Senate called to order at 1:28 p.m.
President Krolicki presiding.
Roll called.
All present except Senator Woodhouse who was excused.
Prayer by Pastor Albert Tilstra, Seventh-day Adventist Church, Fallon.
Give to the members of this Body open minds O God, minds ready to receive and to welcome such new light of knowledge as it is Your will to reveal.
Let not the past ever be so dear to them as to set a limit to the future. Given them the courage to change their minds when that is needed. Let us be tolerant of the thoughts of others, for we never know in what voice you will speak.
Make our ears open to Your voice and make us a little more deaf to whispers of men and women who would persuade us from our duty; for we know in our hearts that only in our will is the peace and prosperity of our land.
We pray in the name of one who loves to answer prayer.
AMEN.

Pledge of Allegiance to the Flag.

The President announced that under previous order, the reading of the Journal is waived for the remainder of the 77th Legislative Session and the President and Secretary are authorized to make any necessary corrections and additions.

REPORTS OF COMMITTEES

Mr. President:
Your Committee on Finance, to which were referred Senate Bill Nos. 293 and 521; Assembly Bill Nos. 424, 472, 473 and 491, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.
Also, your Committee on Finance, to which was re-referred Senate Bill No. 204, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass as amended.
Also, your Committee on Finance, to which was re-referred Assembly Bill No. 288, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

DEBBIE SMITH, Chair
Mr. President:

Your Committee on Judiciary, to which was referred Assembly Bill No. 338, has had the
same under consideration, and begs leave to report the same back with the recommendation:
Amend, and do pass as amended.

TICK SEGERBLOM, Chair

MESSAGES FROM THE ASSEMBLY
ASSEMBLY CHAMBER, Carson City, June 1, 2013

To the Honorable the Senate:

I have the honor to inform your honorable body that the Assembly on this day appointed
Assemblymen Ohrenschall, Diaz and Hansen as a Conference Committee concerning Assembly

Also, I have the honor to inform your honorable body that the Assembly on this day
appointed Assemblymen Cohen, Ohrenschall and Fiore as a Conference Committee concerning
Assembly Bill No. 262.

Also, I have the honor to inform your honorable body that the Assembly on this day
appointed Assemblymen Diaz, Carrillo and Fiore as a Conference Committee concerning
Assembly Bill No. 313.

Also, I have the honor to inform your honorable body that the Assembly on this day
appointed Assemblymen Dondero Loop, Bustamante Adams and Duncan as a Conference
Committee concerning Assembly Bill No. 378.

Also, I have the honor to inform your honorable body that the Assembly on this day
appointed Assemblymen Frierson, Diaz and Fiore as a Conference Committee concerning
Assembly Bill No. 415.

MATTHEW BAKER
Assistant Chief Clerk of the Assembly

MOTIONS, RESOLUTIONS AND NOTICES

Senator Smith moved that all measures reported out of committee be
immediately placed on the appropriate reading file for this legislative day.
Motion carried.

Assembly Concurrent Resolution No. 9.
Resolution read.
Senator Smith moved the adoption of the resolution.
Remarks by Senator Hardy.

Thank you, Mr. President. I have looked at Assembly Concurrent Resolution No. 9—I don’t
know if I can find the words. I have appreciated the prayers that have been delivered by our
ministers in both the Senate and the Assembly over the many years I have been here. I have
particularly enjoyed the Session Prayer Book publication we get.

I worry about the “monetization”—if I can use that word—of spirituality and prayers. This
process we have of paying for prayers seems to cheapen the reaching we have to our God, as our
offering in this building tends to be a service that I consider sacred. I am not in favor of paying
for prayer. I hope we are all paying, and will pay, our God in service. Thank you.

Motion carried.
Resolution adopted.
Resolution ordered transmitted to the Assembly.
INTRODUCTION, FIRST READING AND REFERENCE

By the Committee on Finance:

Senate Bill No. 522—AN ACT relating to education; ensuring sufficient funding for K-12 public education for the 2013-2015 biennium; apportioning the State Distributive School Account in the State General Fund for the 2013-2015 biennium; authorizing certain expenditures; making appropriations for purposes relating to basic support, class-size reduction and other educational purposes; temporarily diverting the money from the State Supplemental School Support Account to the State Distributive School Account for use in funding operating costs and other expenditures of school districts; and providing other matters properly relating thereto.

Senator Smith moved that the bill be referred to the Committee on Finance.

Motion carried.

MOTIONS, RESOLUTIONS AND NOTICES

Senator Smith moved that all items of business be moved to the next agenda for this legislative day.

Motion carried.

Senator Denis moved that the Senate recess subject to the call of the Chair.

Motion carried.

Senate in recess at 1:40 p.m.

SENATE IN SESSION

At 3:34 p.m.

President Krolicki presiding.

Quorum present.

REPORTS OF COMMITTEES

Mr. President:

Your Committee on Finance, to which were referred Assembly Bill Nos. 130, 488 and 502, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

Also, your Committee on Finance, to which was re-referred Senate Bill No. 172, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass as amended.

DEBBIE SMITH, Chair

Mr. President:

Your Committee on Judiciary, to which was referred Assembly Bill No. 423, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

TICK SEGERBLOM, Chair

MOTIONS, RESOLUTIONS AND NOTICES

Senator Smith moved that all necessary rules be suspended and that all bills reported out of committee for the remainder of this Legislative Session
be declared emergency measures under the Constitution, placed on General File, and immediately transmitted to the Assembly upon passage and approval.

Motion carried.

SECOND READING AND AMENDMENT

**Senate Bill No. 293.**
Bill read second time and ordered to third reading.

**Senate Bill No. 521.**
Bill read second time and ordered to third reading.

**Assembly Bill No. 130.**
Bill read second time and ordered to third reading.

**Assembly Bill No. 338.**
Bill read second time.
The following amendment was proposed by the Committee on Judiciary.

**Amendment No. 946.**
Senator Kihuen moved the adoption of the amendment.
Remarks by Senator Kihuen.
Thank you, Mr. President. **Amendment No. 946 to Assembly Bill No. 338** revises the definition of a “victim of human trafficking.” Thank you.

Amendment adopted.
Bill ordered reprinted, engrossed and to third reading.

**Assembly Bill No. 423.**
Bill read second time and ordered to third reading.

**Assembly Bill No. 424.**
Bill read second time and ordered to third reading.

**Assembly Bill No. 472.**
Bill read second time and ordered to third reading.

**Assembly Bill No. 473.**
Bill read second time and ordered to third reading.

**Assembly Bill No. 491.**
Bill read second time and ordered to third reading.

**Assembly Bill No. 502.**
Bill read second time and ordered to third reading.
Senate Bill No. 172

Bill read third time.
Remarks by Senators Smith and Jones.

SENATOR SMITH: Thank you, Mr. President. Senate Bill No. 172 authorizes financial institutions and other employers to deduct from the total amount of wages reported and upon which the payroll tax is imposed any wages paid to a newly hired full-time employee during the first four full calendar quarters following the hiring of the employee, and 50 percent of all wages paid to the employee during the fifth through twelfth full calendar quarters following the hiring of the employee. The bill requires that the employee is first hired by the employer on or after July 1, 2013, and on or before June 30, 2017; the employee has been unemployed for a continuous period of not less than 6 months immediately preceding the date of hire; and the employee has been receiving unemployment compensation continuously for that entire 6 month period immediately preceding the date of hire, or would have been eligible to receive unemployment compensation continuously for that entire 6 month period if the duration of his or her unemployment compensation had not expired within the 24 months immediately preceding the date of hire. The employee must be employed in a full-time position throughout the entire calendar quarter for which the deduction is claimed.

The bill requires an employer to submit to the Department of Taxation an affidavit, signed under penalty of perjury by the employer or authorized agent of the employer, which states that the employee meets the requirements specified in the bill. This bill also requires an employer claiming the deduction, upon the request of the Department of Taxation, to provide the Department with such documentation as the Department deems appropriate to substantiate the claim. In simpler terms, this provides a Modified Business Tax reduction for those employers who hire someone who has been out of work for six or more months. It is an incentive to possibly tip the scale a bit for any employer to get someone off the unemployment rolls. I encourage your support. Thank you.

SENATOR JONES: Thank you, Mr. President. I rise in strong support of Senate Bill No. 172. I am proud to have co-sponsored this bill with my colleague from Senate District No. 13. When this bill first came up, I shared the story of my brother-in-law who operates two businesses in Senate District No. 9. He was a beneficiary of the federal Hiring Incentives to Restore Employment, or HIRE, Act which allowed him to continue to employ folks who were previously unemployed. It enabled him to employ more than 30 individuals, bringing jobs to the community. Senate Bill No. 172 is a great opportunity to get those who are out of work right now back to work. It is really what we came up here to Carson City to do this Legislative Session: address education and get people back to work. I urge my colleagues’ strong support. Thank you.

