MINUTES OF THE
SENATE COMMITTEE ON COMMERCE AND LABOR

Eighty-third Session
April 11, 2025

The Senate Committee on Commerce and Labor was called to order by Chair Julie Pazina at 8:00 a.m. on Friday, April 11, 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 Roberta Lange
Senator Edgar Flores
Senator John Ellison
Senator Lori Rogich
Senator John C. Steinbeck

COMMITTEE MEMBERS ABSENT:

Senator Melanie Scheible (Excused)

STAFF MEMBERS PRESENT:

Patrick Ashton, Committee Policy Analyst
Jeff Koelemay, Committee Counsel
Jennifer Ruedy, Research Director
Madison Zajac, Committee Secretary

OTHERS PRESENT:

Paul Young, Nevada Association of Nurse Anesthetists; Pharmaceutical Care Management Association
Brian Hansen, Nevada Association of Nurse Anesthetists
Arthur Savignac, President, Nevada Association of Nurse Anesthetists
James Stimpson, Nevada Association of Nurse Anesthetists

David Wuest, Executive Secretary, Nevada State Board of Pharmacy
Regan Comis, University Medical Center of Southern Nevada
Victoria Supple, Carson Tahoe Health System
Marissa Wat
Brian Koonce
Steve Wylstead
Ilya Benjamin
Saju Joseph
Makayla [Unknown]
Cassidy Wilson, Nevada State Society of Anesthesiologists
Esmerelda Vasquez, U.S. Anesthesia Partners
Jacquelyn Nguyen, Policy Director, Nevada State Medical Association
Samantha Schneider
Brad Richens
Jose Gallardo
Shaina Richardson, Secretary/Treasurer, Executive Board, Nevada State Society of Anesthesiologists
Edd Evans, President, Executive Board, Nevada State Society of Anesthesiologists
Nariman Rahimzadeh, Past President, Executive Board, Nevada State Society of Anesthesiologists
Scott Fielden, Board Member, U.S. Anesthesia Partners
Caroline Base
Layke Martin, Executive Director, Nevada Cannabis Association
David Staley, Division Chief of Investigations, Nevada Cannabis Compliance Board
Kara Cronkhite, Division Chief of Inspection and Audit, Nevada Cannabis Compliance Board
Mike Cathcart, City of Henderson
Jeff Rogan, Clark County
Randy Robison, Las Vegas City Council
Joshua Martinez, Las Vegas Metropolitan Police Department
Todd Ingalsbee, Professional Fire Fighters of Nevada
Chris Lindsey, American Trade Association for Cannabis and Hemp
Chad Christensen
Troyce Krumme, Vice Chairman, Las Vegas Metro Police Managers and Supervisors Association; Public Safety Alliance of Nevada
Harrison Bohn, Deep Roots Harvest
Mitch Britten, Managing Partner, CPCM Holdings; Thrive Cannabis Marketplace

Tamir Gluska, Founder and CEO, Green Planet CBD and Bloomstem CBD
Paola De La Cruz, Head of Marketing, Green Planet CBD and Bloomstem CBD
Shannon Lucks, Head of Product Development, Compliance and Wholesale, Green Planet CBD and Bloomstem CBD
Brandon Wiegand, COO, Jardín Dispensary; Treasurer, Nevada Cannabis Association
John Abel, Las Vegas Police Protective Association
Bob Kurilko, CEO, Silver Lion Farms; True Harmony LLC
Kelli Kelly
Tommy Jones, Green Planet CBD; Bloomstem CBD
Tyler Klimas, Hemp Beverage Alliance
Edvin Efraimov, The Retail Group
Katelyn Couturier, Director of Operations, The Retail Group
Bryan Wachter, Senior Vice President, Retail Association of Nevada
Patrick Conlogue
Orlando Angulo
Will Adler, Green Thumb Industries
Dani Baranowski, The Grow Up Co-Op
Ali Mangene, Operations Manager, PX International LLC
Carly Krygier, Cafecito SW LLC
Anja Wenzel, Owner, Natural Life Las Vegas
Giano Amado, Roll It Up, Inc.
Christina Allman
James Humm, Executive Director, Cannabis Compliance Board
Ben Pennington, Las Vegas Democratic Socialists of America
Kim Mack Rosenberg
Lea Cartwright, Nevada Psychiatric Association
Gwen Johnson, Co-Founder, Accelerated Learning Academy
Steven Cohen, Nevada Governor's Council on Developmental Disabilities
Chelsea Capurro, Health Services Coalition
Shelly Capurro, Nevada Association of Health Plans
Trey Abney, America's Health Insurance Plans
Adam Plain, Insurance Liaison, Division of Insurance, Nevada Department of Business and Industry
Noah Cicero, Las Vegas Democratic Socialists of America

CHAIR PAZINA:
We will open up the first hearing of the day, which is Senate Bill (S.B.) 249. I would ask all the committee members to look online for the amendment for this bill, since it is exactly the opposite of what was initially published in the bill.

SENATE BILL 249: Revises provisions relating to certified registered nurse anesthetists. (BDR 54-516)

PAUL YOUNG (Nevada Association of Nurse Anesthetists):
I'm here today to present S.B. 249. Chair Pazina mentioned the amendment (Exhibit C), where we are removing the requirement for physician supervision. That is not in current statute outside of critical access hospitals. We ask that the bill be heard with the amendment rather than in its current form.

BRIAN HANSEN (Nevada Association of Nurse Anesthetists):
I am a certified registered nurse anesthesiologist (CRNA) in Las Vegas, where I was born and raised. My personal training and experience includes a bachelor's degree in biology from the University of Nevada, Las Vegas, working a year in clinical research, followed by a nursing degree from Nevada State University. After that, I followed up with five years of ICU experience at Sunrise Hospital before attending Mount Marty University in South Dakota for my anesthesia training.

Health care is something many of us do not think about until we need it. I have recently come up with some major medical issues myself, and because of connections I have in the State, I was able to skip a waitlist and be seen earlier. Even after I was seen by a specialist in Nevada, they recommended I seek healthcare treatment in another state. Nevada lacks much of the basic framework to make our healthcare system great. Your support of S.B. 249 will help provide some of the basic foundation to improve both the access and quality of surgical care throughout all of Nevada.

When I decided to specialize in anesthesia, I was not planning on returning to Nevada because of the lack of job opportunities. In fact, Nevada is ranked dead last—fifty-first, including Washington, D.C.—in anesthesia providers per capita. However, the pipeline for physicians and CRNAs is wide open, with four physician programs now open in the State and two CRNA programs that are soon to open. We have the opportunity to retain and drastically improve the foundation of our healthcare system in Nevada with your support of S.B. 249.

Of the three recognized anesthesia providers in the United States, we have over 70,000 CRNAs. Certified registered nurse anesthesiologists have a long track record of providing safe anesthesia care. Of the three anesthesia providers, CRNAs accounted for about 15 percent more anesthetics in the last six months than the other two anesthesia providers combined, according to the Centers for Medicare and Medicaid Services (CMS).

Before this, the Rural Hospital Association passed S.B. No. 336 of the 82nd Session that partially addressed Nevada's ordering regulations for CRNAs. However, this created a two-tier system in Nevada's anesthesia care, with different regulations depending on where the facility is located in the State. This has directly impacted me.

I practice in many locations, including University Medical Center hospital, surgery centers around Las Vegas, and I also practice in a critical access hospital in Mesquite. On days when I am in Mesquite, I order and sign for all the medications I am giving during an anesthetic. But then later that day, when I've returned to Las Vegas and I am working with a general surgeon, I can no longer order any of my medications for that anesthetic.

In fact, current regulations require a verbal or written order, which I would obtain from the surgeon I am working with on that case. The surgeons I work with in Las Vegas are completely unfamiliar with the names of the drugs I use, let alone the complex biochemical processes by which they work to achieve a safe anesthetic. It's not just part of their specialty of surgery. In fact, most surgeons receive zero to two weeks of anesthesia training. A CRNA trying to obtain orders from a surgeon can distract that surgeon during a critical portion of their procedure.

Anesthesia is a team sport. We never do anesthesia without a physician involved. Even before surgery, I am involved in coordinating care with multiple physician specialties. This includes internal medicine, cardiologists, pulmonologists, nephrologists and other physicians in optimizing and preparing patients before undergoing anesthesia for surgery.

What exactly will S.B. 249 do in Nevada? It will allow surgeons to focus on surgery and CRNAs to focus on anesthesia. This is how it is safely done, thousands of times every day in 48 other states. It does not remove physician

involvement. Please support S.B. 249 as we work together to bring safe and timely care to Nevada.

ARTHUR SAVIGNAC (President, Nevada Association of Nurse Anesthetists):
I have been a CRNA since 1990 and have been practicing and providing anesthesia services in Nevada since 2008, when we first moved to Elko. Since 2017, I have been practicing in Las Vegas and also providing anesthesia care in an underserved area at a critical access hospital in Pahrump, Nevada. I have been encountering the same issues with S.B. No. 336 of the 82nd Session as Brian Hansen alluded to.

I am a retired lieutenant colonel from the United States Army. I was in the army for 23 years, practicing anesthesia for 15 years. My tenure in the army encompassed clinical anesthesia, anesthesia education, leadership jobs and two years where I was selected to serve in special operations—providing anesthesia care in four deployed locations for America's elite warriors.

These jobs are only offered to CRNAs because of our background, education and experience. Since I left that job, the mission has continued and greatly expanded. Again, these roles are filled exclusively by CRNAs, providing resuscitative trauma anesthesia care from the battlefield to rear-area hospitals.

The current two-tiered system governing CRNA practice here has limited access to care for patients throughout the State. Sadly, because of the current laws in Nevada, many highly qualified CRNAs—including two members of the board of directors—have left the State. This is because of the ambiguity and uncertainty of how the State legally perceives them and their ability to practice within the full extent of their education and training.

Certified registered nurse anesthesiologists are trained to provide and uphold safe and cost-effective anesthesia care every day, everywhere. The passage of S.B. 249 is a step toward providing a uniform standard of care for CRNAs practicing anesthesia in both rural and urban areas in this State. Utilizing the same anesthetic and ancillary medications administered by all categories of anesthesia providers throughout the U.S., we have the singular goal of returning our patients safely to their families. This is performed tens of thousands of times daily in this country and hundreds of times in this State.

The way the current legislation is written has been detrimental to safe care, providing needless steps which can hinder emergency care of the patient while undergoing anesthesia. I urge you to pass S.B. 249 to correct this and enhance the access to quality anesthesia care in Nevada. Currently, Nevada is fifty-first out of 50 states and the District of Columbia in anesthesia providers per capita. Please help to redress this embarrassing statistic.

JAMES STIMPSON (Nevada Association of Nurse Anesthetists):
I have been a CRNA for 25 years—19 of those years as the CRNA Program Director at Westminster College—and I personally educated and graduated almost 400 CRNAs. Many of those graduates work in Nevada today. As part of the CRNA curriculum, we educate critical care nurses to be safe anesthesia providers who can work in both rural and urban settings with and without physician supervision. After obtaining a minimum of two years of critical care experience, CRNAs complete 36 months of anesthesia education to demonstrate that they are competent, skilled and safe.

Almost 80 percent of my clinical practice has been as an independent CRNA in neighboring states, where CRNAs are not required to be supervised by anesthesiologists. During that time, I was the only anesthesia provider in the building, and not once have I ever had a bad anesthesia outcome—not once. Our anesthesiologist colleagues are valuable members of our communities.

But as long as I have been a CRNA, I have continually had to defend my practice from scare tactics that imply patients would suffer without physician involvement. They routinely cite biased supervision studies that are several decades old, while ignoring more recent studies, including a large-scale study conducted by CMS in 2015. It showed there were no differences in anesthesia outcomes, whether anesthesia was given by a nurse anesthetist or an anesthesiologist.

During our nation's battle with COVID-19 a few years ago, physician supervision was lifted in all 50 states, and there were no increases in anesthesia malpractice claims. This was truly an opportunity for CRNAs to show what they can do, and they nailed it. I take my anesthesia practice very seriously, as do my colleagues. I implore you to support this vital legislation to enhance access to care for Nevada residents by passing S.B. 249.

CHAIR PAZINA:
I am curious because I remember last session when we made it possible in critical access areas. I have not seen any reporting data since then on how that has been going in those rural, critical care areas.

MR. HANSEN:
Yes, as I mentioned in my initial testimony, I work both in Las Vegas and in a critical access hospital in Mesquite. The day-to-day operations in Mesquite really did not change at all. There has not been any increased incidence of issues. No mortality or morbidity increases. Very little has changed from before this.

CHAIR PAZINA:
Do you have any reporting from the rest of the State? I understand it just may not be available, and that is okay too.

MR. YOUNG:
No, Chair Pazina. I do not think we have any reportings at this point.

DAVID WUEST (Executive Secretary, Nevada State Board of Pharmacy):
I can give you complaints that we have received and license numbers. We have licensed more than a handful of CRNAs in the critical access areas and then gave them their controlled substance licenses. We've received no complaints from the public during the last biennium.

CHAIR PAZINA:
As a follow-up, you said around a handful were licensed. Would that be five? Would that be ten? Would that be a little more?

MR. WUEST:
I think it is just under 20. I agree with the confusion people have because I get a lot of questions about it. So, I think it is building momentum, but yeah, probably just under 20.

SENATOR STEINBECK:
Could you briefly explain the difference in training between an anesthesiologist and a CRNA, as well as the scope?

MR. STIMPSON:
The nurse anesthesia education starts with a bachelor's degree in nursing. Then that nurse has to work in critical care for a minimum of one to two years—most programs require two years. After that, they complete 36 months of rigorous anesthesia training that includes over 2,000 hours of anesthesia time in surgery and performing over 700 cases. Most graduates average about 1,000 cases by the time they graduate. So a total of about seven years of education with two years of critical care experience.

As far as the anesthesiologists, they would start with a bachelor's degree before medical school. After medical school, they can do an anesthesia residency. To my understanding, that is commonly between one and three years.

SENATOR STEINBECK:
Okay, and then what would the difference in scope be, currently and following this bill, if this bill is successful?

MR. STIMPSON:
This bill would not change the scope of practice for a CRNA. The difference between the scope of practice between a CRNA and an anesthesiologist—you know, I can't testify to the anesthesiologist scope of practice. I do know in terms of differences, we could pretty much do the same things across the board, other than write prescriptions outside of the medical facility.

REGAN COMIS (University Medical Center of Southern Nevada):
We want to voice our support for S.B. 249. We believe this is a tool that helps us be able to enhance the quality care that we give to our patients.

VICTORIA SUPPLE (Carson Tahoe Health System):
Today, we are in full support of the measure, and we applaud any effort by this body to allow highly trained and highly skilled providers to maximize their practice and provide quality care to patients who need it.

