# MINUTES OF THE
# SENATE COMMITTEE ON COMMERCE AND LABOR

## Eighty-third Session
## April 2, 2025

The Senate Committee on Commerce and Labor was called to order by Chair Julie Pazina at 8:06 a.m. on Wednesday, April 2, 2025, in Room 2134 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. The meeting was videoconferenced to Room 5 of the Nevada Legislature Hearing Rooms, 7120 Amigo Street, Las Vegas, Nevada. Exhibit A is the agenda. Exhibit B is the attendance roster. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

**COMMITTEE MEMBERS PRESENT:**

Senator Julie Pazina, Chair
Senator Skip Daly, Vice Chair
Senator Melanie Scheible
Senator Roberta Lange
Senator Edgar Flores
Senator John Ellison
Senator Lori Rogich
Senator John C. Steinbeck

**GUEST LEGISLATORS PRESENT:**

Senator Nicole J. Cannizzaro, Senatorial District No. 6
Senator Dina Neal, Senatorial District No. 4

**STAFF MEMBERS PRESENT:**

Patrick Ashton, Committee Policy Analyst
Jeff Koelemay, Committee Counsel
Bryan Fernley, Committee Counsel
Lynn Hendricks, Committee Secretary

**OTHERS PRESENT:**

Joseph Adashek, President, Nevada State Medical Association
Kyle Prosen, Medical Policy Manager, Natera
Earle Yoshito Oki

Jacqueline Wynn Nguyen, Nevada State Medical Association
Sandra Koch, Legislative Chair, American College of Obstetricians and Gynecologists
Katrina Naik
Catherine Nielsen, Executive Director, Nevada Governor's Council on Developmental Disabilities
Shelly Capurro, Nevada Association of Health Plans
Adam Plain, Insurance Regulation Liaison, Division of Insurance, Nevada Department of Business and Industry
Jordan Banegas, Assistant Director for Activism, Institute for Justice
Tom Solomon, Activism Special Projects Coordinator, Institute for Justice
Ronald Najarro, Nevada State Director, Americans for Prosperity Nevada
Laura Nowlan, Education Director, National Hispanic Business Group
Eddie Diaz, Strategic Director, The LIBRE Initiative
Al Rojas
Peter Guzman, President, Latin Chamber of Commerce NV
Katrin Ivanoff
Jordan Krahenbuhl, Executive Director, Plumbing Heating Cooling Contractors of Nevada
Cesar Jason Duran
David Behar, Director of Investigations, Nevada State Contractors Board
Alex Motarex, Nevada Chapter Associated General Contractors
Brian Reeder, Nevada State Contractors Board, Southern Nevada; Nevada Credit Union League
Andy Donahue, Southern Nevada Laborers-Employers Cooperation and Education Trust
Vince Saavedra, Executive Secretary Treasurer, Southern Nevada Building Trades Union
Celine Chang, Clark High School
Karen Wu, Clark High School
Brian Wallace, Carson City School District; President, Nevada State Education Association
Shawnyne Garren, Recorders Association of Nevada
William Horne, TechNet
Nick Schneider, Vegas Chamber
Wiselet Rouzard, Deputy State Director, Americans for Prosperity Nevada
Mike Cathcart, City of Henderson; Urban Consortium
Heather Brown, Senior Vice President, Las Vegas Global Economic Alliance
Brian Wachter, Senior Vice President, Retail Association of Nevada

Robert Singleton, Chamber of Progress
Rachel Puaina
Chris Ries, Detective, Las Vegas Metropolitan Police Department
Jason Walker, Sergeant, Washoe County Sheriff's Office
Aodhan Downey, Policy Manager, Computer & Communications Industry Association
Cyrus Hojjaty
Emily Osterberg, Henderson Chamber of Commerce
Jason Woodard, Nevada Sheriffs' and Chiefs' Association
Christian Rataj, National Association of Mutual Insurance Companies
Misty Grimmer, Nevada Resort Association
Shelly Capurro, Nevada Association of Health Plans
Brian Lauf, Associate Professor, Family and Community Medicine/Director, School of Medicine, University of Nevada, Reno, Physician Assistant Studies
Domonique Katona, National Association of Physician Assistants
David Baker, Chief Medical Officer, Carson Tahoe Health
Adam Serfoss
Carmela Downing, Nevada Academy of Physician Assistants
Melissa Veil
Leila Berg
Dora Martinez
Lucia Sanchez Lee
Cory Whitlock
Tim McFarland
Brett Frey, Nevada Board of Medical Examiners
John Hardwick, President, Nevada Chapter American College of Emergency Physicians; President, Washington County Medical Society
Jessica Ferrato, Nevada Society of Dermatology and Dermatologic Surgery
Landon Hester
Dave Dazlich, Nevada State Society of Anesthesiologists; Nevada Orthopedic Society
Nehal Naik
Damanzoopinder Samrao
Ursula Inge Ferguson
Bayo Curry-Winchell
George Taylor

CHAIR PAZINA:
We are going to start our work session today with Senate Bill (S.B.) 47.

PATRICK ASHTON (Committee Policy Analyst):
As part of the nonpartisan staff of the Legislative Counsel Bureau, I can neither support nor advocate for any of these measures before the committee today. My role is to walk the committee through the bills and any proposed amendments. S.B. 47 was heard on February 26, 2025. I will read the summary of S.B. 47 from the work session document (Exhibit C). There is a conceptual amendment attached to the bill.

**SENATE BILL 47**: Provides for a study of certain issues relating to insurance. (BDR 57-405)

CHAIR PAZINA:
I will entertain a motion to amend and do pass S.B. 47 as amended.

SENATOR DALY MOVED TO AMEND AND DO PASS AS AMENDED S.B. 47.

SENATOR SCHEIBLE SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR PAZINA:
We will move to the work session on S.B. 167.

**SENATE BILL 167**: Prohibits the importation and sale of household cleaning products for which animal testing was performed. (BDR 52-892)

MR. ASHTON:
Senate Bill 167 was heard on March 7, 2025. I will read the summary of S.B. 167 from the work session document (Exhibit D). There is an amendment attached to the bill.

CHAIR PAZINA:
I will entertain a motion to amend and do pass S.B. 167 as amended.

SENATOR FLORES MOVED TO AMEND AND DO PASS AS AMENDED S.B. 167.

SENATOR DALY SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR PAZINA:
We will move to S.B. 285.

**SENATE BILL 285**: Revises provisions relating to apprenticeships. (BDR 53-91)

MR. ASHTON:
Senate Bill 285 was heard on March 19, 2025. For the sake of time, I will go straight to the amendments from the work session document (Exhibit E).

SENATOR PAZINA:
I will entertain a motion to amend and do pass as amended S.B. 285.

SENATOR SCHEIBLE MOVED TO AMEND AND DO PASS AS AMENDED S.B. 285.

SENATOR LANGE SECONDED THE MOTION.

SENATOR ELLISON:
I just received my notes on this bill so I will reserve my right to vote until I have reviewed them.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR PAZINA:
We will move to S.B. 352.

**SENATE BILL 352**: Revises provisions relating to healthcare. (BDR 57-712)

MR. ASHTON:
Senate Bill 352 was heard on March 20, 2025. I will read the summary of S.B. 352 from the work document (Exhibit F). There is an amendment attached to the bill.

SENATOR PAZINA:
I will entertain a motion to amend and do pass as amended S.B. 352.

> SENATOR DALY MOVED TO AMEND AND DO PASS AS AMENDED S.B. 352.
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> SENATOR FLORES SECONDED THE MOTION.
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> THE MOTION CARRIED UNANIMOUSLY.

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CHAIR PAZINA:
We are on to S.B. 353.

**SENATE BILL 353**: Revises provisions relating to Medicaid. (BDR S-1010)

MR. ASHTON:
Senate Bill 353 was heard on March 26, 2025. I will read the summary of S.B. 353 from the work document (Exhibit G). There is an amendment attached to the bill.

SENATOR ELLISON:
Does this bill have a fiscal note that has to go to finance? Has that been removed?

SENATOR PAZINA:
It looks like this bill does have a fiscal note. I haven't been informed that it has been removed, so I believe we will be visiting the Senate Finance Committee after the bill makes it through our committee. I will entertain a motion to amend and do pass as amended S.B. 353.

> SENATOR FLORES MOVED TO AMEND AND DO PASS AS AMENDED S.B. 353.

SENATOR DALY SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR PAZINA:
We will move to S.B. 376. This is the last bill in our work session today.

**SENATE BILL 376**: Revises provisions governing industrial insurance. (BDR 53-629)

MR. ASHTON:
Senate Bill 376 was heard on March 28, 2025. I will read the summary of S.B. 376 from the work document (Exhibit H). There is an amendment attached to the bill.

CHAIR PAZINA:
As there are no questions, I will accept a motion to do pass S.B. 376 as amended.

SENATOR FLORES MOVED TO AMEND AND DO PASS AS AMENDED S.B. 376.

SENATOR LANGE SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR PAZINA:
We will now hear S.B. 344, our first bill hearing today.

**SENATE BILL 344**: Requires certain health insurance to cover certain screenings for certain genetic disorders. (BDR 57-1104)

SENATOR NICOLE CANNIZZARO (Senatorial District No. 6):
I proudly serve Senate District 6 in the northwest portion of the Las Vegas Valley. As your Senate Majority Leader, I am proud to be here today alongside Dr. Joseph

Adashek from the Nevada State Medical Association (NSMA) and Kyle Prosen, medical policy manager with Natera.

I am grateful for the opportunity to present S.B. 344, which requires health insurers to cover noninvasive prenatal testing (NIPT). Prenatal screening and testing are medical procedures performed during pregnancy to monitor maternal and fetal health. They detect potential birth defects, identify genetic disorders, and assess the risk of chromosomal abnormalities in the developing baby before birth. Today's prenatal testing standards reflect a patient-centered approach. The American College of Obstetrics and Gynecology (ACOG) recommends discussing and offering genetic screening and diagnostic testing options to all pregnant patients regardless of age or risk factors.

After a thorough review and discussion, patients would then be able to pursue or decline testing. Noninvasive prenatal testing is a screening method that offers an accurate evaluation of the likelihood that a patient is carrying a fetus with a chromosomal abnormality—helping both the physician and patient assess the risk of such disorders. This screening method offers remarkable advantages to more invasive procedures that extract placenta tissue for genetic testing. It requires only a simple blood draw with minimal risk to the patient and fetus and can be performed as early as 10 weeks of pregnancy. It is truly remarkable— just a simple blood draw from the mother can help to accomplish this testing where, in the past, we have been faced with much more invasive testing procedures. This is a remarkable advancement.

Fetal chromosomal abnormalities occur in about 1 in 150 live births. The incidence rate increases the older a pregnant patient is. However, abnormalities can occur in a fetus regardless of the patient's age, race or ethnicity. For many expectant patients receiving early and accurate results from NIPT can provide emotional reassurance and allow them to mentally prepare for any potential health issues. They can then make informed decisions about their health and lives.

Noninvasive prenatal testing is one of the most significant advances in prenatal care in recent decades, and provides a safer, earlier and more precise screening option for expectant parents. Most health insurers pay for NIPT in high-risk pregnancies, but about 20 percent do not cover NIPT for low-risk pregnancies. Prior authorization requirements from insurers, including Medicaid, can be a barrier to access NIPT. Five of the top ten national private health plans have a prior authorization requirement for NIPT. This bill would require all health insurers to

automatically cover this screening without prior authorization or any other conditions.

I will walk through the sections of this bill. Sections 1, 2, 4 through 10 and sections 14 through 16 require certain private and public health insurers, including Medicaid, and public and private health plans to include NIPT at any time during pregnancy in their policy coverage. These sections also prohibit insurers from requiring prior authorization for such screening. These sections provide that health insurance policies automatically include the required coverage on or after January 1, 2026, and defines "noninvasive prenatal screening." Sections 3 and 11 authorize the Commissioner of Insurance (COI) to require certain health insurance policies, issued by a domestic insurer for individuals residing out of state to include NIPT coverage requirements. The section also allows the COI to suspend or revoke the certificate of authority, issued to certain health insurers within the commissioner's jurisdiction, that fail to comply with these coverage requirements.

Sections 13 and 16 require the Department of Health and Human Services (DHHS) to include Medicaid coverage at any time during pregnancy for NIPT, routine carrier screening, and screening for cystic fibrosis and spinal muscular atrophy. Additionally, Medicaid must not require the recipient to obtain prior authorization for these screenings.

JOSEPH ADASHEK (President, Nevada State Medical Association):
I'm a doctor, and the president of the NSMA. I am also a high-risk pregnancy specialist. I have submitted a presentation (Exhibit I contains copyrighted material. Original is available upon request of the Research Library.) and will explain basic genetics and discuss what NIPT does.

We all have 23 pairs of chromosomes. Sometimes there are three types of chromosome abnormalities on chromosomes 13, 18 and 21 that can continue as a viable pregnancy. Trisomy 21 is Down syndrome. If the [NIPT] test detects Trisomy 13 and 18, there are three chromosomes present instead of two, which can also continue as a viable pregnancy, but can lead to significant birth defects that are universally lethal after delivery. Trisomy 21, Down syndrome screening, can be very difficult to detect by ultrasound, but NIPT can pick it up with a very high detection rate. Trisomy 13, 18, and sex chromosome abnormalities, like Turner syndrome where there's only one X or three X chromosomes, is also diagnosed with NIPD.

Right now, we test many patients during the second trimester with a blood test between 17 and 18 weeks. This is before we implement NIPT. With very poor accuracy, we can see if there's an increased risk for chromosome defects of the fetus. Then, if there's an increased risk, the patient can have an amniocentesis, which is sticking a needle in the abdomen of a pregnant woman and taking out amniotic fluid. With an amniocentesis, the detection of chromosome defects is high, but you won't find out the test results until late in the pregnancy. An amniocentesis is also a lot more invasive than the blood test.

We try to avoid too many false positives to avoid having to stick a needle in a pregnant women's belly; it does increase the risk of miscarriage. An earlier blood test with greater accuracy—that would be awesome. Noninvasive prenatal testing detects the fetal DNA in the mother's circulation with great accuracy; we can learn as early as 11 or 12 weeks if the fetus will have the three most common chromosome defects. It can also detect others. Right now, we're talking about doing this test on every single pregnant woman.

The American College of Obstetricians and Gynecologists recommends that every pregnant woman get this test. It is highly accurate and has a very low false positive rate: when the test says the fetus is abnormal, it's abnormal 90 percent to 95 percent of the time. This is much more accurate than the tests we have used before. Unfortunately, the test we still use in Nevada delivers an abnormal result at the rate of 1 in 200 cases. We are going from .5 percent accuracy to 90 percent to 95 percent accuracy with NIPT. By using this test, we don't have to do all the other old tests and can avoid the cost of amniocentesis. It has been a game changer all over the world.

Many organizations now recommend this test over the older testing that we used to do. The last slide of my presentation, Exhibit I, depicts which states now approve NIPT for all pregnant women without prior authorization. We are one of only three states that don't authorize this test as part of standard prenatal care.

Knowing that—let's say we have a patient in our office who is 11 weeks along and wants to have this test done—but, oh no, we need prior authorization. She then leaves our office, we try to get the authorization, and if approved, we have to call her back and schedule the test. At this point, she could be 14 to 15 weeks along and by the time the test results are provided, the patient is now at 17 to 18 weeks. That's late in a pregnancy for a patient to know she has an increased

risk of giving birth to a baby with a chromosomal abnormality. Why wait so long when the NIPT can be done as early as 10 weeks gestation?

With an advanced maternal age patient, there is more risk. For these patients, prior authorization is approved 100 percent of the time, so why require prior authorization at all? Why waste everyone's time and money if NIPT is approved 100 percent of the time? Why should the poor patient wait so long to get this test done when she can find out at 10 to 11 weeks if the baby has a lethal chromosome defect? This test has become the standard of care everywhere, except in Nevada. I want to thank the committee and majority leader for your partnership and for sponsoring this bill.

KYLE PROSEN (Medical Policy Manager, Natera):
I work for one of the many genetic labs that provide prenatal genetic testing services, and NIPT and carrier screening. About 41 percent of births in Nevada are covered by Medicaid; nearly half of the births in the State rely on public support. They rely on public support to start their lives and give them a shot at the American dream. From every scientific and economic angle and aspects of patient care, supporting prenatal genetic testing makes sense.