Roll call on Senate Bill No. 172:
YEAS—20.
NAYS—None.
EXCUSED—Woodhouse.

Senate Bill No. 172 having received a constitutional majority, Mr. President declared it passed.
Bill ordered transmitted to Assembly.

Senate Bill No. 204.
Bill read third time.
Remarks by Senators Gustavson and Smith.
SENATOR GUSTAVSON:
Thank you, Mr. President. Senate Bill No. 204 directs the Department of Motor Vehicles to establish a Next-of-Kin Registry. Provisions in the bill provide for a secure Internet-based contact list, whereby individuals with a Nevada driver’s license or identification card can enter contact information into the system. The Registry will be accessible by law enforcement personnel, and any coroner or medical examiner to notify designated emergency contacts when an individual is found unable to communicate due to certain circumstances. This bill provides that the names, telephone numbers and addresses of emergency contact persons in the Registry are confidential. The bill becomes effective upon passage for the purposes of adopting regulations and performing any preparatory administrative task that are necessary to carry out the provision of this act, and on July 1, 2015, for all other purposes. Thank you.

SENATOR SMITH:
Thank you, Mr. President. I rise in support of Senate Bill No. 204. I think it is an interesting opportunity for the residents of our State. I would like to put on the record that this what government does. These ideas do not come without costs. We had to add extra employees at the last minute at the Department of Motor Vehicles to accommodate the many requests we had requiring reprogramming. We have a backlog of years of programming in the Department of Motor Vehicles that has not been accomplished. I want to make the reminder that these programs cost money, they require employees and that is what the revenue requirement is needed for. Thank you.

Roll call on Senate Bill No. 204:
YEAS—20.
NAYS—None.
EXCUSED—Woodhouse.

Senate Bill No. 204 having received a constitutional majority, Mr. President declared it passed.
Bill ordered transmitted to Assembly.

Senate Bill No. 486.
Bill read third time.
Remarks by Senator Smith.
Thank you, Mr. President. I rise in support of Senate Bill No. 486 which makes a one-time General Fund appropriation of $1.5 million to the Department of Administration for the costs of implementing a pilot program for an assessment of the school readiness of pre-Kindergarten and Kindergarten students. The bill also appropriates $1 million from the State General Fund to the Interim Finance Committee for allocation to the Department of Administration for projects and programs identified by the Statewide Longitudinal Data System. It is extremely important for us to fund this program, and to be able to look at our student data over a long period of time and associated with different divisions in the State. Thank you.

Roll call on Senate Bill No. 486:
YEAS—20.
NAYS—None.
EXCUSED—Woodhouse.

Senate Bill No. 486 having received a constitutional majority, Mr. President declared it passed.
Bill ordered transmitted to Assembly.
Assembly Bill No. 125
Bill read third time.
Remarks by Senator Manendo.
Thank you, Mr. President. Assembly Bill No. 125 allows for the lease of State land to certain businesses at less than fair market value for the first year of the lease. In order to qualify for a discounted lease, the business must be seeking to locate or expand in the State, must be consistent with the State Plan for Economic Development and must meet criteria related to number of employees, capital investment, wages and/or health insurance and benefits. Further, leases entered into pursuant to the bill must be for a term of at least ten years. The bill exempts such land leases from certain appraisal and procedural requirements. Also exempted from these requirements are any leases of less than 25,000 square feet of State land. Thank you.

Roll call on Assembly Bill No. 125:
YEAS—20.
NAYS—None.
EXCUSED—Woodhouse.

Assembly Bill No. 125 having received a constitutional majority,
Mr. President declared it passed.
Bill ordered transmitted to Assembly.

Assembly Bill No. 145
Bill read third time.
Remarks by Senator Hardy.
Thank you, Mr. President. Assembly Bill No. 145 authorizes the establishment of a Complete Streets program by a regional transportation commission or a board of county commissioners in each county. A Complete Streets program is defined as one in which streets or highways are retrofitted for the primary purpose of adding or significantly repairing facilities that provide street or highway access considering all users, including, without limitation, pedestrians, bicycle riders, persons with a disability, persons who use public transportation and motorists. The key to this is it is totally voluntary. The person who registers the vehicle may, at a kiosk or on the Internet, opt to make a voluntarily, nonrefundable $2 contribution toward funding the Complete Streets program in the county in which the vehicle is registered.

The board of county commissioners in a county that has established a Complete Streets program shall establish in the county treasury a Complete Streets fund to receive distributions of these contributions from the Department of Motor Vehicles and to accept other gifts and donations. The measure authorizes the Department of Motor Vehicles to retain a one percent commission to cover the cost of collecting and allocating donations to each county. Thank you.

Roll call on Assembly Bill No. 145:
YEAS—20.
NAYS—None.
EXCUSED—Woodhouse.

Assembly Bill No. 145 having received a two-thirds majority,
Mr. President declared it passed.
Bill ordered transmitted to Assembly.

Assembly Bill No. 288
Bill read third time.
The following amendment was proposed by the Committee on Finance.
Amendment No. 949.

Senator Kieckhefer moved the adoption of the amendment.

Remarks by Senator Kieckhefer.

Thank you, Mr. President. Amendment No. 946 to Assembly Bill No. 338 adds a $1.5 million appropriation. Thank you.

Amendment adopted.
Bill ordered reprinted, re-engrossed and to third reading.

Assembly Bill No. 412.

Bill read third time.
Remarks by Senators Manendo, Hardy and Hutchison.
[Remarks to be inserted in online and hardbound versions.]

Roll call on Assembly Bill No. 412:
YEAS—18.
NAYS—Gustavson, Hardy—2.
EXCUSED—Woodhouse.

Assembly Bill No. 412 having received a constitutional majority,
Mr. President declared it passed.
Bill ordered transmitted to Assembly.

UNFINISHED BUSINESS

CONSIDERATION OF ASSEMBLY AMENDMENTS

Senator Smith moved that the Senate do not concur in the Assembly Amendment No. 915 to Senate Bill No. 44.
Motion carried.
Bill ordered transmitted to the Assembly.

RECEDE FROM SENATE AMENDMENTS

Senator Manendo moved that the Senate do not recede from its action on Assembly Bill No. 379, that a conference be requested, and that Mr. President appoint a Conference Committee consisting of three members to meet with a like committee of the Assembly.
Motion carried.
Bill ordered transmitted to the Assembly.

APPOINTMENT OF CONFERENCE COMMITTEES

President Krolicki appointed Senators Manendo, Spearman and Gustavson as a Conference Committee to meet with a like committee of the Assembly for the further consideration of Assembly Bill No. 379.

Senator Denis moved that the Senate recess subject to the call of the Chair.
Motion carried.

Senate in recess at 4:06 p.m.
SENATE IN SESSION

At 4:54 p.m.
President Krolicki presiding.
Quorum present.

REPORTS OF COMMITTEES

Mr. President:
Your Committee on Finance, to which were re-referred Senate Bill Nos. 174, 391 and 400, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

DEBBIE SMITH, Chair

MOTIONS, RESOLUTIONS AND NOTICES

By the Committee on Revenue and Economic Development:
Senate Concurrent Resolution No. 11—Creating the Select Committee on Nevada Commerce Tax.
Senator Kihuen moved that the resolution be referred to the Committee on Revenue and Economic Development.
Motion carried.

GENERAL FILE AND THIRD READING

Senate Bill No. 174.
Bill read third time.
The following amendment was proposed by the Committee on Finance.
Amendment No. 951.
Senator Kieckhefer moved the adoption of the amendment.
Remarks by Senator Kieckhefer.
Thank you, Mr. President. Amendment No. 951 to Senate Bill No. 174 ensures the effects of the bill prospective in its implementation so that we don’t lose any branding or naming value that we have achieved in our parks, streets, bridges and highways over the years. It also expands the wars in which service members were killed in action so they can be eligible to have their names commemorated in this way. Thank you.
Amendment adopted.
Bill ordered reprinted, re-engrossed and to third reading.

Senate Bill No. 293.
Bill read third time.
Remarks by Senator Smith.
Thank you, Mr. President. Senate Bill No. 293 makes a General Fund appropriation of $20,000 in each year of the 2013-15 biennium to the Trust Account for the Education of Dependent Children. The Trust Account is administered by the Board of Regents to provide payment of the fees and expenses of dependent children of police or highway patrol, firefighters or volunteer ambulance drivers or attendants killed in the line of duty, to the extent funding is available. The bill becomes effective on July 1, 2013. Thank you.
Roll call on Senate Bill No. 293:
YEAS—20.
NAYS—None.
EXCUSED—Woodhouse.

Senate Bill No. 293 having received a constitutional majority, Mr. President declared it passed.
Bill ordered transmitted to Assembly.

