MINUTES OF THE JANUARY 26, 2017
MEETING OF THE
INTERIM FINANCE COMMITTEE
Carson City, Nevada

Chair Maggie Carlton called a regular meeting of the Interim Finance Committee (IFC) to order at 1:35 p.m. on January 26, 2017, in Room 4100 of the Nevada Legislative Building, 401 South Carson Street, Carson City, Nevada. The meeting was videoconferenced to Room 4401 of the Grant Sawyer Office Building, 555 East Washington Avenue, Las Vegas, Nevada.

COMMITTEE MEMBERS PRESENT:
Assemblywoman Maggie Carlton, Chair
Senator Joyce Woodhouse, Vice Chair
Senator Moises Denis
Senator Aaron Ford
Senator Pete Goicoechea
Senator Becky Harris
Senator Ben Kieckhefer
Senator David Parks
Senator Aaron Ford
Assemblyman Nelson Araujo
Assemblywoman Irene Bustamante Adams
Assemblywoman Olivia Diaz
Assemblyman Chris Edwards
Assemblyman Jason Frierson
Assemblyman John Hambrick
Assemblywoman Amber Joiner for Assemblywoman Benitez-Thompson
Assemblyman James Oscarson
Assemblywoman Ellen Spiegel
Assemblyman Michael Sprinkle
Assemblywoman Heidi Swank
Assemblywoman Robin Titus

COMMITTEE MEMBERS EXCUSED:
Assemblyman Paul Anderson
Assemblywoman Teresa Benitez-Thompson

LEGISLATIVE COUNSEL BUREAU STAFF PRESENT:
Rick Combs, Director, Legislative Counsel Bureau
Cindy Jones, Fiscal Analyst, Assembly
Mark Krmpotic, Fiscal Analyst, Senate
Sarah Coffman, Principal Deputy Fiscal Analyst
Alex Haartz, Principal Deputy Fiscal Analyst
Brenda Erdoes, Legislative Counsel
Eileen O'Grady, Chief Deputy Legislative Counsel
Cheryl Harvey, Fiscal Analysis Division Secretary
Carla Ulrych, Fiscal Analysis Division Secretary

EXHIBITS:
Exhibit A: Meeting Packet – Volume I
Exhibit B: Meeting Packet – Volume II
Exhibit C: Nevada Community Health Worker Association

A. ROLL CALL.

Rick Combs, Director, Legislative Counsel Bureau and Secretary, Interim Finance Committee, called the roll; all members were present, except Assemblyman Anderson and Assemblywoman Benitez-Thompson, who were excused.

B. PUBLIC COMMENT.

Quinn Cartwright, Project Manager, Nevada Community Health Worker Association (NvCHWA), said the NvCHWA was working to expand and support the community health worker (CHW) profession in Nevada. She said CHWs were utilized across the nation to improve community health and reduce cost of care. Research to determine the exact return on investment for CHWs indicated a 3:1 average, with some studies indicating a 6:1 return on investment. Ms. Cartwright said the NvCHWA was only six months old; however, during that time 114 CHWs had been trained at no cost to the participants. The CHW workforce continued to grow and integrate in the community through clinics, schools and community organizations. Ms. Cartwright said the NvCHWA expected to see an improvement in access to health care, overall community health, and a reduction in cost of care.

The Committee expressed interest in hearing testimony on the following items: Agenda Items C-36, Department of Motor Vehicles (DMV); C-37, DMV; and C-54, Department of Health and Human Services (DHHS), Division of Public and Behavioral Health.

Cindy Jones, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau (LCB), said Agenda Items C-26, DHHS, Division of Welfare and Supportive Services (DWSS); C-28, DHHS, DWSS; C-29, DHHS, DWSS; and C-33, DHHS, Division of Children and Family Services, involved the allocation of block grant funds, which required a public hearing.

Senator Kieckhefer requested further testimony on Agenda Item C-6, Department of Education.

> ASSEMBLYMAN FRIERSON MOVED TO APPROVE THE REMAINING WORK PROGRAM REVISIONS AND POSITION RECLASSIFICATIONS IN AGENDA ITEM C.
>
> SENATOR WOODHOUSE SECONDED THE MOTION.
>
> THE MOTION PASSED UNANIMOUSLY.

C. APPROVAL OF GIFTS, GRANTS, WORK PROGRAM REVISIONS AND POSITION CHANGES IN ACCORDANCE WITH CHAPTER 353 OF NRS.

1. Office of the Attorney General - Administrative Account - FY 2017 - Transfer of $10,413 from the Reserve category to the Office of Military Legal Assistance category to fund operating expenditures associated with the program. Requires Interim Finance approval since the amount transferred to the Office of Military Legal Assistance category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C38505**

Refer to motion for approval under Agenda Item C.

