MINUTES OF THE
SENATE COMMITTEE ON GOVERNMENT AFFAIRS

Eighty-third Session
May 28, 2025

The Senate Committee on Government Affairs was called to order by Chair Edgar Flores at 7:43 p.m. on Wednesday, May 28, 2025, in Room 2149 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. The meeting was videoconferenced to Room 8 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 Edgar Flores, Chair
Senator James Ohrenschall, Vice Chair
Senator Skip Daly
Senator Lisa Krasner
Senator John Ellison
Senator Lori Rogich

COMMITTEE MEMBERS ABSENT:

Senator Dina Neal (Excused)

GUEST LEGISLATORS PRESENT:

Assemblymember Max E. Carter, Assembly District No. 12
Assemblymember Steve Yeager, Assembly District No. 9

STAFF MEMBERS PRESENT:

Jann Stinnesbeck, Committee Policy Analyst
Heidi Chlarson, Committee Counsel
Diane Rea, Committee Secretary

OTHERS PRESENT:

Brett Harris, Labor Commissioner, Nevada Department of Business and Industry
Greg Esposito, Nevada State Pipe Trades

Wendy Colborne, Building and Construction Trades Council of Northern Nevada
Alexis Motarex, Nevada Chapter Associated General Contractors
Brian Reeder, Nevada Contractors Association
Nick Vassiliadis, Southwest Mountain States Regional Council of Carpenters.
Isaac Hardy, Associated Builders and Contractors, Nevada Chapter
A'Keia Sanders, Governor's Office of Federal Assistance
Brett Compston, Division of Emergency Management/Office of Homeland Security, Office of the Military
Kirsten Van Ry, Chief of Staff, Office of the State Treasurer

CHAIR FLORES:
We will open the hearing on Assembly Bill (A.B.) 502.

ASSEMBLY BILL 502 (1st Reprint): Revises provisions relating to public works. (BDR 28-401)

ASSEMBLYMEMBER MAX E. CARTER (Assembly District No. 12):
I am [my district is] on the east side of Las Vegas. What we are presenting tonight is A.B. 502 which revises provisions relating to public works. What it does is bolster and improve procedures and other stuff with the Labor Commissioner's Office

BRETT HARRIS (Labor Commissioner, Nevada Department of Business and Industry):
Assembly Bill 502 is a public works bill which would create the Public Works Compliance Division within the Office of Labor Commissioner. By doing so, it seeks to regiment our public works compliance responsibilities the way that we do our other private employment wage and hour employment claims. I have our Chief Investigator Kate Allen here.

We have about 7,000 unique matters that come through our office every year, the vast majority of those being wage and hour and private employment matters. That process is very streamlined. The public works compliance process ends up being kind of a triage situation. This seeks to establish a compliance division in the Office. Those positions are already funded in the budget; they were approved by Assembly Ways and Means.

Going through the policy, section 1 would change the request date of the Apprenticeship Utilization Act. We do have an amendment (Exhibit C) that was

negotiated and discussed with this committee and members of the industry. Originally, section 1 of the bill removed the early deadline for requesting an apprentice, saying that you could not do it prior to ten days. Leaving it open-ended would result in contractors maybe requesting too early and programs would be unable to plan. The amendment would change the complete strikeout of not earlier than 10 days to not earlier than 30 days.

Section 2 of the bill imposes timelines and procedural requirements for public bodies. It does not change what public bodies' responsibilities are. A public body always has the responsibility to audit their own certified payroll reporting for their public works projects to identify potential violations of NRS [*Nevada Revised Statutes*] 338.010 to [NRS] 338.130 and report them to our office. Because there is no deadline for them doing that, we often get complaints where the violation occurred two years prior or maybe even more to when we are receiving the complaint. Then, if you add that timeline to the backlog of the fact that we do not have designated compliance, we are dealing with violations. Right now, the ones going to hearing could have occurred in 2021. I have one claim that the violation is actually from 2018. This would impose timelines so they would have to do the investigation by 90 days after substantial completion. That is a reasonable time because substantial completion already indicates a public work project is ready for occupancy. That should be very reasonable and doable.

It imposes penalties for failures to comply with doing that. It also sets timelines for requesting public works projects and making sure you have the actual setup of the public works project number in a timely manner before setting out to bid. One of the biggest parts of the bill is in section 4 that allows discretion. There's an administrative penalty for NRS 338 violations under our office. If we assess that administrative penalty—it is up to $5,000 right now—it triggers a subsequent statute in [NRS] 338.017 that section 4 is amending and would mandate a disqualification of three years. If we use our administrative penalty, we are mandated to use the disqualification in every scenario. Section 4 would allow discretion in assessing the disqualification. If we assess the administrative penalty, we will no longer have our hands tied. We would be able to discretionarily assess an appropriate disqualification period.