Scientifically, NIPT and carrier screening are highly accurate with 99 percent sensitivity and specificity, providing parents with reliable information about their pregnancy. All results are confirmed by follow-up testing. Economically, peer-reviewed studies from "Bennett et al." and "Walker et al." show that prenatal genetic testing can be cost-effective. Knowing the potential complications in advance can reduce expensive emergency interventions, such as neonatal airlifts, which are stressful for both mom and baby. We already know that outcomes are best for both mom and baby when they have medical information ahead of time. From a patient-care perspective, early knowledge helps families and medical teams achieve the best possible outcomes.

A mother carrying a child with a chromosome condition may need to deliver at a tertiary medical center that has neonatal experts available. About 50 percent of Down syndrome births involve a cardiac heart defect and may need neonatal surgery. Without knowing this information in advance, a mother may unknowingly give birth far from the care that her baby needs.

Carrier screening also allows families to take proactive steps like coordinating with specialists to ensure early medical intervention. Carrier screening can also

determine if future pregnancies would be at risk. Couples, where both parents are carriers of the same genetic condition, could then choose to adopt, obtain a sperm donor who is unaffected by that condition or choose not to have any additional children.

When I started this work nearly ten years ago, prenatal genetic testing was very different. Only a few specialists offered NIPT to a very small number of commercial patients. Professional guideline support was minimal. Most Medicaid patients across the country did not have formal access to the test, disproportionately affecting patients of color. Today, the prenatal genetic testing landscape is very different, both in Nevada and nationally. All commercial plans in Nevada cover NIPT and all nationally managed Medicaid plans have positive coverage policies. Because Nevada Medicaid does not cover these tests, the national policies can't take effect.

Nevada is the only state in the country that does not cover NIPT or carrier screening. Professional Medicaid guidelines from ACOG and other [organizations] support NIPT without prior authorization. I ask that the prior authorization exclusion be extended to any willing provider credentialed in the State, so that all labs providing this service have equal access to reimbursement. I ask that you cover NIPT and spinal muscular atrophy carrier screening without prior authorization.

EARLE YOSHITO OKI:
I have practiced maternal fetal medicine for 40 years and have done so in Nevada for over 20 years. I have seen a tremendous change in the testing technology that has already been presented today. Our Medicaid patients in Nevada are unique, due to lack of coverage for this technology. The NIPT is an extremely valuable tool that allows us and the patients to have information about their baby at a much earlier gestational age.

Current Medicaid patients access for prenatal screening is limited to the older serum screening. This test has an extremely high false-positive rate and is biased by maternal age. As mom gets older, her odds of having a false-positive result increase, whereas NIPT avoids this problem by measuring both placental and maternal DNA.

Carrier screening is a genetic test that examines someone's DNA who has had absolutely no symptoms, or physical findings, to indicate they may carry an

abnormal gene that can cause disease. Recessive genes behave in this fashion. Historically, the only way a couple found out they were carrying an abnormal recessive gene was when they had a baby with this condition. This made them obligatory carriers. With the current technology of carrier screening, we can screen up to 600 DHHS diseases in a single panel.

Unfortunately, current Medicaid patients don't have access to this test. It's just not on the table, which is unique to Nevada. Carrier screening is advantageous as it allows us to present these babies at the appropriate center for care. Many of our communities have very limited medical facilities and if a baby is born with a known genetic disease, they may not immediately recognize that the baby has a condition. This can result in a delay of care and transport to a tertiary center. This can result in the separation of the parents from the baby when the baby may be acutely ill. Historically, the ethnicity-driven approach for carrier screening was previously the standard, but we are now gradually moving away from that to expanded carrier testing.

We are starting to recognize just how genetically diverse we are. If any of you have done an ancestry DNA test, you may have been quite surprised by the results. My niece just took a test and found out that we are Chinese, Japanese, Vietnamese and Korean; we thought we were 100 percent Japanese. We are seeing this more and more. The other issue we have is that sometimes individuals recognize an ethnicity which may be at variance to their ancestry. Someone may say they are Hispanic, but not realize they have African, Mediterranean and Spanish ancestry.

This can create issues when we're doing carrier screening, especially when it's ethnicity-driven. Nowadays, laboratories get around this issue by doing an expanded panel test that looks for approximately 100 different diseases and provides very valuable information. If a genetic condition is identified in a patient, we can now test the partner and determine the risk to the baby. This gives parents options in reproductive choices. We also have preimplantation and genetic testing for in vitro fertilization procedures, so providers can give prenatal diagnoses. This allows us to deliver babies at the appropriate medical centers.

Both NIPT and carrier screening have improved outcomes for our babies and pediatricians. More importantly, it allows treatment to be initiated almost immediately after birth, if necessary. We now have a treatment for spinal muscular atrophy, which can be instituted at birth; we previously did not. Genetic

information can affect both the parents and their relatives. Testing allows parents to educate themselves so they will be prepared to care for a child with a genetic disease.

SENATOR CANNIZZARO:
I want to take a moment to acknowledge that, unfortunately, for all of you—I am not pregnant this session. So, I will not show up with a new baby in the waning days of the Eighty-third Legislative Session. I have had three high-risk pregnancies and continued to work. I want to give a huge shout-out to Dr. Adashek and his practice—they not only helped bring three amazing, beautiful boys into this world, they also saved my life.

Being able to have testing and get answers when you are newly pregnant is super helpful, especially for a high-risk patient. For my pregnancies, NIPT was something that was covered and gave us a lot of reassurance. Allowing testing for any person carrying a child, so they can make the right healthcare decisions for their families, ensures their babies are getting the right care and avoids the risk and expense of amniocentesis. Having NIPT to determine if something is wrong with your baby and knowing you could risk losing the baby altogether is extraordinarily frightening. We have the science and the ability to provide NIPT to patients and are one of just a few states that don't. This type of testing is critical.

SENATOR STEINBECK:
Dr. Adashek was our doctor too, and I hold him in the highest regard.

CHAIR PAZINA:
Thank you to our doctors and healthcare workers—we appreciate you so much for the amazing jobs you do, and to Senator Cannizarro—thank you for sharing your story. We will hear testimony in support of S.B. 344.

JACQUELINE WYNN NGUYEN (Nevada State Medical Association):
The NSMA represents doctors across all specialties from both urban and rural areas. They witness first-hand the challenges their patients face, and through their dedication and expertise continuously seek ways to improve healthcare outcomes for all Nevadans. We're proud to support our president, Dr. Adashek, a high-risk obstetric doctor who has identified a crucial need for improving patient health in the area of prenatal care. We're also deeply grateful to Majority Leader Cannizzaro for her responsiveness to our physicians' concerns and for sponsoring S.B. 344.

Testing through NIPT has proved to be an invaluable tool in prenatal care. It provides expectant parents with early and accurate information regarding the health of their baby by identifying potential genetic conditions. Early detection through NIPT allows parents to make informed decisions and provides clarity during a critical time. We believe that coverage for NIPT is essential to improving health care and reducing the long-term costs associated with untreated genetic disorders. We urge your support of S.B. 344 as it will provide better health outcomes for our families and strengthen health care across all of Nevada.

SANDRA KOCH (Legislative Chair, American College of Obstetricians and Gynecologists):
I am here to support S.B. 344 and am sure you understand the reasons why.

KATRINA NAIK:
I am a board-certified gastroenterologist, a NSMA member and serve patients throughout the Las Vegas Valley. I am also a new mother with a 10-day-old newborn. I strongly support S.B. 344. As a recently pregnant woman, the NIPT test was critical. It was performed in the first trimester and provided information that proved critical in my decision-making as both a patient and a parent by reassuring me that my baby carried no deadly genetic defects. I was gifted with peace of mind for my baby's well-being and empowered to make an early decision to keep my baby. This test allowed me to avoid more invasive and dangerous tests, including amniocentesis, to reach the same conclusion. This test protected me and my baby. As I am speaking now, I am holding my baby in my arms. I would recommend access to this test for all pregnant women regardless of insurance coverage. I urge you to prioritize healthy decision-making and safety for all pregnant women by supporting this bill.

CATHERINE NIELSEN (Executive Director, Nevada Governor's Council on Developmental Disabilities):
Many of you have met our intern, Alyssa Marquez. I have known Alyssa since she was a young child and have known her mother for over a decade. Ellen received the diagnosis of Down syndrome at five-and-a-half months into her pregnancy but did not know that Alyssa had an atrial ventricular septal defect until she was two days old. Access to this vital information would increase the health of those born with significant genetic conditions. We ask that you support this bill.

SHELLY CAPURRO (Nevada Association of Health Plans):
Our association includes ten member plans that operate in both the commercial and public markets. We appreciate the intent of S.B. 344. Mandates often have unintended consequences that can drive up costs for consumers and reduce plan flexibility. These increased costs ultimately translate into higher premiums, deductibles and out-of-pocket expenses for both employers and individuals. Mandates can limit consumer choices by requiring all policyholders to pay for coverage that they may or may not want, reducing flexibility and plan options. As an association, we remain committed to enhancing healthcare quality and accessibility and welcome the opportunity to collaborate with all policy solutions that align with the Legislature's goals—ensuring Nevadans have access to affordable sustainable healthcare coverage.

ADAM PLAIN (Insurance Regulation Liaison, Division of Insurance, Nevada Department of Business and Industry):
I will submit my neutral testimony (Exhibit J). The Division of Insurance (DOI) is neutral on this bill as a matter of policy. We did submit a fiscal note and written testimony under our federal rule obligation. We also evaluated this bill for DEFRA [Deficit Reduction Act] provisions, as it will trigger the act. The fiscal note has an explanation of how we calculated the cost.

SENATOR ELLISON:
Would any of these expenses be paid by Medicaid? Will private insurance be covered by this? The fiscal note on this bill is pretty high, and I was trying to figure it out. I don't think it would all be covered by the State. Wouldn't Medicaid or private insurance cover a lot of the cost?

MR. PLAIN:
The fiscal note that the DOI submitted is based on our actuarial estimates. It includes the increased cost to health plans covering people in the individual market. For those who would normally be purchasing insurance through "the exchange" [Affordable Care Act], the federal rules require the State to offset or pay the entire cost of the increased benefit for individuals purchasing through the individual market. Our estimate does not affect Medicaid.

SENATOR PAZINA:
I will close the hearing on S.B. 344 and open the hearing on S.B. 158. Senator Flores will present this bill.

**SENATE BILL 158**: Revises provisions exempting certain work from the provisions governing the licensure and regulation of contractors. (BDR 54-960.)

SENATOR EDGAR FLORES (Senatorial District No. 2):
By way of a road map, I want to give everybody an idea of how we hope this conversation will move. Joining us over Zoom is Jordan Banegas who will provide testimony and some factual data for what is happening with handymen across the country. We have been very cautious to say handymen and handy gals or handywomen, to be clear that it's not just men who do this kind of work. I want to provide some context on how we got to this bill today, so you can join me on the journey of why it matters.

Not more than a year ago, I was trying to hire a handyman to help lay some pavers at my home. I contacted Luis, who was highly recommended; he may be joining in this conservation later, but I know he's working today. Luis was one of the reasons we even engaged in this conversation to begin with. When I contacted Luis, he had done some work for some neighbors of mine, and through word of mouth, was somebody we trusted. We've seen the quality of his work. I asked him if he could help me and notified him of what I wanted done; we quickly realized that the cost of the pavers alone exceeded several thousand dollars, and he could not do the work.

I then did what any Legislator would do. I said "Well, let me look into the rules," and I dove into the *Nevada Revised Statutes* (NRS), which resulted in the bill you have in front of you. I have also submitted a proposed amendment (Exhibit K). When I first drafted S.B. 158, the limit was $5,000, but the conceptual amendment moves it down to $3,500. When I first read NRS 624, I realized there was a $1,000 cap on the work a handyman could do that was determined in 2007—it's called the "handyman exemption." The $1,000 limit includes the cost of materials, equipment rental, or whatever else is needed to do the job.

I quickly realized that the $1,000 exemption threshold was not realistic. My read and interpretation of NRS 624 suggested it was placed intentionally to make it difficult for individuals who were sole proprietors to exist in this space. The initial knee-jerk reaction is that everybody should be a licensed contractor—which makes sense because you want to make sure individuals are licensed. You want to ensure individuals have gone through X amount of training, et cetera, et cetera, et cetera.

Luis and another close friend of mine are both going through the process to become licensed contractors; I said, "I want to go on this journey with you. Walk me through what it looks like." First, they paid $800 for a yearlong course to take a test to become a licensed contractor; the test has 600-plus questions to memorize and work on before submitting an application to take a final test. The test included 40 random questions from the big list of 600-plus questions. On top of all that, they had to provide letters of recommendation, prove X number of years of experience, and have X amount of money in their bank account to apply for certain commercial bids, et cetera, et cetera.

I realized it was very difficult for them to engage in this world. Even more challenging, although Luis is a U.S. citizen, he has very limited English language skills and the test was in English. Even though Luis took a one-year course, it was not sufficient because of the language barrier. I am also a small business owner. And in my own family, by way of reference—my own mother was a proud maid, pantry and Culinary Union worker and was the beating heart of our family—a union represents us in our State.

On the other hand, my father never mastered the English language and still has a very difficult time with English. My father has had multiple jobs—a gardener, small construction jobs, pool cleaning, restaurant work. He did every job under the sun. You can imagine serving people and working alongside other Nevadans trying to make it work.

My analogy uses the small business mindset—my father was the veins of the family, while the beating heart was my mom. My father's veins moved our family from point A to point B, which is how I see small businesses in the State; they are the veins that move and make things happen. Something we have been taught in this building is that small businesses [and unions] are mutually exclusive. When we draw a line, small businesses are on one side, while unions are on the other.

In Nevada, small businesses and unions are not mutually exclusive and, in fact, can coexist. Both are necessary and do amazing things in our State. When I joined the Legislature, my agenda was to be true to both sides. My family upbringing encouraged me to represent and advocate respectfully for both. This is very true of my community, how my household works and how the Latino community operates. I have also seen it myself as a former sole proprietor—I have now expanded from that.

What I seek to do with S.B. 158 is to give the little person, the little guy, the little gal—an opportunity to feed their families doing this type of work. The red tape that exists today has only served as a barrier and makes it difficult for these individuals to transition into becoming a licensed contractor. It is difficult, expensive, and time consuming. It takes years to go from being a handyman to a licensed contractor. If that's the reality we are living, we have a responsibility to ensure they can feed their families.

When Luis came to me, I said, "I want you to be able to do this paperwork so you can honestly engage in this work." A lot of people want to be handymen and remain a sole proprietor; for some folks that is the extent of their business model, and it works for them. What I seek to accomplish with this amendment is to allow folks to do just that. The cost of materials will always exceed $1,000, that's just the reality. But what money is left for that handyman? That's why we want to change NRS 624.

We want to amend the handyman exemption to allow individuals to contract for up to $3,500 per job, which is still not that much, but exclude materials. If you are buying pavers and buying or renting equipment, they can still do the job of a handman honorably, or later transition to a contractor once they've made enough money.

I also want to thank the Nevada State Contractors Board (NSCB). Earlier in session, they met with me about some of their concerns. I understand where they are coming from and am respectful of that. Yesterday, we met with Peter Guzman from the Latino Chamber of Commerce and engaged in further conversation. Unfortunately, we weren't able to agree on a number that works for them. They have other concerns, but out of respect, and in the spirit of collaboration and to reach an amicable middle ground, we still amended the bill to allow for a $3,500 limit. We will continue to work with them—our commitment is to the entire Senate and the Committee on Commerce and Labor.

JORDAN BANEGAS (Assistant Director for Activism, Institute for Justice):
I will be presenting S.B. 158 with my colleague, Tom Solomon.

TOM SOLOMON (Activism Special Projects Coordinator, Institute for Justice):
Nevadans depend on handymen to help them with safe and common tasks, from hanging picture frames to repairing damaged flooring. These essential services are available because of Nevada's handyman exemption to the contractor

licensing law. Handymen are exempt from the requirement to have a contractor's license if a job is under $1,000—including both labor and materials, and if the work performed does not require building or other permits. This monetary limit is unnecessarily low, forcing hardworking Nevadans to work under the table, accept meager pay for their work or exit the industry altogether.

We support this important legislation. Senate Bill 158 raises the limit on jobs a handyman can do from $1,000 to $3,500, excluding the cost of materials from the limit. This bill is necessary, common sense and a long overdue adjustment to Nevada's contractor licensing laws. This bill will create immediate economic opportunity and affordable services for Nevadans. The handyman exemption is crucial to workers across the State who depend on it for their livelihoods, and consumers who need help for jobs that would be of little interest to a fully licensed contractor.