MARISSA WAT:
I am a nurse anesthetist with 21 years of nursing experience and 10 years practicing as a nurse anesthetist. I am here today in support of S.B. 249. Currently, I work in a variety of settings here in Nevada that are not critical

access. In the majority of settings where I work, I am the primary anesthesia provider and am depended upon for my expertise in anesthesia.

Current laws have grayed the lines of my scope of practice, making me feel uneasy about the protections of nurse anesthetists here in this State. It has also caused much confusion with facilities and hospitals that are not critical access.

Senate Bill 249 would provide clarity for nurse anesthetists to practice to the full extent of their training and provide more flexibility for the role of nurse anesthetists. Further, it gives healthcare institutions more options on how to expand care for their patient populations, allowing facilities to utilize us more. Overall, this bill would promote safe, efficient care in collaboration with physicians we work with.

We always collaborate with physicians and other care team members to provide the best anesthetics for each patient. Supporting the bill would allow nurse anesthetists to better facilitate care here in Nevada and would promote access to healthcare in Nevada. Currently, Nevada is ranked 51 out of 50 states, plus D.C., in access to anesthesia providers—meaning we have a critical shortage. Physicians have shown they aren't able to fill this gap. We have two nurse anesthetist schools open in Nevada and S.B. 249 will help retain providers here, addressing the shortage we are facing.

Due to the current two-tiered system for anesthesia practice in Nevada, we have lost a good percentage of nurses anesthetists to surrounding states—all of which support nurse anesthetist practice to the fullest extent of their training. Anesthesia has been a field in nursing since the Civil War, where the American Medical Association has only recognized anesthesia as a specialty since the 1930s. As evidenced by many studies, nurse anesthetists have a stellar track record of providing safe, excellent patient care for those undergoing surgeries and procedures requiring anesthesia. Nurse anesthesia is considered an area of advanced practice …

CHAIR PAZINA:
Thank you so much, we're at two minutes. But I want you to be able to finish up your comments.

MS. WAT:
This is my last comment. Nurse anesthesia is considered an area of advanced practice by the American Nurses Association, Medicare, 47 states plus territories.

BRIAN KOONCE:
I am a registered nurse anesthetist or CRNA, with 26 years of experience providing anesthesia care as an officer in the United States Air Force and as a civilian following retirement from the military. I currently serve as a lead obstetrical CRNA at Carson Tahoe Regional Medical Center here in Carson City, where I provide the majority of the anesthesia for women in labor and those requiring cesarean deliveries.

I am honored to sit before you and support S.B. 249. This bill allows CRNAs in Nevada to possess and administer medications required to provide anesthesia and analgesia care to patients without an order from a physician. Current policy states that CRNAs at rural critical access facilities are not required to have a physician's order to administer necessary medications to provide anesthesia care. But those of us that work in more densely populated areas do require said order.

I have been involved in nurse anesthesia education my entire career. I have served as a clinical instructor in the military and as a civilian. I have been a university professor and taught in the classroom and in the simulation center. So I would like to speak to CRNA education for a moment. An applicant to a nurse anesthesia program must have a superior GPA in their nursing school education, especially in their undergraduate science grades, to be competitive.

These applicants have an average of two-and-a-half to three years of critical care nursing experience, and that experience involves more than just following a physician's order. It is about thinking critically, problem-solving and having to consider the physiology and pathophysiology of what the patient's critical illness entails. A critical care nurse does not just follow orders. A critical care nurse who becomes a nurse anesthetist does not just follow orders either.

The curriculum taught in the nurse anesthesia program is standardized and accredited by the Council on Accreditation for Nurse Anesthesia Educational Programs. The textbooks, the research articles, the mannequins and other materials that a nurse anesthesia student uses so much …

CHAIR PAZINA:
Thank you so much, we're a little bit over two minutes if you want to close it up.

MR. KOONCE:
I was just going to say that everything that we use in a nurse anesthesia program are the same materials used by a student seeking to become a physician anesthesiologist.

STEVE WYLSTEAD:
I moved to Las Vegas two years ago to further my practice as a nurse anesthetist. So I just wanted to share a little bit of history. You do not need to remember my name, but there is one person I would like you to remember. Her name is Alice Magaw. Alice Magaw was a nurse anesthetist before the turn of this century, and I mean the nineteenth century. She remained the most famous nurse anesthetist of the nineteenth century.

Born in Ohio in 1860, she attended a nursing school in Chicago. Ultimately, she became the anesthetist for both of the Mayo brothers—William and Charles—in Rochester, Minnesota. In 1899, she became the first nurse anesthetist to be published in *The Northwestern Lancet*, a medical journal at the time. This was revolutionary for her abilities, and five more articles would follow.

She was well known as a master of open drop ether, and Charles Mayo dubbed her "the Mother of Anesthesia." She administered no fewer than 14,000 anesthetics, with no deaths recorded. This is a remarkable track record given the lack of monitoring and advanced techniques, as well as medicines and technology, to help rescue a patient from imminent tragedy.

In 1998, I began my career training as an anesthetist at the same institution where Alice Magaw was a teacher, mentor and a provider. Myself and thousands of other CRNAs have benefited from the legacy of this great nurse anesthesia provider.

On a personal note, I was in a Boise hospital providing obstetrical care in the middle of the night, watching the text come in as my daughter was in labor in Utah. I was actually putting an epidural in a woman in labor when I received the buzz on my phone, and I realized in that moment, I became a grandfather. It's something I will never forget. I love my profession.

ILYA BENJAMIN:
I am a practicing sedation dentist in Las Vegas for over 25 years. I am not going to talk about the theory of why CRNAs should be a collaborative provider, but I am going to talk about the real practice—what I see. As a sedation dentist, I practice IV sedation, credentialed by the Board of Dental Examiners of Nevada.

I can tell you that there's sometimes, when as both an operator and a sedation dentist, I cannot control or manage the patient very well. But I have had the greatest opportunity to work with dental anesthesiologists, medical anesthesiologists and CRNAs. Out of all of those, I can tell you right now that the greatest experience that I have ever had was with CRNAs.

They have great compassion and experience, and it has been such a privilege to work with them. This week, I had a crying parent that came to me and begged me to see a very anxious teenager that no one in this town wanted to treat. But with the help of a CRNA, we were able to calmly perform dentistry. As you know, people do not like to go to the dentist. I can assure you with the passage of this bill, CRNAs will be an added adjunct.

SAJU JOSEPH:
I am a surgeon here in Las Vegas. I moved to Nevada in 2017 and started the general surgery residency program at Valley Health System. Prior to coming here, I had run academic programs in multiple states in large academic medical centers.

I was in charge of overseeing a complex surgical oncology program, a transplant program, as well as a trauma program. I am proud to say that I ran all of those—in multiple institutions—solely with CRNAs. Most importantly, on the surgical side, we had excellent outcomes throughout.

Coming here to Nevada, I have seen the shortage of anesthesiologists firsthand. I tell all my colleagues and academic partners that we did not have anesthesiologists in the hospital during night shifts until about 2022—which is something I have never even seen or heard of before I came here.

The role that CRNAs play is incredibly valuable; the safety outcomes are excellent. Every study everywhere has shown that, and the cost to the health system is dramatically less. I can speak personally for myself, as well as share

data in the complex surgical oncology world, that the outcomes with CRNAs in complex surgical oncology are much better. I support this bill in any way.

MAKAYLA [UNKNOWN]:
I am an intensive care unit nurse with multiple years experience, currently working toward obtaining a career in the wonderful profession of nurse anesthesia. Prior to even applying to CRNA school, it's a requirement that we obtain our nursing undergraduate degree, as well as spending two to five years in the intensive care unit. During this time, we get experience working on patients with complicated, preexisting and acute medical conditions. Also, I get the opportunity to collaborate with multiple other specialties every moment that I am in the ICU.

I would never dream of working out of my scope of practice or what is safe for my patients. I grew up and spent most of my life in Nevada and consider it my home. What's incredibly unfortunate is, since the lines have been blurred, I do not feel safe returning to Nevada to work as a CRNA. I have opportunities in multiple other states that believe in our abilities to provide safe care to our patients, offer thorough training and allow a prescriptive authority.

CASSIDY WILSON (Nevada State Society of Anesthesiologists):
I am here to express our strong opposition to S.B. 249 as amended. We deeply value the important role that CNRAs play in the healthcare system and respect their training and dedication. However, we believe that authorizing CRNAs to practice independently without physician supervision raises serious concern regarding patient safety and quality of care. Physician-led anesthesia care has long been recognized as the gold standard, ensuring that patients receive the safest and most comprehensive care available.

Physician anesthesiologists undergo extensive education and training—up to 14 years—including medical school, residency and often a subspecialty fellowship. This does not compare to the approximately five to seven years of training for CRNAs. The significant difference in training equips physician anesthesiologists to manage complex medical situations, make critical decisions in high-stake environments and respond swiftly to unexpected situations. We urge the committee to keep the current model of physician-led care.

ESMERELDA VAZQUEZ (U.S. Anesthesia Partners):
We just wanted to say ditto on Ms. Wilson's comment, and we cannot support the bill or the conceptual amendment.

JACQUELYN NGUYEN (Policy Director, Nevada State Medical Association):
I am here today to address some concerns regarding the proposed legislation, which seeks to expand the scope of practice for CRNAs. This bill would allow CRNAs to order, prescribe, possess and administer controlled substances, poisons, dangerous drugs and medical devices outside of critical access care hospitals. Currently, they can only perform this under a physician's supervision. Even with the amendment, it removes the safeguards that were put in place just last session and the guardrails limiting this to critical access hospitals.

Our primary concern is patient safety. Anesthesia care, by its nature, involves the management of dangerous drugs, including controlled substances like opioids and sedatives. Physicians, particularly anesthesiologists, undergo years of rigorous training including clinical rotations, internships and residencies. These provide in-depth knowledge of pharmacology, drug interactions and complex medical procedures.

This comprehensive education enables physicians to make critical decisions about drug use and patient management, especially in high-risk or complicated situations. While we understand the need for improving access to care, particularly in underserved areas, we must carefully consider the potential risk of expanding the authority of CRNAs. Therefore, we urge you to not support.

SAMANTHA SCHNEIDER:
I am a physician here in Carson City, and I just want to echo what my colleagues have said previously. I am in opposition to this bill and am in support of physician-led care.

BRAD RICHENS:
I am a general dentist with some general practice residency who landed myself in Texas. I have done many sedations and provided both the surgical services and the anesthesia. I landed in Las Vegas, doing general anesthesia for my patients and sitting right by several anesthesiologists and CRNAs that I call my friends.

I want to tell you, I wholeheartedly support S.B. 249. I can tell you what this bill is not—it is not a divisive bill. It is not several anesthesiologists claiming the CRNAs don't have the expertise to recognize underlying medical conditions. It's not about a group of CRNAs calling for prescriptive authority to have the autonomy to do their job. Rather, it is about the citizens and the patients of Nevada having access to and receiving the surgical procedures they need—or it should be about that.

It should be about the anesthesiologists, CRNAs and surgical providers being able to screen those patients that will have potential problems and trusting us to do our job. Refer to the anesthesiologists if it is a difficult case; go to the CRNAs if it is not—it is as simple as that. As a Legislature, we need to pass S.B. 249. It will allow our patients greater access to safe general anesthesia.

In closing, I would really like to comment—with tears in my eyes—on the ICU nurse, Makayla, who testified earlier. She is going to be working in the ICU for two to five years before she can even apply to the CRNA school. She is being exposed to critically ill patients and gaining experience.

Do we really think that she is going to go out of the scope of her practice? Do we think the CRNAs are going to do that? No. Most importantly, she wants to come back to Nevada. Why are we ranked fiftieth out of 50 states for the number of anesthesia providers per capita? Why? What do the other states know—just like the Legislature asked—that we do not? Let me tell you …

CHAIR PAZINA:
Doctor, we are over the two-minute limit.

MR. RICHENS:
Let's all come together to provide these great surgical services altogether. I think this is a united bill, not a divisive bill.

CHAIR PAZINA:
Thank you, and we'll reclassify that to testimony in support.

SENATOR FLORES:
No need for anyone in particular to return to the table. Maybe somebody who's calling in or joining us in Las Vegas in opposition can help me understand this. I really respect everybody walking me through the resume of what it takes to be

a CRNA versus what it takes to be an anesthesiologist. But, what we are trying to do with this bill now is happening in other parts of the country.

So, what I am really curious to know is, are we seeing a decline in medical care across the country because we are doing this? Are we seeing an increase in folks getting sick or hurt? Is the standard of care going down when we are doing this expansion? Does anybody have any data on that? So, this is not for any one particular person, but I am just curious if somebody has some evidence to demonstrate that doing what the rest of the country is doing would in fact hurt Nevada.

CHAIR PAZINA:
We can go ahead maybe and answer that in closing, or do you prefer something now?

SENATOR FLORES:
This is mostly for the opposition because I understand that they are concerned about lowering standards. But if we are saying that this is happening throughout the country—and maybe that was incorrect—we should have evidence to demonstrate that. I was just curious to know if anybody had any data on that.

MS. WILSON:
California actually had to go back during their last legislative session and make some changes to their statute due to some situations. I have submitted a letter (Exhibit D) on behalf of the American Society of Anesthesiologists with all of that data as well.

SENATOR FLORES:
I will go digging for that now, I really appreciate it.

JOSE GALLARDO:
I am an anesthesiologist … [unintelligible statement] … S.B. 249.

SHAINA RICHARDSON (Secretary/Treasurer, Executive Board, Nevada State Society of Anesthesiologists):
I am a practicing physician anesthesiologist in Northern Nevada. I would like to express my extreme opposition to this bill because I think that it is going to lower the standard of anesthesia care in Nevada. As of now, we follow CMS guidelines, and we are doing physician-led supervision of anesthesia care. Only

five states in the country, Nevada not being one of them, have removed or opted out of this requirement [*sic*].

I just want to put on the record a counterpoint to some of the previous comments that were made. Nurse anesthetists often advocate that substituting nurses for physicians can cut costs without increasing patient death and complications. That's actually untrue. Independent studies have shown that the odds of an adverse outcome are 80 percent higher when anesthesia is provided only by a nurse anesthetist.

Also, the cost savings that they have alluded to are also untrue. When you remove physician oversight in anesthesia care, nurse anesthetists continued to demand extremely high salaries for the limited anesthesia services they offer.

Physician anesthesiologists have a much broader scope of practice, instead of just providing the anesthesia care around the perioperative period. Not only are they involved in the entire perioperative period, they also work on pain management, critical care medicine and have a far larger scope of practice than nurse anesthetists. So I thank you for listening to my comments, and I urge opposition to this bill as amended.