The amendment does amend those proposed disqualification periods. In the current version of the bill, they are slightly different. In the amendment being submitted, the first offense would be a warning up to 180 days disqualification.

The second offense is disqualification for no less than 180 days up to 3 years. For a third offense, no less than three years up to five years. For any subsequent offense after that, it would be five years. This gives the disqualification periods more parity with the apprenticeship utilization disqualification periods, and it also reflects for serial offenders the current disqualification periods that are more serious, three and five years.

What I said happens in section 2 actually happens in section 5 with the time periods for when a public body must actually start investigation. Section 2 was for requesting a public works project number, but it is the same concept. Right now, there is no drop-dead time limit for when that actually has to be done, and this creates not only a time frame but penalties in the event that public body does not comply. Sections 7 through 10 are where the actual Public Works Compliance Division is created under the Office of Labor Commissioner. It would create the framework to put these positions under the regular compliance that we already do—again, just trying to clean up the policy and clean up the fairness to put everybody on an equal playing field.

I missed one big part of the point of putting in the timeline for a public body to do an investigation. Currently a public body has to do all their own investigations or by statute, they are required to do their investigations to initiate complaints and to issue determinations to our office. This would also provide them an alternative. If they do not have the resources to do that, they can refer the claim to us, alternatively. We would do the initial investigation, complaint and determination. It would be a one-page form if they have a regular duty to audit their certified payroll reporting by the end of every month; they would be able to just fill out this form if they noticed a violation and send it to our office. We would initiate the investigation. What we are hoping this does is—we currently have about 198ish claims that have been filed for this year. Of those,150ish are third-party claims with about 40 of them being public body claims. We are seeking to inverse those numbers. We should be getting those initial complaints. It should be the public bodies first finding the violations and pointing them out to us, whether that be through an actual complaint or referral to our Office. That completes the policy of A.B. 502.

ASSEMBLYMEMBER CARTER:
I just want to point out that this bill came out of the [Joint] Interim [Standing Committee on] Government Affairs process. We had several hearings and then

labor management and all stakeholders worked jointly on this coming to an industry bill that fixed an issue within the industry. It is not partisan in any way.

GREG ESPOSITO (Nevada State Pipe Trades):
In your opening statement, what is the problem? And what is this fix? Right? To put it in terms I can relate to. I do not know what any of your backgrounds are, but if you have ever lived [pay]check to [pay]check, if you have ever lived to where that paycheck was to make rent that week, how you feed your kids that week, it is a scary place to be. Workers across the State every week do not get that check. Their employers decide, nah, you did not work that many hours, or I did not really like the productivity.

What I related to is if you walk into a big box store and steal a set of golf clubs, there is a very clear justice system where the police get called, there is an investigation, you get arrested, and there is a trial. If your paycheck gets stolen by an unscrupulous employer, there is not obviously a system to recover that money. The Labor Commissioner and her investigators do the best they can, but oftentimes those investigations take months and months, and if you are relying on that check to pay rent, you have to scramble and you may lose things.

What this bill helps is the process. It helps make sure that there are people to call and places to go when a worker has been cheated. We appreciate your listening to it and your support.

WENDY COLBORNE (Building and Construction Trades Council of Northern Nevada):
We are also in strong support of this bill.

ALEXIS MOTAREX (Nevada Chapter Associated General Contractors):
We are here in support. We truly appreciate the sponsor reaching out to us, working with us through the interim on this. I just want to make clear that sometimes these mistakes are honest mistakes. They are administrative errors. The wage has not been put in correctly by the public owner and so they are not intentional wage theft. It is not anybody trying to be unscrupulous. There are honest mistakes made. This gives the Labor Commissioner the discretion and flexibility to assess those penalties and right the wrong without having to disqualify a contractor for three years.

BRIAN REEDER (Nevada Contractors Association):
We want to urge your support and thank the bill sponsor and the Labor Commissioner for their work on the bill.

NICK VASSILIADIS (Southwest Mountain States Regional Council of Carpenters):
I would like to thank the sponsor for this bill and the Labor Commissioner for addressing some of our concerns. We support the bill. We urge your support. I have a letter (Exhibit D) here from the Carpenters/Contractors Cooperation Committee in support of the bill.

ISAAC HARDY (Associated Builders and Contractors, Nevada Chapter):
I just want to express our support for this bill and thank the bill sponsor as well as the Labor Commissioner for bringing forward the amendment.

CHAIR FLORES:
We will close the hearing on A.B. 502 and open the hearing on A.B. 554.