The current $1,000 cap severely limits the ability of handymen to earn an honest living, and limits consumers from obtaining the maintenance and improvement services they need. As Senator Flores mentioned, obtaining a Nevada contractor's license is an extremely burdensome process, requiring significant proof of experience, bonding, and passing exams that are offered only in English. Nevada ranks as the single most burdensome licensing state in the country. Many types of contractors—landscaping, painting and cabinetmaking-carpentry—aren't even licensed professions in many other states.

Obtaining a contractor's license is extremely costly and intensive for some, and entirely out of reach for others. Research by the Nevada Department of Business and Industry, and a recent report on boards and commissions found that "55 percent of Nevada's low-income residents are subject to occupational licensing" and that said licensing discourages entrepreneurship with the heaviest impact on Hispanic populations.

For over 30 years, the Institute for Justice has worked to make it easier for Americans to earn an honest living. Exemptions—like the handyman exemption—are essential pathways for workers to do just that. Exemptions are common in other states. Utah's exemption, for example, allows handymen to work up to $7,000, including labor and materials—with certain restrictions. In response to local demand for reform, we actively support efforts to increase limits to levels that allow workers to run viable businesses and earn a reasonable living.

Raising the limit in Nevada to $3,500 is a great start and will undoubtedly benefit the lives of many Nevadans. We encourage Legislators to ensure that the limit continues to increase in the future. Over the last year, we have met with numerous handymen from across the State who are deeply supportive of this bill and are eager to see it pass. They say this increase will allow them to grow their businesses, give them more financial flexibility and allow them to spend more time with their families—rather than chase endless low-dollar value jobs.

Noe Munoz, a handyman from Las Vegas told me that the current job limit of $1,000 including the cost of labor and materials is so low, it is difficult to run a viable business. According to Mr. Munoz, when you factor in the cost of materials, insurance, vehicle maintenance, tools and everything else that goes into running a successful business, $1,000 per job is not sustainable. He said he would have to be hired for many, many small jobs just to earn a living. Raising the job limit to $3,500, excluding the cost of materials, is a great step in the right direction. It would mean people like Mr. Munoz would not have to chase as many jobs and could dedicate more time to family and personal development. Senate Bill 158 is common sense and will allow handymen to better serve our communities and maintain better, more sustainable lives.

This bill will bring the laws up to date, allow more Nevadans to earn an honest and dignified living, and provide consumers with greater access to everyday services they need. While we would like to see this bill include a higher exemption limit to match the best practices across the country, S.B. 158 will still benefit workers and consumers across Nevada.

SENATOR ELLISON:
The reason they went to $1,000 years ago was because handymen weren't following the guidelines of staying under $1,000. They are restricted by what they can and can't do. They can do doors, floors and windows—a little bit of everything. But the problem was—they weren't. I don't know if the contractors will weigh in on this or not; there were safety issues, and nobody complied. We just had the same issue, and the city sent inspectors to evaluate a situation where a handyman wired and plumbed a house and did everything illegally. They finally had to shut him down.

There's no way to know what they [handymen] are doing, which is why they have such a low limit. I understand there's an issue with the cost of materials—those prices have skyrocketed. Maybe there was something they could have

done—say, the material is one cost, while the job is another, but the labor had to stay at a lower rate. Maybe we could have controlled that. But we've got people who are hiring these guys, when they [handymen] know they can't be doing the work they are doing.

We just had a guy do an HVAC job on a commercial building—totally illegal under a handyman license—there are many things they can't do. The NSCB can tell you that HVAC is plumbing, and an alarm system is electrical—critical for safety and health. There are issues and responsibilities outside of their realm of responsibility, which is why they enacted the $1,000 limit.

SENATOR FLORES:
I appreciate what you are saying and alluding to. The situations you brought up are against the law and will continue to be illegal and against the law. Even with S.B. 158—folks illegally performing plumbing, electrical refrigeration, heating and air—those issues will go on and on. I am not touching that or expanding on the ability of a handyman to do that kind of work; they will never be able to do that work. I'm also not infringing on or getting in the way of NSCB's ability to go after these bad actors. I am trying to defend and help the good actors—like the handyman who couldn't do my job because it was over the $1,000 limit. I want that one sole individual to work and feed his family simultaneously.

It doesn't matter if we set a limit of $1,000, $50,000 or $100,000, it will not address the issue of bad actors and players who are acting illegally. By analogy, I am a licensed attorney. In my profession, we deal with the unauthorized practice of law, and we have businesses known as document-preparation services. I am heavy-handed in going after the unauthorized practice of law but have worked to protect document-preparation services. People do that type of work so they can feed their families. Something we automatically do is label all unauthorized workers as handymen because they aren't licensed.

I hope to eliminate the bad name and have the handyman exemption be one category. We should aggressively go after the unauthorized, illegal work that is undoubtedly happening in the State—they should be in a separate category. We also have unlicensed contractors. We have to put these three categories in separate pots. Unfortunately, we have plenty of good Nevadans doing good work, who cannot work under the handyman model that exists today under NRS 624. We need to give them a chance to feed their families.

To reiterate—to become a licensed contractor, you have to prove you have worked for several years and have experience and financial resources if you are a sole proprietor. If a handyman can only do jobs under $1,000, including materials, it will make it incredibly difficult for them to hit that threshold. How can you get the experience [to be a contractor] if you are capped at the current handyman threshold? I want small sole proprietors to be able to work and feed their families.

If we have to give more power to the NSCB to go after unlicensed work, let's do it. I have never been against that and would be 100 percent willing to amend the language, but I think they already have that authority. I don't know how much more teeth we can give them, but I think they are already able to go after all the bad folks.

SENATOR ELLISON:
I use handymen all the time. We have a house where trees next door destroyed the whole garage. I hired a bunch of handymen to pull up the stumps and old lines from the ground until we could get a plumber out there. The problem is there's no teeth for the NSCB, the city, or county to tell these bad actors they are working outside of their responsibility level. There's nothing to stop them, like a fine or whatever. The cities and counties do license handymen—that isn't a problem. We all use them, and I use them quite a bit. We just need to ensure they don't work over their responsibility level. We can put them with plumbers or other tradespeople to give them experience, but the workforce is shallow. It's really bad.

SENATOR FLORES:
I am 100 percent with you. Let me know if there's anything more I can do to give the NSCB teeth so they can go after individuals who should never touch that kind of work. I also want to remind you even with the $3,500 cap in the proposed amendment, we are still way below the threshold that other states have set for the handyman exemption. Other states allow a much higher cap than $3,500. Even raising the cap to that, we will still be among the most stringent in the nation—I want to make that clear.

RONALD NAJARRO (State Director, Americans for Prosperity Nevada):
We support S.B. 158. On behalf of Americans for Prosperity, and our numerous activists across the State—including 70 who are in the overflow room, we ask you to support this bill. Senate Bill 158 will raise the handyman exemption from

$1,000 to $5,000 as a threshold for non-licensed work, excluding material costs. The bill clarifies exemptions for various entities and scenarios and will empower and create more economic opportunities for all Nevadans. This legislation aims to streamline contractor regulations, maintain safety and quality standards, and simplify the process for smaller projects. The bill removes red tape that disproportionately impacts small contractors and their ability to remain competitive. Senate Bill 158 is a positive and much-needed reform that will bring about beneficial outcomes for contractors, businesses, property owners and the economy.

Small businesses at large and independent contractors are the backbone of our economy. By raising the exemption threshold to $5,000, we are providing small scale contractors with greater flexibility and fewer administrative hurdles. This change will allow small contractors to engage in more jobs without being burdened by complex and costly regulatory requirements that currently apply to jobs exceeding $1,000. This will lead to a more vibrant and efficient local economy, and small businesses will have more opportunity to thrive and create jobs. We thank Senator Flores for proposing this bill and stand ready and able to work with him to advance more reforms like these to create a strong and vibrant Nevada economy.

LAURA NOWLAN (Educational Director, National Hispanic Business Group):
I am also a small business owner in Las Vegas. When I learned S.B. 158 was being presented today, I wanted to speak in support. The current $1,000 cap is what is creating the bad actors. By increasing the limit to $3,500 or even $5,000—the higher the better—you'll have more contractors get their licensing in place. The issue now is that $1,000 is too small of an amount to interest anyone with handyman skills. That's why you have a bunch of bad actors doing work they are not supposed to be doing. This bill will help our community—not endanger it.

EDDIE DIAZ (Strategic Director, The LIBRE Initiative):
I am here to express my strong support for S.B. 158, which proposes increasing the monetary threshold for contractor work. This bill holds particular significance for Nevada's Latino community where many individuals possess valuable skills and trades in home improvement, but face barriers due to current licensing regulations. By raising the handyman exemption threshold, the bill would expand economic opportunities and allow skilled Latino workers to undertake small-scale projects without the financial and administrative burdens of licensure. This would

foster entrepreneurship, economic self-sufficiency and reduce informal work. It will benefit consumers by providing them with more affordable options for minor repairs and renovations and satisfy a broader range of community needs. Senate Bill 158 represents a meaningful step toward economic empowerment for Nevada's Latino population. I respectfully urge the committee to support this bill.

AL ROJAS:
I live in Assembly District 12 and am at a crossroads on this issue. While I recognize that handymen should make more money, I am a homeowner and from a family in the rental business. I am very active in my community and see a lot of people trying to hustle residents with solar panels and things of this sort. To be on the hook for $5,000 if somebody rips me off gives me very little recourse apart from materials—it's a big risk. I am in support of raising the limit to $1,500 with some kind of clause that protects the homeowner who should be leery of what recourse he has. There should be a clause required in a written contract to protect the consumer.

Senator Flores was saying that the handyman exemption should be $5,000, apart from the materials—that is too high. I respect that handymen have to make a living, but I think a $1,500 cap, or something in that area would be more appropriate. I have some toilets that need to be fixed and other stuff that needs to be done, but I won't put $5,000 on the line for some guy coming off the street—I'm sorry.

SENATOR PAZINA:
To clarify, we are hearing testimony in support. Would you like your testimony to be reclassified as opposition or would you like to support the bill if the limit was up to $3,500?

MR. ROJAS:
I will support S.B. 158 only if the limit is $1,500.

PETER GUZMAN (President, Latin Chamber of Commerce NV):
We fully support this bill. There may be some bad actors, but the majority [of handymen] are not. These are handymen and small businesses who want to feed their families and have a dignified life. We cannot let the majority pay a steep price because of a few bad actors. We can focus on the bad actors without penalizing the majority who are doing it the right way. I have met these small business owners, these handymen. What could possibly go wrong if the threshold

was lifted a little bit? They can continue on, see business growth and become general contractors, and we can help them do that. Let's not punish the majority by making good actors pay a severe price for some bad actors.

KATRIN IVANOFF:
I support S.B. 158. Anything that would allow people to feed their families is good. We should probably have stronger laws for the bad actors so we can go after them, but we shouldn't just stop the changes. Families have not been able to feed themselves, especially in this economy, for the last few years. The economy has been going down the drain, and we don't know where it is going go next. I don't think a $5,000 limit is a lot of money, excluding materials. Materials are getting more expensive minute by minute. By the time this law goes into effect, $5,000 will be nothing by the look of things; it's not really nothing, but not as much as it was, say, five to ten years ago. So please support this bill. I believe in the rules of the committee that Mr. Rojas's testimony has to be in opposition even if he agrees with any part of the bill. If he disagrees with one thing, he should be in opposition.

SENATOR PAZINA:
Yes—we have reclassified Mr. Rojas's testimony as opposition. We will now hear other testimony in opposition to S.B. 158.

JORDAN KRAHENBUHL (Executive Director, Plumbing Heating Cooling Contractors of Nevada):
We oppose S.B. 158. Raising the handyman exemption from $1,000 to $5,000 hurts the licensed, bonded and insured contractors who are doing things legally, in the right way, and have taken the time, effort and energy to get licensed. The B-7 license was created specifically for smaller contractors who want to be licensed handymen. We work with the NSCB on issues regularly and our contractors have been called out on projects behind handymen who have done plumbing and HVAC work that they are not allowed to do. People say, "Oh, well, they are bad actors, whatever"—that is the reality of what happens.

These guys go out there and do work they aren't supposed to do. Increasing the handyman exemption from $1,000 to $5,000 hurts the licensed, bonded and insured contractors. This bill doesn't help the homeowner; it doesn't help the property owner; and it certainly doesn't help the small licensed, bonded and insured contractors who do this work.

CESAR JASON DURAN:
I am happy to ask your support for S.B. 158. I am a handyman from Las Vegas with over ten years of experience. When I was in Carson City back in February, I had the privilege of meeting with some of you to share why I believe S.B. 158 will be an important change to the laws governing handymen in our State. The current limit of $1,000, including both materials and labor, is too low with the rising cost of materials and expenses that go into running a business.

The current $1,000 limit makes it very difficult to earn a living as a handyman in Nevada. Raising the limit to $3,500 and exempting the cost of materials will give handymen much needed breathing room. It will give us the freedom to invest more in our business, improve the quality of our services and allow us to better serve the demand for services in our communities. While I would like to see the exemption increase further, the $3,500 limit will still make a huge difference in improving the lives of countless people across the State. I ask you to support S.B. 158.

SENATOR PAZINA:
Thank you so much for your testimony, and because that sounds like support testimony, we are going to move you out of opposition and reclassify as support testimony.

DAVID BEHAR (Director of Investigations, Nevada State Contractors Board):
I oppose S.B. 158, which seeks to increase the handyman exemption from $1,000 to $3,500, excluding the cost of materials. Between 2022 and 2024, the NSCB received approximately 1,475 complaints against unlicensed contractors and imposed over $1.5 million in fines. A significant amount of that activity involved handymen and bad actors, who took large sums of money from homeowners, leaving behind projects that were significantly incomplete or oftentimes totally abandoned. Increasing the monetary thresholds which, could be taken from homeowners in this bill, places consumers at an even greater risk of harm while offering them no recourse and, more importantly, no protection under our Residential Recovery Fund.

The NSCB has diligently worked with Senator Doñate, members of the industry, associations, the Latin Chamber of Commerce and other stakeholders to fairly craft a consensual amendment to S.B. 130 addressing the issues presented today to reduce barriers.

**SENATE BILL 130**: Provides for the issuance by the State Contractors' Board of a restricted license. (BDR 54-628)

We've also enacted recent measures through our own language access plan funding to increase accessibility, including free workshops in Spanish for those with language barriers to assist them in gaining licensure. The conceptual amendment presented in this bill brought to light an innovative pathway to equitably address the needs of smaller and less experienced contractors who wish to perform work above the $1,000 range.

That concept garnered significant support and created multiple pathways for future advancement and growth, while balancing consumer protections for homeowners across our State. The NSCB opposes S.B. 158 as it would be detrimental to members of the industry and constituents across the State.

SENATOR ELLISON:
One of the issues is the cost of materials. This bill has the homeowner pay for the material—the only thing the homeowner would pay for is the labor. I see a lot of this—they are replacing a window, so they buy the window, and the handyman installs it. Isn't that correct? Shouldn't that help the handyman quite a bit?

MR. BEHAR:
Yes—that's correct.

ALEXIS MOTAREX (Nevada Chapter Associated General Contractors):
We share the same concerns and sentiments articulated by Mr. Behar and are opposed to S.B. 158.

BRIAN REEDER (Nevada State Contractors Board, Southern Nevada):
We oppose S.B. 158 and the other, similar bill sponsored by Senator Donate. Senator Flores is trying to fix an important issue—we acknowledge that. Unfortunately, we still oppose this bill.

ANDY DONAHUE (Southern Nevada Laborers-Employers Cooperation and Education Trust):
We are content to be in neutral, largely in recognition of the productive conversations that are continuing to occur.

VINCE SAAVEDRA (Executive Secretary Treasurer, Southern Nevada Building Trades Union):
I have heard the opposition and the support testifiers and honestly—we're going to stay neutral. I have been working with Senator Flores since the interim, trying to help him out. He's been telling me what's been going on, and I want to thank him for all his hard work. The Southern Nevada Building Trades Union has opted to take a neutral position.

MS. IVANOFF:
I want to express that our founding fathers did not have a license for anything. Everything was word-of-mouth, and I have friends working as handymen who are very busy because they do a good job and one homeowner tells another. I wanted to say this under neutral.

SENATOR FLORES:
I thank the opposition and will continue to work with them. There may not be a middle ground we are hoping to find but will continue to work together on the bill until we're at a place where we are more comfortable. The threshold is now $1,000 and the NSCB indicated there are over 1,475 instances that have been reported to the NSCB. The threshold isn't creating that issue. There are other factors to take into consideration, be it a $1,000, $3,500 or $5,000 cap. I don't think the cap is going to address an unlicensed person doing electrical or plumbing work—that's an issue that we need to address separately.