Senate Bill No. 391.
Bill read third time.
The following amendment was proposed by the Committee on Finance.
Amendment No. 952.
Senator Kieckhefer moved the adoption of the amendment.
Remarks by Senator Kieckhefer.
Thank you, Mr. President. Amendment No. 952 to Senate Bill No. 391 revises the make-up of the Legislative Commission’s study committee so it retains the six legislative member committee and it appoints two subcommittees that include non-legislative members. It also revises the appointing authority for those six legislative members. It also changes the scope of the committee’s work over the interim. Thank you.
Amendment adopted.
Bill ordered reprinted, re-engrossed and to third reading.

Senate Bill No. 400.
Bill read third time.
The following amendment was proposed by the Committee on Finance.
Amendment No. 938.
Senator Kieckhefer moved the adoption of the amendment.
Remarks by Senators Kieckhefer, Hardy and Goicoechea.

Senator Kieckhefer:
Thank you, Mr. President. Amendment No. 938 to Senate Bill No. 400 protects both State and local revenue in the event Senate Joint Resolution No. 15 of the 76th Session is passed by the voters on the General Election ballot in 2014 by deeming what is now the net proceeds and minerals tax as an excise tax on the privilege of conducting that business in our State. It authorizes local governments to tax mining net proceeds based on their current statutory mechanism at the same rate as their local property tax rate to ensure they remain whole. It also allows the State to levy an excise tax on the gap between that local county rate up to a total rate of 5 percent, which then keeps State coffers whole in the event that Senate Joint Resolution No. 15 of the 76th Session becomes law. It adds some language in the form of a preamble that states intent. It is a necessary amendment to adopt in order to ensure we protect State interests and local government interests, and ensure we protect small mining exploration companies that could be hurt as a result of the passage of Senate Joint Resolution No. 15 of the 76th Session. Thank you.

Senator Hardy:
Thank you, Mr. President. I support the amendment. Thank you.
SENATOR GOICOECHEA:
Thank you, Mr. President. We clearly need to continue and move forward with Senate Bill No. 400 because of the impacts to our State budget coming forward. I do support the amendment. Thank you.

Amendment adopted.
Bill ordered reprinted, re-engrossed and to third reading.

Senate Bill No. 521.
Bill read third time.
Remarks by Senators Smith, Kieckhefer, Hutchison, Goicoechea, Denis and Hammond.

SENATOR SMITH:
Thank you, Mr. President. Senate Bill No. 521 is the Authorizations Act that is the first of the major budget bills that this Body will be voting on. This bill together with the General Appropriations Act, the school funding bill and the capital improvement projects bill for the 2013-15 biennium, constitute the major budget bills for the ongoing operation of state government for the next two fiscal years, and reflect the culmination of a considerable amount of work by the Senate Committee on Finance and the Assembly Committee on Ways and Means. The bill represents authority for agencies to collect and expend monies other than State General Funds and includes federal funds, gifts, grants, interagency transfers, service fees and other funds. The total authorized funding recommended for approval by the Legislature for ongoing operations is approximately $12.39 billion for the 2013-15 biennium, which includes approximately $531 million in Highway Fund appropriations. The Senate Committee on Finance and the Assembly Committee on Ways and Means met independently and jointly and made numerous changes to the Governor’s recommended budget. The money committees worked diligently to mitigate the impact of budget reductions and to ensure essential services provided by the state remain intact.

I am going to highlight the major budget areas so that we have it on the record. My plan is to provide everyone with a copy of this document because it will be good for working from as we go forward.

We pass budgets for elected officials including The Governor’s Office of Economic Development. The money committees authorized revenues of $13.7 million for the Governor’s Office of Economic Development, which includes $5 million for the State Small Business Credit Initiative program and $4.3 million for the Rural Community Development program.

The Office of the Attorney General was approved for approximately $21.5 million in mortgage settlement funds. The money committees also approved mortgage settlement funds of $53.2 million to the Department of Business and Industry to support programs approved by the Attorney General to mitigate the effects of the mortgage and foreclosure crisis in Nevada.

The Controller’s Office budget was approved with a small enhancement, as well as the budget of the State Office of Energy where we eliminated two positions resulting from the expiration of federal grant funds.

In the Department of Administration, the money committees approved $1.57 million in the 2013-15 biennium to fund deferred maintenance projects throughout the State in the State Public Works Division. We also approved decreases in inspection fees due to the elimination of six project management and construction inspection positions. That budget ebbs and flows as we have more or less money for statewide construction.

In the Division of Human Resource Management, the money committees approved the Governor’s recommendation of $446,000 technology investments. In the Division of Enterprise Information Technology Services, the money committees approved $77.2 million in authorized revenues for the Division of Enterprise Information Technology Services for the 2013-15 biennium. The money committees approved the Governor’s recommendation to begin creating a statewide, consolidated and standardized information technology environment. There was a lot of discussion in the money committees about the need to do a better job consolidating our
information technology services. The money committees approved the Governor’s recommendations to replace the state’s telephone system with a leased system and to outsource the state’s email system to a cloud-based provider funded with user fee revenue totaling $2.5 million during the biennium.

In the Department of Taxation, the money committees approved the Governor’s recommendation to use tobacco settlement income to fund three positions for better enforcement of the Tobacco Master Settlement Agreement. We just passed the bill yesterday that the Settlement is based on better enforcement.

In the Department of Education, funding for public schools will be considered separately in the school funding bill, which will come to you later this evening I hope. That bill contains funding for basic support, class-size reduction, full-day Kindergarten, teacher and administrator training, teacher incentives, early childhood education, educational technology, career and technical education, adult education and other State education programs. In closing the Department of Education budgets, the money committees approved a total of $755.9 million in federal revenue authority over the 2013-15 biennium, which includes federal revenue authority of $259.3 million for various child nutrition education programs that the money committees approved transferring to the Department of Agriculture. That is a big shift in the State to put childhood nutrition programs somewhere other than the State of Education. Finally, of the total federal revenue authority approved by the money committees, $287.7 million, continues provisions of the federal Elementary and Secondary Education Act.

In closing the budgets of the Nevada System of Higher Education, the money committees approved revenue from all sources totaling $1.5 billion for the 2013-15 biennium. Of the total revenues, non-General Fund revenues total $524.8 million, or 35.1 percent of total funding, and include student registration fees, non-resident tuition, student application fees, federal and county revenues and operating capital investment income. The money committees also adopted the Interim Study Committee’s recommendation that non-General Fund revenues should not offset the amount of General Fund appropriations for state supported operating budgets for the Nevada System of Higher Education. Finally, the money committees approved the recommendation that student fee and tuition revenues should continue to be budgeted in the institutions’ state supported operating budgets for transparency purposes. This is another big shift that allows the campuses to keep their student fees including out-of-state fees.

In Commerce and Industry, for the Department of Tourism and Cultural Affairs, the money committees approved the Commission on Tourism’s projected growth in room tax revenue of 3.1 percent in fiscal year 2014 when compared to projected fiscal year 2013 receipts, and 3 percent in fiscal year 2015 when compared to projected fiscal year 2014 receipts. In total, the money committees authorized room tax revenue of $18.1 million in fiscal year 2014 and $18.6 million in fiscal year 2015.

In closing the budgets for the Division of Museums and History, the money committees approved non-General Fund revenues of $789,549 in the 2013-15 biennium to restore staff for the state’s seven museums to full-time and increase days of operation. This is really good news for our constituents. This is something we all appreciate.

The money committees approved a room tax transfer of $200,000 in each fiscal year of the 2013-15 biennium from the Commission on Tourism to the Nevada Arts Council—another piece of good news. We all hear from the Nevada Arts Council people regularly about how they use our money for a lot of matching grants. We started to add back some of what we had cut over the last few budget cycles. This exceeds the Governor’s recommendation by $75,000 in each fiscal year. Finally, the money committees approved room tax transfers of $100,000 in each year of the biennium to fund the Tourism Development account, which provides matching grants to rural communities to improve tourism infrastructure.

In closing the budgets for the Department of Business and Industry, the money committees approved total authorized funding of $286.7 million in the 2013-15 biennium, an increase of 15.8 percent ($39.2 million) when compared to the 2011-13 biennium’s legislatively-approved authorized funding total. The money committees also approved using Mortgage Settlement funds in the amount of approximately $747,000 to create a four position Consumer Affairs Unit to address consumer-related issues and complaints within the Mortgage Lending, Real Estate and Financial Institution divisions.
In Mortgage Lending, the money committees approved the Governor’s recommendation to fund a four-position Mortgage Fraud Enforcement Unit using Mortgage Settlement funds and we reduced operational costs over the 2013-15 biennium for the Mortgage Fraud Enforcement Unit.

Under the Nevada Home Retention Program, the money committees approved the Governor’s recommendation to use Mortgage Settlement funds totaling $49 million to establish the Nevada Home Retention program. You have probably heard a lot about this from the Attorney General’s Office; she has been sending us packets of information about how our constituents may access this help. The department developed a targeted business plan that anticipates using Mortgage Settlement funds in addition to a $100 million allocation from the U.S. Treasury for a total of $149 million to help address the shadow market of underwater and delinquent home mortgages susceptible to foreclosure in Nevada.