ASSEMBLY BILL 554 (1st Reprint): Revises provisions relating to the Grant Matching Account. (BDR 18-1227)

A'KEIA SANDERS (Governor's Office of Federal Assistance):
I am the Director of the Governor's Office of Federal Assistance, and I am here presenting A.B. 554 which revises provisions relating to the Grant Matching Account. This provides that any money remaining in the Grant Matching Account at the end of a fiscal year does not revert back to the State General Fund. Amendment No. 818 (Exhibit E) would provide some administrative cleanup. Currently, $897,603.56 has not been expended in the account. However, if you are looking at the committed amount, we have $290,000 left for grant matching applications. Because we wait on notice of awards to administer the fund, we can't cut the check unless we get a notice of award from the federal government; and with everything happening at the federal level, everything has been—the time has been exacerbated. We have a lot of pending notice of awards and [are] not really understanding what is happening with some of these grant applications that we do have.

With the amendment, this bill will become effective upon passage and approval, and the current funding in the account will be carried forward into the next fiscal year. This bill has no fiscal impact on the state budget.

CHAIR FLORES:
Just for clarity, when you mentioned the amendment, you are referring to the bill as written, not an additional amendment to the bill. Perfect.

SENATOR ROGICH:
My question was with regard to the money. If it stays in the account now, what is the impact of that remaining in the account and not flowing into the General Fund? I do not have my notes in front of me.

MS. SANDERS:
Like I said, the way that a grant matching application works is, obviously—if you are familiar with the cost share requirement that exists in federal grants, if you apply to our office, you go through the process and you are approved, you get a letter of commitment. This is why I said there's like $900,000 left unexpended, but it does not mean that it is committed. We have about eight grants just kind of on standby right now. With everything happening at the federal level, we have not received notices of termination or cancellation or notice of awards. We were already experiencing delays in getting those notices of awards.

I do not know if you are familiar with the process of applying to a federal agency. It takes quite some time, sometimes 12 to 18 months, just to get that notice of award—and this is with us working with our Congressional Delegation to kind of speed that up. This allows for the continued use of this cost share which decreases burdens, which is what this Office is created to do. We can bring more federal funding in. Right now, for every $4 of federal funds we bring in, we are using $1 in that match fund. If it is set to sunset at the end of every biennium, that is doing a disservice to the State and its constituency.

CHAIR FLORES:
We will close A.B. 554 and next, we will open up the hearing on A.B. 553.

ASSEMBLY BILL 553: Transfers the Division of Emergency Management of the Office of the Military to the Office of the Governor. (BDR 18-1126)

BRETT COMPSTON (Division of Emergency Management/Office of Homeland Security, Office of the Military):
I will be presenting A.B. 553. This bill transfers the Division of Emergency Management from the Office of the Military to the Office of the Governor,

renaming it to the Office of Emergency Management. This Governor-directed realignment will enhance Nevada's ability to prepare for, respond to and recover from emergencies and disasters of all kinds. This bill modernizes our State's emergency management structure and aligns Nevada with best practices endorsed by both the National Governors Association and the National Emergency Management Association. Currently, governors directly appoint the state emergency management director in 36 states. The realignment provides clear executive oversight, streamlines authority and ensures the state's top emergency management official has direct access to the Governor. This facilitates quicker information-sharing and decision-making for the Governor during a crisis.

This realignment will improve the cabinet-level coordination and synchronization of state resources during emergencies and align emergency management with other key executive functions such as public safety, transportation, health, education, infrastructure, energy and economic development, all policy areas under gubernatorial control. In short, this bill provides Nevada with an optimized structure for crisis leadership, places emergency management at the appropriate level for coordination and synchronization of state resources and demonstrates the Governor's dedication to public safety.

SENATOR DALY:
I think you answered part of my question on this. Maybe you can expand a little bit more. When I look at this stuff and I am saying, what problem are we trying to solve by moving the deck chairs on the deck? I think you said something about 36 other states have it under direct control this way. Is it the Division of Emergency Management? How is that appointed now? How is it different? And it is still in the Executive Branch? I am sure he has control over this person.

MR. COMPSTON:
I think the easy answer here is just a demonstration of how I have been operating. I initially took the role in an unofficial capacity on 911 during the Davis Fire. At that time, we started operating as we have in the proposal for the bill, a change in operational control methodology. Since that time, I have had great success being able to coordinate with cabinet members with the anticipation that this bill would be passed. The response that I get is very different than my predecessor experienced in his ability to coordinate state resources with cabinet-level directors. I get very quick responses, very quick collaboration and synchronization of state resources, and he simply just did not.

My predecessor did not get that same level of cooperation coordination. I can't speak to the terms of why. But I believe part of it is the task organization because as a division sitting under a department director or an Adjutant General, in this case, it is just a little bit different than being up here with the other department directors.