EDD EVANS (President, Executive Board, Nevada State Society of Anesthesiologists):
I am a practicing anesthesiologist in Las Vegas. I am calling to give my opposition to this bill as amended. I would ask the committee to please refer to Exhibit D that we have submitted from the American Society of Anesthesiologists. It has several references to independent studies that seriously contradict a lot of the testimony that was given in support of this legislation.

I would also refer them to the letter (Exhibit E) submitted by the Nevada State Society of Anesthesiology. I hope that you are able to take a look at that and see that the practice in the care team model is ideal and the safest, most cost-effective way to provide anesthesia care in Nevada.

NARIMAN RAHIMZADEH (Past President, Executive Board, Nevada State Society of Anesthesiologists):
I am a physician anesthesiologist in the Reno area, and I am calling in strong opposition to S.B. 249 and would like to refer the committee to Exhibit D by the

American Society of Anesthesiologists, as well as Exhibit E from the Nevada State Society of Anesthesiologists.

SCOTT FIELDEN (Board Member, U.S. Anesthesia Partners):
I am a practicing anesthesiologist in Las Vegas and am a board member of U.S. Anesthesia Partners, and we employ many CRNAs. I am in opposition to this bill for a couple of reasons.

Number one, I do not believe that the rest of the country is going to this. There are a couple of states that have done this, but it is not the majority or supermajority at all. Number two, the problem with anesthesia care is that there are not enough of us. Making CRNAs an independent practice is not going to change that. Number three, CRNAs are very expensive right now, and the cost differential between anesthesiologists and CRNAs is not that much, so it's not really a cheaper option.

We do support a care team where everyone works together, that way there's a physician as well as a nurse anesthetist in the room. This means there's also two brains working together on how to treat critical disease, as well as an extra set of hands when there's an emergency that happens. So we do support a care team, we do support CRNAs—we just support a supervision by physicians.

CAROLINE BASE:
Is it okay to speak in support of this bill at this time?

CHAIR PAZINA:
Yes, we will reclassify your testimony to support.

MS. BASE:
I am a current CRNA student at the Roseman University of Health Sciences, and I would like to support this bill for several reasons. I would also like to raise awareness of some of the information that we have received. I not only have ten years of ICU experience, but I am undergoing rigorous training at Roseman University. We have to have a 90 percent pass rate for all of our exams. Additionally, we have oral exams, and we have one-on-one lab time where we have to succeed in showing that we are competent in providing anesthesia.

I would also like to bring awareness that CRNAs have advanced practice registered nurse (APRN) status in 30 states. So, I am certain some of the

anesthesiologists have mentioned that it's not in the minority of states, but it is in the majority of states. I would also like to bring awareness that in Nevada, according to <Salary.com>, anesthesiologists make $396,300 a year, whereas CRNAs make $222,201 per year. So those statistics show that CRNAs do help to make health care more affordable.

I think this bill is going to help Nevada's citizens, and I think that is the important thing that we have to look at here. It is not about CRNAs or anesthesiologists against each other. It should be about the citizens of Nevada getting the care that they need in a timely manner and in an affordable way.

CHAIR PAZINA:
Before we have a closing statement, I think that Senator Flores may have had a question because we are having a challenge finding that letter that you were referring to, Ms. Wilson.

SENATOR FLORES:
I am very respectful of the fact that we are talking about two different educational paths, and I do not want to minimize that because I do see the significant difference. But my question is, do we have any data to suggest that when a state engaged in something similar to this, the standard of care went down? For example, "State Q did the same thing, and then we saw a significant spike in XYZ happening." That would be helpful in considering this legislation.

MR. YOUNG:
Just real quick, to Senator Flores' question, I have Janna Conover online with the American Medical Association, and she could provide some background. I don't know if it's going to be to the exact letter but just to give an idea of what the other states are doing because this is pretty common practice.

SENATOR FLORES:
I was not trying to put you on the spot. It's just because there's folks in opposition to your bill, and if there's data that counters what you are saying, that is what I am interested in. I'm just trying to ensure that the opposition provides data to support their position that we're lowering the standard of care when it is happening across the country.

MR. YOUNG:
I appreciate the question and, yeah, that is for them [to answer], not for us.

CHAIR PAZINA:
Now we will close the hearing on S.B. 249 and open the hearing on S.B. 356.

SENATE BILL 356: Revises provisions relating to hemp. (BDR 56-916)

SENATOR LORI ROGICH (Senatorial District No. 11):
Senate Bill 356 will prohibit the sale of intoxicating hemp-derived products outside of licensed dispensaries, ensuring that they are kept out of the hands of children. This bill addresses a growing problem in Nevada and nationwide, where psychoactive hemp-derived products are being sold at gas stations, smoke shops as well as online. Delta-8, delta-10, HHC [hexahydrocannabinol] and other synthetic cannabinoids have emerged due to ambiguities arising in the language of the Agriculture Improvement Act of 2018, known more familiarly as the 2018 Farm Bill.

Synthetic cannabinoids are already banned in Nevada, and delta-8 cannot be sold outside of licensed dispensaries. These existing laws have slowed the flood of these products into Nevada, unlike in some other states. But additional restrictions and quality control measures must be put into place in order to protect our residents, our tourists, our workers and our children.

This bill is important to me, not only as a policymaker but as a parent. Many of you have met my youngest daughter, Olivia, who was our guest in the Senate on the first day of session. I would like you to meet my oldest daughter, Jessica. I have a photo of her on the screen that was taken when Jessica was 30 years old. She was beautiful, kind and smart. She was a single mom, and she was pursuing her degree in nursing, with a focus on working with patients that have HIV and AIDS.

Two weeks before graduating nursing college, Jessica consumed illegal cannabis that was laced with a hallucinogenic substance. This deadly substance caused Jessica to have a psychotic break, bad trip, whatever you want to call it. But what ended up happening is that she committed suicide by hanging, leaving behind a little boy with shattered dreams. I am not the only mother who has lost a child, and I am not the only grandmother raising a grandchild left behind.

Jessica is the reason I got into the cannabis industry. I wanted to make sure that there was a voice at the table demanding that companies involved in the

industry were licensed, regulated and selling clean products to adults. As you can see from the document (Exhibit F contains copyrighted material. Original is available upon request from the Research Library.), many of these products are made to appeal to children.

One example looks identical to Haribo gummy bears and says on the package, "Kids and grown-ups love it so." Even looking beyond the packaging, we don't know what chemicals are used to turn the hemp into a psychoactive product.

A recent study examining the trends in calls made to poison centers across the country found an 80 percent increase in calls for exposure to delta-8 THC in one year, between 2021 and 2022. Delta-8 is already banned in Nevada, outside of licensed dispensaries. However, delta-8 is just one of a number of cannabinoids now being produced.

In the study, one-third of the delta-8 poison cases were children under the age of six—think about that. My daughter Jessica was 30 years old and didn't know that the product she consumed contained a deadly substance. How can we expect a six-year-old to know this?

While this is terrifying, the study also noted that legislation, like S.B. 356, does work to reduce such threats to our children and to public safety. This bill will also lead to a safer experience for visitors in Las Vegas. There are unlicensed dispensaries all throughout The Strip and down on the Fremont Street Experience.

They're not real licensed dispensaries compared to a cannabis retail store. These folks are not selling legal cannabis; they are not selling a clean product, and they are not paying cannabis excise taxes. Instead, they are selling unregulated, untested and untaxed intoxicating hemp-derived products.

The lack of testing and contaminant standards for these unregulated intoxicants is a threat to public safety. Tourists are buying from these stores every day with no idea that these stores are actually unlicensed cannabis dispensaries. Keep in mind that most tourists have no idea that licensed cannabis companies are not allowed to be located or sell cannabis in the Gaming Corridor. We are presenting this bill along with an amendment (Exhibit G) that makes substantive changes.

LAYKE MARTIN (Executive Director, Nevada Cannabis Association):
Before I walk through the amendment, I want to express our appreciation to Senator Rogich for not only sponsoring this bill but also for sharing her story. I am a mom of three young kids as well, and I cannot fathom your heartbreak. This bill is targeted at stopping the flood of intoxicating hemp products coming into Nevada from out of state.

There are only eight registered hemp growers in Nevada and seven hemp handlers. For the most part, they are not making these products. If you go into any smoke shop in Nevada and look at where these products are produced, it is from out of state. What we are dealing with is manufacturers outside Nevada that are exploiting loopholes and a lack of regulation to sell intoxicating products in Nevada. Again, no regulation whatsoever—no testing, no taxes.

So, the centerpiece of the bill is defining what is permitted and where it is permitted to be sold. Section 2 defines consumable hemp product as hemp or a product made with hemp that contains cannabinoids, including those commonly known as CBD or CBG [cannabigerol]. It limits it to products that are intended for human consumption. So that means ingestion or inhalation by a human, or for topical application to the skin or hair of a human.

It does not apply to nonconsumable hemp products or products that contain only an approved hemp component. That's already defined in statute as any component of hemp that the U.S. FDA has determined to be generally recognized as safe for use as an ingredient in food. That's your bag of shelled hemp seeds that you can buy at Trader Joe's. That's not what this bill is seeking to address; it doesn't touch it at all.

Section 3 of the bill clearly defines what may be sold inside and outside of dispensaries. Other than a licensed cannabis establishment, the section outlines that no person can quote, "manufacture, store, distribute, advertise, market, sell or offer to sell a consumable hemp product in this State …" that contains any amount of a cannabinoid other than CBD and CBG. Those are nonintoxicating cannabinoids.

Meanwhile, THC is the main psychoactive cannabinoid found in cannabis that is responsible for the higher intoxicating effects. Under this bill, products containing THC cannot be manufactured or sold outside of regulated licensed cannabis dispensaries. This ensures that the strict regulations and testing of

cannabis also apply to any product with THC. It's crazy that it doesn't now; that is what we are trying to fix. But the bill still allows the sale of nonintoxicating hemp products outside of dispensaries—those are fine.

Section 3 deletes the original bill language, which put all of the oversight and regulation of consumable hemp products under the Cannabis Compliance Board (CCB). As you may have seen, that oversight came with a fiscal note of $2 million from the CCB. To be fair, with a budget of $2 million, a lot more could be done in terms of regulation and oversight.

But we did not think that was realistic in this current economic climate, unfortunately. We have made significant changes to the bill, as you are seeing in the amendment, that we hope will reduce that fiscal note or remove it entirely. I believe the CCB will speak to that during their neutral testimony.

Sections 4 and 5 give the CCB authority to adopt regulations to set up additional oversight of consumable hemp products. Again, being mindful of budget constraints, much of the language regarding investigations and civil prosecutions is couched in "may" language rather than "shall." But this does give the CCB, other law enforcement agencies and local jurisdictions more of the tools they need to enforce.

Part of that is clearly defining the statute, so that law enforcement can go into a store, see that product and know that it contains THC. Under the existing federal standard, which involves a 0.3 percent of dry weight, it's very difficult for law enforcement to visually go in and see, without pulling the product off the shelf.

There are products shown in Exhibit F that have 10,000 mg; it does not say of what. Same with the one next to it. I took some of these pictures, and here we see 1,000 mg—of what? It is very challenging right now for law enforcement to be able to enforce, and this makes it that much easier and less costly.

Section 8 maintains the existing status quo with respect to what types of hemp products may be produced by licensed production facilities and sold by licensed dispensaries. In other words, there is a regulated outlet for intoxicating hemp products. Currently, there are products for sale by licensed dispensaries that include a ratio of CBD to THC. These products may continue to be

manufactured and sold because they are regulated, tested and not sold to anyone under 21 years of age.

Also, the section adds language setting the serving sizes and packaging sizes to mirror the sizes in cannabis. There's currently no requirement for serving and packaging sizes. You could eat an entire 10,000-mg chocolate candy bar, with no idea of how much intoxicating THC is in it.

The bill does not change existing standards for Nevada's handful of hemp growers, and this is so important. It maintains the same testing requirements for nonconsumable hemp as what is in the statute and regulations currently. For consumable hemp products, there are testing requirements in section 20 that are another key feature of this bill. There's no testing requirement currently for any consumable hemp-derived product, whether intoxicating or not.

This will add some key quality control standards, requiring both the testing of raw material and the finished goods, which is the same standard for cannabis products. It sets up a system, so if out-of-state manufacturers are shipping their products into Nevada, they will be tested. The testing can also be done out of the State, as long as the lab is ISO [International Organization for Standardization] accredited, and if the test results are kept with the product.

The bill adds additional enforcement mechanisms. Section 12 makes selling products that claim to be in compliance with this bill, but are not, a deceptive trade practice. Mislabeling or misleading labeling are huge issues in the area of intoxicating hemp products, as you can see from Exhibit F. That, again, endangers the product and the public. This provision seeks to address that. The bill also adds civil and criminal penalties for businesses that violate this act, which currently doesn't exist for intoxicating hemp products in violation of state or federal law.

Section 30 addresses online sales, because many of these intoxicating hemp products are being shipped directly to consumers from out of state. There's no ID requirement, and there's no requirement that you have to sign for them when they are delivered to your house. People of any age can get them delivered to their house.

Before I wrap up, I wanted to address that we are aware of some potential opposition from those who are seeking a carve out for hemp beverages. I

wanted to speak to that real quickly. You can't have a hemp beverage sold in liquor stores without a robust regulatory structure, and with a robust regulatory structure comes a larger budget.

So, if the CCB or another agency—and there is no state beverage agency—is expected to go out to every Total Wine and More Store and every retail store to regulate and oversee advertising, labeling, packaging, testing of hemp beverages, that comes with a budget request. We just simply did not see that as feasible, nor has anyone proposed to us a plan that is feasible to make that happen. So, I want to make sure to address that because we are happy to consider that, but no language has been proposed.

Also, I wanted to mention that we collaborated with many stakeholders on this bill—from the CCB, hemp growers, legitimate CBD producers and retailers, the State Department of Agriculture, local law enforcement and business licensing departments. We just wanted to thank everyone for their time.

Long and short, if you are making a product that people are putting in their bodies, there should be at least some minimum quality control standards. The FDA does not regulate these products, and that is important; it has been left up to the states to do so. Forty-nine states are considering legislation just like this to regulate these intoxicating products. So we urge the committee to pass this bill so that we can continue to work on this.

SENATOR FLORES:
I think it's helpful if we can start the conversation where it ended yesterday, when we were chatting about this bill. Walk me through a scenario: I am 15 years old walking down Fremont Street with a 21-year-old friend. Do we have access to the same products? Can we walk into the same place and buy the same thing currently? That's the first question. The second question is, how do I know what I am buying? What is on that package now? What do I know when I'm buying these products?