2. Office of the Attorney General - Violence Against Women Grants - FY 2017 - Addition of $792,349 in federal Violence Against Women Act - Services, Training, Officers, Prosecutors (STOP) grant funds to continue to provide a victim-centered response to crimes against women throughout Nevada. Requires Interim Finance approval since the amount added to the STOP grant category exceeds $75,000. **Work Program #C38340**

Refer to motion for approval under Agenda Item C.

3. Office of the Attorney General - Violence Against Women Grants - FY 2017 - Addition of $523,268 in federal National Institute of Justice grant funds to research and implement a sexual assault kit tracking and record keeping system. Requires Interim Finance approval since the amount added to the Sexual Assault Kit Tracking Project category exceeds $75,000. **Work Program #C38366**

Refer to motion for approval under Agenda Item C.

4. Office of the Attorney General - Forfeitures - FY 2017 - Transfer of $24,635 from the Reserve category to the Equitable Distribution Expenditures category to allow for travel and purchase of equipment and training supplies for investigators to attend the Peace Officers Standards and Training (POST) Academy. Requires Interim Finance approval since the cumulative amount transferred to the Equitable Distribution Expenditures category exceeds $75,000. **Work Program #C38574**

Refer to motion for approval under Agenda Item C.

5. Department of Education - Office of Early Learning and Development - FY 2017 - Addition of ~~$1,470,455~~ ***$1,450,215*** in Child Care Quality funds transferred from the Nevada Department of Health and Human Services - Welfare and Supportive Services to promote quality day care for low-income families. Requires Interim Finance approval since the amount added to the Early Child Care and Education Programs category exceeds $75,000. **Work Program #C38615. REVISED 12-29-16.**

Refer to motion for approval under Agenda Item C.

6. **Department of Education - Student and School Support - FY 2017 -** Addition of $2,562,233 in federal 21st Century Learning Center grant funds to align state and federal authority to continue funding community learning centers designed to increase student performance in low-income schools. Requires Interim Finance approval since the amount added to the 21st Century Learning Centers category exceeds $75,000. **Work Program #C38498**

Senator Kieckhefer said he was not opposed to the 21st Century Community Learning Center grant. A couple weeks ago, however, it was reported that billions of dollars spent on School Improvement Grants resulted in minimal outcomes. On a nationwide level, schools that received a School Improvement Grant did not perform any better than schools that did not receive the grant. Senator Kieckhefer asked if the department was monitoring outcomes from schools that received 21st Century Community Learning Center grant funds. He requested that the department provide the Committee with the data obtained during its analysis of the outcomes of the 21st Century Community Learning Center grant.

Steve Canavero, Superintendent of Public Instruction, Department of Education (NDE), introduced Brett Barley, Deputy Superintendent for Student Achievement, NDE; Roger Rahming, Deputy Superintendent of Finance, NDE; and Andrea McCalla, Administrative Services Officer, NDE.

Mr. Canavero said the School Improvement Grant (SIG) was discontinued under the new federal Every Student Succeeds Act (ESSA). He said the NDE released the new Nevada Plan under the ESSA for public feedback on January 19, 2017, thus, there would probably be a lot of discussion concerning the ESSA during the 2017 Legislative Session. He said SIG funds were now included in the department's allocation, and the state reserved those dollars to deploy strategies for school improvement. As a result of the discontinuation of the SIG, the state had more flexibility and freedom to devote to school improvement activities beyond the four to six activities that were previously allowed under SIG.

Mr. Barley said the NDE tracked the progress of schools that received 21st Century Community Learning Center grant funds, and he would provide that information to the Committee. Adding to Mr. Canavero's previous comments, he said, as the NDE went through the stakeholder engagement process and development of the new Nevada Plan under the ESSA, the department audited the districts' use of federal title funds. Mr. Barley said the department determined that coding management needed to be improved in order to provide a better understanding of how the federal title funds were being utilized. He said the audit results revealed that federal title funds were often used for professional development throughout all title funding streams; however, specific information, such as the type of professional development and outcome, was unknown based on available data. The districts were also audited by a national nonprofit entity, the Council of Chief State School Officers, to determine how districts were utilizing funds. Mr. Barley said the general consensus was that funds needed to

be tracked better at the state and district level. He said some of the audit recommendations would be included in the ESSA plan. Mr. Barley said the department spent approximately $5.5 million on the 21st Century Community Learning Center, Title IV-B, grant program during 2016 and 2017, and there was approximately $22.0 million moving forward that would need to be tracked.