Changing the threshold to $3,500 doesn't require anyone to hire a handyman—they can still go to a licensed contractor should they choose to. If you are doing pavers or tile work, you can decide who to hire based on what makes the most sense when it comes to consumer protection. I want to be clear that at the beginning of my presentation, I indicated I was trying to hire Luis but was unable to do so.

I ended up hiring a licensed contractor, and it took five months to get the work done because it was a small job to them. They prioritized bigger jobs, which made sense and was a logical business move. If you have a job that pays $100,000, $90,000, $80,000 or even $50,000 and your job is only $11,000, you would be the last in line. I had to wait five additional months and spent significantly more money to get my pavers done.

MR. SOLOMON:
We appreciate the concerns mentioned and want to emphasize that when considering laws like this, it is essential not to penalize good, honest and hardworking people for the actions of bad actors. Burdensome occupational licensing, combined with an unworkable small exemption limit, encourages people to work outside of the law to earn a living or drop out of the industry entirely.

According to the NSCB website: "It is unlawful for any person or combination of persons to engage in the business or act in the capacity of a contractor within the State of Nevada or submit a bid on a job situated within the State without having an active license." The first offense is a misdemeanor, the second offense is a gross misdemeanor, and the third offense is a Category E felony. Other states, including Utah and Idaho, have higher exemption limits than Nevada. We believe that S.B. 158 is an important way to allow more people to work in legitimate businesses, feed their families and support their communities.

SENATOR PAZINA:
We will close the hearing on S.B. 158 and open the hearing on S.B. 199. Senator Dina Neal will present this bill through Zoom.

**SENATE BILL 199**: Enacts provisions relating to artificial intelligence systems. (BDR 52-583)

SENATOR DINA NEAL (Senatorial District No. 4):
This bill may bring some controversy because it addresses AI. My copresenters today, Celine Chang and Karen Wu are students who worked with their teachers to write S.B. 199, section 26. The language in section 26 is not in blue, because legal told me that section 26 refers to a transitory board that will not exist over the biennium—it will cease in two years. That is why section 26 is not in blue, even though it is new language. My two copresenters and their teachers from Clark High School are responsible for that section. I have submitted an amendment (Exhibit L).

I know that folks have seen S.B. 199 as covering several different areas, but that is on purpose. This bill is not a hodgepodge of issues—I wanted to particularly focus on six key public policy pillars: knowledge, consent, notice, accountability, consumer protection and the protection of human beings being able to think critically. I created S.B. 199 because over the last year and a half, I read many

different AI-related cases from my subscriptions with *Law360* and *Bloomberg Law*.

I joined a multistate working group where legislators from 20 states discussed and examined the pros and cons of future AI policy. Some of the opposition felt that the bill was all over the place—it isn't. It's actually just targeted to key areas I wanted to examine and pieces I wanted to develop. I want to discuss and highlight some of the more controversial pieces.

Section 4 defines "artificial intelligence system." The definition came from a similar Colorado bill that passed in 2024. The definition used also came from the Organization for Economic Co-operation and Development which has been developing principles and definition guidelines since 2019. It is a definition that has been used in 44 countries, including the United States. I wanted to clear that up immediately.

I know there are questions on why I would be going after legal software and why I'm trying to prevent legal entrepreneurship. There are currently 280 companies that have started developing legal technologies. As of 2023, they have raised over $757 million and filed over 1,300 patents for legal machine learning patents.

Why is that an issue and why is that something I wanted to cover? In 2023, a federal court sanctioned two attorneys for filing fictitious caselaw in their legal briefing. They actually cited six cases that didn't even exist. When I read that, it brought me a consumer protection concern. I wanted to focus on that because if you are a *pro se* litigant [acting on your own behalf] as a consumer who bought one of these tools, how do you know that what you purchased is legitimate and citing correct caselaw? Section 13 gives the consumer some protection in that an attorney must review caselaw and software before it can be distributed to consumers.

The other section that has probably raised concerns is section 16—reporting of job loss. We have seen studies that, within the next five years, there will be a serious shedding of traditional jobs for AI or technology jobs. I have been with the Legislature since 2011. When I started, we were in a recession and construction workers were unemployed. We talked then about how we could transition them to manufacturing to keep certain positions alive. At the end of the day, the State bears some responsibility; if our residents are out of work, they are responsible.

If our citizens can't pay their rent and receive unemployment, it falls on us. It's important for us to know about it and be knowledgeable. This is another one of my pillars—to help us determine what is happening, so we can be proactive and deal with issues that affect our citizens if there are huge, sweeping job losses. The losses would be because we have removed folks from an industry and now need to place them and cross train them. We do pay for workforce training in Nevada.

The last section I want to highlight is section 18, which possibly came up because it involves law enforcement. I want to address that because this bill does not prohibit behavior and report writing by police—policing is already a sensitive issue. No matter where in Nevada, it is a sensitive issue with our citizens.

Right now, Oklahoma City is the only city doing police reporting with AI. When I read a story on Oklahoma City that came out this summer, I was like "Whoa, I really need to deal with this." There are certain guardrails associated with police reporting and the accuracy of the report. When officers write reports, they will probably testify on the reports in court. A report may be used to obtain a conviction, or to protect the rights of a person pertaining to their innocence. I want to ensure that we are actively considering whether a person could be negatively affected by a police report that was created by an AI chatbot. I wanted to highlight those sections.

CELINE CHANG:
I am a junior at Clark High School.

KAREN WU:
I am a senior at Clark High School, and we will present section 26 of S.B. 199. We have seen firsthand how unregulated use of AI is affecting students, teachers and the learning environment. The whole of AI has become ubiquitous within schools.

This past Monday, I was sitting in my classroom when my business teacher printed out flyers from five different students and stuck them to the wall—the flyers were from an assignment we had previously done and were nearly identical. My teacher discussed how students had used AI for the assignment and pointed out the spelling mistakes that the five students had not even bothered to correct. The students not only used AI for the assignment; they also chose not to even read it and turned in their assignments with all the spelling mistakes.

My teacher asked our class if these five students should be allowed to redo the assignment or if it should be considered cheating, because technically the work wasn't theirs. These are the issues that have no standardized regulations. We should be raising questions on under what circumstances AI should be allowed in classrooms at our schools. We've seen AI become a tool—not only to supplement learning, but to fully replace it. I have watched classmates use AI to generate entire essays—bypassing critical thinking and diminishing our creativity.

MS. CHANG:
My advanced placement (AP) literature teacher was one of the first teachers to embrace AI in his classroom. He cited his own use and set a good example for all of us. When he discovered students were submitting essays completely written by AI as their own work instead of following allowed practices, he was devastated; he is a teacher who cared. The use of AI by students does not allow him to properly grade our work and prepare us for AP exams.

This situation is not unique to our school. We conducted interviews with ten teachers across multiple schools and subjects. While there are dissenting opinions on how AI usage impacts different subjects, we found a common theme. Many dedicated teachers who are passionate about their work have challenges in maintaining academic integrity while still encouraging innovation within their classrooms. We acknowledge that AI is not going away, but the way we integrate it into education will determine whether it becomes a tool or a shortcut that erodes learning.

That's why S.B. 199, section 26, is so important to us. This bill directs the Nevada Superintendent of Public Instruction to establish a working group on the use of AI systems in education during the 2025-2026 Interim. The group members will include teachers, administrators, AI experts, a business representative, a student and other stakeholders.

At least half the members will be licensed teachers with AI knowledge. The working group will assess the current and future use of AI in education including costs, ownership, licensing, data privacy and teacher involvement. It will also help us develop guidance on safe AI use covering academic integrity, acceptable use, security and parental access.

It will create a model policy for Nevada school districts on the effective use of AI and address equity, professional development and procurement of AI tools. It will

also gather input at public meetings from teachers, students and families—the ones who are most affected by this. Later, the findings and recommendations will be submitted to the Legislative Counsel Bureau by January 1, 2027. Guidance and documents will be published on the Nevada Department of Education (DOE) website by January 1, 2026.

Ms. Wu:
The DOE will provide administrative support by establishing a working group of teachers, students, administrators, university faculty and private sector representatives. We can craft a model policy that balances the benefits of AI and preserves authentic learning. We have the opportunity to take initiative now for the sake of students, educators and the future workforce that will be shaped by today's learning habits. We ask you to support of S.B. 199.

SENATOR PAZINA:
Thank you so much, Ms. Chang and Ms. Wu. It's wonderful to have you up here from Clark High School.

SENATOR DALY:
I have a couple of technical questions. I like the concept of S.B. 199, and we can hopefully come to a meeting of the minds going forward. The crux of section 9 is for AI companies to have protocols against certain things, like hate speech. How do you see that line being drawn? I know it's a big issue nationally on a bunch of levels versus—you know, free speech or—whoever is responsible for the platform where people make posts.

We obviously want guardrails. How do you see this in the big picture of where things are going? Or is it just a hornet's nest that we're going to have to deal with as it comes along?

SENATOR NEAL
I don't think it's a hornet's nest because other states have already tried to tackle the issues raised in section 9, including bullying, bias and discrimination. What we know is that there are clear definitions for online bullying and hate speech. We need to make sure there are policies and procedures in place. Some folks rolled free speech back or believe that policies got rolled back by Meta. There's a difference between free speech and what is already codified in case law on the definition of hate speech. We currently have definitions of bullying and cyberbullying in the NRS. There is also the dissemination of misinformation that

could cause a person to misuse data they receive. The idea is to place this so there's some movement. In sections 8 and 9, we are trying to get to compliance by putting it under Nevada's Bureau of Consumer Protection. They can tell us what kind of information is being collected, and the policies and procedures that are currently in place, so we at least know they exist.

SENATOR DALY:
As I said, I don't necessarily disagree. I know Congress is having hearings right now on the suppression of different points of view—where companies say you have edited something too much, especially when it comes to misinformation and conservative points of view. Are we being stifled or not? These are just some of the hearings going on. That's why I say it may be a potential hornet's nest.

Are sections 21 and 24 of S.B. 199 about a person's right to AI or whatever—oh, I see that was completely removed from section 21—a good reminder for all of us to read the amendment.

SENATOR NEAL:
I am still working on the amendment, and in section 21, I flexed the language. I uploaded the amendment, but I'm still fine-tuning the language. I struck out the provision in section 21, where it gives the Federal Deposit Insurance Corporation (FDIC) the power to regulate financial data and consumer issues that may arise.

There's a lot happening and we're not really clear on how the law may change and adjust. It seemed better to give flexibility to the FDIC instead of prescribing something right now. I spoke with the FDIC and their lobbyists, who said currently financial data is heavily regulated. I then posed the question, "What if something changes?" because, literally, things are changing every day, federally and statutorily. That's why we agreed on some flexibility so the FDIC could change things as needed.

SENATOR DALY:
I don't know if you can address it in your amendment or not, but where are they between AI or non-AI? Are they going to present it and say "Hey, we have this under AI and it's going to be faster and easier for us. We can also use the AI another way but will charge you more." If you do go that route, I want to know if it would be used that way. If [the FDIC] does offer AI, there should not be an extra charge for not using it.

SENATOR NEAL:
If you have amendment [language], I'm in the amendment process.

CHAIR PAZINA:
I forgot to share with the committee that we do have a number of amendments [through opposition letters] (Exhibit M) on our table.

SENATOR STEINBECK:
I understand that apartment operations utilize AI software to assist with renting apartments. It helps with the market analysis and may help lower some housing costs. Do you believe section 20 could have a negative impact on our housing market?

SENATOR NEAL:
The provision in section 20 has a very significant background. There was an issue with rent price-fixing in North Carolina. The North Carolina Attorney General sued six companies for colluding to raise rents using AI tools—instead of competing in the fair market. These six owners owned more than 70,000 units. They used RealPage and exploited landlord-sensitive information to create a price-fixing algorithm that violated antitrust laws. Section 20 attempts to prevent that type of behavior in Nevada. It happened over the summer and was a serious issue.

It's entirely different if you want to compete in the open market and your price is your price, but when you get together with other landlords, create a pricing algorithm by gathering other landlord information, and use that information to set your rental prices to outpace others—that is completely different.

SENATOR FLORES:
I appreciate you tackling such a complex conversation and having students here today who did an exceptional job. I want to discuss section 13, but it opens up a broader conversation. I appreciate that on the front end, technology has to be more responsible, but, at the end of the day, we're trying to find that middle ground where the individuals using AI are on the hook in some way. For example, does section 13 get attorneys off the hook when they are using AI? If, for example, they fail to cross-reference material to ensure they are using the most up-to-date case law, are they liable? We are trying to strike a balance with AI responsibility on the software development side, and consumers in different industries and agencies having responsibilities on their side, et cetera. The consumer also needs to be responsible and held accountable on how AI is used.

SENATOR NEAL:
I'm trying to strike a balance. I am more focused on section 13 to protect *pro se* litigants who might use legal software. An attorney has gone to law school, passed the bar and has gone through training to identify current legal precedent. They have taken an oath. *Pro se* litigants are seeking to represent themselves because they have no money [to hire an attorney] and are more at risk if using AI that has not been vetted. I don't want them to go into court with a legal document that cites invalid or non-existent caselaw—then they're back to square one.

Has anyone seen the YouTube commercials selling AI legal software to help you with your personal injury or other case by writing your legal documents for you? Wonderful, right? I'm not trying to prevent the technology. I want Nevada to engage in discussions on how to protect our citizens from illegal activity and from becoming victims of inaccurate legal software.

All section 13 does is require that if you sell it [legal software], an attorney must be a companion to the package that a product and service you sell to a *pro se* litigant. We would at least have checks in place to ensure that someone, other than a regular citizen from a poor community, knows how to review the language.

SENATOR FLORES:
I think the idea of AI is to make everybody's life easier and give everybody more access to X, Y and Z. We realize that AI sometimes makes things more complicated and difficult. Would you consider making section 13 of the bill more jurisdictionally specific, so the review is from a licensed attorney in Nevada, instead of New York? If we're going to allow legal software to give legal advice for *pro se* litigants, we are opening the door. I just want to make sure that if that's the way we're moving, an attorney who knows that area of the law is supervising.

The minute we say a software developer must have an attorney review a document … there is no mechanism to prevent a *pro se* litigant from saying they are getting legal advice from a lawyer. I also think we're going to push folks that want to go the cheap legal route in that direction. We see it all the time with the unauthorized practice of law and *notarios*. We had to go after them because they were a cheaper route. I want to be careful. We can talk about this later offline; this is just one section of the bill and there's a lot going on. If we are opening that door, we're telling folks they are getting software that has been reviewed by

an attorney. They will be convinced that AI is producing valid legal documents and giving legal advice.

SENATOR NEAL:
One thing to consider is that if the AI is reviewed, does it have to be from a licensed Nevada attorney? We have marketplace facilitator language in Nevada that allow individuals to sell in Nevada and allows us to sell out of state. There are no borders anymore on products. We travel a careful line when we prevent the sale of a certain product and require a Nevada-based attorney to be associated with a product being sold to a Nevadan. There are also sub-issues created from that and things to consider—we engage in open border selling and distribution.

CHAIR PAZINA:
Please remember that we have several bills today. For those who are testifying, we will allow ten minutes for each side. This is for each bill. You can also submit your written testimony for the committee's review.

BRIAN WALLACE (Carson City School District; Vice President, Nevada State Education Association):
The Nevada State Education Association (NSEA) has been the voice for Nevada educators for 125 years in all 17 counties. The NSEA seeks an amendment to S.B. 199, which deletes section 19 of the bill that prohibits teachers from using AI to develop lesson plans. We are in support of the creation of the working group under section 26 to consider appropriate uses of AI in education. I currently teach two subjects that nobody else teaches in the Carson City School District. One subject is extremely difficult to teach due to lesson concepts and standards.

I have been relying on AI to guide me through developing lessons for my students. By using AI, I am better able to personalize learning and suggest differentiated instruction and strategies. Using AI allows me to recommend modifications for students with different learning styles or needs, and helps me generate quizzes, questions, flashcards and interactive exercises. This allows me to reinforce learning with the scheduling of the lessons, and aligning the curriculum and standards, as pointed out by the student presenters today.

I proofread, edit and review all student material that is generated by AI before I would ever distribute it before my students, parents, principal or school district. The Carson City School District and NSEA support the proposed amendment to

S.B. 199 and look forward to continued discussions on the appropriate uses of AI within our schools.