MS. MARTIN:
I will start with the second question. You don't know what you are buying because there's no requirements to list anything, from the ingredients to the allergens. There's no oversight whatsoever. I have provided a study for the Committee (Exhibit H contains copyrighted material. Original is available upon request from the Research Library.), done in California, showing that as of

February 2025, 95 percent of the products that they pulled from the shelves contain synthetic cannabinoids.

Those are banned in California; they're banned here too, but they are still showing up in products. Some of this stuff purports to be mixed with other psychoactive drugs like mushrooms. It could be mixed with anything; you don't really know.

In terms of who can walk in and purchase, well luckily, we have some partners here from law enforcement and local jurisdictions who are seeking to enforce this better. We would hope that they are checking IDs and all of that, but I don't know how much of that is actually happening.

If you are 15, you can order it online and have it sent to your house. Cities are doing some enforcement, hopefully stopping some of those purchases without ID. But it is certainly not as strictly enforced as it is in the cannabis industry, where your ID is required to be checked when you walk in the door.

SENATOR FLORES:
Speaking about how we regulate one industry versus the other; what can the CCB do now? What can the Board do now if they went to one of these locations on Fremont Street—with all the advertisement, with the candy—what options are on the table there?

MS. MARTIN:
For that, we do have several members of the Board here that I would ask to come up.

DAVID STALEY (Division Chief of Investigations, Nevada Cannabis Compliance Board):
As Layke Martin mentioned, the regulations—both federally and statewide—are not very clear. As a result, the authorities over the intoxicating hemp and cannabinoid products are layered. While we do not have express authority to seize products off the shelves, we have put together a program during the last year where we work with city licensing and local city law enforcement to address these products that are being sold now.

So for instance, while we are not able to prosecute somebody for having the product, by going in with city licensing, we are able to identify the product on

the shelves. Then we're able to explain to both the retail establishment and city licensing that the product is not allowed by Nevada law. City licensing can require that they remove the product from their shelves or else their license would be in jeopardy because they have a product that is not legal for sale.

SENATOR FLORES:
Who's left holding the liability bag? I come in as a 21-year-old, purchase one of these products and unfortunately, I become ill or something worse. Who's left holding the liability for that? Is it just the producer of that product? Is it that business for selling it? Is there any liability at the moment? I am just trying to understand what recourse a person presently has in Nevada should they purchase a product that they don't know what is in it if they make the mistake of confusing it for something fun or cute, and then it goes in a different direction.

MR. STALEY:
We have not specifically taken any action against the liability. We, the CCB, have received complaints. Typically, it is done through the Nevada Department of Health and Human Services, where they will receive complaints that perhaps somebody got sick. We have then worked with local law enforcement and city licensing to go to the location. In the case of a patron that gets sick, I would suspect the liability would rest in the retail establishment that sold the product to the consumer and then, potentially, the manufacturer [and/or] distributor of that product.

SENATOR ELLISON:
I've got a few questions. Hemp in itself is not a dangerous drug at all—period. But what they lace it with is. So, if these were outlawed or banned, they'll just put it into something else. I mean, that's what they are doing. They're just moving whatever they are lacing it with to another type of candy or whatever it is. But one of the things I was going to ask you, if you took the stoned candy shown in Exhibit F that is laced, does that impair driving and everything else?

MS. MARTIN:
I would absolutely assume that it would impair driving for sure. These are unregulated intoxicating products.

SENATOR ELLISON:
But it seems to me that we have got to go after the people that are lacing it. I mean, that seems to be the problem because hemp is not an illegal product or drug. Then the other thing I wanted to say is that Senator Rogich, I know what you are going through, I know what you are facing. I went through it too and anything you can do to educate people is really important. It's heartbreaking; my son got sick at 16 and died at 19, so I know your feeling.

SENATOR DALY:
I guess I'm not following, how do they get around the laws on packaging and listing the ingredients? Is it a herbal deal? How does the manufacturer get away with making it and packaging it if it's illegal and unregulated? There's no FDA, nobody at all is looking at this?

Of course, we are firing people in the FDA, so I don't know where that is going to end up. How do they get around the labeling and packaging? If there's illegal or dangerous substances, how is that not being addressed by the rules that exist?

KARA CRONKHITE (Division Chief of Inspection and Audit, Nevada Cannabis Compliance Board):
There really aren't any regulations or oversight over packaging and labeling requirements, so they do not have any requirements to follow. The federal requirements are very minimal; they require that the THC content is below 0.3 percent. However, if you look at a can of soda—which is 12 ounces—and you look at 0.3 percent by weight, that could be over 1,000 mg of THC in one canned beverage, and it would still be federally compliant.

That is why these rules would help create THC limits and have these products sold through age-gated dispensaries, where there are some restrictions. So this would prevent a teenager from just walking in and purchasing these. There are also ways to convert naturally occurring products that are in hemp, such as CBD. They would take some sort of acidic catalyst and convert that CBD into THC, which would be those synthetic THCs and things like that.

As the CCB, we only have authority over our licensed cannabis establishments. We do not have oversight directly over these non-licensed facilities; we just work closely with business licensing.

SENATOR DALY:
I am just thinking, you go to the grocery store and buy just about anything. There is a label, and they have to list the ingredients and stuff in the product. None of that applies to this? Where does that break down at the federal level?

I mean, they're saying hemp isn't a food product, instead they are herbs or whatever. I know vitamin stores don't have to do anything because they are saying it's not food. You say some of these substances are already illegal in the State. Nobody, not even health districts, have any jurisdiction to do anything?

MS. CRONKHITE:
I think the intention of the 2018 Farm Bill was that it was going to be more like textile products. So, the federal regulations were not written in a way that was intended for these edible, consumable hemp products. They fall under the FDA only for a very narrow and specific area. That is why they are kind of left out, and they have this loophole. There are no packaging, labeling or ingredient requirements for these products because they are considered hemp and not food items at this time.

For the synthetic cannabinoids and things that are already illegal in Nevada, we just do not have the oversight, as the CCB, to go to all of these facilities. We don't have the authority to go to all these facilities and find all of these products. Like I said, we do work closely with local business licensing and law enforcement to find them where we can.

However, we are currently focused on our licensed cannabis establishments because it is being sold in smoke shops, yoga studios, my gym has it, and I see it at every farmers market. It is really everywhere. So, I think the major problem is that it is just too big of a problem right now.

CHAIR PAZINA:
I will ask the final question, and I apologize if I missed this in the beginning of the presentation. Is there a framework that is currently being used in other states that this has been modeled after?

MS. MARTIN:
Yes, as I said, 49 states are considering legislation just like this. A lot of this was closely modeled after a senate bill in Texas, which recently passed the Senate and is being considered by the House. We looked at so many different

states best practices. All of the bills being considered involve some sort of regulation. There's no state that's saying, "No, we are just going to let it continue to be unregulated." It is just a matter of how.

It would be a best practice to register and license all of these facilities so that the CCB had direct oversight. Except, you are talking about the existing CCB workload of 100 licensed dispensaries plus the cultivation; and multiplying that—we have like 400 smoke shops. So, it's not necessarily realistic to license all of these facilities.

There's plenty more we could do with more money and more budget and increasing the size of the State agency, but that is not what is available to us now. Instead, what we have done is used language that has been adopted by other states, specifically, the definition of consumable hemp and what is allowed inside and outside dispensaries.

While we are mirroring this language, we're maintaining our existing structure of allowing current hemp farmers in Nevada to continue doing what they are doing and also leveraging those partnerships with local law enforcement, local jurisdictions and business licensing departments.

SENATOR STEINBECK:
On what you just said, wouldn't licensing fees cover that budget gap?

MS. MARTIN:
Yes, we had thought of that. It potentially could, and maybe we should down the road. At this point, we were worried about the challenges of a two-thirds bill.

SENATOR STEINBECK:
That's very reasonable, thank you.

MIKE CATHCART (City of Henderson):
We're very supportive of S.B. 356 as amended and believe this clarity will really strengthen our partnership with the CCB and the cannabis industry. We have a really great partnership with the CCB now, but I think the clarity on these products will really allow us to take that to the next level. So we look forward to operating under the framework of this bill.

JEFF ROGAN (Clark County):
For the same reasons as articulated by the City of Henderson, Clark County is also in support of this bill.

RANDY ROBISON (Las Vegas City Council):
Ditto.

JOSHUA MARTINEZ (Las Vegas Metropolitan Police Department):
We are also in support of the bill as amended.

TODD INGALSBEE (Professional Fire Fighters of Nevada):
I just want to thank Senator Rogich for sharing her story. Unfortunately, we run these calls every day and see these same things. Her daughter is not alone. That's why it is important that we address this issue. This reminds me of an epidemic we had probably a decade ago with a drug called spice. It was the same thing, a synthetic drug that kids were taking and killing themselves.

Also, yes, it does impair them when they are doing normal things, whether it be driving or trying to ride their bike. It also impacts what they should not be doing because they are not aware of their surroundings and what these effects have on how they do their day-to-day activities.

CHRIS LINDSEY (American Trade Association for Cannabis and Hemp):
We are a 501(c)(6) organization based in Washington, D.C., but I am very proud to say that I am a resident here in Nevada. This bill reflects a natural evolution in what is happening in this area. Hemp intoxicants are new on the scene. They only really emerged in 2019. We're dealing with a very complicated range of products.

Some of them are virtually the same as marijuana; I would say they are exactly the same. Others are actually created in a laboratory using chemicals that you get out of the hemp plant. They basically jerry-rig their way back to the very kinds of intoxicants that are found naturally in the plant.

So when you start to consider different ways to regulate, you have to be able to get your arms around all of these different factors. That is what this bill does. It recognizes that as the market continues to evolve, state law has to evolve along with it. What we are seeing is that, across the country, 49 states out of 50 are looking at bills right now to try to rein in these products to some extent.

The biggest problem faced by these states is enforcement. It is one thing to say where you are. It is another to provide the clarity that is needed for law enforcement to go into the shop and know who the good guys are and who the bad guys are. That is what this bill does, and we very strongly support its passage.

SENATOR ELLISON:
I think you just hit the nail on the head. Why don't they put a warning on every one of these packages that come into the State? Put a warning on these packages that this contains a certain drug that impairs or whatever but a warning no matter what it is. At least the parents would look down and see this warning sign, and it would get their attention. Then, if the adults want to go out and do whatever they want to do, they could care less about the warning signs. But at least let some of the other people know that this is an illegal drug that is in this candy.

MR. LINDSEY:
Senator, I could not agree more. The problem we have is that we are in an industry that has no rules. When you have no rules, you have no rules. There is nobody to say you have to put something on your label. There's nobody to say you have to test your product. There's nobody to say whether or not you can ship it across state lines.

The FDA considers all of these products to be illegal, and that is where its jurisdiction ends. It says you cannot sell these products. It stops short of the kinds of controls that you are referring to; that gets pushed to the states. So, states basically have to step into the shoes of the FDA, and that's what we are doing here today. We're trying to figure out what that looks like.

Research has shown that when you have an existing marijuana regulatory framework, that's usually the best place for these products because they are taken by people who are looking for exactly that kind of experience. So if you have a plant that gets a person high, that is what these marijuana regulatory systems are for. They have to adapt now to account for this new range of products that can be made in a laboratory and in other ways. Yet, simply leaving it off the table and hoping law enforcement can kind of catch up? That is absolutely not working.

CHAD CHRISTENSEN:
My family has interests in banking, professional sports, as well as a small interest in a cannabis operation in Southern Nevada. I wanted to pose this question: if the public were unwittingly ingesting poison, would you want to know? If you did know, what would you do with that information? The existence of unregulated and untested intoxicating hemp or cannabis—either/or because they both carry out a very similar effect—is dangerous for the public. These products existing in an unregulated sphere is a ticking public safety time bomb.

One year ago, a group brought a study to my attention that was carried out on—whatever you want to call it—the black market or gray market. Illegal market players rent out a hotel room and have a party where they sell products like this. I have seen others that look just like a box of Fruit Loops or Cinnamon Toast Crunch that are all peppered with illegal market product.

This group had it tested, and there were four key disgusting ingredients that people are unwittingly buying and ingesting: number one, human hair; number two, human feces; number three, mold; and four was the key ingredients found in the product called Roundup. People are smoking and ingesting these contaminants and have no idea.

I will close with this. My banking partner's son, at 15 years old, smoked a marijuana cigarette with two neighbor kids. All three were hospitalized afterward. The two neighbor kids were able to recuperate; my partner's son was not. He is now 32 years old and will never be able to live on his own—all because of this. I have never met the bill sponsor until yesterday. I was able to say hi to her in the hallway, but I understand the intensity behind her testimony. I appreciate her bill, this position and for you all taking on this topic, which is so important.

CHAIR PAZINA:
Before you speak, I am going to have our legal counsel speak to a question that was asked earlier.

JEFF KOELEMAY (Committee Counsel):
For the sake of clarification, I think it is the Department of Health and Human Services (DHHS) that currently has regulatory authority over testing for products that contain hemp intended for human consumption right now. It is under the

Administration of Public Health chapter of *Nevada Revised Statutes* (NRS). The provision, NRS 439.532 reads:

> Unless federal law or regulation otherwise requires, a person shall not sell or offer to sell any commodity or product containing hemp which is intended for human consumption … unless such a commodity … Has been tested by an independent testing laboratory and meets the standards established by regulation of the Department … . The Department shall adopt regulations requiring the testing and labeling of any commodity or product …

The Department of Health and Human Services has adopted regulation R035-22, which was filed on September 29, 2023. In terms of testing, section 7 reads, "A hemp product that is processed, sold or offered for sale in this State must be tested by an independent testing laboratory certified by the Cannabis Compliance Board … in the same manner as an equivalent marijuana product."

Section 6, subsection 1, paragraph (d) addresses labeling, requiring that the product, "Is labeled in accordance with all applicable federal and state laws and regulations." These are the same general rules seen in NRS 446 for food establishments and NRS 585 for food, drugs and cosmetics.

I don't know how specific those particular things are to hemp and obviously, the existence of a testing requirement doesn't speak to the machinery of any enforcement mechanism. However, from that technicality, it looks like DHHS has taken some action in the area, if that is helpful.

CHAIR PAZINA:
That is very helpful, thank you.

TROYCE KRUMME (Vice Chairman, Las Vegas Metro Police Managers and Supervisors Association; Public Safety Alliance of Nevada):
Collectively, we represent over 10,000 law enforcement officers and leaders within the State, and we wholeheartedly support this bill.

MS. NGUYEN:
I'm still representing the Nevada State Medical Association, but I am also a volunteer with the PACT [Prevention, Advocacy, Choices, Teamwork] Coalition

and do quite a bit in the community regarding substance abuse and all of those challenges. I ditto everything that was said in the presentation.