Senator Kieckhefer asked which schools received 21st Century Community Learning Center grant funds, and how long the state had been receiving the grant. Mr. Barley said he did not have the information available, but would provide it to the Committee.

Assemblywoman Bustamante Adams also requested a breakdown of the schools by district in Southern Nevada that received 21st Century Community Learning Center grant funds. Mr. Barley said there were currently 46 schools being served. He said he would provide the Committee with a list of those schools.

Assemblywoman Diaz noted to the Committee that the 21st Century Community Learning Center grant provided after school activities, such as drama and dance, to many low-income schools. She said the activities were meant to engage students in different ways and embed necessary core skills. Assemblywoman Diaz said she was a proponent of after school programming, and the 21st Century Community Learning Center grant did an excellent job ensuring that schools were presenting reading, math and science in a way that was fun and meaningful for students. She said she would like the grant to continue. She was unsure if there was a legitimate method of tracking the grant's outcome, but she thought it would be interesting to see how after school activities supported by the 21st Century Community Learning Center grant were impacting the academics of students. Assemblywoman Diaz said, overall, she thought the 21st Century Community Learning Center grant was a phenomenal program, and she hoped it continued, because it was beneficial for many students.

SENATOR KIECKHEFER MOVED TO APPROVE AGENDA ITEM C-6.

ASSEMBLYWOMAN DIAZ SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

7. **Western Interstate Commission for Higher Education - Loan and Stipend - FY 2017 -** Transfer of $20,875 from the Stipend Grants category to the Student Loans category to align grant and loan authority to make required payments. Requires Interim Finance approval since the cumulative amount transferred from the Stipend Grants category exceeds $75,000. **Work Program #C38670**

Refer to motion for approval under Agenda Item C.

8. **Department of Agriculture - Registration and Enforcement - FY 2017 -** Addition of $60,000 in Transfer from Division of Public and Behavioral Health to continue quality assurance testing for the state's medical marijuana program. Requires Interim Finance approval since the amount added to the Operating category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C38525**

Refer to motion for approval under Agenda Item C.

9. **Department of Agriculture - Registration and Enforcement - FY 2017 -** Transfer of $53,000 from the Operating category to the Information Services category to maintain and enhance the automated pesticide registration system. Requires Interim Finance approval since the amount transferred to the Information Services category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C38704**

Refer to motion for approval under Agenda Item C.

10. **Department of Agriculture - Nutrition Education Programs - FY 2017 -** Addition of $21,549,637 in Federal Child Nutrition Grant funds for continued reimbursements to school districts for school breakfast meal counts for the remainder of the fiscal year. Requires Interim Finance approval since the amount added to the School Breakfast Program category exceeds $75,000. **Work Program #C38572**

Refer to motion for approval under Agenda Item C.

11. **Department of Agriculture - Nutrition Education Programs - FY 2017 -** Addition of $30,748,312 in Federal Child Nutrition Grant funds for continued reimbursements to school districts for school lunch meal counts for the remainder of the fiscal year. Requires Interim Finance approval since the amount added to School Lunch Program category exceeds $75,000. **Work Program #C38582**

Refer to motion for approval under Agenda Item C.

12. **Commission on Mineral Resources - FY 2017 -** Addition of $91,533 in Dangerous Mine Fees from a fee increase on mining claim filings to support abandoned mine land (AML) projects. Requires Interim Finance approval since the amount added to the AML Enhancements category exceeds $75,000. **Work Program #C38530**

Refer to motion for approval under Agenda Item C.

13. **Department of Health and Human Services - Aging and Disability Services - Sierra Regional Center - FY 2017 -** Transfer of $55,000 from the Personnel Services category to the Family Support category to allow families currently receiving respite, as well as families currently on the waitlist, to receive respite

services through the remainder of the fiscal year. Requires Interim Finance approval since the amount added to the Family Support category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C38074. WITHDRAWN 1-6-17.**

Refer to motion for approval under Agenda Item C.

14. **Department of Health and Human Services - Health Care Financing and Policy - Administration - FY 2017 -** Transfer of $2,613,631 from the Utilization Review category to the Fiscal Agent category to cover expenditures for the remainder of the fiscal year. Requires Interim Finance approval since the amount transferred to the Fiscal Agent category exceeds $75,000. **Work Program #C38493**

Refer to motion for approval under Agenda Item C.

