to know how much revenue this would create if we had an idea of who would fall under this?

Michael Nakamoto:
In theory, yes. That would probably involve a phone call to thousands of different landlords to find out their rents and all of that. Barring that, I think it would be a difficult exercise. Again, the first obstacle, as you noted, is knowing exactly who the owners are and trying to tie them all together. And then again, the second complication would be finding out what their revenue would be. If this bill were to pass, we would have to make some assumptions, perhaps work with the Office of the Secretary of State, the Department of Taxation, county assessors, and anybody else whom we might be able to get information from to get a handle on it. But yes, it would be a fairly difficult exercise for us to come up with anything concrete on it.

Assemblymember Considine:
To answer Assemblymember Gallant's second question, the direct goal of this bill is not to encourage entities to rid themselves of houses. The goal of this is to find out who they are and whether they should be paying commerce taxes; they should also be investing in our community. Many studies show the further away landlords are, the more entities, homes, or units they own. There are correlating numbers of maintenance issues and a lack of communication. That is something to factor in.

Now, if there is a side effect that allows more homeowners to buy into houses—especially these larger entities that are buying the starter homes, the low-income homes—that is just another benefit of investment into the community. In a community where, potentially, close to half of the people are unable to build wealth in a home, that is something we will pay for in the future if we do not find some ways to fix it in the present.

Assemblymember Hafen:
I want to touch on section 3—the 50 percent ownership interest. I am curious how that came about and why that is. It kind of stuck out to me a little bit.

Assemblymember Considine:
Fifty percent tends to be about where you have a controlling interest. If we are going to consider all the homes or units that somebody owns, there should be a controlling interest. That is the main unifying percentage.

Assemblymember Hafen:
Maybe this is for Mr. Nakamoto. I am trying to wrap my head around the concept here, but I thought the intention of the commerce tax was to be applied to one entity. I understand the article targeting the hedge fund for a loophole. I am curious if the intention of the commerce tax was for controlling interest or if it was specifically for each individual, either hedge fund or a business.

Chair Backus:
That may be a question for Legal, but I am happy if Mr. Nakamoto wants to chime in.

Michael Nakamoto:
I am going to defer that question to Legal, and we will get back to you. I do not know if I can speak to the intent of the sponsors or the authors of the commerce tax from the 2015 Session on situations such as this.

Assemblymember Hafen:
Later, offline is fine.

Assemblymember Flanagan:
This trend is being seen around the country, where corporations are buying up houses. I am wondering if you were able to look at where it is taking place somewhere else and what this type of regulation has resulted in, in terms of the market behavior.

Assemblymember Considine:
I have only looked at some states to see if they already have the combined taxpayer group as a tax group. I have not looked at a correlation between that and any change in homeownership by these entities.

Assemblymember D'Silva:
For a point of clarification, if this bill were to pass, would we be able to identify those properties that do have the 50 percent controlling interest? Then, theoretically, within a short period of time—after maybe three to four years—we would be able to get a concrete average as to how much the revenue would be. Is that correct?

Assemblymember Considine:
Yes. We would need to create a process for transparency to determine all of the controlling interests. Once we have that, we would know, based on the commerce tax requirements, how much revenue we would bring in, if any.

Assemblymember O'Neill:
Once again—and we may be turning to Mr. Nakamoto—but going back to section 3, as you know, the commerce tax threshold is $4 million. So, with 3,200 houses, if they only own 50 percent and someone else has the other 49 percent, or whatever it may be, that could be an individual or something else—to get to the threshold, is that just on what that 50 percent person is earning, or is it because you are then bringing in a person or other entity that may

not be involved at all? It may just be an individual house. I am a little confused over how the tax would be determined on who pays and what numbers you include to get to the $4 million commerce tax threshold before it must be reported. Then you also have the percentage of what they will pay at the state GMP [*sic*], which is what the various industries were going to be taxed on.

Assemblymember Considine:
In order to obtain the controlling interest, it is more than 50 percent. That controlling interest would help create the combined taxpayer group, and that combined taxpayer group would be the entity. The income they have would actually be the amount used for the commerce tax. More than 50 percent means somebody else is less than 50 percent, which would not be in the combined taxpayer group.

Chair Backus:
We will open the hearing for testimony in support of Assembly Bill 457. We will start here in Carson City.

Andrew Clarke, Revenue Manager, New Day Nevada:
New Day Nevada is an organization that cares deeply about economic justice as well as bolstering state revenues. What this bill would do is close a loophole that has harmed homeowners and renters in the state while also bolstering state revenue, so we are proud to support.