But really, I am here as a mother of 14-year-old twins and a 9-year-old boy. It's heartbreaking to me that this is a concern, not necessarily just for my twins but for my youngest as well. I wholeheartedly support this bill.

HARRISON BOHN (Deep Roots Harvest):
We are here in full support of S.B. 356, and we believe this bill is necessary to restore safety and compliance standards in both our community and industry. There's a stark difference in how cannabis products and intoxicating hemp products currently function in the marketplace. Licensed cannabis manufacturers and retailers have numerous safety and compliance guidelines put in place by this Legislature and the CCB, promoting public health, and the sales of our products help fund education in Nevada.

In comparison, the intoxicating hemp industry does not adhere to these standards. Rather, they sell intoxicating hemp that is unregulated, untested and untaxed. For example, their products do not have the same stringent advertising and packaging requirements. There are products which may appeal to children and could even be indistinguishable to consumers, confusing the products for ordinary candy. Additionally, because they do not have the same testing requirements, these products can produce varying intoxicating effects which may contain an alarming level of THC.

The difference in safety and compliance standards creates a competitive disadvantage to licensed cannabis operators, who currently have thin profit margins. Nevada should be supporting the legalized cannabis industry that has invested millions in our economy, continues to help generate millions for our State Education Fund every year and keeps up a very high community standard for public health.

We believe S.B. 356 is a commonsense fix to our industry, strikes the correct regulatory balance and addresses the concerns I mentioned above. We urge the committee for their support today and thank you for the time and consideration.

MITCH BRITTEN (Managing Partner, CPCM Holdings; Thrive Cannabis Marketplace):
I am here today to voice my strong support for S.B. 356. Those opposing this bill will claim that it kills the hemp industry, but facts tell a different story. After reviewing the State Department of Agriculture statistics, they licensed over 14,000 acres of hemp in 2021. By 2025, that number dropped to just 7.61 acres.

This market has started to collapse because of the lack of regulation. The intent of the hemp program has been overtaken by the sale of intoxicating unregulated products. In fact, a number of cannabis producers that you'll hear from today have moved out of the Nevada-regulated cannabis market to the intoxicating hemp market because the operational barriers are so much lower. Even right now, smoke shops and other retailers are exploiting a loophole that allows them to sell hemp-derived THC products that are not tested, not taxed and not subject to the same safety standards that our businesses follow every single day.

As a licensed operator, we are required to test every product for safety, comply with strict packaging and labeling laws, restrict access to minors and pay significant taxes that support public services. Meanwhile, the intoxicating hemp market operates in the shadows with none of these requirements, putting consumers at risk and creating an unfair playing field.

Senate Bill 356 is not about killing hemp; it is about closing a loophole that fuels an illicit market and protecting the integrity of Nevada's regulated cannabis system. I respectfully urge you to follow suit of so many other states and support this bill and close this loophole.

TAMIR GLUSKA (Founder and CEO, Green Planet CBD and Bloomstem CBD):
I am the founder of two leading wellness brands here in Nevada. We support S.B. 356 and have worked closely with the Nevada Cannabis Association and Layke Martin to resolve earlier concerns in the bill. One point of clarification I wanted to make is that sections 2 and 3 seem to conflict on the definition of consumable hemp, especially around whether CBD, CBG, CBN [cannabinol], CBC [cannabichromene], CBDV [cannabidivarin] and CBL [cannabicyclol] are included.

If our understanding is correct and these cannabinoids are not considered hemp, then we fully support it. If section 2 stays the same, we are probably going to lose our business, so it must be changed. Our CBD companies need to be able to continue to operate—Green Planet CBD is not a dispensary. We urge you to vote yes on S.B. 356.

PAOLA DE LA CRUZ (Head of Marketing, Green Planet CBD and Bloomstem CBD):
I also respectfully submit my support for S.B. 356. Since launching in 2018 with the onset of the CBD movement, we have remained committed to authenticity, product integrity and ethical practices. Our mission has always centered on wellness, pain management and supporting the overall well-being of our customers.

We serve a diverse and health-conscious consumer base, including many visitors from around the world. We support the direction of this bill and amendment and appreciate the State's efforts to establish a clear regulatory framework. We look forward to continuing to work collaboratively with Legislators, regulators and industry stakeholders to ensure that Nevada remains a leader in safe, accessible and innovative CBD commerce, while making the necessary amendments that protect good actors doing good business. For these reasons, we ask this committee to vote for S.B. 356.

SHANNON LUCKS (Head of Product Development, Compliance and Wholesale, Green Planet CBD; Bloomstem CBD):
We are in support of S.B. 356. Operating six Nevada locations, we proudly serve a diverse clientele—from active seniors in their eighties to busy professionals in their thirties—who rely on CBD, CBG and CBN as a health supplement, not an intoxicant. We do not parade as a dispensary; we are wellness providers.

Partnering closely with Layke Martin and the Nevada Cannabis Association has helped us ensure our products meet every State requirement. Together, we're committed to being a model good actor in the Las Vegas CBD space. We operate on the highest standards, alongside the strict regulations of Nevada's small management groups.

I do want to say, we are asking for more clarification in sections 2 and 3 to include non-psychoactive, THC-free cannabinoids, like CBN and CBC. All of our products undergo rigorous third-party lab testing from NV Cann Labs and other

laboratories in the State. We are currently in line with the 2018 Farm Bill's requirements, confirming THC levels below 0.3 percent and verifying purity and potency. Further, we maintain certificates of analysis for every batch, standing ready to provide them for regulators at any time.

Our focus is wellness, not intoxication. At Green Planet CBD and Bloomstem CBD, we are trying to reduce inflammation, improve sleep and support overall health. We do not manufacture or sell psychoactive cannabinoids. Rather, we formulate products rich in CBD and CBG and other nonintoxicating compounds like CBN, catering to customers who want relief without the high.

I urge you to adopt balanced regulations and protect health without stifling legitimate wellness industries. We stand ready to work with this body, the Nevada Cannabis Association and the CCB to ensure Nevada remains a leader in both consumer safety and CBD wellness products.

BRANDON WIEGAND (COO, Jardín Dispensary; Treasurer, Nevada Cannabis Association):
I am here to voice my strong support for S.B. 356. First, I would like to thank Senator Rogich for sponsoring this important bill and for sharing her personal story. Her leadership on this issue is greatly appreciated and demonstrates her commitment to protecting Nevada's residents. This bill addresses a critical loophole that has allowed intoxicating hemp products to flood our State, completely bypassing Nevada's carefully constructed cannabis regulations. What we are seeing today is not what Congress intended when legalizing hemp in 2018.

Let me be clear about what is happening; unregulated, untested psychoactive products are being sold in smoke shops, convenience stores and fake dispensaries on the Las Vegas Strip. The study I submitted to the Committee, Exhibit H, found that 95 percent of products tested in California contain banned synthetic cannabinoids. These are not natural products; they are lab-created, designer drugs with unknown health effects.

Unlike licensed cannabis establishments, these operations conduct no age verification, perform no testing for contaminants, pay no cannabis taxes, follow no advertising restrictions and have no security requirements. Children can easily purchase these products online with no age verification and have them shipped directly to their homes. The packaging often resembles candy or uses

cartoon characters that appeals to minors. We built the gold standard regulatory framework for cannabis in Nevada. We require strict testing, age verification, security protocols and child-resistant packaging.

Senate Bill 356 simply ensures that all intoxicating products are held to those same standards. This bill will not affect nonintoxicating CBD and CBG products. Those will still be available outside of dispensaries. What it will do is protect public health and safety by ensuring toxic products are properly regulated. I strongly urge your support for S.B. 356.

JOHN ABEL (Las Vegas Police Protective Association):
We want to thank Senator Rogich for bringing this bill and echo the sentiments of my colleague, Troyce Krumme. We are in full support of this bill.

BOB KURILKO (CEO, Silver Lion Farms; True Harmony LLC):
Silver Lion Farms has been the largest hemp grower in the State for years now. Similarly, True Harmony is a licensed cannabis holder for cultivation and production. Overall, I support S.B. 356.

I just wanted to say, candidly, the hemp loophole in the 2018 Farm Bill is being abused by bad actors; intoxicating hemp is coming in from out of state. They're modifying current cannabinoids into something it was never intended to be. It's really coming in through a legally compliant "hemp door," and then it is being modified after. They're extracting; they're concentrating; they're changing, and they're using chemicals to convert this product. It was really never intended to be that way.

I wanted to call out the changes we need for our law enforcement. They need to have clarity around who the bad actors are so that they can do enforcement. I just want to say it is really important that this committee moves this along. I fully support S.B. 356. We have to do this for public safety and to protect the regulated industry.

KELLI KELLY:
I am an agricultural business advisor who works with hemp growers in Churchill County, and I am calling in support of S.B. 356. First, I would like to thank Ms. Martin and the sponsor for being open to hearing our concerns and having conversations about how to protect Nevada hemp growers and hemp handlers, while also creating regulations to inhibit bad actors from selling and distributing

unregulated synthetic hemp products in Nevada. Again, I'm in support of S.B. 356.

TOMMY JONES (Green Planet CBD; Bloomstem CBD):
On behalf of both of these wellness companies, we are in support of S.B. 356 for regulatory framework in the hemp industry. We ask that you allow, with proper testing and regulation, the sale of nonpsychoactive and nonsynthetic cannabinoids—specifically CBD, CBG and CBN—within compliance. These products are not psychoactive and offer several health benefits.

In compliance with the bill, we do not sell any products with synthetic cannabinoids. Our products are solely focused on health and wellness benefits for anti-inflammation, pain relief and mental health benefits. We do feel the language in sections 2 and 3 of the bill is confusing. We need to clarify that CBD and other nonpsychoactive, nonsynthetic cannabinoids—such as CBG and CBN and others—are regulated and allowed for sale.

TYLER KLIMAS (Hemp Beverage Alliance):
I represent a trade association and advocacy group made up of hemp-derived beverage makers across North America. We're testifying today in opposition to S.B. 356 and the proposed amendment as it is currently drafted. I would like to acknowledge and thank Senator Rogich for her willingness to engage on this bill, as well as Director Martin for the conversation that we had. I look forward to having more conversations.

First and foremost, we share the concerns about unregulated hemp-derived products as discussed today, especially those products that are high potency, made with no oversight, untested and available in places where those who are underage are gaining access. While we support the development of a regulated framework for hemp-derived THC products—including requirements for testing and labeling—the concern is that we are limiting unique supply chain and retail opportunities for a subcategory of businesses. This is specifically true for low-dose, hemp-derived THC beverage suppliers.

Today, tested low-dose, hemp-derived THC beverages are being sold in liquor, beer and wine stores like Total Wine & More in states across the nation. In many cases, these hemp-derived THC beverages are partnering with, and accessing, alcohol infrastructure to distribute these products—a system that is well-versed in age-gating in adult environments. States are generating tax

revenue from these THC beverage sales in expanded and state-licensed retail environments like alcohol stores. That's tax revenue that can be used not only to administer new regulatory demands but also to combat the greater illicit market, including the types of products that you see in Exhibit F.

What we are hoping for is that we can continue to work on this legislation and put Nevada in a position to lead in the ever-changing world of legal THC products. With that, committee, I thank you for the time today. I thank the bill sponsor, Senator Rogich. I thank Director Martin for offering to talk more about what a beverage carve out might look like, and I hope we can continue to engage on this issue as the legislation moves forward.

SENATOR STEINBECK:
Is the amount of THC marked on those beverages? And is that regulated in any way?

MR. KLIMAS:
Absolutely. The Hemp Beverage Alliance has a core principles document, which I would be happy to share with you. It covers labeling and the THC percentage in products. On the low-dose, they're usually 5 mg to 10 mg, but all of that is clear, as it should be.

SENATOR STEINBECK:
Okay, and those products are tested as well?

MR. KLIMAS:
These products that are being sold in these liquor stores are tested, and they also have a certificate of analysis that goes along with them.

EDVIN EFRAIMOV (The Retail Group):
I am here to express my very deep concern with this bill. I am a small business owner in Nevada and, for the past five years, I have proudly contributed millions of dollars to the State. I not only created jobs, I also contributed millions of dollars to the federal government. Throughout this time, I have employed hundreds, if not thousands, of individuals. My business has worked collaboratively with local authorities, including the city and the county.

In order to uphold the highest operational standards in the industry, we have demonstrated what responsible, compliant and community-focused business

practices look like in the retail hemp industry. We do not sell any synthetic THC products. We do not sell delta-8; we do not sell THCA [tetrahydrocannabinolic acid]. We buy all of our products from a local GMP [good manufacturing practices]-certified manufacturer here in Nevada. And we are proud of buying here in Nevada.

With all due respect to the author of the bill—and I do have a lot of respect—I must plainly state that the purpose of this bill is singular. It is trying to dismantle a federally legal industry, seemingly to benefit a federally illegal industry. If passed, this bill will result in thousands of Nevadans losing their jobs. It would force local manufacturers, farmers, distributors and retailers completely out of business—including myself. The bill would cut off our ability to operate under these irrational requirements.

It is my understanding that the driving interest behind this bill stems from individuals within the marijuana industry. As you could see …

CHAIR PAZINA
Sir, we are actually at two minutes if you would like to make a closing statement for us.

MR. EFRAIMOV:
Let me be clear, we are not competitors with the marijuana industry. We offer something completely different than what dispensaries offer in Las Vegas. Our products provide proven health benefits without the psychoactive effect that the marijuana industry provides. I urge you to vote no on this bill. Stand beside the thousands of Nevadans, business owners, workers and hemp …

CHAIR PAZINA:
Thank you so much. I believe you might get another chance to speak because Senator Daly has a question.

SENATOR DALY:
I wanted to go over a couple of things you said. You sell things that have, as you said, "proven health benefits." How can you say that is true when you have to go through all the science to say that? That is number one.

Number two, since you sell these products, have you met or complied with the packaging and labeling requirements? Can you tell me what is in those

products? Is it labeled? Has it gone through the Health Department's checking and testing and various things, or is it just about your profit motive? Be sure to answer if it has not gone through the Health Department's checks; do not tell me it has because that would be against the law in this committee.

MR. EFRAIMOV:
Absolutely. Well, first of all, of course our products are all tested. The labeling is on it. The manufacturers are—as I mentioned—in a GMP-certified facility here in Nevada. Now, as far as the science behind the benefits, I would definitely like to have our colleague answer that question. He's more on the science side of things rather than the business side of things.