15. **Department of Health and Human Services - Public and Behavioral Health - Radiation Control Program - FY 2017 -** Transfer of $183,690 from the Reserve category to the Information Services category and $8,598 from the Reserve category to the Division Cost Allocation category to implement the Radiation Control on the Centralized, Licensing, Inspection and Complaints System (CLICS). Requires Interim Finance approval since the amount transferred to the Information Services category exceeds $75,000. **Work Program #C38510**

Refer to motion for approval under Agenda Item C.

16. **Department of Health and Human Services - Public and Behavioral Health - Health Care Facilities Regulation - FY 2017** - Transfer of $64,249 from the Reserve category to the Public Health Preparedness Program (Transfer to 3218) category to continue to conduct activities related to education, advertising and website maintenance. Requires Interim Finance approval since the amount transferred to the Transfer to 3218 category exceeds 10 percent of the legislatively approved amount for that category. **RELATES TO AGENDA ITEM D.19. Work Program #C38404**

Refer to motion for approval under Agenda Item C.

17. **Department of Health and Human Services - Public and Behavioral Health - Public Health Preparedness Program - FY 2017 -** Addition of $220,197 in federal Hospital Preparedness Program grant funds to continue the hospital and health preparedness activities throughout the state. Requires Interim Finance approval since the amount added to the Hospital and Health Care Preparedness grant category exceeds $75,000. **Work Program #C38377**

Refer to motion for approval under Agenda Item C.

18. **Department of Health and Human Services - Public and Behavioral Health - Public Health Preparedness Program - FY 2017 -** Addition of $496,676 in federal Public Health Preparedness grant funds to continue public health emergency activities throughout the state. Requires Interim Finance approval since the amount added to the Public Health Emergency Preparedness category exceeds $75,000. **Work Program #C38378**

Refer to motion for approval under Agenda Item C.

19. **Department of Health and Human Services - Public and Behavioral Health - Public Health Preparedness Program - FY 2017 -** Addition of $64,249 in Health Facility Fees transferred from the Health Care Facilities Regulation account to continue Primary Care Workforce Development and education activities in the state. Requires Interim Finance approval since the amount transferred to the Personnel Services category exceeds 10 percent of the legislatively approved amount for that category. **RELATES TO AGENDA ITEM D. 16**. **Work Program #C38392**

Refer to motion for approval under Agenda Item C.

20. **Department of Health and Human Services - Public and Behavioral Health - Biostatistics and Epidemiology - FY 2017** - Addition of $1,190,257 in federal Epidemiology and Laboratory Capacity (ELC) for Infectious Diseases grant funds to continue enhancement of the electronic reporting system allowing local jurisdictions and districts to submit reports electronically, surveillance of various diseases and outbreaks, and provide training to prevent health facility acquired infections. Requires Interim Finance approval since the amount added to the ELC grant category exceeds $75,000. **Work Program #C38427**

Refer to motion for approval under Agenda Item C.

21. **Department of Health and Human Services - Public and Behavioral Health - Biostatistics and Epidemiology - FY 2017 -** Addition of $39,417 in federal Promoting Adolescent Health Through School-Based Human Immunodeficiency Virus/Sexually Transmitted Diseases Prevention and School Based Surveillance grant funds to continue monitoring prevalence of health risk behaviors among youth. Requires Interim Finance approval since the amount added to the Youth Risk Behavior Grant category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C38504**

Refer to motion for approval under Agenda Item C.

22. **Department of Health and Human Services - Public and Behavioral Health - Chronic Disease - FY 2017 -** Addition of $643,398 in federal National Cancer Prevention and Control grant funds and a transfer of $94,383 from the Personnel Services category to the Community Health Worker category and $17,278 from the Cancer Prevention category to the Community Health Worker category to

continue support for a comprehensive breast and cervical cancer screening program. Requires Interim Finance approval since the amount added to the National Cancer Prevention and Control category exceeds $75,000. **Work Program #C38495**

Refer to motion for approval under Agenda Item C.

23. **Department of Health and Human Services - Public and Behavioral Health - Chronic Disease - FY 2017 -** Addition of $42,651 in Strengthening State Systems to Improve Diabetes Management and Outcomes project funds from the Association of State and Territorial Health Officials (ASTHO) to support the development of statewide diabetes action plan. Requires Interim Finance approval since the amount added to the ASTHO project category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C38626**

    Refer to motion for approval under Agenda Item C.

24. **Department of Health and Human Services - Public and Behavioral Health - Northern Nevada Adult Mental Health Services - FY 2017 -** Transfer of $556,656 from the Personnel Services category to the Professional Services category to fund temporary and contracted doctors to continue to meet the needs of clients. Requires Interim Finance approval since the amount transferred to the Professional Services category exceeds $75,000. **Work Program #C38496**

    Refer to motion for approval under Agenda Item C.