Kent M. Ervin, Ph.D., Director of Government Relations, Nevada Faculty Alliance:
Nevada Faculty Alliance is in support of A.B. 457. Nevada's revenue system is structurally imbalanced with a lack of diversity, making it subject to every economic wind. Rules like a dollar threshold invite finding a loophole, such as the subject of A.B. 457. Stopping loopholes is kind of like a game of Whac-A-Mole, but we support bills that fairly apply existing taxes. Perhaps any additional revenue can help support a common good like public education.

[Exhibit K was submitted but not discussed and will become part of the record.]

Chair Backus:
I do not believe there is anyone in Las Vegas wishing to give testimony in support of Assembly Bill 457, so we will go to the phone lines. [There was no one.] Is there anyone in Carson City wishing to give testimony in opposition to Assembly Bill 457? [There was no one.] I do not think we have anyone in Las Vegas, so we will go to the phone lines. [There was no one.] We will go back to Carson City for testimony in neutral on Assembly Bill 457.

Becky Dutro, Government Affairs Analyst, Nevada Taxpayers Association:
The association is neutral on this bill. The guiding principles that should be considered when evaluating good tax policy include simple, fair, and equitable taxation. The tax system should not single out either in favor or harm one industry, one group of taxpayers, or one type of

investment at the expense of others. Assembly Bill 457 as written, applies to only one specific industry and additionally may contain some ambiguity as to how to administer, and thus may not be good tax policy.

Paul J. Moradkhan, Senior Vice President, Government Affairs, Vegas Chamber:
The Vegas Chamber is currently neutral on A.B. 457. We are doing some further analysis to ensure there is not some unintended consequence of the broader scope that was brought forward by the bill sponsor. We will follow up with her as soon as possible.

Kerrie Kramer, representing NAIOP Nevada:
We are also neutral on the bill and would like to echo the sentiments of the Vegas Chamber. We would like to follow up to make sure there are no unintended consequences on the commercial leasing side of this.

Chair Backus:
We will go to Las Vegas. Is there anyone in Las Vegas wishing to give testimony in neutral on Assembly Bill 457? [There was no one.] Is there anyone on the phone lines? [There was no one.] I will close the hearing on Assembly Bill 457 since our bill sponsor is waiving any closing statement. We will take a one-minute recess so we can switch seats.

[The meeting was recessed at 4:46 p.m. Assemblymember Considine assumed the Chair and reconvened the meeting at 4:47 p.m.]

Vice Chair Considine:
We will now open the hearing on Assembly Bill 539.

Assembly Bill 539: Requires the Governor's Office of Workforce Innovation to establish a career coaching program for certain pupils in certain circumstances. (BDR 18-418)

Assemblymember Shea Backus, Assembly District No. 37:
I had the privilege of chairing our Joint Interim Standing Committee on Revenue this last interim. It is my honor to present Assembly Bill 539 on behalf of that committee.

In accordance with *Nevada Revised Statutes* (NRS) 218E.320, the Joint Interim Standing Committee on Revenue met after the last session and before this session to evaluate and review issues within its jurisdiction. At the April 29, 2024 meeting, various agencies involved in workforce development presented on various workforce development programs in the state of Nevada. From these presentations, it was highlighted that the responsibility for implementation of workforce development efforts is shared by a number of state and local government entities and private organizations.

In response to the Joint Interim Standing Committee chair's request for various agencies to provide workforce development as to what policies we could look at and consider in this session, our presenters pointed out the need to target disconnected youth with workforce

development programs and the challenges associated with effectively reconnecting them. The Workforce Connections' presentation to the Joint Interim Standing Committee introduced career development programs that are currently being implemented in Maryland and Mississippi. These career development programs basically support middle and high school students as potential models for programs for disconnected youth. Based on these suggestions, the committee recommended drafting a bill to require the Governor's Office of Workforce Innovation to pilot a career-coaching program in collaboration with other agencies to support middle schools and high schools as students are exposed to, prepared for, and connected with career avenues within and beyond the classroom setting.

At this time, I would like to walk the Committee through the bill. I also noted when the bill came out in the drafting process and when I sent my remarks over, it pertained to middle school. I received a proposed amendment from one of my constituents this morning—I have not had a chance to digest it—but he highlighted it omitted high schoolers.

Overall, section 1 provides for the program for career coaches. Subsection 1 sets up the program for the placement of career coaches in middle schools and junior high schools. Subsection 2 sets forth that the program is to provide information and guidance about exploration of career pathways and to provide information about available opportunities in high school. This was important to me, on a side note, to elaborate.