SHAWNYNE GARREN (Recorders Association of Nevada):
We appreciate Senator Neal's intent by presenting S.B. 199 and we share her concerns on document fraud in real estate. County recorders offer property recording alerts to property owners across most of the State. This ensures proactive monitoring of recordings and private sector businesses and extends additional layers of protection and coverage to property owners. The ambiguity in section 17 is unclear. Does the language suggest that recorders must now verify the identity of each submitter, detect the use of AI, or both?

Both of these situations alter the role of the recorder, as our current role and authority is limited to recording official records and making them accessible for public inspection. The language in section 17 could potentially subject homeowners, title companies, law firms and other submitters to up to 17 different county-specific procedures, and significant delays in recording time. This could lead to financial loss and hardship for property owners and prospective buyers. The concern should not be with AI technology but with the act of committing fraud. Recorders remain open and collaborative to alternative solutions to promote secure real estate transactions. The Recorders Association of Nevada respectfully opposes S.B. 199 as it pertains to section 17.

WILLIAM HORNE (TechNet):
We oppose S.B. 199. I represent a national and bipartisan network of the technology chief executive officers and senior executives who promote the growth of innovation economy. While we support responsible AI use, the bill's sweeping definition of an "artificial intelligence company" would impose extensive registration and mandatory self-assessments on nearly any entity using AI: a telemedicine provider, appointment scheduler, small retailer, and inventory tracking or hospitality groups who use AI to assist with room booking.

This approach mirrors issues Colorado faced with a similar AI bill, prompting the governor to warn of stifling innovation. Virginia's governor vetoed a similar measure for the same reasons. Ambiguous terms in S.B. 199 including "bias" and "misinformation" pose liability risks, and forcing employers to report AI-related job losses is subjective. We believe this measure will harm start-ups, established businesses and Nevada's reputation as a tech-friendly State. I respectfully urge you to oppose S.B. 199.

NICK SCHNEIDER (Vegas Chamber):
I echo the comments of my colleagues who have testified before me. We also oppose S.B. 199. We have concerns about the broad definition of AI in section 4, which could capture more rudimentary functions of many computer systems. We have concerns about section 11 and what constitutes a single violation, especially given the provisions and definitions in other sections and the specific nature of user-generated content. We also have concerns with section 13, which places the entire burden on the software provider. There should be some onus for ensuring that an attorney reviews documents for the end-user consumer of these legal services.

We would prefer to see an opt-out clause in section 14, rather than the opt-in option that is provided. We should look at attracting AI businesses to the State to diversify our economy and ensure we stay at the forefront of technological advancement. Unfortunately, as written, this legislation would eliminate a lot of competitive advantages. We understand the intent of S.B. 199 but believe it could be better achieved by incentivizing the commitment to ethical behavior by AI companies—instead of this broad approach to regulation.

WISELET ROUZARD (Deputy State Director, Americans for Prosperity Nevada):
We ask that you oppose S.B. 199, which seeks to radically regulate the use of AI in the State. The legislation represents one of the most sweeping proposals to regulate AI, surpassing even burdensome proposals in Colorado. Although Virginia Governor Jared Polis signed a similar bill, he had serious reservations and added parameters to revisit the bill after 21 months.

This legislation seeks to create a centralized regulator for emerging AI technology, something that is completely unwarranted. Existing rules enforced by current regulators are more than satisfactory to handle potential harms from AI. This legislation requires any company that develops an AI model, regardless of its intended use, must first obtain a license from the State. For example, the legislation would require companies that leverage AI systems and generate legal documents to ensure the documents are produced and reviewed by licensed attorneys before being provided to the customer.

This provision reeks of blatant protectionism—essentially telling firms not to use AI technology to provide more affordable services to Nevadans. This forces them to pay money to a lawyer. This legislation is fundamentally against any reasonable or responsible conversation around what, if any, AI regulations are needed.

Artificial intelligence has the ability to drastically improve the lives of people in our State; legislation like this will intentionally harm Nevadans. And, I repeat, it will needlessly drive economic opportunities and investments away from the State and toward neighboring states like Arizona and Utah where they're flourishing. We're willing to work with Senator Neal on alternative framework that would be more welcoming, not restrictive. We ask you to oppose S.B. 199.

MR. DIAZ:
The LIBRE Initiative expresses our opposition to S.B. 199. While the bill aims to address important issues, we are concerned about potential unintended consequences, particularly for the Latino community. The Latino community in Nevada has seen significant growth in entrepreneurship, with many individuals establishing small businesses that rely on emerging technologies to remain competitive, including AI. The hard registration and compliance requirements proposed in S.B. 199 could impose substantial financial and administrative burdens on these small enterprises.

This may hold back Latino entrepreneurs from adopting innovative AI solutions, hindering their business growth and increasing existing economic disparities. The bill requires AI companies to develop and maintain comprehensive policies, conduct semiannual self-assessments, and submit findings to regulatory authorities. While well-intended, these obligations could disproportionately impact small businesses that lack the resources to meet such demands—potentially leading to reduced competitiveness and innovation within the Latino business community. In light of these concerns, I urge the committee to reconsider the provisions of S.B. 199 and explore alternative approaches that balance the need for AI regulation with the economic realities faced by Nevada's Latino entrepreneurs.

MIKE CATHCART (City of Henderson; Urban Consortium):
We oppose S.B. 199, specifically section 18 on police reporting. A full prohibition on AI use [for police reporting] is not appropriate and could have unknown impacts in the future. I do want to thank Senator Neal for taking time out of her day yesterday to listen to our concerns, but we remain opposed to the bill as written.

HEATHER BROWN (Senior Vice President, Las Vegas Global Economic Alliance):
We are strongly opposed to S.B. 199 because of the risk it poses to innovation, economic growth and Nevada's long-term competitiveness. As currently written, S.B. 199 could create serious unintended consequences for our State's growing

technology ecosystem. In my role supporting entrepreneurs and start-ups across Nevada, I have seen how emerging technologies, especially AI, are helping small businesses scale and create high-quality jobs to drive our economy forward. AI is not a threat—it's tool Nevada start-ups use to compete with national players, streamline operations and unlock new markets.

Overregulation at the State level could stall that momentum. It would shift the focus from innovation to compliance, discourage investment and risk driving our most promising companies to more innovation-friendly states. If we want Nevada to be a leader in technology and entrepreneurship, we need to support responsible innovation, not restrict it. A federal framework is the right approach. It offers consistency, safeguards and clarity without stifling the progress that is already underway. We respectfully urge the committee to oppose S.B. 199.

BRIAN WACHTER (Senior Vice President, Retail Association of Nevada):
It's worth noting some of the practical applications if this legislation passes and Nevadans are forced to comply. Nevada residents won't have the tools and resources that people in other states have with which to operate: Nevada will be blacked out from those. We also have concerns on the definition of "artificial intelligence." Mrs. Wachter, my wife, is a math teacher. She asked me to remind everyone that when we grew up, we were told we weren't going to have calculators in our pockets forever. She had to figure out how to evolve, learn and teach math with these tools. As adults, we should all be able to evolve with AI.

ROBERT SINGLETON (Chamber of Progress):
We are a tech industry association and support public policies to build a more inclusive society, where all people benefit from technological advancements. We respectfully oppose S.B. 199, which would stifle innovation in Nevada and make some online products unusable. Artificial intelligence tools are currently revolutionizing health care, democratizing access to education and making creative pursuits easier. As other states race to make themselves AI capitals, S.B. 199 imposes a Nevada-specific burden on AI companies that are anti-consumer and anti-innovation.

An AI licensing board or bureau is destined to tie up innovation in red tape and serve as a bureaucratic gatekeeper to the economic benefits of AI. The portent of open-ended future regulation in section 9 will likely result in AI companies not offering their products in Nevada. This would be a loss for all Nevada residents but mostly for those who would otherwise benefit from the latest technological

advancements: students, creative professionals and small business owners. Section 9 is well-intentioned but unworkable. It requires AI companies to develop, implement and maintain policies, procedures and protocols against the existence of bias and performance of AI systems. The bias is in many of the definitions; the vague wording invites the Bureau to regulate any and everything it deems as a bias—resulting in sponsors who are concerned with addressing discriminatory practices in housing, lending, employment, et. cetera—a laudable concern.

Existing NRS already addresses those ills. If the Legislature finds the existing law on AI has loopholes, they can be filled by amending existing sections and statutes. A better approach would be to focus on one of the more narrowly tailored issues. areas that rightfully deserve additional consideration: content provenance, dynamic pricing or even risk-mitigation measures. Senate Bill 199 attempts to do too much with limited clarity and will harm consumers and innovators alike. For these reasons, we respectfully oppose this bill.

BRIAN REEDER (Nevada Credit Union League):
Our credit unions use AI to look deeper into a member's credit risk profile and allows us to get more creative and offer more loan products to members who may not otherwise qualify. AI is a useful tool. We have reviewed one amendment but are still reviewing the amendment to section 21 on financial institutions. We look forward to working with the sponsors on our concerns.

RACHEL PUAINA:
I am a public school teacher from Henderson. We use AI as we're overworked, and it really does help. I totally get it—I see students trying to find an easy way to get around it, but there is also a way to get around it as teachers. We still proofread and students still handwrite their work. Artificial Intelligence helps us with agendas, lesson plans and with some short reads. If you limit AI, we will be even more overburdened. There should be some regulations on AI, but this bill is overreaching. We do depend on it, though.

CHRIS RIES (Detective, Las Vegas Metropolitan Police Department):
For the sake of brevity, I echo the comments of those opposing section 18, prohibiting the responsible use of AI by peace officers.

JASON WALKER (Sergeant, Washoe County Sheriff's Office):
I echo the comments from Detective Ries. There are many advantageous uses for AI in the law enforcement profession.

AODHAN DOWNEY (Policy Manager, Computer & Communications Industry Association):
To save some time. I will submit my written comments

CYRUS HOJJATY:
I will ditto the previous comments. Please help make our State business-friendly.

MS. IVANOFF:
I want to say good work, Americans for Prosperity. You took the time today and are definitely standing by your name. I want to express my opposition to S.B. 199. I am not very savvy with computers and electronics. When I heard about this bill, the intentions are good, and I like that. In my opinion, most of the Legislators know very, very little about AI, and I'm scared they going to pass bills that will have a lot of negative consequences.

We should pass some regulations. And I felt better when I heard the high school was involved in the bill, but they are involved in just one part. I would feel better if you had more experts involved because honestly, I don't trust that you know enough to pass bills like this. I hope and encourage you to vote no on A.B. 199 until you get a better written view. I applaud the intent behind the bill, but it does not seem to be written very well.

EMILY OSTERBERG (Henderson Chamber of Commerce):
I am here representing over 2,000 members, the majority of whom own small businesses, to express our opposition to S.B 199. While we acknowledge the need for responsible AI guardrails, this legislation would impose excessive restrictions that could hinder technological advancements, economic growth and consumer access to innovative services. For these reasons we are opposed to S.B. 199.

JASON WOODARD (Nevada Sheriffs' and Chiefs' Association):
We oppose this bill because of the limitations imposed on law enforcement for the utilization of AI. Like the other agencies who testified, the language is too limiting. For the purposes of time, I will refrain from any further comment.

CHRISTIAN RATAJ (National Association of Mutual Insurance Companies):
Our members write property, casualty, workers comp and commercial liability [insurance policies] in the State for about one-third of businesses. We're opposed to S.B. 199 and have three concerns. First, the consent provision is overly broad.

Section 21 is problematic because it requires financial institutions to obtain consumer consent to train AI systems with information. The language is very restrictive depending upon how financial institutions are defined; it may include insurers and for pricing and underwriting models, this information is important and already identified. There are already protections for consumers and this provision would add unnecessary expense for insurers and policyholders. It would also make it harder for insurers to address consumers who need homeowners' insurance, auto insurance, or other forms of insurance.

It would further slant the data that goes into predictive models by underrepresenting information that Nevada consumers provide to these modelers. We're also concerned that S.B. 199 could impact how claims are handled. Insurance fraud is a big concern, and we don't want something that creates the opportunity for fraud—clearly, anyone wanting to commit fraud would opt out and not provide their consent. Our second concern is that the definition of AI is unreasonably broad. The definition should be restricted to only self-updating and self-learning—otherwise fixed-formula rating models wouldn't be within the scope of the law.

Lastly, the bill imposes contractual duties on businesses' insurers that cannot legally enforce on third-party vendors. Section 25 of S.B. 199 requires insurers to impose specific contractual provisions. That's not something we can do unless there's statutory or regulatory law specifically on point. Insurers do not have the right to force a provision on a vendor who's providing predictive models or a service that provides a valuation for rating and underwriting. We request that insurers be expressly excluded from the scope of the bill or add a provision that insurers must comply with the National Association of Insurance Commissioners (NAIC) bulletin on point ...

CHAIR PAZINA:
You're well over two minutes. Please close out your comments and provide the rest to our committee secretary. We'd be happy to receive those in writing, but please close it up.

MR. RATAJ:
I just ask that we be exempted from section 5, or that we comply with the insurance code which is regulated by the Nevada Division of Insurance.

MR. ROJAS:
I am neutral on S.B. 199. Artificial Intelligence is a fantastic tool for research, and I use it all the time. We have hot issues regarding transportation and education in Nevada, and the cost of owning a vehicle and our insurance rates are probably the highest in the nation. I look forward to sending my research to you—you'll be able to see how productive AI is in getting your point across, without making it look like you're making things up.

MISTY GRIMMER (Nevada Resort Association):
We have been working closely with Senator Neal on S.B. 199 since the summer when she hosted several stakeholder meetings. We're continuing to work with her on a daily basis. It sounds like there's still a lot of work to be done and look forward to being a part of those conversations. We appreciate the changes Senator Neal has already made.

SHELLY CAPURRO (Nevada Association of Health Plans):
We would like to thank Senator Neal for our conversations over the last several days. We look forward to continuing those conversations, specifically on section 9.

MR. PLAIN:
In February 2024, the Nevada Division of Insurance issued Bulletin 24-001 adopting and publishing the NAIC model bulletin on AI and AI systems used by insurance companies. Nevada is one of the first states in the nation to do so. We've reviewed S.B. 199 and have spoken with Senator Neal in the interim. We view sections 24 and 25, dealing with application of AI to insurers as dovetailing with our bulletin. We do not believe those sections are in conflict.

SENATOR NEAL:
I respect my opposition, but the unfettered movement of AI without guardrails is not the intent or direction for which I seek to move. I am specifically going after certain values for my constituents in Nevada; we should know how our data is being used by AI systems, and consent to when and how our information will be used by an AI system. There should be accountability and a focus on consumer protection.

I have targeted areas in S.B. 199 that can open doors to cause harm and need conversation. If we examine these issues, and if it involved human-to-human contact, wouldn't we want the same protections? It's interesting that when it

comes to human protections, we don't want it, but still have laws that protect it. When someone gets private information about us, uses it for research and to train their AI model, we need to consider what protections we want. If the contact was human-to-human, we currently have protections.

Unfortunately, we don't have protections on human-to-AI interaction, and there are clear spaces where we need to regulate behavior. We need to regulate these companies, and it won't kill innovation or the ability of an entrepreneur to develop the next new AI model. It will ensure that Nevada citizens—who are not corporations—are protected in certain spaces. I appreciate being given this hearing and listening to the opposition was awesome. I love it and will continue to fight for exactly what I believe in and then move forward.

CHAIR PAZINA:
I encourage those who raised a position today to continue reaching out to Senator Neal to see what we can do before deadline.

I will close the hearing on S.B. 199 and open our final hearing on S.B. 294.

**SENATE BILL 294**: Revises provisions relating to physician assistants. (BDR 54-965)

SENATOR EDGAR FLORES (Senatorial District No. 2):
I'm going to make very brief introductory remarks and hand it over to the experts in the room. I have submitted an amendment (Exhibit N) and want to make sure are all working off the amendment. This amendment is the byproduct of working with the opposition after hearing their concerns. We are casting a much larger net than what was initially intended. We have tried to work with everybody and will continue to work with everybody after the conclusion of this hearing. That is my commitment to you.

Senate Bill 294 is an important step towards recognizing and modernizing the role of the physician assistant (PA) in the Nevada healthcare system. The bill reflects the evolving nature of medical care and acknowledges the critical contributions PAs make every day to deliver high-quality team-based care across our State. The legislation aims to foster stronger collaboration between PAs and physicians and to ultimately improve patient outcomes and expand access to care, especially in underserved communities. To discuss the practical ways the bill will change and

benefit patients, experts Brian Lauf, Domonique Katona and Dr. David Baker will walk you through S.B. 294.