25. **Department of Health and Human Services - Public and Behavioral Health - Facility for the Mental Offender - FY 2017 -** Transfer of $33,720 from the Food Service category to the Operating category to cover client medical and sign language interpreter costs. Requires Interim Finance approval since the amount transferred to the Operating category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C38514**

    Refer to motion for approval under Agenda Item C.

26. **Department of Health and Human Services - Welfare and Supportive Services - Temporary Assistance for Needy Families - FY 2017 -** Addition of $271,000 in Temporary Assistance for Needy Families (TANF) to continue support services and job incentives to New Employees of Nevada (NEON) participants to assist the division in meeting federal participation rate performance standards. **Requires Interim Finance approval since the work program involves the allocation of block grant funds and the agency is choosing to use the IFC meeting for the required public hearing and since the amount added to the NEON program category exceeds $75,000. Work Program #C38502**

    Agenda Items C-26, C-28, C-29 and C-33 were heard together. Refer to public hearing and motion for approval under Agenda Item C-33.

27. **Department of Health and Human Services - Welfare and Supportive Services - Field Services - FY 2017 -** Transfer of $319,521 from the Personnel Services category to the Operating category and $50,479 from the Utilities category to the Operating category to cover increased costs for building leases. Requires Interim Finance approval since the amount transferred to the Operating category exceeds $75,000. **Work Program #C38538**

Refer to motion for approval under Agenda Item C.

28. **Department of Health and Human Services - Welfare and Supportive Services - Child Assistance and Development - FY 2017 -** Addition of $8,151,154 in federal Child Care Discretionary grant funds and $7,148,846 in federal Child Care Mandatory Matching grant funds to provide child care services to qualified clients. **Requires Interim Finance approval since the work program involves the allocation of block grant funds and the agency is choosing to use the IFC meeting for the required public hearing and since the amount added to the Child Care Client Benefits category exceeds $75,000. Work Program #C38426**

Agenda Items C-26, C-28, C-29 and C-33 were heard together. Refer to public hearing and motion for approval under Agenda Item C-33.

29. **Department of Health and Human Services - Welfare and Supportive Services - Child Assistance and Development - FY 2017 -** Addition of $74,992 of federal Program Review and Evaluation (PR and E) grant funds to improve program evaluation and effectively apply community-based interventions. **Requires Interim Finance approval since the work program involves the allocation of block grant funds and the agency is choosing to use the IFC meeting for the required public hearing and since the amount added to the PR and E Grant category exceeds 10 percent of the legislatively approved amount for that category. Work Program #C38431**

Agenda Items C-26, C-28, C-29 and C-33 were heard together. Refer to public hearing and motion for approval under Agenda Item C-33.

30. **Department of Health and Human Services - Child and Family Services - Children, Youth and Family Administration - FY 2017 -** Addition of $255,200 in federal Child Abuse and Neglect grant funds to continue services statewide to prevent, assess, identify and treat child abuse and neglect. Requires Interim Finance approval since the amount added to the Child Abuse and Neglect category exceeds $75,000. **Work Program #C38062**

Refer to motion for approval under Agenda Item C.

31. **Department of Health and Human Services - Child and Family Services - Children, Youth and Family Administration - FY 2017 -** Transfer of $31,861 from the Personnel Services category to the In-State Travel category, $32,171

from the Personnel category to the Operating category and $16,042 from the Personnel category to the Children's Behavioral Health Board category to cover costs for the remainder of the fiscal year. Requires Interim Finance approval since the amount transferred from the Personnel Services category exceeds $75,000. **Work Program #C38420**

Refer to motion for approval under Agenda Item C.

32. **Department of Health and Human Services - Child and Family Services - Children, Youth and Family Administration - FY 2017 -** Addition of $81,392 in federal Educational and Training Vouchers Program grant funds to provide educational and training vouchers to eligible youth statewide. Requires Interim Finance approval since the amount added to the Education and Training Voucher category exceeds $75,000. **Work Program #C38640**

Refer to motion for approval under Agenda Item C.

33. **Department of Health and Human Services - Child and Family Services - Children, Youth and Family Administration - FY 2017** - Addition of $471,705 in federal Community Mental Health Services (CMHS) Block Grant funds transferred from the Division of Public and Behavioral Health to continue statewide mental health services. **Requires Interim Finance approval since the work program involves the allocation of block grant funds and the agency is choosing to use the IFC meeting for the required public hearing and since the amount added to the CMHS Program Evaluation and Data category exceeds $75,000. Work Program #C38461**

Agenda Items C-26, C-28, C-29 and C-33 were heard together, and involved the allocation of block grant funds, which required a public hearing.