SENATOR DALY:
I know we had a bill earlier on a different level with the Adjutant General. You have the Department [Division] of Emergency Management, and the Department [Office] of the Military, is like the top part. Is that the first one that answers to the Governor now, or does this change that?

MR. COMPSTON:
As it currently sits in the Office of the Military, the Adjutant General is the cabinet-level member. I am in a division sitting under him. With this bill, I would be commensurate with the Adjutant General and work directly for the Governor.

SENATOR DALY:
How much overlap on what you are both doing? If you are making a parallel now, there's a chain of command. What changes when you put yourself at the same level? When you were under the General before, what is taken away from the Adjutant General? We have this streamlined process. How do we go forward with emergency management? Who is the first call? Is it the Governor? Is it the Adjutant General? Is it the Division of Emergency Management? Are they all the same thing?

That's why I am saying, we are moving all these deck chairs, and I know the bill earlier that we had said for fire suppression, we want to go to the chief deputy fire warden first. Then he goes back and coordinates with the rest because the fire chief is calling the fire chief first, and then that person is going to give the best response because that is what he does rather than I got the call. But I have to go back up through and for them to come back and say, what do you think is the best? They are saying go directly there, and then we will coordinate. What are we doing here?

MR. COMPSTON:
You are referring to the bill that adjusts the Intrastate Mutual Aid Committee. That’s additional resources to coordinate support, and that bill authorizes the State Forester Fire Warden to coordinate wildland suppression assets on behalf

of the State. The first call still comes to me as a request for state resources. I then divvy those out. However, this changes in this bill. As we currently sit, I should call the Adjutant General who then should call the Governor who then should give me the authority to coordinate with state cabinet members. This bill allows me to coordinate directly with state cabinet members at the first instance of a call and apprise the Governor of what I am doing. It takes a step out of the chain, and being a former military member, having just retired from the National Guard last year, I completely understand the challenges that the Adjutant General has. Right now, his primary focus is preparing guard members for homeland defense, war. This is not a distraction, but it is an additional requirement on him different than his required mission by the federal government.

SENATOR ELLISON:
When I first read the headlines on this, it said that the power and duties of the Office of the Military and to the Office of the Governor remain the Division of Emergency Management to the Office of Emergency Management to provide other matters. Is this strictly pertaining only to fire suppression? Then it said population of 100,000 or more. What about the rest of the State and counties?

MR. COMPSTON:
There are a couple of different pieces you are asking about, sir. This is a name change and a realignment of the task organization of the Division to an Office within the part you are referring to. In regard to the qualifications, that applies directly to several of the committees, boards and commissions in which we manage. There are different requirements for different members of those boards and commissions. For instance, on the Nevada Commission on Homeland Security, we have to have the fire chief of each county that has over a certain population. I think that is what you are referring to there.

SENATOR ELLISON:
It said 100,000.

MR. COMPSTON:
That is simply a membership on some of the boards and commissions. It is a requirement.

SENATOR ELLISON:
But the Governor—you are the first in command that will be dealing with whatever division it is, is that correct?

MR. COMPSTON:
I would be the lead.

SENATOR ELLISON:
Okay. And after that, the Governor has a final decision at that point in time to go forward or whatever.

MR. COMPSTON:
Yes sir. All emergency powers invested in our support are vested through the Governor, then delegated down to the cabinet.

SENATOR ELLISON:
How many committees are on this? Right now, I just finally got to the fire suppression. What else?

MR. COMPSTON:
There's the Nevada Homeland Security Commission, the Nevada Resilience Advisory Commission [Committee]. There is a, it is called the SDICC. I do not know the acronym, but it basically deals with mortuary affairs. If we had a mass casualty event, there's a Board of Search and Rescue as well. I think those are the NRS-required ones.

SENATOR ELLISON:
I just want to make sure for my own mind. Thank you. It is going to be a full-time job. I want to make sure that we have checks and balances to protect the State and not just give one person total control. It needs to have the steps for emergency.

SENATOR OHRENSCHALL:
I am looking at page 37 of the bill, and I think that is section 43. There's some new language in section 43, the top of page 37 starting at line 1. It says the "Office shall," and then the new language is "execute, administer and enforce the provisions of chapters 414 and 414A of NRS and perform such duties and exercise such powers required pursuant to those chapters." Is that a new power

that the office is receiving, or is that duplicative somewhere else in statute? I was just wondering.

MR. COMPSTON:
I see exactly where you are looking on page 37, and I would advise that is simply a part of the bill draft recommended language. As it already stands, I have requirements to execute all of the listed requirements in chapters 414 and 414A [of NRS]. Those already exist as a requirement by NRS for me to execute.

CHAIR FLORES:
We'll have our Committee Counsel jump in.