BRIAN LAUF (Associate Professor, Family and Community Medicine/Director, School of Medicine, University of Nevada, Reno, Physician Assistant Studies):
I am the founding program director of the Physician Assistant Studies Program within the School of Medicine at the University of Nevada, Reno. I also serve as president of the Nevada Academy of Physician Assistants. I have been a PA in Nevada for over 27 years. During that time, I have seen just how much our healthcare system depends on flexibility, teamwork and shared responsibility. Senate Bill 294 ensures our laws reflect that reality.

I want to highlight what it takes to gain admission to the PA program; ours is extremely competitive and our acceptance rates are often below 2 percent. Most applicants arrive with more than 6,000 hours of paid, direct hands-on healthcare experience. The average age of our student is 28, and they bring both academic readiness and real-world clinical experience to training. Once admitted, they undergo an intensive graduate level curriculum with 123 credit hours and more than 2,000 hours of clinical rotations across a wide range of medical and surgical specialties prior to licensing.

To be licensed, graduates must pass the Physician Assistant National Certifying Examination and our commitment to competence and learning does not stop there. Physician assistants are required to complete continuing medical education and pass a recertification exam every ten years. This is a rigorous, continuous process designed to uphold safety, professional accountability and lifelong learning. Let's talk about what S.B. 294 does, and I also want to acknowledge that the proposed amendment, Exhibit N, streamlines the bill by trimming repetitive conforming language but doesn't change the core provisions.

I will discuss and focus on the core of S.B. 294, sections 4, 7, 15 and 18, which modernize the scope of PA practice in Nevada. Physician assistants are currently required to have a formal notarized supervisory agreement with a physician, even if the physician and PA don't work together in the same location or on a daily basis. This requirement creates the illusion of direct oversight and doesn't reflect how medical care is delivered in the real world.

In real-world practice, PAs and physicians collaborate as peers. Senate Bill 294 transitions us from the outdated supervisory model to a collaborative model, where the working relationship is defined at the practice level, not by statute. That is how modern team-based care functions today—this is not a theoretical issue. Many well-respected healthcare systems today—the VA, Indian Health Service, the military and multiple states—already allow PAs to practice without the supervisory structure Nevada currently requires.

The outcome of those PA structures includes high-quality care, strong patient satisfaction and improved access. Just as important, our licensing board holds all healthcare providers—including PAs—to the same legal and professional standards. I would like to walk through the sections that I spoke about.

Section 4, subsection 1 defines where a PA can practice: hospitals, clinics, federally qualified health centers, correctional institutions, public health departments and other licensed facilities. This language was added to address concerns that S.B. 294 would allow PAs to open solo practices indiscriminately. This section also requires a collaborative agreement for PA's with fewer than 4,000 hours of clinical experience and allows for an agreement if a PA is changing specialties. When a PA is over the 4,000-hour threshold, they would continue to collaborate but no longer need a formal agreement to be on file with the State Board of Medical Examiners (SBME).

Individual facilities can—and still will—require collaboration through employment contracts, credentialing and privileging processes. This approach is safe, structured and realistic. Section 7 outlines the services PAs are already licensed and trained to provide: evaluating patients—diagnosing, prescribing and managing treatment and critical care. This section does not expand the PAs scope of practice—an important part. It simply adds to the NRS what PAs already do under current regulations. It also reinforces the requirement for informed consent and emphasizes consultation and referral when appropriate. This is patient-centered accountable care.

Sections 15 and 18 essentially mirror the same provisions for a PA's license through the Nevada Osteopathic Board, and ensures regulatory consistency across both pathways—collaboration, not isolation. To be clear, this bill does not mean PAs will practice in isolation. Collaboration is central to PA practice and that won't change. What S.B. 294 will change is how that collaboration is structured. It will put them in the hands of the care team—not tied to a rigid

statute from decades ago. Physicians and PAs will continue to work closely together as they always have.

Senate Bill 294 will reduce redundancy and bureaucracy. It will also protect physicians by removing automatic liability for decisions—placing responsibility on the PA where it belongs. There's broad support. We've heard some concerns from a small number of physicians, but the reality is that most physicians do not oppose this bill; in fact, many support it. Dr. Baker can speak more directly to that when he testifies.

The committee will probably receive letters of support from physicians and organizations who believe this bill will be a responsible, necessary change for Nevada. What's the bottom line? Senate Bill 294 is smart, measured modernization. It removes outdated barriers and expands access to care, especially in the rural and underserved areas. The bill will allow PAs to practice to the full extent of their training without compromising safety, accountability or quality. Thank you for your time and for your ongoing commitment to improving healthcare access in Nevada.

DOMONIQUE KATONA (National Association of Physician Assistants):
We strongly support S.B. 294. As a PA practicing primary care in Nevada for nearly a decade, I have seen how regulatory barriers limit access to quality health care. Nevada's healthcare system is in crisis and requires immediate action and attention. Nevada's national health ranking has recently dropped from thirty-fifth to forty-second This decline is concerning, and we need bold changes to overcome and rise above it. Senate Bill 294 will help modernize outdated language on the physician and PA relationship. Supervisor agreements are unnecessary, time-consuming and costly and do not reflect the collaborative practice relationships between healthcare providers.

This bill will break down barriers that interfere with the PAs ability to use their education, training and experience. Our organization has prepared documents that show comparisons of our education to that of physicians and nurse practitioners.

What is the outcome of this bill, should you support it? It will strengthen Nevada's healthcare workforce and make Nevada a favorable landscape for PA practice—now comprising only 10 percent of Nevada's healthcare workforce. Compare that percentage to 28 percent of advanced nurse practitioners and 61percent of physicians who are in the healthcare workforce. Over 40 percent of PAs in

Nevada work in primary care. Of those, 7 percent work in rural and frontier counties compared to only 4 percent of nurse practitioners and 4 percent of physicians who work in those areas. This data proves that PAs are more likely to serve our most vulnerable patient populations.

National evidence reflects that regulatory changes supporting advanced practice providers are associated with increased access to health care in rural and underserved areas. Sure, a few physicians have expressed various issues and have attempted to restrict a practice authority, but despite what you may hear later today, many physicians acknowledge that PAs provide quality care. A recent national survey of 999 physicians found that 86 percent of physicians believe PAs can help expand access to care and 68 percent of those physicians support modernizing PA laws and regulations to ease provider shortages and reduce patient wait times. A Harris Poll survey of more than 2,500 U.S. adults found that 90 percent believed PAs are trusted healthcare providers.

Some physicians believe that PAs are trying to uncouple their working relationship which would harm patients. They question our competency due to a lack of residency training. They believe PAs will practice outside of their scope—known as "scope creep." Some physicians think this bill will allow PAs to open practices throughout the State. Most PAs, like physicians, want to do the best for their patients. Like physicians, PAs are held to the same standard of care and must conform to the same laws, regulations, and medical training and knowledge.
The longer a PA works in their field alongside physicians and other healthcare providers—the greater their knowledge and continuing education—the more versatile and proficient they become. That solid medical foundation and clinical experience make PAs valuable for treating less complex patient cases so physicians can focus on treating our aging populations with complex medical issues. A physician-led approach to patient care in Nevada is not as it seems in real life. Physicians in primary care are overwhelmed with the number of patients they see and may rarely check in with their PAs outside of the requirements to satisfy the SBME.

Physician assistants often work autonomously, managing a panel of hundreds of patients in all aspects of care. The PA's relationship with a myriad of providers across different specialties results in the best patient outcomes. They will consult and refer patients to various physicians when necessary, and when it is beneficial to the patient. Current State laws already permit PAs to open their own practices, and there are those that have chosen to do so.

Prior to 2022, Medicare allowed PAs to own 99 percent of their practice. Medicare now allows PAs to own 100 percent of their practice, reflecting trust and acknowledging cost savings. When physicians say that PAs are not competent, educated or smart enough to care for patients, it could be based on their own personal experience, not the overall data. There are certain risks associated with caring for any patient, but no data shows that PAs create more harm to patients than physicians. In fact, the number of disciplinary actions imposed on PAs by a medical board reflect safe practice.

The National Board of Medical Examiner (NBME) has taken disciplinary actions against 48 PAs and 692 physicians since 1988. This translates to actions against about one PA and 18 physicians per year. The Nevada Board of Osteopathic Medicine has taken disciplinary actions against 8 PAs and 159 physicians. The value of PAs has been proven time and time again. Nevada must remove restrictive supervisory regulations to give patients the care that they need. This bill is a step toward a more efficient, collaborative healthcare environment. I strongly urge you to support this bill.

DAVID BAKER (Chief Medical Office, Carson Tahoe Health):
I wear two hats in Carson City. First, I am a cardiologist who has been practicing for about 20 years. I have seen the medical community here grow dramatically and the number of PAs explode. My second role is the chief medical officer for Carson Tahoe Health (CTH) for the past two-and-a-half years and have seen the administrative view of PAs in the market. From a clinical standpoint, PAs and other advanced practice clinicians (APCs), are a huge part of how we manage clinically. They are well trained, educated medical providers. I am not belittling physicians at all; I'm one myself. I went through medical school and six years of training to do what I do. I am better trained than APCs and have a responsibility level that come with that training.

When APCs and PAs come to us, we understand we have a better level of training—[that is] huge when we work collaboratively. You take somebody with good skills and training and shape them. As physicians with CTH, we are judged on how many patients return to our hospitals after being discharged for chronic obstructive pulmonary disease (COPD) and heart failure; our return numbers are pretty high. We recently had a PA develop a congestive heart failure clinic through CTH. We also have a COPD clinic through CTH developed by a PA. These hugely successful clinics have kept people out of the hospital.

These clinics help our sickest patients at their sickest times. They are run by PAs as a collaborative model with cardiologists and other providers and have dramatically decreased readmission rates to CTH below national averages. When employed appropriately, PAs are a huge part of the healthcare system. From an administrative standpoint, I deal with the recruitment and retention of physicians. If we had physicians relocating to Nevada left and right, it would be a different story, but we now rank at the bottom for physicians in Nevada. We simply couldn't do what we do in this community without APCs and PAs.

When I joined the Carson Tahoe Medical Group in 2010, there were only ten of us—a bunch of cardiologists and some internists. We have since grown to about 120 providers, and half of our providers are APCs, PAs and nurse practitioners (NPs). They are represented throughout our organization in primary care, and in surgical and medical specialties. They work hand in hand, collaborating with physicians, and allow us to provide health care to this community. Otherwise, we would be unable to do so.

The supervision aspect of PAs is punitive to them and their supervising physicians. I have five PAs on my license and am required to review 10 to 12 charts a month while collaborating with them on patient care issues. When you work side by side with PAs, emergency room providers, hospitalists, surgical and cardiology providers, you have one-on-one interaction in a collaborative system. The care is phenomenal, and you can help shape PAs into fantastic providers.

There is concern that PAs will form their own clinics and practice on their own. I don't think S.B. 294 allows that, and I don't know any PAs who are interested in doing that. The vast majority of PAs and NPs finish their training and seek to work where they are supported by physicians. At CTH, we have done a fantastic job of developing a system that allows PAs to practice autonomously and in a protected environment that allows them to grow and have backup when needed.

SENATOR SCHEIBLE:
We have been discussing this issue at the Legislature for a couple of years. If we pass S.B. 294, how would we compare to other states? Would PAs in Nevada have more autonomy or less autonomy? Is there a different way to compare what their practice area would be like compared to other states?

MR. LAUF:
Each state has its own statutes guiding autonomy. It would not change what we're currently doing in Nevada except for removing the requirement for supervision. In other states, there are a variety of different models. Some states require 4,000 hours for a collaborative model. Other states require 6,000 to 10,000 hours and PAs are completely independent practitioners with no connection to licensure and oversight boards. There is a wide spectrum.

SENATOR SCHEIBLE:
What if I went through school to become a PA, and wanted to go out on my own, start my own practice, not be supervised by a physician and was looking at a variety of different states. If we passed S.B. 294, would Nevada become one of the easier or harder states for me to accomplish that goal?

MR. LAUF:
Each state would have a different answer. Section 4 of the bill specifies where a PA can practice, and our intent is that PAs may only practice in the facilities listed. That would give the SBME a clear idea of where a PA could function.

SENATOR SCHEIBLE:
You mentioned that other states require PAs to complete a certain number of hours—under supervision or in collaboration—before they are allowed to practice on their own. Do I understand that correctly? Does Nevada currently have an hour requirement? Would S.B. 294 change that requirement? Does this allow for practice without supervision regardless of the number of hours already completed?

MR. LAUF:
Once a PA has completed 4,000 hours of required collaboration, they would no longer be required to submit [a supervision agreement] to the SBME; they would continue to be collaborative.

The facilities discussed by Dr. Baker, listed in section 4, often mandate collaborative employment agreements and it's defined differently in a surgical practice setting. I would likely work hand in hand with a physician every day in a primary care family practice; I did for many years. Then, I rarely interacted with the physician. Sometimes the physician approached me to ask my expert advice on things they had no expertise in.

SENATOR SCHEIBLE:
I appreciate that context. I am now looking at the amendment. We're removing a lot of sections—14, 17, 29 and 35. Can you provide a broader overview of PA duties we are removing through the amendment? There are 20 different sections that you are proposing to remove.

I am not asking you to go through each and every one of them—just paint in broad strokes the overall theme or important ones. If they are particularly important, help us understand the thrust of the amendment and how they change S.B. 294.

MR. LAUF:
When the initial bill was drafted, it looked to add "physician assistant" in all areas where we use a physician or an NP. It's not necessary to add the PA language to continue what we are currently doing without supervision. For example, there's a provision that allows a PA to sign off on someone who has epilepsy—to give them the ability to … with licensure—that does not currently exist. We don't want to expand the scope of what a PA does. We want to continue doing what we are doing by removing the supervision component.

MS. KATONA:
To add to your first question, Senator Scheible, do you want some information to gauge if a flood of PAs will be coming to our State to practice independently? I don't feel that would be the case. We are anticipating that PAs would have a more seamless transition and consider relocating to Nevada to practice—but not necessarily independently, because few PAs actually do that. As Mr. Lauf mentioned, we are not trying to expand what we do. We're just trying to narrow and remove administrative burdens. After a certain number of hours when there is no supervision—which is how it is in real life—we aren't held to constraints of where we can practice. If medical services are needed in a rural community where there is no physician available, and we are unable to form a relationship with a supervising physician, those areas end up having no providers at all. This has happened on numerous occasions.

CHAIR PAZINA:
Hours of experience are important in S.B. 294. Do hours of experience only count if the PA is practicing and meeting with an individual who comes in for diagnosis or treatment? When they are collaborating with a doctor on a patient—or does it count for both? How are hours of experience determined?

MR. LAUF:
The hours count if a PA is collaborating with—and working in—a practice setting with a physician. That could be with a surgical practice, cardiology or with a different kind of physician. The 4,000 hours would be in a practice setting with the PA and physician functioning together.

SENATOR ROGICH:
Does the PA receive informed consent so the patient understands a collaboration agreement is in place—or if the PA works for an independent practice without physician supervision?

MR. LAUF:
The provision on informed consent is in section 7, and the PA would be required to inform patients of who they are and what their work situation is; they are not required to do that right now. They are currently identified as a PA through signage, identification on their work badge or in some other way. The PA is required to gain informed consent from their patients.

MS. KATONA:
During the Eighty-first Legislative Session, informed consent was emphasized and has been executed. Over the past two years, PAs fully inform patients with their work badges. The PA can also use chart notes, and verbal and written documentation to make the patient aware they are a PA. Should this legislation be passed, the extent of working more autonomously and collaboratively with a physician can be included in the bill as necessary.

SENATOR ROGICH:
I am still confused as to whether PAs will be independent or not if this bill is passed. I understand your current situation, but what happens after 4,000 hours? Will you be providing or receiving informed consent from patients?

MR. BAKER:
Speaking from personal experience at CTH, whether a PA completes 3 hours or 3,000 hours, it doesn't necessarily change our collaboration with them. When PAs first arrive, they're a little green, and we may have more intensive interaction with them. If they have completed 3,990 hours already and have now completed 4,001 hours, it doesn't change anything.

The PA will still collaborate with the physician and medical community. The PA will have the backup of their immediate collaborator or another physician who may be more specialized. The PA will be alone in the room with the patient. The PA will see the patient autonomously, and if they have questions or issues will collaborate with the physician; we constantly share patients. When you have a patient that comes from another physician, PA or NP, you review their care over the last few months. If issues come up, or you notice something with a provider, it doesn't really matter what initials the provider has after his name. There's an entire credentialing system and the quality departments home in on certain providers who have issues; they can focus more education there. A PA practices autonomously, as they are alone in a room with the patient. They also make decisions alone but collaborate within the larger system.