Chair Carlton opened the public hearing. There being no requests to testify, Chair Carlton closed the public hearing.

ASSEMBLYMAN HAMBRICK MOVED TO APPROVE AGENDA ITEMS C-26, C-28, C-29 and C-33.

SENATOR PARKS SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

34. **Department of Health and Human Services - Child and Family Services - Rural Child Welfare - FY 2017 -** Transfer of $2,019 from the In-State Travel category to the Foster Home Recruitment category, $811 from the In-State Travel category to the Information Services category, $12,158 from the In-State Travel category to the Caregiver Testing and Evaluation category, $60,000 from the Operating category to the Caregiver Testing and Evaluation category, $27,967 from the Non XIX Medical category to the Transportation

category, $3,436 from the Non XIX Medical category to the Maintenance Buildings and Grounds category and $97 from the Non XIX Medical category to the Information Services category to cover costs for the remainder of the fiscal year. Requires Interim Finance approval since the amount transferred to the Caregiver Testing and Evaluation category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C38548**

Refer to motion for approval under Agenda Item C.

35. **Department of Health and Human Services - Child and Family Services - Transition from Foster Care - FY 2017 -** Transfer of $260,055 from the Washoe County category to the Transition from Foster Care category, $69,581 from the Rural category to the Transition from Foster Care category, $17,933 from the Tribes category to the Transition from Foster Care category and $504,016 from the Reserve category to the Transition from Foster Care category to create efficiencies by combining the budget authority into one special use category and cover costs for the remainder of the fiscal year. Requires Interim Finance approval since the amount transferred to the Transition from Foster Care category exceeds $75,000. **Work Program #C38549**

Refer to motion for approval under Agenda Item C.

36. **Department of Motor Vehicles - System Modernization - FY 2017 -** Transfer of $60,200 from the Equipment category to the Information Services category and $619,210 from the Reserve category to the Information Services category to fund additional security and performance related hardware for the system modernization project. Requires Interim Finance approval since the amount transferred to the Information Services category exceeds $75,000. **RELATES TO AGENDA ITEMS C. 37 AND G. Work Program #C38593**

Agenda Items C-36, C-37 and Agenda Item G were heard together. Refer to testimony and motion for approval under Agenda Item C-37.

37. **Department of Motor Vehicles - System Modernization - FY 2017 -** Addition of $927,815 in Technology Fee revenue to fund additional security and performance related hardware for the system modernization project. Requires Interim Finance approval since the amount added to the Information Services category exceeds $75,000. **RELATES TO AGENDA ITEMS C. 36 AND G. Work Program #C38608.**

Agenda Items C-36, C-37 and Agenda Item G were heard together.

Terri Albertson, Director, DMV, introduced Thomas Harlan, Information Security Officer, DMV; Izzy Hernandez, Project Manager, DMV; and Arvind Malhotra, Tech Mahindra.

Ms. Albertson said, as the gatekeepers of identity and personal information, the department was responsible for ensuring the security and integrity of DMV data. The DMV was requesting authority to purchase additional firewalls, load balancers and storage at a cost of approximately $2.7 million. She said the cost was being offset by savings in the current budget resulting in a request for an additional $723,021 from the Highway Fund. Ms. Albertson said the justification for the request was to ensure the DMV had a system that secured the department's infrastructure, systems, and data into security zones. With the system's hardware and software complexity, the added security layers would protect customer data and reduce the risk of a data breach. Ms. Albertson said the DMV also needed a system with high availability and without a single point of failure.

Ms. Albertson said the security and network design of the system modernization project was not finalized until November 2016, at which time it was determined that additional hardware requirements were necessary. She said the security and network design was only in the initiation phase when the department requested funds from the IFC in June 2016. Ms. Albertson said a panel of experts consisting of an EITS network team, Oracle and F5 engineers, Tech Mahindra, and DMV system architects reached a consensus that additional hardware would be necessary for the system modernization project. The detailed security and network design sessions engaged all project experts to determine the best solution. She said the proposed security and network design meets security requirements, has reasonable operational performance, avoids single points of failure, and is within justifiable cost. She said EITS was involved in all of the discussions and provided expertise to the team. Based on that information, the department requested the Committee's approval of the necessary funds to move forward with the system modernization project.

Senator Denis asked if the system modernization project was intended to help the department implement changes faster, and Ms. Albertson said that was correct.

Senator Denis said he raised the question, because it often took longer than expected for the DMV to implement projects introduced by the Legislature. Ms. Albertson replied that the system modernization project was a five-year project; however, the DMV was working toward the goal of implementing legislative initiatives more quickly and at a reduced cost.