As this Committee is well aware, I have been working on a broad pipeline that could be used in different areas of professions which started with education. Before Mr. Hammond left GOWINN [Governor's Office of Workforce Innovation], we were talking about extending that to health care, as well as to jobs in the energy sector. You saw a bill that was approved tonight, Assembly Bill 314, which is already trying to expand into the health care setting. The whole key is if we have middle school students who could participate in a pipeline program, it could be important to pair them with a career coach or someone in the community who is interested, or if there are grants available, to set up a program where they can know what their opportunities are before they enter high school to get on the right path.

Subsection 3 sets forth the mandates on the Governor's Office of Workforce Innovation with respect to a career coach program and also allows the acceptance of gifts, donations, grants, and other sources of money and to enter into contracts or award grants to the extent funds are available.

Section 2 sets forth applicable definitions to this bill. Other than the additional amendment that I need to talk to my constituent about, I have not submitted any other amendment. I ask for your support on behalf of our Joint Interim Standing Committee on Revenue.

Assemblymember Goulding:
I was curious if there is an interaction between the educational components? If this is extracurricular, is there intent for this to be added to required curriculum? I am trying to understand the interaction between a career coach and school curriculum.

Assemblymember Backus:
No, this bill does not mandate any participation in the middle school with respect to curriculum per se. It is just hoping and creating a vehicle for the other states that have implemented it. It has been partnerships. I think it was Mississippi that used a lot of American Rescue Plan Act funding to provide this program going in and actually leans in on other resources like the chamber in that community for people in the community to participate and to not make it mandatory curriculum at this time.

It would be nice for our middle school students going into high school to have an idea what path they want to go on because we have so many different options for high school students: magnet programs and other types of education programs if they are interested in something.

Assemblymember Hafen:
I appreciate the bill. I think it is going to do some really good things. I understand where you are coming from with section 1, subsection 1, to the extent that money is available.

I just want to talk a little bit about the potential process and where you thought the funds might be available in the future. The question has two parts. Where do you think the funds are going to come from? Is there a specific funding mechanism you are looking at? Would that end up having to come back in front of the Interim Finance Committee (IFC) during the interim for possible approval?

Assemblymember Backus:
Obviously, when this bill was created during the interim, there was a lot more optimism as to federal grants or other opportunities being available. I am going to explore this more with the Department of Employment, Training and Rehabilitation as, obviously, they still have federal funding or grant-type programs for workforce development, but I am not sure if it could go down to this level per se. When I was looking at this, I was looking at this grant. As to the specific language, "to the extent that money is available," that got in there and was a little surprise gift to me. It was not something I was really thinking about. I may have put it in there with some of the materials I had given over to Legal when drafting this bill.

You are correct. There is the opportunity that, if and when this bill passes, the Governor's Office of Workforce Innovation may look at it and say, In order for us to do this, we may need a certain type of money from the state to issue grants. Obviously, that may be problematic. They would have to go to IFC and without there being any, it would be in the non-contingency account. I think right now the state is going to be very tight with resources as we both sit on the Ways and Means Committee and see what is ahead of us. That is the sad part. I am hoping and being optimistic that if anyone is interested in sponsoring it, it provides a vehicle to allow this opportunity to happen.

Assemblymember Hafen:
I do think this is a good bill, and I just want to make sure there is a path forward if funds do become available. You have gone on the record confirming that there is a path forward.

Assemblymember Nguyen:
This is an awesome bill. I love the language here and the concept because it aligns with one of my favorite topics: investing in our youth. I was thinking of this program in terms of a possible connection in terms of my initiative on financial literacy.

I wonder if there is a way to work with you on applying certain synergy and partnerships already existing in our state now that the language clearly says we can accept grants, partnerships, and things like that. I know there are great organizations out there, like Junior Achievement and others, that do a workforce/financial program hand in hand. Hopefully, we did make the bill better by putting in the financial literacy component. As the students explore their career paths, hopefully we can add financial literacy to that. If they are going to go down that path, they may need a little bit more foresight into, You are going to spend $200,000 or a lot more money to learn about this career, and perhaps you should know the steps to this.

I know I am getting into the weeds on this but hopefully, with your blessing, we could add this piece to the bill if possible.

Assemblymember Backus:
Thank you for the statement, and I am always open to enhancing a bill. I can see you would be someone who would like this because of your work behind financial literacy in our youth and trying to make them successful for their future, and your work in the nonprofit sector.