I have heard a lot of people here talking about how we sell these products to underage individuals. In our county business license, it actually states that we set the grounds for the business license. We implemented and initiated requirements for security, ID checks, testings, product liability insurances, employee handbooks and trainings on how to sell these products. So we have all of that. I mean, all the accusations that I have heard that there is no testing, that people are dying from this—a lot of it is not true. I am sorry to tell you.

SENATOR DALY:
Right, so the proven health benefits—if that is documentation that you have, get it to me. Then the testing by DHHS—in accordance with the statutes that was read to us by Legal—I would like to see that as well.

MR. EFRAIMOV:
We have a batch number—by the way—for every product. So you could always trace it back to every purchase.

SENATOR STEINBECK:
So which section of this bill would prevent you from selling legal and legitimate products?

MR. EFRAIMOV:
Listen, with all due respect, we understand there are some bad players. But when you require a limit of detection on CBD, that means that you could detect a 0.01 percent THC, and the product couldn't be sold. So, there are some issues in the industry, we agree—like in any other industry—and we are willing to talk about it and see how we can help to prevent these issues.

But hammering down the industry with regulations that are going to be completely impossible for us to operate? We're not going to be able to sell hemp products that you could buy anywhere in the country, simply because the testing requirements are not possible. We have our colleague, Patrick, who could give you more answers on that in terms of the product and the requirements.

SENATOR STEINBECK:
But it sounds like to me that we have 49 states or so trying to catch up to this right now.

MR. EFRAIMOV:
Trying to catch up; did anybody pass anything like that so far? I mean, I want to see a state that completely banned hemp. You have to understand, hemp is not marijuana. The dangerous drug is marijuana, not hemp, with all due respect. Now blaming hemp for something that has no psychoactive effect? Are there any synthetic THC products? Yeah, there are. The CCB can go in there to catch those guys and [seize] the products. But going after a whole industry just to seemingly benefit another industry—in my view—it is very anticompetitive.

KATELYN COUTURIER (Director of Operations, The Retail Group):
I want to point out some irony and falsehoods in the initial presentation. The photo on the right in Exhibit F actually [shows] our products. It's ironic that the back of the products were not photographed. Every single one of those products has the ingredients listed on the back, as well as the GMP certification, and they have a QR code or a batch number, linking directly to a certificate of analysis that is from a CCB-licensed lab in Nevada.

I would like to thank the Legal Counsel for pointing out the [DHHS] requirements because we have followed those for the past six years. We hold COAs [certificate of analysis] on file for every one of our products. That photo also could not have been taken without having an ID scanned at the entrance of our building. Everybody who enters any one of our stores has their ID scanned by a tobacco enforcement unit scanner and is verified to be over the age of 21 with a legitimate ID. So there are a lot of falsehoods in what was presented today.

There are problems within the industry. Synthetic cannabinoids are being sold on the market, but there are people who are not selling those. There are people

who are producing legitimate hemp products, and they failed to let you know that you cannot produce a full-spectrum or a broad-spectrum CBD tincture or lotion without a limit of detection. You cannot produce a CBD tincture that is broad-spectrum or full-spectrum without traces of THC, which is why the federal government set forth the 0.3 percent THC cap. With that, I would like to urge you to vote no on S.B. 356 or listen to the cannabis industry and make amendments.

BRYAN WACHTER (Senior Vice President, Retail Association of Nevada):
I do have to start by sincerely apologizing to Senator Rogich; this is a new issue for us, and we had not had a chance to talk to her. So I do apologize for that. It was very interesting during some of the conversation to kind of learn where the industry thinks it's going. We do have a federally legal product. I want to make sure that our retailers are complying with the laws at DHHS and making sure that there is an avenue there.

We do want to echo the comments of the Hemp Beverage Alliance. We do think that there is a legitimate, very easy legal licensing path forward to making sure that low-dose hemp beverages can be sold in age-gated businesses here in Nevada. The cannabis industry is not the only age-gated industry in the State. We've been very good at it, and we've been doing it for a lot longer than we have allowed cannabis here in Nevada. So we do think that there is a path forward, and we hope to take up Ms. Martin on her offer to be able to work on that language.

PATRICK CONLOGUE:
I am the owner of a hemp manufacturing company that is licensed with the State Department of Agriculture and whose products are all tested by a Nevada-licensed lab. Every single product we make goes to a state-licensed Nevada lab and creates a COA behind it—full transparency. I am also an individual who's dedicated my entire life to the cannabis plant, having worked in collaboration with and consulted for state-licensed facilities here in Nevada and all across the country, including institutions such as Louisiana State University, among many others.

I am here today to express my strong and clear opposition to S.B. 356. In my opinion—as well as the opinions of several others here—this bill appears to have been created with only the understanding, or perhaps the prioritization, of only one side of Nevada's cannabis industry—the high-THC marijuana sector. While

high-THC products are certainly important, and obviously more profitable for the State, frankly they do not represent the entirety of Nevada's cannabis industry. My business—along with other small businesses in Nevada—represents the high-CBD side, with products that contain very low amounts of THC. Most often, it's 0.3 percent or well under, which is a threshold defined at the federal level.

CHAIR PAZINA:
Sir, we are at two minutes, and we still have a lot of people that are waiting.

ORLANDO ANGULO:
I would like to yield my time.

CHAIR PAZINA:
Thank you for yielding your time, you have 30 more seconds.

MR. CONLOGUE:
I would like to speak with Senator Rogich directly. Really, I want to say that I can recognize her protective intentions behind S.B. 356. However, in my opinion, it lacks a critical understanding of our CBD side. It's absolutely necessary to avoid devastating and unintended consequences to many businesses.

Senator Rogich, voting no on S.B. 356 is not a loss. It is a massive opportunity to create something better for all of Nevada. Together in collaboration, I believe we can draft a bill that is much more effective. I know myself and many others here today would be honored and grateful to work on that.

WILL ADLER (Green Thumb Industries):
Green Thumb Industries is the largest cannabis store operator in Nevada. As such, they are actually one of the largest operators in the country. But I just want to put some perspective on this for the hemp conversation we are having today.

Hemp dry beverages are sort of a pot can [nonalcoholic hemp-infused beverage] with the same amount of THC in it as an edible would have—about 10 mg of THC—that is actually going across the nation right now. I mean it literally started in Minnesota, now it's in Illinois, Kentucky, Texas and other places. These products are being made, and they are being vended, not just in cannabis

stores but also in legal bars and through alcohol license distributor networks in multiple states today.

I think some of the terms that we heard were about CBD-specific products or the sort of products that are made with the hemp plant. But again, as it was referenced, no amount of THC can be removed from the hemp plant in its entirety. In fact, cannabis and hemp are the same plant.

So actually, cannabis sativa is both hemp and marijuana as we think of it. The idea that you can separate THC in its entirety from hemp was trying to be recognized in the 2018 Farm Bill, and that is why they had the 0.03 percent [*sic*] limit. But as you see in products, they can actually have 0.03 percent [*sic*] in a product that is less than that.

So it is just oddly stated that there are no regulations or federal guardrails on this when there are mass producers of these beverages, and they are selling them across state lines. Real licensed businesses have to have a tax ID to ship and sell to each other. They are doing it under regular U.S. interstate commerce rules, and there is an FDA regulation that hemp products have to be made with a food-grade material. So we are seeing a lot of these beverage companies actually just taking their current beverage materials and packing equipment and using it to make hemp-derived products.

Overall, I just want to say from Green Thumb Industries' perspective, we do appreciate the idea of trying to put some guardrails around what is a hemp product in Nevada. We should define what it is, but S.B. 356 is generally not the right direction just because it does have a full layout and ban.

The amendment that was received today was sort of just sent to the committee and not shared with Green Thumb Industries prior to this. But we do want to work with the bill sponsor to come to that good middle ground and find a way that we can have hemp products on the shelves that cannabis operators are currently selling today in Nevada, and continue to have them in other stores and other venues too.

DANI BARANOWSKI (The Grow Up Co-op):
I am a small business owner in Nevada, and I provide services for both hemp and cannabis companies. I strongly oppose S.B. 356 and the proposed amendments, which severely restrict the potential for hemp-derived, low-dose

consumable products in Nevada. This proposed legislation and ban goes far beyond the logical and reasonable federal low-dose restrictions of 0.3 percent, setting a dangerous precedent for small businesses. If this bill passes, it would close the door on a $1.7 billion opportunity for Nevadans.

By restricting low-dose THC products to a small niche market, we are losing significant business that could thrive in Nevada. I have an example for you of how this is working in other states and in other markets. If you have a headache, you go to the supermarket to buy Tylenol [*sic*] and they ID you. If you need something stronger, you go and get a prescription for Tylenol with codeine. Both of these industries coexist and neither takes away from the other, since they clearly serve different purposes.

Also, thank you, Mr. Conlogue, for recognizing that there are low-dose products that are in accordance with federal health and safety regulations. There are brands creating safe, lab-tested and low-dose products that are succeeding, and they do not want to operate here with this increased regulation. Yes, there are 49 states looking at regulations; they are not banning as was implied. Your speakers are hiding behind these bad actors and making these blanket statements that are really going to harm the future economic opportunity of Nevadans.

Really, the best positioned stewards of these low-dose products exist in high-dose products as well. These Nevada producers already have the infrastructure in place; they want to meaningfully extend their operations into the growing space and bring these revenues home to Nevadans and their jobs. The total addressable market is shrinking, and these operators deserve the chance to participate in a global industry.

However, these regulations are threatening that on the premise that it's harmful to public health and safety. The people that are being bad will continue doing bad. Just as Senator Ellison mentioned, they will find another loophole. These regulations are harmful and illogical. We need to follow the federal allowance which follows, I think, most people's line of logic.

ALI MANGENE (Operations Manager, PX International):
I help operate a GMP- and ISO 9001-certified hemp manufacturing facility here in Nevada. I oversee the systems that ensure our products are made safely,

consistently and with full traceability. Our certifications require strict operational controls, third-party audits and continuous training.

We already meet international standards for consumer safety. Under GMP, batches we produce are tested to ensure they meet quality and safety standards. Similarly, ISO 9001 ensures ongoing accountability and continuous improvement across every level of our operation. This is real, science-based regulation, and it works.

We fully agree that the hemp industry should be regulated. In fact, we welcome it. We support mandatory product testing and would even recommend requiring GMP and ISO certification as a baseline for all manufacturers. That's how you build trust and ensure consumer safety.

Senate Bill 356 does not stop at creating oversight. Rather, it restricts us to only two cannabinoids, cutting off lawful innovation. It also transfers regulatory authority from the Department of Agriculture, an agency that has worked closely with the hemp industry, to a different framework.

The shift introduces uncertainty and raises concerns throughout the industry about whether hemp-specific operations will be fairly and appropriately regulated. This bill could unintentionally harm companies that have already invested in rigorous compliance, responsible practices and safe product development. It also risks reducing consumer access to trusted products, while slowing innovation in a fast-growing industry.

We believe there's a better path forward. One that builds on existing systems, encourages high standards and prioritizes public safety. We're not here to oppose regulation. We're here to help shape it into something that works for both consumers and responsible businesses. Please vote no on S.B. 356, and let us work together on a smarter, more effective path forward for Nevada.

CARLY KRYGIER (Cafecito SW LLC):
I am here today to express my opposition to S.B. 356. I support meaningful regulation in the interests of health and safety. However, that is not what is being presented with this bill and the proposed amendments. I oppose it for all the reasons you have heard—and will hear—today, like the bill's overreach, the poor understanding of the industry and the death of many small farmers and

businesses. But I also oppose this bill for the limits this places on CCB licensees like myself.

This industry is already so regulated and stigmatized, it makes operating—let alone starting up—nearly impossible and financially difficult. For over two years now, my business partner and I have encountered roadblock after roadblock in just finding a suitable location. As of today, there are zero independent consumption lounge licensees operating.

This novel branch of the cannabis industry is already struggling to exist; prohibiting or even unreasonably limiting the product line we can offer in our future lounges is another hindrance to us. There are already only a limited selection of compliant infused beverages we could potentially offer in a bar-like lounge setting.

Licensees of the CCB are able to create these products now, but if this bill passed, they wouldn't be able to. The passing of this bill eliminates an entire revenue stream for us. It is a detriment to our business plans and concept.

I also want to mention, I too am a mother to a preteen. My heart breaks for all the parents hurting today. However, this bill will not prevent or eliminate our fears about street-bought drugs being laced. That has been a fear for parents …

CHAIR PAZINA:
Thank you so much and I apologize, we're over two minutes and we are not going to be able to hear everyone who's waiting, so we are going to move on to the next speaker.

ANJA WENZEL (Owner, Natural Life Las Vegas):
I am here today to strongly oppose S.B. 356. I came to the U.S. in 1996 from Germany and made Las Vegas my home. For many years, I worked in the corporate travel industry, but like so many others, the pandemic changed my path. I followed my passion and opened a natural health and wellness store, a space centered around healing, community, education and transparency. I focused on CBD, Kratom and Kava.

As a female immigrant who is an entrepreneur, this store is more than a business—it is a mission inspired by my son. My adult son was diagnosed with autism as a child, struggles with severe ADHD, anxiety and depression. After

being prescribed antidepressants, he survived two suicide attempts. It was only after discovering full-spectrum CBD that his life began to stabilize. Today, he's able to work, function and live with balance—something that would not have been possible without access to natural alternatives like CBD.

He is not alone in this. I hear stories like this every day from customers who come to my store to find relief. They tell me that CBD has helped them manage pain, anxiety, insomnia and more. They value not only the products but the calm, private and educational environment my store provides. They can ask questions, feel safe and learn how to use these products responsibly—and they leave with hope. They come back, not for a high but for healing. They come back with gratitude, saying, "You helped me sleep again," or "You helped me manage my panic attacks."

If S.B. 356 passes, you'll be forcing people like my son—and thousands like him—to access their CBD products in dispensaries. I am certain that many of my customers would no longer feel comfortable doing so. The privacy, education and trust they found in my store simply does not exist in that environment. This bill won't protect consumers and would not only shut down my livelihood ...

CHAIR PAZINA:
Thank you so much, but we're at 30 minutes so we do need to cut you off. Please provide your testimony (Exhibit I) in writing to the committee secretary.

GIANO AMADO (Roll It Up, Inc.):
I have a licensed business here in Nevada, and I would like to state that there were a lot of falsehoods made today, okay? We have never had one person come in to my establishment that was not 21 years old. We make sure that we check everybody's license that there's nobody under the age of 21 coming in. We have a COA for every single item that we have. So that was one of the falsehoods that was made. This is clearly the cannabis industry trying to control us. This is a bullying tactic, and we hope that you guys do not allow us to be bullied.