HEIDI CHLARSON (Committee Counsel):
The changes in section 43 are directly related to taking Division of Emergency Management out from under the ... [Due to technical issues, a portion of this meeting's recording has been lost and is unable to be transcribed.] ... Office of the Military will no longer have this power. It will be transferred, pursuant to the main intent of the bill.

CHAIR FLORES:
We will close the hearing on A.B. 553. We will open the hearing on A.B. 582.

ASSEMBLY BILL 582: Revises provisions relating to the Governor Guinn Millennium Scholarship Program. (BDR 31-1226)

KIRSTEN VAN RY (Chief of Staff, Office of the State Treasurer):
I am presenting A.B. 582, which provides a technical adjustment to the funding mechanism for the Governor Guinn Millennium Scholarship administrative costs. Currently, the administrative costs of the scholarship are covered by fees brought in by 529 contract partners, not General Fund dollars. This reference is found in NRS 353B.350, subsection 5, paragraph (b) which allows the college savings endowment account to cover payment of the administrative cost for the Millennium Scholarship program. However, the current language only allows up to 3 percent of the anticipated dollars received by the State from the [Master Settlement Agreement (MSA)] tobacco settlement dollars that go toward the Millennium Scholarship to be used for the administrative expenses.

Each year, we have seen the tobacco settlement dollars decrease. As a result, the allowable total administrative expenses, which rely on a calculation from the

tobacco settlement funds, have also decreased. This bill raises the statutory cap from 3 percent of those dollars to 13 percent of those dollars. We are comfortable that the 13 percent amount will be sufficient to fund a new system implementation and the program's administrative expenses for the upcoming biennium. This bill is also aligned with budget account [261-]1088's closing which occurred on April 10.

SENATOR DALY:
I did have a few questions just so I can hopefully understand it better. In section 1, subsection 5, and I spent a lot of time reading that, a lot of it is existing language, and that is where the 13 percent changes. I am trying to follow the accounts. The Endowment Account is for the College Saving Program. Essentially, that money is held in trust and only the dollars that come in and are not held in trust can be sent to the second account.

MS. VAN RY:
A couple of accounts fall under the college savings program. There is an administrative account, and that pays for the administrative expenses for the College Savings 529 Plan, et cetera, programs that our office runs. There is also an Endowment Account, and that account brings the money in from the 529 contract partners. That account is where kind of the money funnels out of. That money goes to, like I mentioned, the Administrative Account and also the other administrative expenses outlined in this statute. There is also a trust account which I believe is referenced that points to when held in trust. There is, I think, $40 billion in assets held by the trust account. And effectively, it is people saving for college for higher education expenses nationwide through one of our five 529 contract partners.

SENATOR DALY:
That is what I was trying to just make sure I was understanding. Money comes in to the Endowment Account, and then if it came in as somebody saying, I am saving for college and they are putting the money away, then that money goes to the trust account and can only be accessed when they say, I put in, I am going to college, and I need you to pay for these bills on the trust account. So other money that comes into the Endowment Account can go into the Administrative Account, various things. I am trying to just follow those dollars. Then it says at the discretion of the Treasurer, funds not necessary for the Administrative Account, Endowment Account money can be used for the Kick Start [Program], the Millennium Scholarship—How does that money flow?

MS. VAN RY:
That money flows in from the Endowment Account. We receive fees from our 529 contract partners. It goes to the Endowment Account, and then the Endowment Account is used to pay for all of the programs listed under subsection 5 of NRS 353B.350. Like you mentioned, the College Kick Start account, that is $50 for every child in public school, kindergarten, in our office, the administrative costs related to Millennium administrative costs related to our prepaid tuition program, et cetera, et cetera.

SENATOR DALY:
What is spent at the discretion of the Treasurer? Is that just based on how much money he has and where he allocates it? Is there a distinction between, I do not have enough for Kick Start or only so much money came in, [so] I am going to put some to the Millennial Scholarship? Where is [does] the discretion part come in?

MS. VAN RY:
Right now, that money, the money that flows into the Endowment Account, is sufficient to cover the costs outlined in statute.

SENATOR DALY:
It does not say discretion, it says "the determination." It is on [page 2,] line 26, that sentence that starts "determination of the State Treasurer, is in or not necessary for the use of the Administrative Account. Except as otherwise provided ... ." Maybe I am reading it wrong—that's why I was trying to figure out a Nevada College Saving Program that is not received, pursuant to a savings trust agreement and in determination of the State Treasurer, is not necessary. Discretion is the wrong word. Under the determination of the Treasurer—how is he making that determination that is not necessary for use of the Administrative Account? What can you do with that?