In Real Estate, the money committees approved using Mortgage Settlement funds in the amount of approximately $648,000 over the 2013-15 biennium to restore seven positions to reduce the current backlog of cases under investigation, alleviate the backlog of investigations and document processing.

For the Taxicab Authority, the money committees approved approximately $1.6 million during the 2013-15 biennium for the additional needs identified by the Taxicab Authority that were not included in the Governor’s budget, including 7 new positions, 23 replacement vehicles and costs to relocate to a larger office near McCarran International Airport.

In the Division of Insurance, the money committees approved the Governor’s recommendations to increase fee revenue from the Fraud Assessment and new fees for determining Network Adequacy and certifying Enrollment Facilitators for the Silver State Health Insurance Exchange.

In the Division of Industrial Relations, the money committees approved the Governor’s recommendation for an allocation from the Workers’ Compensation and Safety Fund to study Nevada’s Medical Fee Schedule. The money committees also approved $1.4 million to increase salaries by approximately 10 percent, or equivalent to a two-grade adjustment, for 82 classified Safety Specialist positions, 20 classified Industrial Hygienist positions, and 18 supervisor positions, as recommended by the Governor to improve the recruitment and retention of more qualified personnel.

In Gaming, the money committees approved the Governor’s recommendation to eliminate 10 FTE positions in the Technology Division, resulting in a General Fund savings of $532,317 during the 2013-15 biennium.

In Health and Human Services we saw a lot of change through a lot of newly available funds. In closing the budgets administered by the Department of Health and Human Services Director’s Office, the money committees approved the Healthy Nevada Fund spending plan recommended by the Governor, which allocates tobacco settlement funds totaling $20 million over the biennium, including $1 million for a portion of the costs of the Office of Suicide Prevention. This is very significant considering what our State’s suicide rate is. There is also the expectation that they will work with the Veterans Office to identify what we can due to lower the high veteran suicide rate in the State, including two new positions to support health and wellness programs, which were previously federally funded. We also provided $1 million to support the Nevada 2-1-1 system, as well as $4.6 million for grants through the Grants Management Unit for food security.

Additionally, the money committees approved the recommended transfer of the Office of Suicide Prevention to the new Division of Public and Behavioral Health (previously the Health Division).

The money committees approved $494.2 million for the Aging and Disability Services Division, of which $252.6 million was authorized in non-General Fund revenue sources. In a major decision, they money committees approved the Governor’s recommendation to transfer Developmental Services from the Mental Health and Developmental Services Division and Early Intervention Services from the Health Division to the Aging and Disability Services Division. This includes 608 positions and five budget accounts. There was a great deal of discussion about this move and a lot of heartfelt input; there was very meaningful intent when this decision was made—it was not done lightly, we considered the people who are served by these budgets.
The money committees approved additional funding totaling $7.2 million, including $4.8 million in tobacco settlement funding, to increase the monthly caseload for the Autism Treatment Assistance Program. From the 137 children approved by the 2011 Legislature to 572 children by the end of FY 2015. I am sure you hear about this from many of your constituents. Jan Cramy and her group, who we are all very familiar with and who we all hear from regularly, have long advocated for this. We also approved the addition of seven new positions to support the caseload increase, which is projected to reduce the wait list by 50 percent. As I am sure you know, this is a population that is growing exponentially and we have not been able to keep up with that growth. However, we have made great strides this time. I would like to thank my colleague from Washoe County for leading the way on that.

The money committees approved tobacco settlement funding totaling approximately $2.6 million to pilot a Dental Benefit program, which would provide dental insurance and copay assistance to approximately 1,100 Senior Rx and Disability Rx program members. The money committees approved $5.6 million to provide monthly cash assistance to low income families who care for relatives with profound or severe mental disabilities in their homes or have children under six years of age with developmental delays.

Based on expected caseload growth, the money committees approved $5.1 million over the biennium for 41 new positions at the Desert Regional Center. The money committees approved 10 additional positions at Desert Regional Center’s Intermediate Care Facility for the Intellectually Disabled.

In Health Care Financing and Policy, the money committees approved the Governor’s recommendation to implement the second phase of the Medicaid Management Information System replacement project, including one new position to assist with the development of the procurement. Additionally, the money committees approved the Governor’s recommendation to add four positions dedicated to various requirements of the Affordable Care Act and four positions to expand fraud, waste and abuse observation activities within the division. The money committees approved the Governor’s recommendation to transfer 25.51 FTE from the Nevada Check Up account to either the Department of Health Care Financing and Policy Administration account.

The money committees voted to approve three amendments resulting in a decrease in the transfer from the Intergovernmental Transfer account to the Medicaid account by $22.8 million. The money committees voted to approve the Federal Medical Assistance Percentage rate, as amended, which increased for fiscal year 2015 by 0.65 percent compared to the rate used in the Executive Budget, resulting in General Fund savings of approximately $11 million in fiscal year 2015. This is one of those “good news/bad news” budget items: it saves us General Fund monies but it also means our poverty rate went up; that is why we have the savings.

The money committees also voted to approve the Governor’s amended caseload projections for the Medicaid and Nevada Check Up programs, decreasing the projected General Fund appropriation by approximately $2.8 million in fiscal year 2014 and $7.7 million in fiscal year 2015.

In the Health Division, the money committees approved the Governor’s recommendation to reorganize certain services within the Department of Health and Human Services. As part of the reorganization, mental health services will be transferred from the Division of Mental Health and Developmental Services to the Health Division and the division will become the Division of Public and Behavioral Health. This is another significant move that we had a tremendous amount of discussion about. In closing the public health budgets in the Division of Public and Behavioral Health, the money committees approved total funding of $196.3 million in fiscal year 2014 and $197.7 million in fiscal year 2015.

In approving the mental health budgets in the Division of Public and Behavioral Health, the money committees approved the transfer of Early Intervention Services to the Aging and Disability Services Division. As part of the transfer, the money committees reduced indirect cost assessment revenue in the Health Administration budget by $1.7 million in the 2013-15 biennium.

In the Maternal Child Health Services account, the money committees approved sufficient revenue and expenditure authority for the State Board of Health to increase the newborn metabolic screenings. This action added $251,168 in additional fee authority.
Finally, the money committees approved total funding of $1.4 million in the 2013-15 biennium for a new online licensing system, which will create a single point of licensing access for health facilities, clinical laboratories, child care facilities, food establishments, dietitians, music therapists, emergency medical services and other entities within the division. This is another good example of how we were able to streamline services, hopefully making it easier for people to do business in the State.

The money committees authorized revenues of $454.9 million over the 2013-15 biennium for the Division of Welfare and Supportive Services. The money committees approved reducing Temporary Assistance for Needy Families caseloads for the upcoming biennium from the caseloads recommended in the Executive Budget, and we approved the Governor’s recommendation to authorize $7.9 million over the biennium to complete the design, development and implementation of the new eligibility engine system and to support ongoing maintenance and operations costs.

The money committees approved the inclusion of enhanced Medicaid funding offered by the federal government for the division’s Field Services and Administration accounts. This enhanced funding increases the federal share of administrative costs related to the eligibility functions performed by the division from 50 percent federal funds and 50 percent General Funds, to 75 percent federal funds and 25 percent General Funds, beginning on October 1, 2013. Accordingly, the money committees authorized revenues for the Field Services account and the Administration account, combined, totaling $192.5 million for the 2013-15 biennium.

Under the Division of Mental Health and Developmental Services, the Governor’s recommendation was approved to reorganize programs within the Department of Health and Human Services. The money committees approved the transfer of the Developmental Services accounts to the Aging and Disability Services Division.

The money committees approved total funding of approximately $647.6 million for the accounts previously assigned to the Division of Mental Health and Developmental Services over the 2013-15 biennium.

The money committees also approved the Governor’s recommendation for Medicaid revenue totaling $26.8 million over the biennium and a corresponding decrease in General Fund appropriations resulting from the implementation of the Affordable Care Act and Medicaid expansion.

The money committees authorized tobacco settlement monies totaling $1.4 million over the biennium to fund a ten-member Program for Assertive Community Treatment team in Southern Nevada, which is expected to have a caseload of 75 clients. Program for Assertive Community Treatment is one of the many efforts that was added to the budget to help deal with the mental health issues in Southern Nevada. Program for Assertive Community Treatment teams work in an interdisciplinary manner to support consumers in living in the community, adhering to their medication program and obtaining employment. The Program is designed to keep our mentally ill out of hospitals.

The money committees also authorized tobacco settlement monies totaling $2.03 million to establish pilot Mental Health Home Visiting programs at both Southern Nevada Adult Mental Health Services and Northern Nevada Adult Mental Health Services. The money committees approved tobacco settlement monies totaling $3 million over the biennium to support an additional 10 medium security beds at the Dini-Townsend hospital. Funding will provide for physical improvements to the facility and 20 new positions.