CHRISTINA ALLMAN:
I am a resident in Senate District 8 and a small business owner, servicing both hemp and cannabis clients in Nevada, Arizona and New Mexico. I am here today to speak in opposition against the proposed amendments submitted by the

Nevada Cannabis Alliance (NCA) to ban all 0.3 percent or less THC products that are currently federally legal under the 2018 Farm Bill.

These amendments will threaten compliant hemp companies from operating in Nevada, as well as restricting significant taxable revenue for our State. I fully agree that products above 0.3 percent THC should be sold in dispensaries and that the production of synthetic THC and cannabinoids should not be allowed. I urge you to reject the NCA's amendments and look to states like Minnesota, where a balanced regulatory approach has been implemented. Minnesota has generated approximately $200 million in tax revenue in the last fiscal year alone with low-dose THC products.

Banning these products would be a missed opportunity for our State and punish those that are operating compliantly. It is particularly concerning given that most of the support for this bill has come from dispensary owners, whose narrow interests do not reflect the broader potential of Nevada's hemp industry and consumer demand. In a dispensary, you can purchase a 100-mg product and numerous products that are 80 percent potency. Yet, here we are discussing banning products that are 0.03 percent or less [*sic*].

These products are not a threat to public health and safety—synthetic THC products are. Also, these products are not what is causing the cannabis industry to decline. It is the strict policies, regulations and high tax rates that are hindering the growth of dispensary owners' and brands' profit margins. If a teenager really wants to get high, they are not going to consume a product that contains 0.3 percent of THC. Again, I urge you to reject the NCA amendments to ban safe hemp products and focus on banning synthetic THC.

JAMES HUMM (Executive Director, Cannabis Compliance Board):
I will keep this brief. I just want to thank Senator Rogich and Director Martin for reaching out to us on the fiscal note. Since they've kind of shifted the language, we are confident that we can get that fiscal note down significantly from that $2 million.

As the Committee makes a decision today, do not let that deter you in your determination because we are committed to working on that. There is the caveat that if this does come to us, we want to make sure that we can enforce it properly. We believe the bill addresses that, or will address that, as we

continue to work on language, but we are working diligently with the bill sponsor and Director Martin to reduce that fiscal number.

SENATOR ELLISON:
You heard the testimony. Is the 0.3 percent below legal in Nevada?

MR. HUMM:
My apologies, what was the question Senator?

SENATOR ELLISON:
They are talking about the 3 percent [*sic*]. Is that legal in Nevada?

MR. HUMM:
Over 3 percent is not legal in Nevada.

SENATOR ELLISON:
Over, but anything below …

MR. HUMM:
Anything below is … Sorry, I was checking with my very smart science person.

SENATOR ELLISON:
So the amendment that they just talked about, would that amendment change that?

MR. HUMM:
It would not change the allowable legal limit; it would just change the regulatory structure.

BEN PENNINGTON (Las Vegas Democratic Socialists of America):
I want to thank Senator Rogich for her testimony earlier; it was quite touching. So, what I can't help but notice is how many of those products targeted towards young people actually violate a lot of intellectual property laws.

Maybe one of the things that this bill needs to start focusing on is how much intellectual property is being violated in our State. Maybe what we need to focus on is the advertising, not the industry itself but just the advertising. That's all, thank you.

MS. MARTIN:
I will be quick, I just wanted to address a couple of points. We are happy to work with folks, as we said at the beginning. We are targeting a lot of these out-of-state products that are coming into the State that are not following any of these rules. So we're very happy to work with the folks who are following whatever rules do exist.

There is some language on the books, as acknowledged by Counsel, but it is not being enforced. This is not an attack on DHHS or anything like that whether they do not have the resources; it's not in their wheelhouse, or the language has not kept up with the evolution of these products, right? Many of these are designer drugs essentially, and the language has not kept up with that. As you heard from law enforcement and local jurisdictions and the CCB, they want clear language to enforce, and that is what this does.

So, I'm happy to work with the good operators. This will do nothing to impact their business, and I'm happy to work on any issues if it does. But again, these are intoxicating products; they should be regulated. The products are going into people's bodies, and there should be minimum quality control.

SENATOR ROGICH:
Thank you for considering this bill. It is very important, and I really do appreciate it. I thank Layke and the CCB and everyone else that came out today and spoke on this issue.

CHAIR PAZINA:
With that, we are going to close the hearing on S.B. 356 and open the hearing on S.B. 398.

SENATE BILL 398: Revises provisions relating to health insurance. (BDR 57-731)

SENATOR LORI ROGICH (Senatorial District No. 11):
I'll start with a little background information. I agreed to present this bill because of my family's personal experience. I know you heard about one daughter; I will talk about the other daughter here today.

Our youngest daughter was born with certain structural anomalies that required surgery as she aged. The physician prescribed a treatment, but the insurance

company denied coverage, saying it was not medically necessary and that we had to prove that the condition was congenital. The appeals process was difficult and required our daughter's surgeon agreeing to assist us in the appeal.

After much back and forth and demand that a peer-to-peer review process occur with another doctor who understood the complex medical condition and the necessity for surgery, we were finally successful in overturning the denial. We were lucky to have the ability, the resources and a willing doctor to push back on the insurance company.

This bill will ensure that our state laws align with the federal Mental Health Parity [and Addiction] Equity Act. This alignment is not only a legal obligation but also a moral imperative to ensure equitable access to mental health and other disorder treatments for all individuals.

MS. SCHNEIDER:
I am a board-certified dermatologist and a board-certified and fellowship-trained Mohs surgeon. I practice in an independent private practice here in Carson City. As a practicing dermatologist, I see firsthand the harmful effects of the prior authorization process, which has become cumbersome, egregious and is actually harming patient care.

I would like to give a couple of examples in my practice. So I am a Mohs surgeon, which means I take care of patients with skin cancer. Generally, patients with skin cancer have it on their face, but I take care of skin cancer in other locations as well.

I had a patient recently who has a skin cancer near his eye, involving his eyelid. It was denied by insurance, saying it was not medically necessary to have that removed. We have known about the cancer for over a month now, and we are still waiting; we are appealing that process to get it approved.

I have another patient, who I recently saw, who has a very aggressive type of skin cancer. He has a squamous cell—it is deeply invasive, and it is wrapping around his nerves—it is very aggressive. He needed to see additional physicians after I treated him with surgery. In order to try and get him to see these other physicians, my office had to fill out five different requests—one for each different physician that he needs to see to get him the care that he needs. And we are still waiting to hear back on those requests.

That's speaking about procedures and treating cancers. But I also treat a lot of other things in my office. I treat patients with eczema and psoriasis. I am sure we all know somebody who has been affected by a skin condition at some point in their life.

One of the other issues that happens with prior authorization is when patients switch doctors. They are on a medication, let's say for eczema. We have an injectable called Dupixent; it works amazingly well for eczema, especially in children. If the family switches insurance for any reason, then the new insurance company does not have to cover that medication anymore.

I have to then fill out paperwork and work with them to get their medication, often leading to a lapse in treatment for these patients. When we do have a lapse in treatment—meaning that they are not getting their medication—their disease often comes back. Further, we know that sometimes—not for everybody—when we restart that medication later, it is not as effective.

The same thing happens when the insurance flips over. For a lot of companies, it is in January, but some companies, it is in July. If their deductibles and everything flip over, then we have to do authorization again, which again leads to patients losing access to their medications. Their disease state comes back, and then it might not work once we get it covered again. So this process greatly affects our patients, and that is what we are here advocating for.

Much of this bill follows model legislation for comprehensive prior authorization reform. I applaud Senator Rogich for addressing such an important problem that directly affects patient care. The part of the bill that I would like to draw attention to is section 13, where it talks about prior authorization denials and appeals. This section emphasizes the importance of peer-to-peer review.

Every day, I make medical decisions that I have determined through my training and my direct examination of patients to be in the best interests of their care. But sometimes when prior authorizations get denied, I have to take time away from my patients and make phone calls with the insurance company to appeal the decision. Often in those scenarios, I am not speaking to a peer, often not even to a physician, and I have actually never spoken to another dermatologist, let alone another Mohs surgeon who specializes in removing skin cancer.

I would also like to draw attention to section 25. This is important because it modifies the timeline for prior authorization. Currently, it can take 20 days for the insurance company to get back to us on claims. We are proposing a different timeline to help expedite care so that patients with cancer are not waiting 20 days to find out if it's approved or if we then need to appeal it and do a peer-to-peer review. This shortens the timeline to follow model American Medical Association (AMA) timelines.

In conclusion, I hope that I have brought light to this issue that is affecting our patients. It is preventing them from getting the medications they need, from staying on the medications they need and from getting the treatments that they need. I think what we all want here is great care for Nevadans and having prior authorization reform is a way to help accomplish that. Thank you, Senator Rogich for addressing prior authorization reform for our patients.

SENATOR ROGICH:
I do want to say that we are in conversations with other parties in regard to this bill, the other insurance carriers and such, and that has been ongoing.

KIM MACK ROSENBERG:
I appreciate the opportunity to address you today in support of S.B. 398. I am an attorney admitted to practice in New York, New Jersey and in federal courts around the country. Perhaps more importantly, I am the mother of a young adult diagnosed with autism spectrum disorder (ASD). In my legal practice, I represent families of individuals with ASD and those who provide medical services to them, including in particular, providers who provide medically necessary applied behavior analysis (ABA) therapy.

I wanted to address with you the importance of all individuals with ASD, covered by Nevada-regulated plans, receiving medically necessary ABA therapy and to do so without age caps, dollar limits or place-of-service restrictions. Some of these are the major limits—as Senator Rogich briefly touched on—that are also disallowed under federal mental health parity.

To underscore this, I just wanted to mention that, at the moment, I am in Boston attending the Profound Autism Summit. It is a gathering of several hundred ABA practitioners, doctors, other health professionals, lawyers, advocates and parents, discussing the complex needs of those most profoundly impacted by ASD. Among medically necessary treatments across the lifespan is

ABA therapy. In fact, it is widely acknowledged as the gold standard treatment for ASD. It is critical that citizens of Nevada who have been impacted by ASD have access to this treatment without limitations, such as age caps, dollar limits or place-of-service restrictions.

Applied behavioral analysis therapy—for those who do not know—is a form of behavioral therapy provided to individuals with autism. Generally, it is considered the only medical treatment that substantially ameliorates the core symptoms of the disorder. This type of therapy challenges behaviors, such as self-injurious behaviors, aggression toward self or others, destruction of property, elopement—which is running away or escaping a situation—and other safety concerns. It also helps with stereotypical behaviors like rigidity, social and communication deficits. Autism is complex.

Medically necessary ABA is most often provided on a one-on-one basis with treatment plans developed and overseen by board-certified or licensed behavioral analysts. Data is taken and analyzed to develop and continue treatment planning and implementing treatment plans over time. Generalization is critical to the success of individuals receiving ABA, reinforcing why it is important to provide therapy in different environments. It's also why place-of-service limitations violate mental health parity and are damaging to individuals who need ABA therapy.

If an individual masters a skill or a behavior improves, but only in one environment—for example, maybe at home or only with a certain therapist but not with parents or teachers in the school setting—benefits of ABA are limited. The ability of the individual to attain the fullest independence and functioning is negatively impacted. Similarly, if an individual has specific challenges in one setting—for example, in a school setting—it is important that they are able to receive treatment in that particular setting. Receiving treatment in another setting may not necessarily have an impact for them.

Applied behavior analysis therapy for ASD is beneficial throughout the lifespan. Individuals, depending on their individualized medical necessity, may need treatment for either a brief period of time or longer. An individual may need intensive therapy, maybe 30 or 40 hours a week, or they may need more focused therapy for just a few hours a week. Again, it is based off what is determined to be medically necessary for that individual.

Some may also need services for many years. So, when we consider annual visit limits, for example, 60 visits a year that require an individual to start and stop services, over the course of years, [this] is counterproductive and risks making the therapy less effective. Similarly, lifetime visit limits violate determinations of individual medical necessity and mental health parity.

I want to pause here a moment. I have already used the terms medically necessary and medical necessity a few times. It is critical to recognize that with respect to mental health conditions, like ASD, that medical necessity has to include obtaining new skills and reducing behaviors.

Not only that, but it is also critically important to prevent regression—the loss of acquired skills and positive behaviors—as well as exacerbating existing or emerging behaviors. So medically necessary treatment has to take into account the risk of regression and maintaining those gains.

Some individuals require ABA on its own or need it for specific challenges. Again, those people who required focused ABA are no less important. It is important to recognize that any individual who needs ABA therapy may continue to need it until they're 5, 10, 15, 20 or 30years old.

Some people need it for an extended period of time, and it's important that it be made available to them. It is widely acknowledged that treatment does not stop based on age or based upon a certain number of sessions. Yet in many instances, ABA therapy, along with speech, occupational and physical therapy for those with autism, often has these age and visit limits in place-of-service limits.

We would never say, for example, on the medical side of treatment, to someone who requires outpatient kidney dialysis, "I am sorry, you are 21 years old so we are cutting off your dialysis," or "We only give you 30 visits of dialysis a year, regardless of what medical necessity dictates." I have seen people in my own practice well into their twenties and beyond, who have benefited greatly from having ABA services.

Whether it's comprehensive, for 30 or 40 hours a week, or if it's a more focused treatment plan—it can help. Especially for the more profound individuals, that extended period of intensive services can be life changing. Families go from being unable to leave their home to being involved in their

community. Sometimes, individuals are able to have a job, or they can take advantage of opportunities that they may have been precluded from attending in the past, particularly those with severe behaviors.

To deprive individuals of these opportunities is short-sighted, both for the individuals and for the State. Providing ABA may result in reducing future dependence on State-funded services or reduce the level of dependency. The long-term cost of not providing ABA can be devastating, and the financial burden is faced by families, school districts, insurance and adult services. It increases dramatically when individuals are denied medically necessary care. By providing ABA to individuals with ASD across settings—including schools—more individuals will experience increased independence, including the ability to be educated in less-restrictive settings.

As I said, people can make significant improvements with ABA therapy. It's important that anyone covered by any type of plan, governed by the laws of Nevada, can access that care across their lifespan without limitations. It is important so they can also have an equal opportunity. Additionally, some individuals manifest behaviors—as we talked about—in certain settings. So, it is crucial for a place of service to be taken into account.

The Council of Autism Service Providers, which is a nonprofit trade association of provider organizations serving individuals with ASD, has recognized the need for that flexibility across settings. School is especially important, as I mentioned, and it is medically-necessary ABA that we are talking about in school, not educational ABA—those are different modalities. I would be happy to answer any questions about those differences. The medical necessity of ABA therapy was recognized in a recent court case out of the Ninth Circuit.