MS. VAN RY:
The Administrative Account is another separate administrative expense account. The way I have read that statute, and I believe our Attorney General has also interpreted that as statute to mean that, if we do not have enough money to pay for the administrative expenses for the College Savings Program—which is, effectively, another name for our 529 program—first, we then can't use it to trickle down for any of the expenses laid out in subsections (a) through (f) of section 5.

SENATOR DALY:
Then on the 3 percent to 13 percent, I think you said that's because the tobacco settlement money is coming in slower. How much longer is the tobacco settlement money going to be coming into the account for the Millennium Scholarship? How much longer is that going to be happening before you say 13 percent of nothing is a good number? It is still zero.

MS. VAN RY:
I do not think there is actually a finite date in which the MSA revenues end. I think we have seen, based on our kind of historical trends and our projections in the future, it decreases by about $1 million every year. I think we anticipate $12 million for the next fiscal year, $11 million for the next fiscal year and $9.5 million for fiscal year (FY) [2027-]2028. It is definitely a question for the future.

SENATOR DALY:
The tobacco settlement is basically an ongoing deal because as long as the tobacco companies are selling cigarettes, people are potentially going to be impacted and be sick. So, there's always going to be money coming in.

MS. VAN RY:
That's my understanding, but I will caveat that I am not an expert on the MSA.

SENATOR DALY:
I was just wondering about the 10 percent difference and why the change, but it is really a function of less money coming in.

MS. VAN RY:
Yes. That's correct. And we also will be implementing a new system per the budget account [261-]1088 which requires a little bit more additional dollars for FY 2025-2026.

SENATOR DALY:
I was just trying to make sure I got down to what I was looking at reading this, and I read it like five times, and I am still going, I think I got it, but I needed to ask the questions.

SENATOR ELLISON:
How many of the funds are actually for the matching grant account on 554? The Kenny Guinn account, that does not go into the same policy, it goes into a different fund. How many other funds are out there? Because I thought the Attorney General in another committee mentioned two different funds raised strictly for scholarship funds. Is that correct? Or did I hear that wrong?

MS. VAN RY:
I am not quite sure I am following your question. I apologize.

SENATOR ELLISON:
Okay, there were two funds. We got two funds right now. Kenny Guinn's fund is separate from the general matching account. But was there another matching account similar to this, or is this it?

MS. VAN RY:
I am not quite sure. Our office does run the Silver State Matching Grant Program which matches dollar for dollar up to $1,500 for certain eligible participants in our JP Morgan Future Path 529 account.

SENATOR ELLISON:
Yeah, because the numbers were almost identical. It's one off from the other. That could have been it. They said that in a presentation a while back. I can't remember if it was in [Senate] Commerce and Labor or where it was. The only thing I wanted to know is that there is more than one fund out there that ...

MS. VAN RY:
I am not—nothing's coming to top of mind, but I am happy to dig in and maybe try to find that [Senate] Commerce and Labor hearing where the Attorney General's Office ...

SENATOR ELLISON:
I think I have got some records in the office. I could check. It is not a big deal. I just want to know if there were other accounts in case this one went dry that we could use some of that other funds to help match it up. You said right now that this fund does not have enough money in there to pay for the accounting and whatever, is that correct?

MS. VAN RY:
Yes. The MSA dollars are decreasing every year, and I apologize. Let me back up to clarify a bit. The dollars in which the administrative expenses calculation is based on, no MSA dollars are used to pay for the administrative expenses for the scholarship. The MSA is simply used for a calculation basis only.

CHAIR FLORES:
We will close the hearing on A.B. 582. We will move to the work session and go to our committee analyst.

JANN STINNESBECK (Committee Policy Analyst):
For the record, being with the Research Division of the Legislative Council Bureau as nonpartisan staff, I cannot advocate for or against any measures before this body.

The first bill on work session today is A.B. 64. [Per the work session document (Exhibit F), it] was heard in this committee on May 26. It makes various changes to the Open Meeting Law (OML). It specifies certain gatherings that do not constitute a "meeting" for the purpose of OML; clarifies the application of the OML to proceedings concerning disciplinary action against a licensee; outlines certain prohibitions and requirements of using a remote technology system for a meeting; includes certain provisions relating to testifying under oath; and addresses causes of action arising from defamatory statements made during public comment. There are no amendments for this measure.

ASSEMBLY BILL 64 (2nd Reprint): Revises provisions relating to public meetings. (BDR 19-445)

CHAIR FLORES:
At this time, I would like to entertain a motion to do pass A.B. 64.

SENATOR OHRENSCHALL MOVED TO DO PASS A.B. 64.

SENATOR DALY SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

* * * * *

MR. STINNESBECK:
The next bill on work session, Senate Bill (S.B.) 467, was heard in this committee on May 26. As noted in the work session document (Exhibit G), it transfers the Office of Cyber Defense Coordination from the Department of Public Safety to the Office of the Chief Information Officer within the Governor's Office, merging it with the Office of Information Security to form the new Office of Information Security and Cyber Defense. There are no amendments to this measure.