In closing the budgets of the Division of Child and Family Services, the money committees approved non-General Fund revenues totaling $231.1 million over the 2013-15 biennium. Funding was approved to support projected caseload increases in foster care and adoption subsidies.

In closing the budgets of the Department of Employment, Training and Rehabilitation, the money committees authorized total non-General Fund revenues of $374.8 million for the 2013-15 biennium, which is a decrease of 13.3 percent over the last biennium.

In Employment Security, the money committees authorized special assessment revenue and expenditure authority totaling $31.2 million over the biennium to allow the Employment Security Division to pay accrued interest to the federal government on the Unemployment Insurance Trust Fund loan. This imposes a special interest assessment on employers until the
loan is repaid. That is important for you to know because employers will have an increase on their unemployment tax in order to pay for that loan.

The money committees approved $1.2 million in federal funds and Career Enhancement Program wage assessments over the biennium for ten new positions in the Employment Security Division account.

In the Department of Motor Vehicles, the money committees approved the Governor’s recommendation to continue the redirection of Governmental Services Tax Commissions and Penalty revenues to the General fund.

The money committees also approved the Governor’s recommendation for a new fee for the administration of the International Fuel Tax Agreement decal program.

The money committees approved the Governor’s recommendation to transfer costs associated with the License Plate Factory from the department’s Central Services budget account to a new License Plate Factory budget and to make the License Plate Factory self-supporting based primarily on revenues collected from a new License Plate fee. This is another big shift in the budget that will result in a completely new way of funding license plates in our State. It also results in a CIP Project for a new building to house the License Plate Factory.

In closing the budgets for the Department of Public Safety, the money committees approved approximately $409.6 million over the 2013-15 biennium.

For the Department of Conservation and Natural Resources, including the Tahoe Regional Planning Agency, the money committees authorized total funding of $153.4 million over the 2013-15 biennium. In the Division of Forestry, the money committees approved the Governor’s recommendation to establish a voluntary Wildland Fire Protection Program. The money committees also approved the Governor’s recommendation to continue transfers of $419,021 in each year of the 2013-15 biennium from the Department of Motor Vehicles Pollution Control account to the Tahoe Regional Planning Agency to support the preservation and improvement of air quality in the Lake Tahoe Basin.

In the Department of Agriculture, there were some big shifts. The money committees approved the Governor’s recommendation to transfer the Dairy Commission from the Department of Business and Industry, the Commodity Food Program from the Department of Administration, and the Nutrition Education Programs from the Department of Education to the Department of Agriculture to create a new Food and Nutrition Division. These transfers include $294.1 million during the 2013-15 biennium and 38 positions.

For the Department of Transportation, the money committees authorized funding of approximately $591.3 million in each year of the 2013-15 biennium to support highway and other capital construction.

In closing the budget for the Department of Wildlife, the money committees approved five new positions to support archery education and bow hunting programs, the Wildlife Health Program, the Native Aquatics Program, expansion of the Geographical Information System mapping program.

The money committees authorized a total of $470.6 million for fiscal year 2014 and $480 million for fiscal year 2015 for the Public Employees’ Benefits Program (including reserve amounts). You have heard the bills we have already passed regarding the Public Employees’ Benefits Program authorization so I will not go through all of the amounts now.

In the Office of Veterans’ Services, we made some significant improvements. Approximately $34.2 million in authorized revenues were approved for the Office of Veterans’ Services, which is an increase of approximately 11.3 percent from the $30.7 million authorized for the 2011-13 biennium. The increases are primarily due to a projected increase in client charges revenue collected from or on behalf of Veterans’ Home residents, and additional reimbursements received from the federal Veterans Administration for care of the Home’s veteran residents.

In closing the budget for the Silver State Health Insurance Exchange, the money committees approved the Governor’s recommendation to establish fee revenue totaling 14.5 million during the 2013-15 biennium to build reserves and fund personnel, operating and maintenance for the Exchange beginning on January 1, 2015. The money committees approved the Governor’s recommendation to add four new unclassified positions to support the development and implementation of the Exchange. Thank you.
SENATOR KIECKHEFER:
Thank you, Mr. President. I rise in support of Senate Bill No. 521, commonly known as the Authorizations Act. I would like to thank the Chair of the Senate Committee on Finance for all of her hard work throughout this Session to get this bill together.

I want to point out a couple of key things. First, Nevada has historically received less than what it puts in in terms of federal reimbursement when it comes to tax dollars. This bill will hopefully help improve that by capturing more federal revenue back into the State of Nevada—revenue that we pay in tax to the federal government. Second, I want to point out the higher education funding formula. I think it is a significant improvement for how we finance higher education, allowing institutions to retain their student fees and tuition. That is in this budget bill. It allows the institutions to really become entrepreneurial, more effectively manage themselves and guide their own future. I think that is very important. Third, as the Chair of the Senate Committee on Finance also stated, this budget does have a significant improvement in the funding of autism services for children which I am very glad to see. I would like to thank all of the members on both the Senate Committee on Finance and the Assembly Committee on Ways and Means who supported that.

This has been a long process, but the outcome is very positive. We are making significant improvements for the people of our State. Thank you.

SENATOR HUTCHISON:
Thank you, Mr. President. I appreciate all of the work that has been done to close out the Senate Bill No. 521. Although there are some expenditures are a challenge for me personally, there are many more that are very positive and which will be of great benefit to my constituents and the rest of our State. I want to thank all of my colleagues on the money committees for their hard work. In particular, I thank my colleague from Senate District No. 13 for all of her detailed hard work. I appreciate the effort that went into this. Thank you.

SENATOR GOICOECHEA:
Thank you, Mr. President. I rise in support of Senate Bill No. 521. A lot of work went into this, especially by my colleagues. I support the Authorizations Act, and I will continue to “check the cushions” to see if we can find some spare change in the Appropriations Act to keep my community college whole. Thank you.

SENATOR DENIS:
Thank you, Mr. President. I want to take the opportunity to thank the Chair of the Senate Committee on Finance for the diligent work she has done to keep us together. To all of the members of the committee, we have been meeting every day since the beginning of Session. We have made a lot decisions after looking at so many details. I appreciate all of the hard work. I am in support of Senate Bill No. 521. I look forward to the good things that will be done because of the decisions made that are reflected in this bill. Thank you.

SENATOR HAMMOND:
Thank you, Mr. President. I rise in support of Senate Bill No. 521. There is a lot in this bill. As my colleague from Southern Nevada said, there is a lot of good in here, even if there are some things I may not agree with. As one of my favorite entertainers once said, Mr. Robert Goulet, “Sometimes you gotta give a little bit to get a little bit.” Thank you.

Roll call on Senate Bill No. 521:
YEAS—20.
NAYS—None.
EXCUSED—Woodhouse.

Senate Bill No. 521 having received a constitutional majority, Mr. President declared it passed.
Bill ordered transmitted to Assembly.
Assembly Bill No. 130.
Bill read third time.
Remarks by Senator Parks.
Thank you, Mr. President. *Nevada Revised Statutes* establishes the Trust Account for the Education of Dependent Children, which is administered by the Board of Regents. To the extent of available funds in the Trust Account, the Board of Regents shall pay registration fees, laboratory fees and expenses for required textbooks and course materials assessed against or incurred by a dependent child of a police officer, firefighter and officer of the Nevada Highway Patrol killed in the line of duty as well as a volunteer ambulance driver or attendant who was killed while engaged as a volunteer driver or attendant. Funds in the Trust Account cover fees and expenses associated with classes taken to satisfy the requirements of an undergraduate degree at an Nevada System of Higher Education institution for dependent children less than 23 years of age.

*Assembly Bill No. 130* revises the definition of an eligible dependent child to include the dependent child of a public safety officer killed in the line of duty while eliminating the previous definition. This bill defines “public safety officer” to mean a person serving a public agency in an official capacity, with or without compensation, as a peace officer, firefighter or as a member of a rescue or emergency medical services crew. The bill is effective upon passage and approval. I hope you will support the bill. Thank you.

Roll call on *Assembly Bill No. 130*:
YEAS—20.
NAYS—None.
EXCUSED—Woodhouse.

*Assembly Bill No. 130* having received a constitutional majority, Mr. President declared it passed. Bill ordered transmitted to Assembly.

**MOTIONS, RESOLUTIONS AND NOTICES**

Senator Denis moved that all items of business be moved to the next agenda for this legislative day. Motion carried.

Senator Denis moved that the Senate recess subject to the call of the Chair. Motion carried.

Senate in recess at 5:43 p.m.

**SENATE IN SESSION**

At 10:50 p.m.
President Krolicki presiding.
Quorum present.