I am always open to making it better. The materials I probably turned over to Legal, the work they did, I believe, in Maryland, was huge. I think a lot of the states, like Maryland and Mississippi, had a lot of funding when they were doing this, and they did it during COVID-19. The good thing is it really makes sure our students know they have these different opportunities.

With respect to Assemblymember Goulding's comment, there may also be a need to have something woven in, but I did not want to make anything mandated on our school districts at this point when this tool is just starting from what we saw from other states and what was recommended by Workforce Connections.

Assemblymember Nguyen:
Is it the intent that, if we do not have money, we can work with private partnerships? The enabling language is already there, so can the Governor's Office of Workforce Innovation say, I am going to go to a bank and work with them because they have existing programs, and maybe they have permission to go to the school instead of going directly?

Assemblymember Backus:
That is what the intent was and what other states have done.

Assemblymember Flanagan:
There are many programs in place intended to accomplish something along the lines of what this program does—which is to educate kids and gear them toward career opportunities—like DECA [Distributive Education Clubs of America], the Clark County Summer Business Institute Program, and the National Urban League—which have youth employment training programs. Is the goal of this for the state to create an umbrella that catches all and to create some cohesion, some broad collaboration statewide with some guidelines that help to make the programs as a whole more successful, as opposed to these individual spaces of 15 minutes of fame, if you will?

Assemblymember Backus:
I cannot take credit for this bill. When we were sitting at our desks, this idea was brought to us by Workforce Connections as a policy they thought would be really helpful for our youth. They brought it because they saw what was being done in Maryland and Mississippi. I looked at it as more of a vehicle, not to replace what good work may happen in the community. But if there are grants or other tools available, someone may be interested in the connection—not serving as an overseer, but more as a resource if, hopefully, funds become available, or to work through it.

Assemblymember Flanagan:
I worry we all have the same great idea and the programs exist, so they think of another program to do it again as opposed to investing in the programs that already exist. There are similar programs that include life coaches and career coaches who pair up high-school-age kids to work with people in professions, be it law, pharmaceutical industries, or what have you. I think we cannot have enough. Let me say on the record, this is a great program. The existing programs are all looking for money, so then we create another one that is looking for more money from the same resources, and there is only so much to pull from. But it is a great program concept.

Assemblymember Backus:
It was not my intent to take away from what other organizations in our community do. Rather, when you look at it from the success happening in other states, I think they were basically utilizing it to provide grants to other organizations to provide their career coaching.

Assemblymember Gray:
What can I say other than I really like this? This addresses a problem I have seen in our school systems for a long time. I will not point to Europe too often, but I think they do it right. They start these kids off in middle school with career inventories, career assessments, and aptitude tests. I would love to see it be a one-period class every year through high school. We graduate so many kids without any kind of plan after high school. They will enroll in college, then they drop out and have student debt. Is that where you are going with this? Is this a way to make sure they know where they are going when they are done with high school?

Assemblymember Backus:
I think I was in the tenth grade the first time—I cannot remember which class it was, but it was a class that was a half-semester course—I had an educator who had me look at what I wanted to do when I grew up and the pathway to get there. Still, sometimes I feel that is too late. That is why I am a big fan of middle school and junior high school because we have so many great high schools. If someone wants to go into manufacturing, you have a high school where a student could go. Looking at the pipeline, if I want to be an educator and I am in high school, I want to start off on the right foot and make sure I am taking the right classes so I can graduate from the Teacher Pathway Program. That would enable me to be part of that early on and to also have those hard conversations where we talk about financial literacy and the benefits of starting early, such as dual credits for high school and college if you have to go to college for whatever program. This is not something that only looks at students who would be interested in going to college; it would be for all different types of careers. I guess I agree with you as to what you said.

Assemblymember Gray:
That sounded like an absolutely perfect answer. Not every kid is cut out to go to college, and not every kid wants to go to college. Even if they are graduating as valedictorian, they may want to go on to be a mechanic; that may be their calling. There are kids who want to be doctors who should be mechanics or something along those lines. Where I am going with this is developing a life plan with goals and objectives along the way.

I think the statistics show somewhere around 75 percent of the kids who actually put their life plans and goals down on paper and go through the appropriate courses and programs actually achieve those. I think it would be a boon to our students and our state as well.

Vice Chair Considine:
We would like to move on to testimony. We will begin in Carson City with testimony in support.