SENATE BILL 467: Revises provisions relating to cybersecurity. (BDR 19-1149)

CHAIR FLORES:
I would like to entertain a motion to do pass S.B. 467.

SENATOR KRASNER MOVED TO DO PASS S.B. 467.

SENATOR OHRENSCHALL SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

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CHAIR FLORES:
I would like to entertain a motion to amend and do pass A.B. 502. Senator Daly will on the record clarify what the amendment is.

SENATOR DALY:
The amendment changes the limitation on the earliest you can request an apprentice from 10 days, taking the strikeout out, making it 30 days. Not earlier than 30 days. It changes the provisions to allow discretion with the Labor Commissioner. If they administer an administrative penalty at this time, there's no discretion, it is an automatic three-year disqualification. Now, if they give an administrative penalty, the Labor Commissioner has discretion based on a first, second, third or fourth offense.

If there is any disqualification, it could be a warning with the disqualification up to 180 days for the first offense, up to 3 years for a second, up to 5 years for third and automatic 5 years for the fourth. It steps up in the progression, allows the discretion by the Labor Commissioner in what the penalty will be. But it

allows them for the administrative penalty to be actually used as a tool because right now you can give them $100 penalty and an automatic three-year [disqualification]. So that clarifies that progression. Then, of course, the changes. [Creating] the [Public Works] Compliance Division under the Labor Commissioner's Office is the main point of the bill.

CHAIR FLORES:
I would like to remind you that the Labor Commissioner along with Assemblymember Carter both alluded to having had an opportunity to review that amendment that they considered friendly at this time. I would like to entertain a motion to amend and do pass Assembly Bill 502.

SENATOR OHRENSCHALL MOVED TO AMEND AND DO PASS AS AMENDED A.B. 502.

SENATOR DALY SECONDED THE MOTION.

SENATOR ELLISON:
I am going to vote yes to move this out of committee but am going to reserve my rights to change my vote on the floor because I have some questions on A.B. 502.

THE MOTION PASSED UNANIMOUSLY.

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CHAIR FLORES:
We also heard Assembly Bill 553 which transfers the Division of Emergency Management of the Office of the Military to the Office of the Governor among other things. At this time, I would like to entertain a motion to do pass Assembly Bill 553.

SENATOR KRASNER MOVED TO DO PASS A.B. 553.

SENATOR OHRENSCHALL SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

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CHAIR FLORES:
Next on the agenda we heard Assembly Bill 554. Members, that was heard earlier today which revises provisions relating to the grant matching account. At this time, I would like to entertain a motion to do pass Assembly Bill 554.

SENATOR OHRENSCHALL MOVED TO DO PASS A.B. 554.

SENATOR DALY SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

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CHAIR FLORES:
We also heard Assembly Bill 582 today which revises provisions relating to the Governor Guinn Millennium Scholarship Program. At this time, I would like to entertain a motion to do pass Assembly Bill 582.

SENATOR DALY MOVED TO DO PASS A.B. 582.

SENATOR OHRENSCHALL SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

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CHAIR FLORES:
Before we go to public comment, we will move to our final item on the agenda for today which is a bill presentation by our [Assembly] Speaker on A.B. 589.

ASSEMBLY BILL 589 (1st Reprint): Establishes requirements to protect the privacy of certain information and genetic material. (BDR 19-1241)

ASSEMBLYMEMBER STEVE YEAGER (Assembly District No. 9):
Assembly Bill 589 in its first reprint establishes requirements to protect the privacy of certain information and genetic material. Chair, with your permission, I will just give you some background on the bill. And then if you want me to go through the sections of the bill, I will do that, but I will leave that up to you when we get to that point.

Nevadans deserve the peace of mind that their most personal data is both protected and secured. We should not have to fear that information pertaining to our health, diagnostic findings or our very genetics and DNA may be at risk for uses that we have not authorized. We certainly should not have to fear that it may be used without our knowledge. Yet this is the reality that we face. Our personal information is at risk, and it is my intent with this bill to protect us from these risks. As you can see, Assembly Bill 589 covers a variety of grounds, all aimed at protecting Nevadans' data and privacy.

The first half of the bill relates specifically to autism-related data. Since the start of this new federal administration, people with autism spectrum disorders have faced increased scrutiny and investigation. Last month, it was announced that the National Institutes of Health would be collecting private medical records in a study of autism ostensibly to discover its cause and cure. The announcement noted that the records consulted could include information from pharmacies and labs, insurance claims and even data from smartwatches and fitness trackers. While healthcare studies and research are critical to our well-being, it is necessary that data be collected in the proper way with informed consent and without self-serving agendas.