**REPORTS OF COMMITTEES**

*Mr. President:*
Your Committee on Finance, to which was referred *Senate Bill No. 522*, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.
DEBBIE SMITH, Chair
MESSAGES FROM THE ASSEMBLY
ASSEMBLY CHAMBER, Carson City, June 2, 2013

To the Honorable the Senate:
I have the honor to inform your honorable body that the Assembly on this day passed Assembly Bills Nos. 505, 506, 507, 509, 511.
Also, I have the honor to inform your honorable body that the Assembly on this day passed, as amended, Assembly Bills Nos. 167, 325, 335, 474.
Also, I have the honor to inform your honorable body that the Assembly on this day appointed Assemblymen Benitez-Thompson, Healey and Stewart as a Conference Committee concerning Assembly Bill No. 223.
Also, I have the honor to inform your honorable body that the Assembly on this day appointed Assemblymen Daly, Diaz and Livermore as a Conference Committee concerning Assembly Bill No. 339.

MATTHEW BAKER
Assistant Chief Clerk of the Assembly

INTRODUCTION, FIRST READING AND REFERENCE

Assembly Bill No. 167.
Senator Smith moved that the bill be referred to the Committee on Transportation.
Motion carried.

Assembly Bill No. 325.
Senator Smith moved that the bill be referred to the Committee on Judiciary.
Motion carried.

Assembly Bill No. 335.
Senator Smith moved that the bill be referred to the Committee on Finance.
Motion carried.

Assembly Bill No. 474.
Senator Smith moved that the bill be referred to the Committee on Finance.
Motion carried.

Assembly Bill No. 505.
Senator Smith moved that the bill be referred to the Committee on Finance.
Motion carried.

Assembly Bill No. 506.
Senator Smith moved that the bill be referred to the Committee on Revenue and Economic Development.
Motion carried.
Assembly Bill No. 507.
Senator Smith moved that the bill be referred to the Committee on Finance.
Motion carried.

Assembly Bill No. 509.
Senator Smith moved that the bill be referred to the Committee on Legislative Operations and Elections.
Motion carried.

Assembly Bill No. 511.
Senator Smith moved that the bill be referred to the Committee on Finance.
Motion carried.

MOTIONS, RESOLUTIONS AND NOTICES
Senator Smith moved that Assembly Bill Nos. 167, 325, 335, 474, 505, 506, 507, 509 and 511 be referred en bloc to the committees set forth above.
Motion carried.

GENERAL FILE AND THIRD READING
Senate Bill No. 174.
Bill read third time.
Remarks by Senator Hutchison
Thank you, Mr. President. Senate Bill No. 174 authorizes the Governor, upon the recommendation of the Nevada Veterans Services Commission, to require the naming of a state building, park, highway or other property constructed on or after July 1, 2013, after a deceased member of the Armed Forces of the United States who was a resident of Nevada and killed in action during certain periods of war. The bill also creates the Nevada Will Always Remember Veterans Gift Account, the funding in which may only be used to pay for the design, procurement and installation of markers or other signs at the building or property named for a deceased Armed Forces member. Finally, the bill authorizes the Executive Director and the Deputy Executive Director for Veterans’ Services to accept donations, gifts and grants of money to be deposited in the Nevada Will Always Remember Veterans Gift Account. This is a great bill. I urge the Body’s support. Thank you.

Roll call on Senate Bill No. 174:
YEAS—20.
NAYS—None.
EXCUSED—Woodhouse.

Senate Bill No. 174 having received a constitutional majority, Mr. President declared it passed.
Bill ordered transmitted to Assembly.

Senate Bill No. 391.
Bill read third time.
Remarks by Senators Cegavske, Kieckhefer and Roberson.

Senator Cegavske:
Thank you, Mr. President. Senate Bill No. 391 directs the Legislative Commission to appoint a committee to conduct an interim study concerning the governance structure of and funding methods for community colleges in this State. Pursuant to Section 2, the Committee is to be comprised of six legislators appointed as follows: two appointed by the Speaker of the Assembly; one appointed by the Minority Leader of the Assembly; two appointed by the Majority Leader of the Senate; and one appointed by the Minority Leader of the Senate.

The Committee shall have two appointed subcommittees, the first on the governance and funding of the State’s community colleges and the second on academics and workforce alignment. Appointed members of the Governance and Funding Subcommittee shall consist of: three legislators; one member of the Board of Regents selected by the Chair of the Board of Regents; and one representative of K-12 education appointed by the Superintendent of Public Instruction; two representatives of local governments appointed by the Nevada Association of Counties; one representative of local government appointed by the Nevada League of Cities; and any other members appointed by the Committee chair.

While there are additional committee appointments within this prepared floor statement, I will leave it at the Legislative Counsel Bureau and the Nevada System of Higher Education shall provide administrative and technical assistance to the Committee and its subcommittees as requested by the Chair. Senate Bill No. 391 is effective July 1, 2013. This is probably the best piece of legislation this Session. Thank you.

Senator Kieckhefer:
Thank you, Mr. President. I rise in support of Senate Bill No. 391. I want to commend my colleague from Senate District No. 8 for taking on this issue. We need to ensure our community colleges are aligning with our economic development and educational needs, both in higher education and in K-12. The overall purpose of this bill is to make sure we have found the sweet spots, so to speak, with our community colleges. I encourage passage. Thank you.

Senator Roberson:
Thank you, Mr. President. I want to echo my colleague from Senate District No. 16. Congratulations to my colleague from Senate District No. 8. This is a great piece of legislation. We all know we need to change the governance structure of our community colleges. I encourage everyone to vote for this bill. Thank you.

Roll call on Senate Bill No. 391:
YEAS—20.
NAYS—None.
EXCUSED—Woodhouse.

Senate Bill No. 391 having received a constitutional majority, Mr. President declared it passed.
Bill ordered transmitted to Assembly.

Senate Bill No. 400.
Bill read third time.
Remarks by Senators Segerblom, Smith, Settelmeyer and Roberson.

Senator Segerblom:
Thank you, Mr. President. I want to thank my colleague from Senate District No. 20 who gave me the idea and the language Senate Bill No. 391. This bill is designed to make sure that if Senate Joint Resolution No. 15 of the 76th Session passes at the ballot in November of 2014, there won’t be any holes, that local governments will still be funded. Elko will still be able to run
their school system; Eureka will have the best school system in the State. After that we will worry about what to do with mining. This is strictly a stop-gap measure to make sure there aren’t any holes if Senate Joint Resolution No. 15 of the 76th Session passes. I encourage your support. Thank you.

SENATOR SMITH:
Thank you, Mr. President. I rise in support of Senate Bill No. 400. I want to stress how important this piece of legislation is—we need to have a system in place in the event Senate Joint Resolution No. 15 of the 76th Session does pass. I really can’t say enough about the complexity of this issue that our legal staff addressed with the help of many people from the industry, small and large, and with a lot of input. It was really interesting when it all finally came together. The hearing was pretty quiet because so much work had gone into it. I urge your support. Thank you.

SENATOR SETTELMEYER:
Thank you, Mr. President. I reluctantly rise in support of Senate Bill No. 400. I greatly appreciate all of the parties that came together. If Senate Joint Resolution No. 15 of the 76th Session does pass, it is going to create a hole. I appreciate that this bill will try to bridge that hole. I don’t want the counties to have problems. Thank you.

SENATOR ROBERSON:
Thank you, Mr. President. I have a great deal of respect for my colleague from Senate District No. 17, but on this one he is flat-out wrong. There will not be a hole created in the budget with the passage of Senate Joint Resolution No. 15 of the 76th Session. Senate Joint Resolution No. 15 of the 76th Session is probably the most important single piece of legislation this Body has passed this Session.
I stood to thank my colleague from Senate District No. 3. Please support Senate Bill No. 400. Thank you.

Roll call on Senate Bill No. 400:
YEAS—20.
NAYS—None.
EXCUSED—Woodhouse.

Senate Bill No. 400 having received a constitutional majority, Mr. President declared it passed.
Bill ordered transmitted to Assembly.

Senate Bill No. 522.
Bill read third time.
Remarks Senators Smith, Kieckhefer, Denis and Cegavske.

SENATOR SMITH:
Thank you, Mr. President. Senate Bill No. 522 appropriates $1.135 billion in the first year and $1.110 billion in the second year of the 2013-15 biennium from the State General Fund to the Distributive School Account. In addition, there are $282.8 million and $294.2 million of other revenues authorized to be received and expended for the State support of public education in the next biennium. These other revenues include an annual excise tax on slot machines, sales tax collected on out of state sales, interest earned on the Permanent School Fund, revenue from mineral leases on federal land and room tax revenues from the legislatively-approved 2009 Initiative Petition 1.
The statewide average basic support per pupil increases over the upcoming biennium from the $5,374 in the current year to $5,590 in fiscal year 2014, and $5,676 in fiscal year 2015. Enrollment is projected to increase slightly by 0.61 percent from a weighted enrollment of
429,718 pupils in fiscal year 2013 to 432,346 pupils in fiscal year 2014 and increase by 0.39 percent to 434,023 pupils in fiscal year 2015.