Also, I do want to note that with respect to Medicaid in particular and with children under 21 who are covered by the Early [and] Periodic Screening, Diagnostic [Diagnosis], and Treatment (EPSDT) mandate, that failure to provide treatment across settings, including in a school, may violate EPSDT and that that should be kept in mind as well. In closing, again, I believe it is very important for S.B. 398 to pass.

SENATOR ELLISON:
Ms. Schneider, I went through this; my son got carcinoma melanoma from a mole, and it went into his lymph nodes. I have never seen so many denials from

insurance companies in my life. We were happy to drive the 300 miles back-and-forth, and we had good insurance—or we thought we did. They denied so much and when it got to the end, the doctors told us that he was going to die if he did not take interleukin-2. Of course, they denied it immediately.

We had to sign over our house, our car, our airplane—everything we owned to get those shots. So, do the insurance companies need to step up when the doctors are telling them that this is what the patient has to have? Because the insurance companies—I bet you 70 percent of everything we did was denied, no matter what it was. I have got a real problem when it comes to this kind of stuff.

MS. SCHNEIDER:
I am sorry that you went through that experience. I would love to say that you are alone in that experience, but I think a lot of patients go through something similar where their care is denied. I know I have to respond to a lot of denials.

MS. NGUYEN:
Today, I am here to speak, not just on behalf of Nevada's physicians but on behalf of their patients, because at the heart of this issue is not administrative burdens or industry inefficiencies, it's patient safety. Right now, that safety is being compromised every day by harmful policies like prior authorization.

We're witnessing a disturbing shift in medicine where corporate policies and profit motives increasingly override clinical judgment. A patient's access to care is no longer determined by their physician but by insurance companies using tools like prior authorization that delay or deny treatment. This is no longer just an appropriate utilization tool; this is about patients being caught in a system that is designed to say no—sometimes before they even consider saying yes.

Originally created in the 1980s to help control costs through utilization management, prior authorization has morphed into something that seeps into even routine and daily care. Studies show that on average, a physician will complete 43 prior authorizations a week, with physicians and staff spending over 12 hours a week just completing paperwork. What was meant to ensure appropriate care is now too often a tool that causes delays and patient harm.

Imagine you are a patient facing a serious diagnosis. You've gone through testing, consultations and second opinions. You sit across from your doctor, someone who knows your history, your body, your needs, and they decide on a treatment plan.

Then suddenly, that decision is blocked, not by medical science, not by safety concerns but by someone on the other end of a phone that has never met you. That person tells you your treatment isn't approved or that you need to go through the senseless process of step therapy, where you are forced to try and fail other medications first, even if your doctor knows that those drugs will not work for you.

This is not just theoretical; it is happening every day, and it is not just frustrating, it is dangerous. A national AMA survey shows 94 percent of physicians report prior authorization causes delays in care. Eighty-nine percent say it negatively affects clinical outcomes, and one in three report [a patient] had a serious adverse event. I really ask you to please support prior authorization reform.

LEA CARTWRIGHT (Nevada Psychiatric Association):
The Nevada Psychiatric Association is in full support of prior authorization reform. We've worked for a long time on step therapy reform. I do want to point out that in the bill, in several sections, it requires that if an adverse determination is made against this prior authorization, it has to be done by a practitioner in the same specialty.

Some psychiatrists told me about when they were trying to get a prior authorization approved for a patient's antipsychotic medication. The person on the other end was a labor-and-delivery nurse. Very different in terms of a child and adolescent psychiatrist or a forensic psychiatrist to a labor-and-delivery nurse. So we would love prior authorization reform or prohibition and support this bill.

GWEN JOHNSON (Co-Founder, Accelerated Learning Academy):
I am here to support S.B. 398 and highlight the significance of this bill for some of our most vulnerable Nevadans. Nevada has adopted federal mental health parity laws. Yet several insurance carriers in Nevada do not uphold these rules, specifically related to quantitative treatment limits. Health parity dictates that age, visit and placement limits, as well as dollar caps, should not be

burdensome or more burdensome than those applied to medical and surgical services.

I want to be clear, autism does not end at age five. This is often a lifetime diagnosis. Autism does not stop at the schoolhouse door, nor at the community park. The $72,000 cap calculation has violated the spirit of the mental health parity laws and, thus, these caps should be removed.

There's frequent concern that lifting these caps will encourage large additional costs. While I am cognizant and honest about the increased cost, I worked this year with Sierra Health and Life, specifically to look at how many of our clients this cap list would factually impact. Out of our 17 clients with Sierra Health and Life, only 3 would exceed this cap. For Medicaid, out of our nine clients, only three clients would exceed this cap.

Ethical ABA companies are requesting appropriate treatment requests. Issues remain like companies utilizing unethical or fraudulent billing practices. These challenges fall to insurance companies to complete appropriate review of authorization requests, peer-to-peer reviews and internal audits alongside treatment, documentation and billing.

Ethical companies and, more importantly, individuals that we serve, should not be penalized for the few that are engaging in questionable practices. Of note, the same concerns of fraudulent billing and questionable practices occur across all medical and mental health disciplines. There is no data that I am aware of that shows there's a higher amount of unethical or fraudulent billing in terms of treating autism compared to other healthcare disciplines.

Finally, the proposed rules around prior authorizations also greatly impact our industry. We are often waiting 15 to 30 days for a response on prior authorization requests, which delays critical care from being provided in an efficient manner. Shortening these timelines to 48 hours would greatly benefit our consumers' access to the care they so rightly deserve. I urge this committee to vote in support of S.B. 398 to ensure that Nevada is upholding our commitment to mental health parity and providing needed treatment when and where they are appropriate.

STEVEN COHEN (Nevada Governor's Council on Developmental Disabilities):
We think that access to affordable care must be free from bias, regardless of preexisting conditions or rehabilitative approaches. They must not experience any delays, denials or limitations in their interventions.

CHELSEA CAPURRO (Health Services Coalition):
As Senator Rogich mentioned in her presentation, there are a few of us that are continuing to work with her. We're in opposition, as presented today, but would love to continue to work with her on this bill.

PAUL YOUNG (Pharmaceutical Care Management Association):
Today we are here in opposition on S.B. 398. We are concerned with the significant costs and care impacts S.B. 398 will have on consumers. The prior authorization process aims to ensure appropriate and cost-effective treatment for consumers that works to reduce fraud and abuse.

Further, it helps confirm that prescribed medications align with evidence-based guidelines that promote patient safety. Eliminating this process from the overall healthcare treatment and services, including medications, will ultimately lead to the use of more expensive nonformulary medications that will further drive up overall healthcare costs.

SHELLY CAPURRO (Nevada Association of Health Plans):
We appreciate the opportunity to comment on why we oppose the bill. We recognize the importance of a balanced approach in ensuring access to care, while maintaining affordability and prioritizing patient safety and efforts to reduce unnecessary delays in care. But we do have concerns with broad definitions and mandates.

The amendment broadly expands the definition of medically necessary services for certain disorders without a framework for clinical consistency or cost management. While we recognize the importance of individualized care, the inclusion of specific, tailored language introduces an open-ended standard that can encompass a broad and indefinite range of services—potentially well beyond those supported by clinical evidence or consistent with current medical necessity guidelines.

There is also a broadening of the types of providers who can render care and make determinations, including behavioral technicians and allied health

professionals. While these professionals are essential members of care teams, allowing them to function independently in utilization, reviews or appeal determinations without the oversight of a physician raises concerns about clinical appropriateness, credentialing and alignment with national standards.

There are rigid prior authorization requirements, including a 60-minute turnaround time for post-emergency services and mandatory honoring of prior approvals from previous carriers. These provisions, while well-intentioned, pose significant operational and administrative challenges that may not be feasible in real-world, care-delivery settings, especially when information is incomplete or requires verification.

We would request that turnaround times are consistent with federal CMS guidelines. Finally, we want to thank the sponsor for meeting with us, and we do look forward to further conversations with her and stakeholders to ensure that we are doing our best for our patients and our consumers.

TREY ABNEY (America's Health Insurance Plans):
I do want to apologize to Senator Rogich. While I was able to message her late yesterday, I have not been able to talk to her personally about this. I associate myself with all the comments made before. We believe this bill could undermine patient safety and affordability. Prior authorization is a proven tool to ensure that patients receive safe, effective and evidence-based care.

Medical knowledge doubles every 73 days. So, to keep up with these changes, studies show that primary care providers would need to practice medicine nearly 27 hours per day. So, we believe it is important that health plans, providers and hospitals work together to prevent unnecessary care, prevent dangerous drug interactions and ensure that drugs are used as clinically indicated.

We believe that this will reduce healthcare costs. Experts agree that roughly a quarter of all medical spending is wasteful or low value and that 10 percent of physicians provide care inconsistent with evidence-based standards. We believe that by guiding patients to the right care at the right time in the right setting, prior authorization reduces wasteful spending and helps ensure our healthcare dollars are used efficiently. Finally, if we have this gold carding standard in this bill, it would be the most stringent, restrictive gold carding percentage passed in any state. For those reasons, we oppose this bill.

MR. PENNINGTON:
I am also speaking as a private citizen who has switched jobs, entirely due to health insurance, and who has sought treatment for medical conditions outside of the State and is currently looking outside of the country. My main complaint with the bill is that it still allows health insurance carriers to set their own requirements.

It still allows for prior authorization to exist. Both of these things should be held and done by a third party, preferably the Division of Insurance (DOI) or someone who's completely separate from health insurance carriers—someone who's not paid by a health insurance carrier, who's not focused on the bottom line.

ADAM PLAIN (Insurance Liaison, Division of Insurance, Nevada Department of Business and Industry):
We did submit a fairly lengthy written testimony (Exhibit J) on S.B. 398. The majority of it was covering the prior authorization portion, which I will skip for the time being. I want to cover the autism portion of S.B. 398 on two counts.

The first one, section 28 talks about the age requirements for applied behavior analysis. Currently, the DOI does note that under existing federal nondiscrimination guidelines, age cannot be used as a factor to cut off treatment for things like ABA. If there are consumers in the State who are experiencing otherwise in a fully insured regulated product, we encourage them to contact the DOI for intervention.

Then the other item is section 26, removing the reference to an actuarial equivalent of $72,000. We heard during the presentation that bill proponents thought there should be an uncapped benefit. I do want to note that under the statutory construction, it is the DOI's understanding that that reference is a minimum/maximum.

This means that the insurers are imposing a maximum benefit limit, and the State has set a minimum threshold for what that benefit limit can be. The benefit limit, for example, cannot fall below $72,000. If we remove that language, we are removing the floor for what that maximum benefit can be. So in theory, the benefit could fall below $72,000.

At this point, we would be forced to enforce the federal essential health benefits benchmark—which I believe is a plan from 2015—which was in place

when the $36,000 limit was in statute. Removing that language could cause benefits to drop below their current threshold. So, we encourage the bill sponsors, Legal Counsel and whoever wants to reach out to us; we can walk you through the process.

CHAIR PAZINA:
The first order of business we are going to do right now is actually a motion to reconsider on S.B. 128.

SENATE BILL 128: Makes changes related to health care. (BDR 57-87)

SENATOR LANGE MOVED TO RECONSIDER S.B. 128.

SENATOR ELLISON SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

* * * * *

CHAIR PAZINA:
Next, we will consider S.B. 128 as per the new work session document (Exhibit K).

SENATOR LANGE MOVED TO AMEND AND DO PASS AS AMENDED S.B. 128.

SENATOR FLORES SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR PAZINA:
Next on the agenda, we are going to begin our work session for S.B. 218.

SENATE BILL 218: Enacts the Uniform Antitrust Pre-Merger Notification Act. (BDR 52-938)

JENNIFER RUEDY (Research Director):
I will refer to the work session document (Exhibit L).

SENATOR LANGE MOVED TO AMEND AND DO PASS AS AMENDED.

SENATOR DALY SECONDED THE MOTION.

SENATOR ELLISON:
I'm going to vote yes, but I reserve my right on the floor.

THE MOTION CARRIED. (SENATORS ROGICH AND STEINBECK VOTED NO.)

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CHAIR PAZINA:
I will move to the next work session on S.B. 336.

SENATE BILL 336: Establishes provisions relating to portable benefit accounts. (BDR 53-621)

MS. RUEDY:
I will refer to the work session document (Exhibit M).

SENATOR LANGE MOVED TO AMEND AND DO PASS AS AMENDED S.B. 336.

SENATOR STEINBECK SECONDED THE MOTION.

THE MOTION CARRIED. (SENATOR DALY VOTED NO.)

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CHAIR PAZINA:
With that, we are going to move to the final agenda item on the day, which is public comment.

MR. PENNINGTON:
Well, quite frankly, I want to know why a vote to cap the increase of rents for everyone was not introduced this legislative session. Recently a bill draft request (BDR) was submitted by the Joint Interim Standing Committee on Commerce and Labor that would have capped rent increases at 3 percent this year.

We know the BDR exists. So, our question to you—which we know you can't answer today—is where is the bill? When our wonderful State is facing some of the fastest-growing rents in the country, why haven't we seen the solution?

NOAH CICERO (Las Vegas Democratic Socialists of America):
With regards to the rent stability bill, I want to talk about the 3 percent cap on rent raises. Since you have decided to kill the bill, I am suggesting a new policy. You could build a village in the Desert National Wildlife Refuge so that no one has to look at our poor faces. The village could be called Lombardo-ville. You could peacefully let all the single mothers, children, elderly and disabled die out in the desert.

You do not have to raise the minimum wage to $25. You do not have to have a rent cap. You do not have to build affordable housing if you do not want to take control of rental companies. If you want us to just die, just kill us then. With you in charge, we are better off dead anyway.

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CHAIR PAZINA:
With that, we are adjourned as of 11:37 a.m.

RESPECTFULLY SUBMITTED:

Madison Zajac,
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. 249	C	4	Paul Young / Nevada Association of Nurse Anesthetists	Proposed Conceptual Amendment
S.B. 249	D	17	Cassidy Wilson / American Society of Anesthesiologists	Opposition Letter
S.B. 249	E	18	Edd Evans / Nevada State Society of Anesthesiologists	Opposition Letter
S.B. 356	F	22	Senator Rogich / Nevada Cannabis Association	Intoxicating Hemp Control and Consumer Protection Information
S.B. 356	G	22	Senator Rogich / Nevada Cannabis Association	Proposed Amendment
S.B. 356	H	27	Layke Martin / Nevada Cannabis Association	Support Letter and Information
S.B. 356	I	52	Anja Wenzel	Opposition Testimony
S.B 398	J	67	Adam Plain / Nevada State Division of Insurance	Neutral Testimony
S.B. 128	K	68	Senator Pazina	Work Session Document
S.B. 218	L	69	Jennifer Reudy	Work Session Document
S.B. 336	M	69	Jennifer Reudy	Work Session Document