In answer to a question from Senator Denis, Mr. Hernandez replied that the DMV was working to ensure that all implemented components of the system modernization project could be maintained. Additionally, any changes that were required to meet legislative mandates would be implemented more quickly than in the past.

Senator Denis asked if maintenance would be done in-house or by the vendor, and Mr. Hernandez replied that maintenance would be performed in house.

Moving to Agenda Item C-37, Senator Kieckhefer asked if the increased technology fee revenue was due to increased utilization or a fee increase. Ms. Albertson replied that the increased technology fee revenue was due to an increased number of transactions. She said the technology fee remained at $1.

Chair Carlton asked if the requested funds were for costs beyond those discussed in 2015, and Ms. Albertson said that was correct.

Senator Denis asked if requirements had changed or if costs had increased. Ms. Albertson replied that the requirements had changed. She explained that the DMV met with a panel of experts regarding the necessary security and networking components to ensure data integrity, and it was determined that additional components would be required; therefore, costs were over and above the amount requested by the DMV in November 2016.

Senator Denis asked if the department noticed a change in technology costs since the project was implemented. Ms. Albertson replied that the costs remained about the same.

Assemblyman Sprinkle noted the department was requesting $60,000 from the Equipment category and $619,000 from the Reserve category. He asked if the DMV would have difficulty funding other areas of the project since the funds were being used for new expenditures, and Ms. Albertson said no.

SENATOR DENIS MOVED TO APPROVE AGENDA ITEMS C-36, C-37 AND AGENDA ITEM G.

ASSEMBLYMAN SPRINKLE SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

38. Department of Motor Vehicles - Central Services - FY 2017 - Transfer of $57,000 from the Personnel category to the Operating category and $50,000 from the Electronic DRS to the Operating category to cover the increased cost of postage. Requires Interim Finance approval since the amount transferred to the Operating category exceeds $75,000. **Work Program #C38583**

Refer to motion for approval under Agenda Item C.

39. Department of Motor Vehicles - Field Services - FY 2017 - Transfer of $25,095 from the Personnel category to the Operating category and $37,989 from the Utility Expenses category to the Operating category to fund the increases to the new leases for five facilities. Requires Interim Finance approval since the cumulative amount transferred to the Operating category exceeds $75,000. **Work Program #C38295**

Refer to motion for approval under Agenda Item C.

40. **Department of Motor Vehicles - Field Services - FY 2017 -** Transfer of ~~$99,230~~ ***$100,915*** from the Personnel category to the Equipment category to replace credit card readers. Requires Interim Finance approval since the amount transferred to the Equipment category exceeds $75,000. **Work Program #C38596. REVISED 1-10-17.**

Refer to motion for approval under Agenda Item C.

41. **Department of Motor Vehicles - Field Services - FY 2017 -** Transfer of $71,823 from the Personnel category to the Operating category to cover increased costs associated with contracted security guards. Requires Interim Finance approval since the cumulative amount transferred to the Operating category exceeds $75,000. **Work Program #C38604**

Refer to motion for approval under Agenda Item C.

42. **Department of Public Safety - Highway Patrol - FY 2017** - Addition of $253,078 in federal Highway Safety Grant funds transferred from the Department of Public Safety, Office of Traffic Safety account to fund additional overtime for state troopers participating in various ongoing agency-sponsored highway safety and enforcement events. Requires Interim Finance approval since the amount added to the Joint Forces Grant category exceeds $75,000. **Work Program #C38552**

Refer to motion for approval under Agenda Item C.

43. **Department of Public Safety - Parole and Probation - FY 2017 -** Transfer of $90,000 from the Personnel Services category to the Operating category, $115,000 from the Personnel Services category to the Extraditions category, $21,000 from the Personnel Services to the Client Drug Test category and $42,000 from the Personnel Services category to the Specialty Equipment category to cover expenditures for the remainder of the state fiscal year. Requires Interim Finance approval since the amount transferred to the Extraditions category exceeds $75,000. **Work Program #C38563**

Refer to motion for approval under Agenda Item C.

44. **Department of Public Safety - Capitol Police - FY 2017 -** Transfer of $11,680 from the Personnel Services category to the Operating category to continue contracted administrative support services through the remainder of the fiscal year. Requires Interim Finance approval since the amount transferred to the Operating category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C38573**

Refer to motion for approval under Agenda Item C.

45. **Department of Public Safety - Traffic Safety - FY 2017 -** Addition of $223,189 in federal 405(h) Non-Motorized Safety grant funds to support pedestrian traffic safety programs. Requires Interim Finance approval since the amount added to the Pedestrian Safety grant category exceeds $75,000. **Work Program #C38618**

Refer to motion for approval under Agenda Item C.