SENATOR ROGICH:
There was testimony that if we move forward on this bill, a PA would be able to open their own practice in rural communities. How does it work if you are not working in a facility?

MR. LAUF:
The informed consent requirement does not exist in S.B. 294—we can spell out the informed consent part to make it as clear as possible. I don't think that PAs are trying to market themselves as something they aren't. If that is a concern, we can find ways to address it. As Dr. Baker mentioned, PAs don't usually open their own practices. When that does happen, the PA is still accountable to the NBME. They would also have to adhere to regulations, whether there were 16 physicians in the clinic or not.

MR. BAKER:
The stand-alone clinics in a rural community may be an issue, but the vast majority of PAs out of training are looking for employment opportunities where they can work with physicians. I have worked with PAs for 20-plus years, and they know their education is different than mine. They know physicians have had more education and training than they have. They are also aware they are held to the same standards [of care] when it comes to a medical board or a court of law.

Physician assistants are interested in maintaining collaborative relationships with physicians—it is a safety net for them. There have been a couple of PA outliers I've worked with, but the vast majority are looking for a collaborative physician arrangement for the entirety of their career.

SENATOR ROGICH:
My position is more from the patient's perspective—understanding the role of the PA and the fact that there is not a physician in the facility while practicing medicine and receiving treatment.

MS. KATONA:
Even a PA working in their own clinic will still reach out to physicians to assure that patient care is fulfilled. It's not like they are isolated and making all medical decisions for a patient. In primary care, I have sought out the advice of many physicians, including hematology, all of them. If I have a patient diagnosed with cancer, I am fortunate enough to be able to text a physician I have formed a good relationship with and get the patient in the same day for further care. We still rely heavily on these relationships to give our patients the best care—be it in a clinic with several providers, or on our own in the middle of nowhere.

MR. BAKER:
The level of collaboration between a physician and a PA is site-specific. If you're in a primary care clinic, not many bad things can happen. That would be considered a lower patient care area, and you may have a physician in the building that you can call. If you move into urgent care, it will get a little bit hotter. If you work in the emergency room, physicians are available 24/7, 365 days a year, to supervise patient issues.

It's the same thing with inpatient care. There will always be a physician around to see a patient when needed. There are also specialty care issues. If you pop over to the cardiology clinic, there will always be a physician available. A patient may be seeing a PA or nurse practitioner, but if something is going on, a physician can step in and take care of the patient. The vast majority of PAs work in that role. A PA working in a small rural clinic in Tonopah is a whole different issue, but the vast majority of PAs will be employed in a collaborative system.

CHAIR PAZINA:
I would like to turn the meeting over to our committee counsel, who may also have an answer based on the amendment.

JEFF KOELEMAY (Committee Counsel):
I will preface my comments by saying I haven't had time to review the provisions of the entire amendment in great detail. We are talking about a voluminous number of sections. As to the question about opening a practice or hanging out

an independent shingle, existing section 4, on page 7 of the bill, limits a PA practice to specific types of facilities. Section 4, subsection 1, paragraph (f) says "Any other location authorized by the regulation of the Board." The third bullet point of the amendment prohibits the SBME from adopting regulations that authorize the PA to hang out a shingle, unless the regulations also require a physician to be part of the medical practice. That seems to be what the third bullet point is reaching for.

SENATOR DALY:
You have mentioned sections 4 and 7 of S.B. 294 a couple of times—as being a potential limiting factor. There are quite a few places where you said, a physician or a PA is going to know where he can practice. Where on this list are the places where a PA can't practice? You only discussed one exception that's in regulation now because the regulation would have potentially allowed it. Under the new language, where can't a PA practice? It seems pretty broad to me.

MR. LAUF:
I am not sure I can answer that specifically by interpreting the words the SBME uses. I would defer to the SBME to determine what that means in terms of a PA practice. We aren't asking to change or expand on what a PA does.

SENATOR DALY:
Your testimony was that PAs would know [where they can or can't practice], but we don’t know. One of you said that you're not trying to expand on what you do, but the language red-lined in section 7, subsection 2, paragraphs (a) through (k) describes what a PA can or can't do. Does it depend on what the physician allows? Sections 3 and 4 also give guidance. I'll ask the question in reverse—what can't a PA do now? It seems like they can basically do everything a doctor can do.

MS. KATONA:
The difference is in the transparency. We want to be more transparent in how PAs assist the healthcare workforce alongside physicians—based on our training, experience, specialty and our relationships with physicians. We want to be transparent with what we can do within a certain specialty or within the scope of practice for a particular specialty. The information provided in section 7 of the bill is not outside of that scope. For clarity, we should allow people to see all of the things a PA is currently doing—things physicians who have worked with us are allowing us to do. We are not trying to expand on that.

SENATOR DALY:
You have added what is new from the existing language, and the rest of section 7 is also new. The way I read the new paragraph is that a PA is pretty much limited to their supervising physician's confidence in what they can do. It has to be within their scope—all the stuff in the PA's background—and there is additional language on what that is. The amendment just says a PA can't do something if it's not within their scope. It seems like it is expanding to me, but that's just my view.

MR. BAKER:
Much of what you are referring to is mandated by the credentialing department of the hospital. Can a PA assist in surgery with a surgeon there? Yes. Can they do the surgery solo? No. Can they do imaging if they are not trained? No. Can they do cardiology, pacemakers and stents? No. Can they refer people for these services? Can they manage them? Yes, but they can't do the actual procedures. The credentialing system determines what they can and can't do, and if it's a specific procedure, the answer is generally no. They are not trained to do those kinds of procedures.

SENATOR ELLISON:
What is the difference in the timeline from where you guys are now to becoming a doctor? There seems to be quite a difference—like between a pilot and an astronaut.

MR. BAKER:
Speaking from a physician's standpoint, it's not that comparable. In the first two years of medical school, the bookwork involved is probably worth a master's degree outside—you put in a massive amount of work there. The second two years of medical school—your last two years—include 50 to 60 hours of supervised training in a variety of clinical specialties. You are awarded the status of medical doctor after your name, but you still can't practice medicine. You have to do a 3- to 10-year residency or fellowship program first. It's massive.

I'm not arguing that a PA or NP has anywhere near the level of education or training from a physician's standpoint. When you work with an APC, you recognize their importance and the training that has helped them develop skills to practice medicine. That would be for a fresh graduate who has completed the first 4,000 hours of training. When a PA hits 4,001 hours, you teach them how to practice medicine. It never ends. That's part of being a collaborative health team and, truthfully, I can't do a lot of the stuff I do without PAs and NPs. For

example, our heart failure clinic is run by a PA. I could not do the vast majority of other things I do without a PA's help. They are very well-trained and skilled in a collaborative setting and are phenomenal caregivers.

MR. LAUF:
Physician assistants and physicians do not have equal education or skill sets. That doesn't mean they can't perform some of the same tasks and skills in clinical practice. Physician assistants are proven, safe caregivers for what they do. They are not attempting to be physicians.

CHAIR PAZINA:
I just realized—it appears our legal staff was given a different amendment than what is posted online on NELIS and what the committee has in front of them. We will need to get to the bottom of which is the correct amendment.

What's broken in the medical system? What's so broken in Nevada that we now need S.B. 294 to fix it?

MR. BAKER:
We desperately need healthcare providers in the State. What is broken in the system is the PA discipline. I currently have five PAs under my license so I have to review X number of charts and check off X number of boxes. I have to meet with them routinely for collaboration that is relatively watered down. The power of how we can supervise and collaborate with them for the rest of their careers—that's what we do, at least at CTH. The real issue is when you are trying to find a PA to assist a primary care doctor or assist in your GI department. I first have to find a physician that will agree to do the supervision.

The reason I supervise five PAs is because I can't find [other] physicians to supervise them. If I get hit by a bus tomorrow, five health providers wouldn't have a job. They wouldn't have a provider to oversee them and wouldn't be able to practice medicine. Our current laws make it much harder to employ a PA. If I'm considering hiring a PA or a NP in primary care, and the PA has 15 years of experience while the NP is fresh out of school, I would have to hire the NP because there is nobody available to supervise the PA. The laws are punitive to the PA profession and hard on the healthcare systems and the physicians who agree to supervise them.

MR. LAUF:
You asked a question I was hoping someone was going to ask. We have students, some who are here today, and these students are going to look at other states where they can best practice. Our State will be exporters of the clinicians we are training here because we are not in step with the modernization of laws in our region. Some of that information was provided, but it's about ensuring that the students we are training stay here and keep them here to take care of other Nevadans.

MR. ROUZARD:
We urge you to support S.B. 294, which takes transformative steps forward for the regulation of PAs' practice in Nevada. This bill reflects the evolving landscape of healthcare delivery and emphasizes the need for flexibility, autonomy and expanded roles for healthcare providers. This bill meets the growing demands of our diverse patient population. One of the most significant aspects of the bill is to remove the requirement for PAs to be supervised by a physician. This change is progressive and necessary as it empowers PAs to practice to the full extent of their education, training and experience.

This will open the door for greater access to health care, particularly in underserved areas where physician shortages remain a persistent challenge. Physician assistants play a critical role in the healthcare system. This legislation recognizes that PAs are fully capable of making medical decisions and providing high-quality care without unnecessary supervision. The bill maintains a balance by ensuring that PAs with less than 4,000 hours of practice experience enter a collaborative agreement with physicians. This will provide a level of mentorship and oversight for those who are relatively new to the field. The bill also includes provisions that allow PAs to sign documents, provide certification and endorse medical decisions typically reserved for physicians.

This legislation acknowledges the critical role PAs play in ensuring continuity of care and operational efficiency, as heard today. This flexibility reduces administrative burdens on physicians and ultimately contributes to a more streamlined and effective healthcare delivery system. Our activists are in the overflow room, and we urge you to support S.B. 294—a forward-thinking piece.

ADAM SERFOSS:
I am a fourth-generation native Nevadan, a United States Marine Corps veteran, a current PA student and the president of the class of 2025 set to graduate this August.

I strongly support S.B. 294. I have lived in many of our rural communities: Tonopah, Dyer, Gardnerville, Ely, Fernley and Winnemucca. I have firsthand experience of the severe shortages of healthcare providers, lack of access and the barriers our communities face with health care. My direct exposure to these experiences drove my passion to pursue the PA profession.

The passing of this bill affects the future for me and my fellow classmates as we rapidly approach graduation and answer the call of our State's health needs. My goal is to return to the communities that raised me and alleviate their barriers to health care. Restrictive laws currently limit our ability to practice to our full scope. This hinders our ability to serve, and places additional burdens on low budget, underserved communities that desperately need comprehensive care. Many of my fellow colleagues—me included—have considered seeking opportunities in neighboring states who have already passed similar legislation.

When I was deployed to Afghanistan, our sole medical provider was a naval PA who provided critical care to us and allied troops under the most challenging combat conditions. If a single PA can deliver lifesaving care and combat to our nation's finest, our State should not deny our qualified professionals the opportunity to fully serve Nevadan communities to the fullest extent of their training. Nevada is currently ranked forty-first in healthcare access—our future in Nevada is limited. This bill will improve access to quality care, retain our talent by ensuring Nevadans—like myself—stay in Nevada and ensure our communities receive the medical support they deserve.

CARMELA DOWNING (Nevada Academy of Physician Assistants):
I am a PA who works in Carson City. Current law requires PAs to be supervised under a physician—for life. Senate Bill 294 relinquishes the paperwork to make it easier for us to be hired and practice. Current law does not reflect what is actually happening in the field. Now, PAs are supervised if a patient sees two different providers; the second provider is basically reviewing the first provider; and a physician working in a rural area will reach out to other specialists as needed.

The days of a physician making all diagnoses is over—medicine is just too big. We constantly read each other's notes and collaborate and call each other. I work in cardiology and regularly contact PAs and NPs in rural communities. Physicians also seek out my advice, and I seek out theirs too. The bill will change the administrative burden for employees that currently restricts us from rural care.

I have been involved in recruitment and onboarding of PAs and NPs. The extra administrative work makes hiring a PA less appealing than hiring an NP or physician. I will highlight a personal work-related issue that underscores our need for S.B. 294. My current supervising physician is Dr. Basil Chryssos. He's a recent recipient of a heart and kidney transplant and is recovering very well.

However, if he becomes incapacitated or worse, I would not be able to practice medicine until I secured another physician's license to work under. My 16 years of experience as a PA and 12 years of experience running a CHF [congestive heart failure] clinic would mean nothing. I would essentially be forced to abandon my patients until I could complete the proper paperwork. This is the reality and should not exist in our modern health care system. Senate Bill 294 aims to amend this, and I humbly ask you to support it.

MR. DIAZ:
On behalf of The LIBRE Initiative, we support S.B. 294 that proposes significant reforms to the practice of PAs in Nevada. This bill aims to modernize PA regulation by removing outdated supervision requirements and aligning PAs to practice with a team-based care model determined at the practice level. The Latino community in Nevada faces significant challenges in accessing timely and culturally competent healthcare services. By eliminating unnecessary supervisory constraints, this bill would enable PAs to provide care more independently, thereby increasing the availability of healthcare providers in underserved areas where many Latino families reside. Supporting S.B. 294 will help remove barriers that have historically limited healthcare access for the Latino community in Nevada. This legislation represents a crucial step toward a more effective healthcare system and addresses the needs of all Nevadans.

MELISSA VEIL:
I have been practicing in Northern Nevada for ten years as a PA; mostly in family practice, with two sessions in specialty care. There are a lot of reasons to support S.B. 294, but I will focus on access to care in rural communities and specialty care. With PAs, our main focus is clinical care. This allows board-certified

specialists to provide procedures to patients. I currently work for a gastroenterologist and assist with colonoscopies and endoscopies. These tests increase access for colon cancer screening and other needs. I also worked in pain management, which allowed physicians to do procedures like ablation to increase quality of care. I support S.B. 294.

LEILA BERG:
I was recently hired as a PA in a clinic located in a rural area. It was the only clinic for miles for an underserved, mostly Spanish-speaking population. After graduating, and during my first 4,000 hours of PA work, having a doctor available for a second opinion for my complex patients was crucial, even though I was seeing the vast majority of them without the intervention of a supervising doctor.

After six years of postsecondary school, and two years of experience treating patients directly, I had the requisite experience to treat 99 percent of patients. I also knew when I needed to refer or consult on a patient for the last 1 percent. This bill is about the supervision of PAs. The word "supervision" suggests supervising a small child and watching them closely, and this is never the case with a PA. Doctors can supervise three PAs at a time unless they consult with the SBME, but the supervision requirement is hard on the doctor.

The doctor is not entering the patient's room unless the PA requests assistance. They're not supervising every action the way you supervise a small child; they are available to assist with complex patients. I'm sure there will be doctors who testify in opposition to this, but ask them how they supervise their PAs, especially those with experience. I expect them to say that for 99 percent of patients, their supervision is very low and for experienced PAs, not at all. It is often more feasible to consult with other APCs who may not be physicians.

Now back to my rural job. After six years of postsecondary school and eight years of practice, I was still required to have a doctor supervise me, which the clinic couldn't find or afford.

DORA MARTINEZ:
Thank you for bringing this bill.

LUCIA SANCHEZ LEE:
I am a PA with five years of experience in primary care. I had the privilege of serving medically underserved communities in a federally qualified health center

and have also provided care to the geriatric population at assisted living facilities in Northern Nevada. Throughout my career, I have experienced the challenges posed by restrictive laws in NRS 630.275, which mandates a written collaborative agreement between the PA and a supervising physician. These regulations have impacted my ability to deliver efficient care—they should concern you also. Given Nevada's existing shortage of medical providers, it is essential that we work together to dismantle the barriers that impede access to health care for the people of our State.

As in other states, Nevada PAs are required to form a professional relationship with a physician under a supervisory agreement, allowing the PA to practice medicine in alignment with the scope of their physician. The statute requiring the PA to be tied to one supervising physician puts the PA at significant risk of losing the ability to practice should any disruption occur in their supervisory relationship. The supervision is required even though a PA is highly educated, thoroughly trained and continues to gain the experience necessary to provide safe competent care.

They also engage in collaborative practices with other members within their team, including physicians, NPs and pharmacists—among others. I have personally faced several disruptions in my ability to practice medicine due to the supervisory agreement mandate, which caused negative consequences for the patients. After several years of doing PA work and more than 4,000 hours of clinical practice, I was suddenly unable to work when I lost my supervising physician. Without an active supervisory agreement currently required by *Nevada Administrative Code* 630.380, I was at risk of disciplinary action by the SBME for performing duties I had successfully carried out for years. Consequently, I was unable to practice clinically while navigating the licensing process with another medical board …

CHAIR PAZINA:
It's been over two minutes, because we want to get in as many callers as we can. We would love to have your testimony provided to our committee secretary for the committee to review.