State funding for special education continues to be allocated on the basis of special education units. Total funding for the units amounts to $126.9 million. As in the past, 40 of those units will be reserved for the State Board of Education to assign to districts that have unexpected needs and to charter schools.

For continued support of the Class-Size Reduction program, this bill appropriates $161.7 million in fiscal year 2014 and $166.5 million in fiscal year 2015 for salaries and benefits of at least 2,180 teachers hired to reduce pupil teacher ratios in the first year and 2,194 teachers in the second year of the biennium. The bill continues the Class-Size Reduction program in the Distributive School Account, and maintains the separate expenditure category to highlight the program. Funds will be allocated based upon the number of teachers needed in each school district to reach the pupil teacher ratios of 16 to 1 in first and second grades and 19 to 1 in third grade.

The bill continues the flexibility for certain school districts to carry out alternative programs for reducing the ratio of pupils per teacher or to implement remedial programs that have been found to be effective in improving pupil achievement.

This bill appropriates $30.5 million and $30.4 million for the first and second years, respectively, for the Other State Education Programs account. Through this account, State General Fund support is provided for Educational Technology, Peer Mediation, Career and Technical Education programs, Local Education Agency Library Books, Public Broadcasting, the National Board Certification program for teachers and counselors and other miscellaneous programs.

The funding for the adult high school diploma programs was approved for transfer, with no change in purpose. Of the General Funds appropriated to the Other State Education Programs account, $17.8 million and $18.3 million in the first and second years of the biennium, respectively, is for the support of courses approved by the Department of Education for an adult standard high school diploma program.

Additionally, the money committees approved the transfer of Early Childhood Education program funding, with no change in purpose, from a line item in the Distributive School Account to the Other State Education Programs account. General Fund support for the Early Childhood Education program totals $3.3 million in fiscal year 2014 and $3.2 million in fiscal year 2015 for competitive grants to school districts and community based organizations.

I am going to ask my colleague from Senate District No. 16 to read the rest of the floor statement on Senate Bill No. 522 into the record.

I would like to say a lot of effort, and a lot of funding, has gone into this education budget. There are some really good items in here. We have been able to fund a few new programs. The most significant thing in this budget is reducing class sizes in Kindergarten. With that and the English Language Learner funding we have been talking about, and that will be heard in a different bill, we are making very good progress. We still have a lot to do. I would like to see us move our schools more quickly toward fully-funded Full-Day Kindergarten, but this remains significant funding progress. I am pleased with the priorities that have been funded. I think we will make great strides with what we have here. Thank you.

 SENATOR KIECKHEFER:

Thank you, Mr. President. I would like to point out some of the other appropriations in Senate Bill No. 522. The Other State Education Programs account also includes General Fund support of $1.5 million over the 2013-15 biennium for the continuation and expansion of the Jobs for America’s Graduates program throughout the State. We heard a lot about this program. We had some youth who participate in this program visit us, and we got to hear about their success. I think this is a worthy investment.

This bill continues the Account for Programs for Innovation and the Prevention of Remediation with appropriations of $40.2 million in fiscal year 2014 and $40.8 million in fiscal year 2015 to continue and to expand the Full-Day Kindergarten program for at risk schools in Nevada.
Additionally, the bill appropriates $25.5 million in fiscal year 2014 and $27.9 million in fiscal year 2015 to implement class-size reduction in Kindergarten classrooms statewide for a pupil to teacher ratio of 21 to 1. Of the amounts appropriated, a total of $14 million over the biennium will be available to assist school districts with the purchase of portable classrooms needed to implement the new kindergarten class-size reduction program for the 2013-15 biennium. It is important to point out this is a school-based class size—you won’t be seeing any more of the district-wide numbers when it comes to class-size reduction. Under this bill there will be no Kindergarten class anywhere in this State with more than 21 students to one teacher.

The bill also appropriates $8.7 million in fiscal year 2014 and $8.9 million in fiscal year 2015 for Regional Professional Development programs to train teachers and administrators. The bill includes General Fund appropriations of $8.8 million in fiscal year 2014 to fund the cost of retirement credits earned in fiscal year 2013, and $5.8 million in fiscal year 2015 to fund the cost of retirement credits earned in fiscal year 2014 in the Grant Fund for Incentives for Licensed Educational Personnel.

The bill also temporarily transfers estimated funding of $131.9 million and $136.7 million in fiscal year 2014 and fiscal year 2015, respectively, from the State Supplemental School Support Account to the Distributive School Account as a state funding source for the 2013-15 biennium.

The bill before us today is quite an improvement over what we have been working over the current fiscal year and the previous. This is an increase of nearly a half a billion dollars in funding for education—it is about a 7.8 percent increase. Basic support rises by more than $300 per student over the upcoming biennium. We have talked about the Jobs For America’s Graduates program which is targeted to help those who are struggling to graduate. As I alluded to earlier, this bill has a $30 million expansion for Full-Day Kindergarten which is a significant improvement. It also has more than $50 million for class-size reduction in Kindergarten. When you add this to the commitment that this Body has already made for the Teach For America program to put young, enthusiastic teachers in at-risk schools in urban settings, and as we shall hear in Senate Bill No. 504 from our Majority Leader, just slightly under $50 million for a comprehensive wrap-around for the English Language Learner program that will be implemented in schools across our State, we should be proud of what we are doing for education this Session. We had a debate earlier this Session about where we stood, what we were doing for our kids—I think we should be proud of what we are doing for our kids. These are significant improvements. The young people of this State have a bright future. This is one small piece of it. But I think we have a lot to go home and be proud of when we wrap up this Session tomorrow. Thank you.

SENATOR DENIS:
Thank you, Mr. President. I rise in support of Senate Bill No. 522. As was mentioned, we have spent the last couple of sessions cutting—the number one thing we always cut is education because it is the largest part of our budget. This bill increases funding for education. As I said earlier in committee, I am glad that the Governor funded the priorities we have been fighting for. We have worked together this Session. We will see some great things from our kids because we have been able to not cut this time, but restore. The enthusiasm in the education community, for the various things being proposed—and we will hear some more, as was mentioned. I am excited to see the things we are doing for our kids. I urge your support. Thank you.

SENATOR CEGAVSKE:
Thank you, Mr. President. I rise to support education. I also rise to make sure that the commitment we are making is followed with the commitment that we make sure each and every one of those students we are asking to be in these programs to have an early childhood specialist, a teacher who is qualified. I cannot say it enough: I have not heard the commitment from this Body yet this Session, or the preceding sessions. We can no longer have short- and long-term substitute teachers who are not qualified in classrooms teaching. I am excited to see Teach For America in here. There are a lot of good things in Senate Bill No. 522. However, I ask this Body—this is my last session and the one thing I have really strived for is to make sure those teachers who are qualified are in every single classroom. That is what will make the difference. When we talk about drop-out rates, when we have concerns about what kids are learning—the
standards—we have to make sure we have qualified teachers. I ask this Body, along with all the improvements—with the money being put in—that you make sure the qualified teachers are there too.

We as a State need to grow these teachers. When we travel as part of the Education Commission of the States, Governors and legislators say there are coming to our State to get teachers. We go to them and try to take their teachers too. We have to grow our own. We have to have a commitment from higher education including the community colleges. We have got to make sure we have the mechanism and the courses here that make the teachers good teachers, and incentive them to stay here.

Thank you all for the hard work. I know there have been many involved in this discussion. I have been watching the Senate Committee on Finance and listening to the accolades given to the many folks who have been working on this bill for the last several months. Thank you.

SENATOR SMITH:

Thank you, Mr. President. I would like to comment to my colleague from Senate District No. 8. I appreciate all the years of her work on the Senate Committees on Finance and Education in this area. I share the same concern about qualified teachers. However, one thing I feel very confident about is—we have a hard time recruiting and retaining teachers, especially in our most at-risk schools. The best thing we can do is provide the resources they need that encourages them to stay in those schools. I think smaller class sizes, for example, and more services that are available to help the most at-risk and struggling students will be a huge incentive for us to be able to recruit and retain teachers into these at-risk schools and the harder-to-teach areas.

I would never stand and advocate for adding programs and funding for schools and not wanting to have the very best teachers in every classroom. It is a goal we all share. We worked very hard last Session for a new evaluation system and some other provisions that help ensure that. I need to be strong about the fact that I think this Body collectively wants to make sure we have the best teachers in every classroom; we ultimately know that is what will make the difference. Thank you.

Roll call on Senate Bill No. 522:

YEAS—20.

NAYS—None.

EXCUSED—Woodhouse.

Senate Bill No. 522 having received a constitutional majority,
Mr. President declared it passed.

Bill ordered transmitted to Assembly.