It concerns me greatly that this study has emerged in conjunction with worrying inaccurate claims regarding autism; including that it is a preventable condition. These claims have also linked to environmental toxins and downplayed research into genetically contributing factors. Perhaps even more disturbing for me is the dehumanizing rhetoric that has been used by some of the administration to characterize autistic children. I am not going to put that those comments on the record because I do not think it would be appropriate, but if you are interested in finding them, they are not hard to find on the internet.

Therefore, in considering what I think is a politically motivated study and the seemingly predetermined conclusions it seeks to find, I am deeply troubled by the implications of this work and possible impacts on our Nevada citizens. It is necessary that we not only protect their privacy but that we take a stand and value that every person's life and lived experience holds, regardless of where on a spectrum they may fall.

Moving forward: the latter half of the bill, more specifically, focuses on DNA and genetic information. It may seem somewhat dystopian to consider, but in addition to contending with threats to our personal and financial information, we

are now being forced to address the sale and misuse of our genetic material. The recent 23andMe news offers a stark example of this threat. After the company filed for bankruptcy earlier this year, it announced it would attempt to find a buyer. Complicating these proceedings immensely, though, is the concurrent sale of millions of customers' genetic information. Once the company changes hands, so too could the privacy policy safeguarding submitted DNA. Frighteningly, this could cause the use or proliferation of customer data far outside its intended use. Customers are now being placed in a position of requesting the company to delete their data to mitigate these risks, a complication they should not be forced to shoulder alone. Even those who have not submitted DNA profiles could be susceptible to the breach of their genetic information in the event this data is shared if they had family members submit samples. The correlation of genetic material among relatives means that the possible sale of DNA samples could have consequences for people who do not even know they are at risk. It is clear to me that as a State, we need to take deliberate steps to protect Nevadans from this new threat.

I wish that it was not necessary for me to be sitting here discussing a bill to protect from dangers that no person should have to face. But it is a reality of our world right now that these threats exist, which means it is our responsibility as lawmakers to meet them head-on. The people in our State are looking for us to take action. That's what Assembly Bill 589 does.

Chair, would you like me to walk through the sections of the bill?

CHAIR FLORES:
Speaker Yeager, I think at this time we should be good to go. Members, if you have generic questions as to any particular section, I am sure we can direct Speaker Yeager to that.

SENATOR KRASNER:
What are some of the exceptions? Because I immediately think of the rape backlog, the rape DNA.

ASSEMBLYMEMBER YEAGER:
Exceptions are built into the bill. For instance, if you go to page 4, line 22 talks about state agencies where disclosure is required by a subpoena of the court, where disclosure is required to support treatment that someone is getting. The real thing here is that it is informed consent. We are trying to prevent the sale

or distribution of this information without the person knowing. I think the example you talk about in a criminal justice system, there would obviously be consent there to run a DNA profile. And if you commit a crime and you are being investigated for a crime, there is an exception in here that would be an appropriate use for law enforcement. We are just trying to protect on the side of your data being used without your consent or being sold without your consent.

CHAIR FLORES:
We will close out the hearing on Assembly Bill 589. We just heard A.B. 589 presented by Speaker Yeager that establishes requirements to protect the privacy of certain information and genetic material.

At this time, I would like to entertain a motion to do pass Assembly Bill 589.

SENATOR DALY MOVED TO DO PASS A.B. 589.

SENATOR OHRENSCHALL SECONDED THE MOTION.

SENATOR KRASNER:
Because we just got the bill, I am going to vote yes to get it out of committee but reserve my right to change prior to floor.

SENATOR ELLISON:
Ditto that motion.

SENATOR ROGICH:
I am also going to be a ditto.

THE MOTION PASSED UNANIMOUSLY.

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CHAIR FLORES:
Seeing no further business for this day, we are adjourned at 8:52 p.m.

RESPECTFULLY SUBMITTED:

Diane Rea,
Committee Secretary

APPROVED BY:

Senator Edgar Flores, Chair

DATE:

EXHIBIT SUMMARY				
Bill	**Exhibit Letter**	**Introduced on Minute Report Page No.**	**Witness / Entity**	**Description**
	A	1		Agenda
	B	1		Attendance Roster
A.B. 502	C	2	Brett Harris / Labor Commissioner	Senate Amendment No. 914
A.B. 502	D	6	Carpenters / Contractors Cooperation Committee	Support Letter
A.B. 554	E	6	A'Keia Sanders / Governor's Office of Federal Assistance	Amendment No. 818
A.B. 64	F	17	Jann Stinnesbeck	Work Session Document
S.B. 467	G	18	Jann Stinnesbeck	Work Session Document