CORY WHITLOCK:
I am a PA certified in the State and hold my doctorate in medical science, with a focus on healthcare administration. I emphatically support the passage of S.B. 294—critical legislation that will greatly benefit the health and well-being of

Nevada communities. I will echo the sentiments of my colleagues and say ditto to 99.99 percent of what they've said already. This bill aligns Nevada law with current practice realities, both here and in numerous other states. Similar legislative language has already been adopted and passed in many states: Utah, Montana, Wyoming, Iowa, New Hampshire and Maryland. Physician assistants have thrived in environments where supervisory barriers have been removed including the military, Veterans Administration and Indian Health Service. The Legislature meets every two years, and failure to act on this legislation will put us further behind and put Nevada's health care at risk. Please support S.B. 294.

TIM MCFARLAND:
I have been a PA for 26 years and support S.B. 294. This bill will allow experienced PAs to provide patient care without the direct supervision of a physician. I currently practice telemedicine in Utah, Idaho and Montana. During the pandemic, my telemedicine practice also included Nevada. I currently maintain a 24/7, 365 days a year practice. This allows people to call for medical care in the middle of the night, weekends, and at other times when their primary care physician can't see them. It helps keep them out of the expensive emergency room.

The passage of Utah's PA Practice Act that removed the supervision language is an example of successful legislation to improve patient access; many neighboring states have made similar changes. This change has decreased cost and increased access to care by PAs in our practice. During the pandemic, our PAs successfully cared for patients in Nevada, without physician supervision and without incident. Unfortunately, at the end of the pandemic, those privileges were rescinded. The NPs in our practice can no longer provide any care in Nevada.

Physician assistants in our practice can treat patients in Utah, Idaho, Montana and Wyoming without physician supervision, and we want to resume that service in Nevada. There are some who argue that S.B. 294 is unsafe for patients, but the evidence and our own practice experience reflect that PAs provide safe and competent care, even in unsupervised practices.

A New Hampshire bipartisan legislative committee was created to research physician assistants—New Hampshire HB 1222, Chapter 264 [resulted] November 1, 2024. The summary found that PAs are rigorously educated, trained and licensed healthcare clinicians who practice medicine in every specialty and study. They also …

CHAIR PAZINA:
You are over two minutes. We appreciate your testimony and ask that you provide anything you shared today in writing to ensure the whole committee can read it. The committee has received two letters in support of S.B. 294 (Exhibit O).

We will now hear testimony in opposition of S.B. 294.

BRETT FREY (Nevada Board of Medical Examiners):
I am vice president of the SBME. We oversee 14,000 physicians and 1,700 PAs and are opposed to S.B. 294 as written, even with the conceptual amendment. We deeply value the PA community.

The mission of the SBME is the preservation of public health trust. We verify training and testing on behalf of citizens and NRS 630 to ensure a certain standard of health care is provided to Nevadans. Trust also means that independent practitioners have achieved important competency milestones. This is a special contract the SBME holds dear and takes quite seriously. We are quite concerned that S.B. 294 allows hours worked as a proxy for competency. Four thousand hours of work constitute competency, and we believe this sets a dangerous precedent.

By the time physicians have completed their training, they have 20,000 hours of bedside work. We believe 4,000 hours is a very low bar, and there's no additional evaluation of competency after the final PA exam. Section 4, subsection 3 allows a PA to change from one specialty at 3,000 hours to another specialty after an additional 1,000 hours and independently practice in the specialty they finished with—that's how I see it. We're not concerned about the acute care setting—that setting is well structured. We are concerned about the ambulatory setting—so-called medi spas and cosmetic procedure outfits. Those places are the bane of the Board's existence, especially when people are not operating to scope and causing significant harm. Trust me, we adjudicate these cases every day at the Board level. The way I read S.B. 294, it does not give the protections Nevadans need when it comes to opening a clinic in an ambulatory setting ...

I submitted my written testimony (Exhibit P).

SENATOR PAZINA:
It's been two minutes, but you can submit your written comments to our committee secretary so we can review them.

MR. ADASHEK:
I am president of the NSMA [Nevada State Medical Association] and a high-risk pregnancy specialist. The NSMA opposes S.B. 294. To provide background, I have practiced in Las Vegas for almost 30 years. I opened my own high-risk pregnancy practice about 25 years ago, and we now have 9 physicians and manage 30,000 patient visits a year. I'm not here to badmouth the care given by PAs; as with doctors, there are good ones and not so good ones. Many PAs are just as smart as any physician, and I've had nothing but good interactions with them in practices where they have a supervising physician.

One problem we have seen is when a PA is not directly supervised by a physician, they order unnecessary tests and bring in consultants—like interns and residents that have 4,000 hours of clinical work. They have a fear that something may be missed, resulting in unnecessary orders for tests and medication. We have seen other problems in our practice when a patient has seen a PA for a cold or viral infection and are prescribed antibiotics because prescribing medication is much easier than reassuring a patient. Opposing this bill will not result in more medical expense to the patient.

JOHN HARDWICK (President, Nevada Chapter, American College of Emergency Physicians; President, Washington County Medical Society):
I am an emergency physician, born and raised in Reno, Nevada. I'm going to echo some of the statements made today and agree with the statements that Dr. Baker and some of the PAs in support of S.B. 294 brought up.

We agree there is a very wide discrepancy in training between a physician and a PA, and that collaboration is absolutely imperative to ensure a good patient outcome. This isn't a discussion about if PAs are good at what they do—they are. This is about preserving a team-based model that works. Medicine is complex and collaboration is not a weakness—it is an asset, a safeguard. We should be strengthening the PA and physician partnership, not dismantling it. We heard from support testimony over and over and over about the importance of collaboration. Why do we want to dismantle the regulatory framework that codifies and protects this collaboration? If it's essential, why are we taking down these guardrails?

It's wishful thinking that once we remove these guardrails, PAs will do the right thing and continue to collaborate with physicians, and hospital systems will do the right thing and ensure there is oversight of PAs. That’s wishful thinking and this bill does nothing to address it. I urge you guys to consider the consequences

of this bill. I want to keep working together with PAs, not apart. Let's not just hope for the best, let's ensure we have ongoing teamwork and collaboration between physicians and PAs.

MS. NGUYEN:
We had quite a few physicians waiting online to testify for about four hours, but they had to get back to their patients. Dr. Bayo Curry-Winchell, who will testify later, was a PA before she went to medical school. The NSMB strongly opposes S.B. 294 because it removes the strict requirement of physician supervision of PAs with the ambiguous, looser arrangement of collaborative agreements. Under the lower standard, the bill removes the physician from patient diagnosis and treatment by allowing independent practice, once a PA has completed 4,000 hours.

Our fundamental objection is that the training of doctors and PAs is simply not comparable. Physicians have four years of medical school training versus two-to two-and-a-half years for PAs. Physicians must then complete a three-to seven-year residency, while PAs have no residency requirement. Finally, physicians have completed at least 12,000 to 16,000 hours of clinical care while PAs only complete 2,000 hours. The training shouldn't be equal as they are not equivalent professions. I don't want to denigrate our PAs but recognize how the PA occupation is intentionally not meant to be equivalent.

Physician assistants are trained to assist physicians, not replace them. Their role is to extend physician capabilities by functioning within an interdisciplinary team under the supervision of a medical doctor. The very nature of their training and scope of practice is designed to complement—not replace—the expertise and judgment of a doctor. Remember that PAs are not differentiated healthcare workers meaning they can literally move from a medical to orthopedic practice only through apprenticeship positions. Senate Bill 294 equates 4,000 hours of collaboration to the training of a fully qualified physician. This risks patient care by allowing PAs to make critical medical decisions without the necessary depth of education ...

CHAIR PAZINA:
I'm sorry—I appreciate your testimony, but it's been two minutes. You may finish up and provide your comments to the committee secretary but finish quickly.

MS. NGUYEN:
Allowing facilities to determine whether collaborative agreements are necessary compromises patient care. In the current healthcare environment, major health systems and private equity are buying so many healthcare systems. You do not want economic decisions to override patient care and safety.

JESSICA FERRATO (Nevada Society of Dermatology and Dermatologic Surgery):
For the sake of brevity, I will echo the comments made today. There's been a lot said about the training requirements of medical doctors compared to a PA; I'm not going through all the hourly requirements. Physicians and PAs have long worked together to meet patient needs, but S.B. 294 eliminates physician-led team-based care by allowing PAs to practice independently. Although all members of the healthcare team are important, their roles are not interchangeable. The best and most effective care occurs when a team of healthcare professionals work together with complementary—not interchangeable—skills.

LANDON HESTER:
I am a resident physician in psychiatry. I've had the privilege of working with PA students during rotation, and they've been hardworking, smart, engaged and diligent students. My testimony is not about the character of PAs or how hard people are working. As previously mentioned, the educational system of medical residency is very rigorous for a reason. The investment [should be] in medical education and the progress being made to educate our providers, instead of hiring medical providers from other states.

Psychiatric and mental health care are very complex. These diagnoses are not simple, and drugs can have substantial side effects. There are serious safety concerns in using providers who don't have four years of residency in the field after they have completed four years of medical education, moving toward that sole practitioner model. There is already a collaborative practice structure in place. If S.B. 294 is passed, there could be economic pressures that could lead to hospital physicians working in a supervisory capacity or signing collaborative agreements that won't provide the same patient safety standards we currently have.

DAVE DAZLICH (Nevada State Society of Anesthesiologists; Nevada Orthopedic Society):
For the sake of time, we will simply ditto the concerns that have been heard at the table today and will submit more comprehensive comments in writing.

MR. SCHNEIDER:
Ditto.

MS. KOCH:
We oppose S.B. 294. We believe that access to care is not the same as quality of care. We support continued collaboration with our wonderful colleagues.

NEHAL NAIK:
I am a board-certified emergency physician and serve patients throughout the Las Vegas area. I express my strong opposition to S.B. 294. This bill will allow PAs to independently practice after 4,000 hours of clinical work. Individual groups or hospitals may decide to create collateral agreements, but they would not be required.

If this bill is passed, you may be treated in the emergency department and only see a PA, especially in our rural areas. The majority of states don't allow independent practice for PAs which this bill supports. For example, section 2, subsection 5, paragraph (a) states that only "a physician or psychiatrist" can place patients under a mental health crisis or legal health hold. This bill will allow PAs to do so.

As an emergency physician, I frequently see the situation when treating patients in mental health crisis frequently. I take this responsibility very seriously. I take away someone's civil rights because I am concerned for their risk to themselves and others. I am trained in residency and tested in my specialty-specific boards. Physician assistants are not required to complete the same training and learn what necessitates a legal hold. This section is just one example of how an increase in the scope of practice could directly impact Nevadans.

Even if this provision is eliminated, the scope of S.B. 294 creates an independent practice. I want to ensure that every Nevadan has access to effective and safe medical care by encouraging the growth of structured collaborative care for every patient. Physician assistants are a critical part of my team, but to ensure safety and quality of care, we must maintain adequate practice for all Nevadans. I strongly urge you to oppose S.B. 294.

MS. IVANOFF:
I oppose S.B. 294. I love the intent of the bill, but it seems that a PA would be equal to a doctor. I don't think that's right. There is also nothing about testing in

the bill. If PAs want to be equal to doctors, they should take the same exam the doctors take and get a medical license. Some people learn faster than others, but to associate that with time is not necessarily the best thing. There should be testing before people are allowed to do a doctor's job.

DAMANZOOPINDER SAMRAO:
I am a pathologist in Las Vegas and oversee PAs in my practice. I very much appreciate my PAs, but ditto everything the previous speakers opposing this bill have stated. I will also mention some additional things. Physicians thought the shortage of and access to care would be alleviated by the presence of NPs who would be able to practice independently, but numerous studies have shown this has not happened. Once a NP is allowed to subspecialize, they usually remove themselves from the primary care arena and go into specialty jobs.

If we want increased access to care, allowing PAs to practice independently won't help. The NPs have already set a precedent—once you remove supervisory restrictions, they no longer fill the roles. I also want to reiterate that public safety is a big issue> If we're going to allow people in any industry become equivalent to someone with a higher standard of education, safety requirements must be put into place to ensure they are functioning at the same level through continuing education requirements or supervision. You can't just eliminate a barrier to a certain type of education. For example, by saying we need more pilots—if you have 10 hours of pilot training, you are equivalent to a person that's had 1,000 hours of pilot training.

URSULA INGE FERGUSON:
I am an osteopathic physician and have taught PAs and currently teach resident physicians. I have asked PA students why they did not attend medical school, and they overwhelmingly responded that they wanted an 8-to-5 job without the responsibility of a physician. When a PA was asked the same question by a patient, they responded, "What's the difference?" or say "There is no difference, because we're the same." This is confusing to the patient—confusing to the title. I am strongly opposed to S.B. 294 for the reasons already stated. We need more fully trained physicians practicing in Nevada, so let's focus on that goal.

BAYO CURRY-WINCHELL:
I am in a unique position to testify on S.B. 294 because I have experience on both sides of the coin. I was a practicing PA and am now a practicing physician. That helps me paint a picture on the skills of practice and the skill set needed. There

is a difference between a PA and a physician. The notion that having a specific number of hours makes a difference and equates to the experience of a physician is just not true. When I graduated from PA school, the program said we would be pretty much the same as a physician. When we took our PA oath, we were supposed to be a collaborator and help support our team. When I began working as a PA, it was very clear there were differences.

I was wondering if I was supposed to be the same [as a physician] even though that level of training was quite different. After a couple of years practicing as a PA, I decided to go to medical school. I did four years of medical school and three years of residency. Many PAs would ask me if medical school was easy. My response was no, it was not. There's a huge difference in education between a PA and a physician. Even as a resident on my first day, I would have been unable to handle the cases I was assigned if I was a PA. Even working as a PA for five to ten years does not equate to what you learn in medical school. We are all talking about access to care, but access to care does not equate to quality of care. And if ...

CHAIR PAZINA:
We have now heard 20 minutes of testimony in opposition. We appreciate your comments and hope you submit your comments in writing to the committee secretary so we can review your comments in totality. The committee has received five letters in opposition (Exhibit Q).

GEORGE TAYLOR:
I stand neutral on S.B. 294. I have extensive experience with the telemedicine system in South Dakota and want to toss it out there—South Dakota is a different state. They started the independent PA 20 years ago with geographic and demographic circumstances like ours. South Dakota has put enormous energy behind the independent PA concept as part of a solution. It turns out that the most senior person directing the PA program in South Dakota has retired and lives in Las Vegas. They would be happy to provide expertise if anyone cares.

SENATOR PAZINA:
I will close the hearing on S.B. 294. As there is nobody present to make public comment, the meeting is adjourned at 12:26 p.m.

RESPECTFULLY SUBMITTED:

Cherie Dittler,
Committee Secretary

APPROVED BY:

Senator Julie Pazina, Chair

DATE:

| EXHIBIT SUMMARY | | | | |
|---|---|---|---|---|
| **Bill** | **Exhibit Letter** | **Introduced on Minute Report Page No.** | **Witness / Entity** | **Description** |
| | A | 1 | | Agenda |
| | B | 1 | | Attendance Roster |
| S.B. 47 | C | 4 | Patrick Ashton | Work Session Document |
| S.B. 167 | D | 4 | Patrick Ashton | Work Session Document |
| S.B. 285 | E | 5 | Patrick Ashton | Work Session Document |
| S.B. 352 | F | 6 | Patrick Ashton | Work Session Document |
| S.B. 353 | G | 6 | Patrick Ashton | Work Session Document |
| S.B. 376 | H | 7 | Patrick Ashton | Work Session Document |
| S.B. 344 | I | 9 | Joseph Adashek | Presentation |
| S.B. 344 | J | 16 | Adam Plain/Nevada Division of Insurance | Neutral Testimony |
| S.B. 158 | K | 17 | Senator Edgar Flores | Proposed Amendment |
| S.B. 199 | L | 30 | Senator Dina Neal | Proposed Amendment |
| S.B. 199 | M | 36 | Senator Julie Pazina | Opposition Letters/ Suggested Amendment Language |
| S.B. 294 | N | 47 | Senator Edgar Flores | Proposed Amendment |
| S.B. 294 | O | 68 | Senator Julie Pazina | Two Support Letters |
| S.B. 294 | P | 69 | Bret Frey | Written Opposition Testimony |
| S.B. 294 | Q | 74 | Senator Julie Pazina | Five Opposition Letters |