UNFINISHED BUSINESS
REPORTS OF CONFERENCE COMMITTEES

Mr. President:
The Conference Committee concerning Senate Bill No. 410, consisting of the undersigned members, has met and reports that:
It has agreed to recommend that Amendment No. 775 of the Assembly be concurred in.
It has agreed to recommend that the bill be further amended as set forth in Conference Amendment No. 8, which is attached to and hereby made a part of this report.

DAVID PARKS
TICK SEGERBLOM
JOSEPH HARDY

Senate Conference Committee

TERESA BENITEZ-THOMPSON
ANDREW MARTIN
WESLEY DUNCAN

Assembly Conference Committee

Senator Parks moved that the Senate adopt the report of the Conference Committee concerning Senate Bill No. 410.
Motion carried by a constitutional majority.
Mr. President:

The Conference Committee concerning Senate Joint Resolution No. 9, consisting of the undersigned members, has met and reports that:

It has agreed to recommend that Amendment No. 691 of the Assembly be concurred in.

It has agreed to recommend that the bill be further amended as set forth in Conference Amendment No. 5, which is attached to and hereby made a part of this report.

Conference Amendment.

JUSTIN JONES DAVID BOBZIEN
MARK MANENDO RICHARD CARRILLO
PETE GORCUECHEA TOM GRADY

Senate Conference Committee Assembly Conference Committee

Senator Jones moved that the Senate adopt the report of the Conference Committee concerning Senate Joint Resolution No. 9.

Motion carried by a constitutional majority.

Senator Smith moved that the Senate recess subject to the call of the Chair.

Motion carried.

Senate in recess at 11:25 p.m.

SENATE IN SESSION

At 11:49 p.m.

President Krolicki presiding.

Quorum present.

MOTIONS, RESOLUTIONS AND NOTICES


Motion carried.

REPORTS OF COMMITTEES

Mr. President:

Your Committee on Finance, to which was referred Assembly Bill No. 224, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

Also, your Committee on Finance, to which was re-referred Senate Bill Nos. 322, 357 and 475 has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

DEBBIE SMITH, Chair

MOTIONS, RESOLUTIONS AND NOTICES

By the Committee on Transportation:

Senate Concurrent Resolution No. 12—Requesting the return to the Senate from the Governor’s office of Senate Bill No. 508 of this session.

Senator Smith moved to adopt the resolution.

Resolution adopted.

Resolution ordered transmitted to the Assembly.
GENERAL FILE AND THIRD READING

Senate Bill No. 322.
Bill read third time.
The following amendment was proposed by the Committee on Finance.
Amendment No. 953.
Senator Kieckhefer moved the adoption of the amendment.
Remarks by Senator Kieckhefer.
Thank you, Mr. President. Amendment No. 953 to Senate Bill No. 322 amends the revisions to the Nevada Department of Transportation’s Board of Directors. In the new version it will substitute the Attorney General for an additional appointment from Southern Nevada. Thank you.
Amendment adopted.
Bill ordered reprinted, re-engrossed and to third reading.

Senate Bill No. 357.
Bill read third time.
The following amendment was proposed by the Committee on Finance.
Amendment No. 954.
Senator Kieckhefer moved the adoption of the amendment.
Remarks by Senator Kieckhefer.
Thank you, Mr. President. Amendment No. 954 to Senate Bill No. 357 adds legislative findings, transfers most of the language from the Office of Economic Development to the Department of Business and Industry. It also reduces the size of the overall program from $250 million to $200 million, and other changes properly relating thereto. Thank you.
Amendment adopted.
Bill ordered reprinted, engrossed and to third reading.

UNFINISHED BUSINESS
REPORTS OF CONFERENCE COMMITTEES

Mr. President:
The Conference Committee concerning Senate Bill No. 185, consisting of the undersigned members, has met, and reports that:
It has agreed to recommend that Amendment No. 791 of the Assembly be concurred in.
It has agreed to recommend that the bill be further amended as set forth in Conference Amendment No. 14, which is attached to and hereby made a part of this report.

DEBBIE SMITH
TERESA BENITEZ-THOMPSON
DAVID R. PARKS
MICHAEL SPRINKLE
BEN KIECKHEFER

Senator Smith moved that the Senate adopt the report of the Conference Committee concerning Senate Bill No. 185.
Remarks by Senator Smith and Kieckhefer.

Thank you, Mr. President. There was general agreement on the conference committee that we have clarified the public works provisions within the projects for the Nevada System of Higher Education. Thank you.
SENATOR KIECKHEFER:

Thank you, Mr. President. I would like to put on the record that this is something I looked into closely. The revisions do not necessarily expand the use of prevailing wage on a lot of these projects; it really relates more to the bidding process for projects developed by the Nevada System of Higher Education that are not necessarily funded by direct State appropriations, and under the new funding formula, they are not directly appropriating student fees. I also asked our legal counsel whether or not this relates to lease-purchase agreements; the response was this bill does not impact lease-purchase agreements by Nevada System of Higher Education. Those provisions are governed in Chapter 353 of Nevada Revised Statutes, not Chapter 388 to which this bill refers. Therefore, I feel comfortable with this revision to this bill. Thank you.

Motion carried by a constitutional majority.

Mr. President:

The Conference Committee concerning Senate Bill No. 364, consisting of the undersigned members, has met, and reports that:
It has agreed to recommend that Amendment No. 722 of the Assembly be receded from and a third reprint be created in accordance with this action.

PAT SPEARMAN  DINA NEAL  JAMES HEALEY
DAVID PARKS  JAMES HEALEY  MELISSA WOODBURY

Senator Spearman moved that the Senate adopt the report of the Conference Committee concerning Senate Bill No. 364.
Motion carried by a constitutional majority.

Mr. President:

The Conference Committee concerning Senate Bill No. 425, consisting of the undersigned members, has met and reports that:
It has agreed to recommend that Amendment No. 751 of the Assembly be concurred in.
It has agreed to recommend that the resolution be further amended as set forth in Conference Amendment No. 11, which is attached to and hereby made a part of this report.

TICK SEGERBLOM  WILLIAM HORNE
AARON FORD  TYRONE THOMPSON
IRA HANSEN

Senator Segerblom moved that the Senate adopt the report of the Conference Committee concerning Senate Bill No. 425.
Motion carried by a constitutional majority.

GENERAL FILE AND THIRD READING

Senate Bill No. 475.
Bill read third time.
The following amendment was proposed by the Committee on Finance.
Amendment No. 965.
Senator Kieckhefer moved the adoption of the amendment.
Remarks Senator Kieckhefer.

Thank you, Mr. President. This is the Sunset bill. Amendment No. 965 to Senate Bill No. 475 removes Section 2 to ensure the language is consistent with another piece of legislation. All of the tax issues remain the same, as they are in current law. Thank you.
Amendment adopted.
Bill ordered reprinted, engrossed and to third reading.

**Assembly Bill No. 224.**
Bill read third time.
Remarks by Senator Ford.
Thank you, Mr. President. Assembly Bill No. 224 requires the Nevada Department of Education’s System of Accountability information to include a unique identifier for each student whose parent or guardian is a member of the United States Armed Forces, the Reserves or the National Guard. The measure requires school districts to implement tracking in the 2013-14 school year, and report the progress to the Legislative Committee on Education. It also requires a similar report from the Department of Education to the Legislative Committee on Education. Finally, the Department of Education must submit a report to the 78th Session of the Nevada Legislature. I urge your support. Thank you.

Roll call on **Assembly Bill No. 224:**
YEAS—20.
NAYS—None.
EXCUSED—Woodhouse.

**Assembly Bill No. 224** having received a constitutional majority, Mr. President declared it passed.
Bill ordered transmitted to Assembly.

**SIGNING OF BILLS AND RESOLUTIONS**
There being no objections, the President and Secretary signed Senate Bill Nos. 9, 164, 252, 262, 428, 429, 430 and 436; Senate Concurrent Resolution No. 10; Assembly Bill Nos. 84, 207, 212, 225, 240, 377 and 395.

**GUESTS EXTENDED PRIVILEGE OF SENATE FLOOR**
On request of Senator Jones, the privilege of the floor of the Senate Chamber for this day was extended to Andoni Beristain.

On request of Senator Hardy, the privilege of the floor of the Senate Chamber for this day was extended to Anton Casper, Barry Casper, Bridgette Casper, Gavin Casper, Leah Casper, Ric Casper, Vivian Casper and Jill Hardy.

On request of Senator Kihuen, the privilege of the floor of the Senate Chamber for this day was extended to Peggy Lear-Bowen.

On request of Senator Segerblom, the privilege of the floor of the Senate Chamber for this day was extended to Michael Feeley.

Senator Denis moved that the Senate adjourn until Monday, June 3, 2013 at 9:00 a.m.
Motion carried.
Senate adjourned at 12:05 a.m.

Approved:  

BRIAN K. KROLICKI  
President of the Senate

Attest:  DAVID A. BYERMAN  
Secretary of the Senate

UNION LABEL