Caden Grogan, representing Transfr, Inc.:
Transfr, Inc. offers workforce development and career exploration solutions through virtual reality technologies. Our technology is used in Nevada and across the country. We believe every learner should have the opportunity to explore careers that offer upward mobility, steady wages, and gainful employment, and we believe A.B. 539 helps provide those opportunities. Preparing middle school students with career knowledge is vital for Nevada's future workforce. We encourage your support of A.B. 539.

Susan Keema, Executive Director, Nevada Association of School Superintendents:
We are in support of A.B. 539. Should funds become available, Nevada's superintendents support career exploration and coaching in middle and junior high schools. This action would allow for the opportunity to align with current and future career coaching initiatives in our high schools. The result of this type of support would aid in the development of a strong Nevada workforce.

Alexis Motarex, Director, Government Affairs, Associated General Contractors of America, Nevada Chapter:
We represent commercial construction in northern Nevada. We are here in support of A.B. 539. The construction industry has been suffering from a workforce shortage for years. It is the primary challenge we hear about from our members. Not only did we lose a generation of construction workers due to the fallout from the Great Recession, but we are also losing a generation of career tradespeople to retirement. We have a staff person dedicated to workforce development at the agency, and a huge part of her job is to have a presence in schools in northern Nevada. This bill has the potential to complement those efforts and expose even more young people to a variety of well-paying careers in construction.

Paul J. Moradkhan, Senior Vice President, Government Affairs, Vegas Chamber:
The Vegas Chamber is in support of A.B. 539. We appreciate the effort that has been put forward by the bill sponsor and the inclusion of chambers of commerce in the bill as one of those partners. As we have seen from the private sector, we know coaching works and mentorship works, and through other programs we have engaged in over the years. We appreciate the thoughtfulness and encourage the Committee to support this bill.

Vice Chair Considine:
With no one else in Carson City, and I do not see anyone in Las Vegas, is there anyone on the line wishing to testify in support of Assembly Bill 539?

Steven Koenig, Private Citizen, Las Vegas, Nevada:
I support the bill with the amendment I submitted this morning [not submitted as an exhibit], with apologies to the Committee that it was so late. [Unintelligible.]

[Exhibit L was submitted but not discussed and will become part of the record.]

Vice Chair Considine:
With no more callers, we will now move to opposition. Is there anyone in Carson City wishing to testify in opposition to A.B. 539? Seeing no one, and still seeing no one in Las Vegas, is there anyone on the line wishing to testify in opposition to Assembly Bill 539? [There was no one.] We will move to neutral testimony. Is there anyone in Carson City or Las Vegas wishing to testify in neutral on A.B. 539? Seeing no one, is there anyone on the line? [There was no one.] The presenter has waived any final remarks, so I will now close the hearing on A.B. 539.

[Assemblymember Backus reassumed the Chair.]

Chair Backus:
We are on our very last agenda item, which is public comment. We will start here in Carson City for public comment. [There was no one.] Not seeing anyone in Las Vegas, we will go to the phone lines. [There was no one.] That concludes our meeting. Have a great day. We are adjourned [at 5:12 p.m.].

RESPECTFULLY SUBMITTED:

_____
Gina Hall
Recording Secretary

_____
Karen Werner
Transcribing Secretary

APPROVED BY:

_____
Assemblymember Shea M. Backus, Chair

DATE: _____

EXHIBITS

Bill	Exhibit	Witness / Agency	Description
	A		Agenda
	B		Attendance Roster
A.B. 441	C	Assemblymember Danielle Monroe-Moreno, Assembly District No. 1	Conceptual amendment
A.B. 441	D	Ronnie Najarro, State Director, Americans for Prosperity Nevada	Letter in opposition
A.B. 441	E	Erin Phillips, Chief Executive Officer, Power2Parent	Letter in opposition
A.B. 441	F	Kim Dyson, President and Chief Executive Officer, AAA Scholarship Foundation	Letter in opposition
A.B. 219	G	Susanna Powers, Deputy Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau	Work Session Document
A.B. 314	H	Susanna Powers, Deputy Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau	Work Session Document
A.B. 377	I	Susanna Powers, Deputy Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau	Work Session Document
A.B. 462	J	Susanna Powers, Deputy Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau	Work Session Document
A.B. 457	K	Avia Gordan, Chair, Legislative Committee, Henderson Chamber of Commerce; and Emily Osterberg, Director of Government Affairs, Henderson Chamber of Commerce	Letter in opposition
A.B. 539	L	Avia Gordan, Chair, Legislative Committee, Henderson Chamber of Commerce; and Emily Osterberg, Director of Government Affairs, Henderson Chamber of Commerce	Letter in support