46. **Department of Conservation and Natural Resources - Forestry - FY 2017 -** Addition of $692,329 in Federal Forest Service Fuels Reductions grant funds to continue Cooperative Fire Program activities for the remainder of the fiscal year. Requires Interim Finance approval since the amount added to the Fuels Reduction grant category exceeds $75,000. **Work Program #C38384**

Refer to motion for approval under Agenda Item C.

47. **Department of Conservation and Natural Resources - Forestry - FY 2017 -** Transfer of $45,309 from the Volunteer Fire Departments category to the Maintenance of Buildings and Grounds category to fund minor emergency repairs at four facilities. Requires Interim Finance approval since the amount transferred to the Maintenance of Buildings and Grounds category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C38558**

Refer to motion for approval under Agenda Item C.

48. **Department of Wildlife - Operations - FY 2017 -** Addition of $97,877 in Transfer from Electronic Duck Stamp sales to fund participation in the federal e-Stamp program. Requires Interim Finance approval since the amount added to the Nevada Wildlife Database System category exceeds $75,000. **Work Program #C38536**

Refer to motion for approval under Agenda Item C.

49. **Department of Wildlife - Conservation Education - FY 2017 -** Addition of $51,000 in Transfer of Resource Enhancement Stamp fees to fund public outreach activities to promote the Wildlife Program. Requires Interim Finance approval since the cumulative amount added to the Administration category exceeds $75,000. **Work Program #C38535**

Refer to motion for approval under Agenda Item C.

50. **Department of Wildlife - Game Management - FY 2017 -** Addition of $11,608 in Federal Fish and Wildlife Service Wildlife Restoration Grant funds and $3,870 in Transfer of Sportsmen Revenue to purchase equipment to continue research related to newborn bighorn sheep. Requires Interim Finance approval since the cumulative amount added to the Equipment category exceeds $75,000. **Work Program #C38586**

Refer to motion for approval under Agenda Item C.

51. Department of Wildlife - Habitat - FY 2017 - Addition of $125,475 in Transfer of Upland Game Stamp fees to fund program projects as approved by the Nevada Board of Wildlife Commissioners. Requires Interim Finance approval since the amount added to the Upland Game category exceeds $75,000. **Work Program #C38554**

Refer to motion for approval under Agenda Item C.

52. Department of Transportation - Transportation Administration - FY 2017 - Addition of $930,000 in Highway Fund Authorization to cover projected in-state travel costs through the remainder of the fiscal year. Requires Interim Finance approval since the amount added to the In-State Travel category exceeds $75,000. **Work Program #C38560**

Refer to motion for approval under Agenda Item C.

53. Department of Transportation - Transportation Administration - FY 2017 - Addition of $115,000,000 in Highway Fund Authorization and $40,000,000 in Federal Highway Administration grant funds for road construction and maintenance projects. Requires Interim Finance approval since the amount added to the Land and Building Improvements category exceeds $75,000. **Work Program #C38614**

Refer to motion for approval under Agenda Item C.

54. Department of Health and Human Services - Public and Behavioral Health - Marijuana Health Registry - FY 2017 - Transfer of $122,400 from the Reserve category to the Medical Marijuana Program (MMP) Security category to fund anticipated costs related to the security of the medical marijuana system. Requires Interim Finance approval since the amount transferred to the MMP Security category exceeds $75,000. **Work Program #C38780. RECEIVED AFTER SUBMITTAL DEADLINE, 1-12-17.**

Joe Pollock, Deputy Administrator, Division of Public and Behavioral Health (DPBH), Department of Health and Human Services (DHHS), said Work Program C38780 was a request to transfer money from reserves to a new Security category within the Medical Marijuana Program (MMP).

Mr. Pollock said in early December 2016 the DPBH was notified by Enterprise Information Technology Services (EITS) that the MMP portal had security vulnerabilities. He said the division took the portal offline and performed best practice scans and analysis of the system to identify the vulnerabilities. Mr. Pollock said the portal was reactivated in late December 2016 after EITS corrected the vulnerabilities. Subsequently, the DPBH was notified through an online news service, ZDNet, that the MMP portal was vulnerable and data was accessible. He said ZDNet received the information through a researcher who identified the vulnerability. Because unauthorized individuals had accessed the

database, the DPBH took the portal offline again and began identifying and correcting vulnerabilities, and notifying individuals in the agent portal and patient registry who may have been affected by the data breach. Mr. Pollock said a call center was available as well as free credit monitoring for impacted individuals. He said the call center was available to individuals for 90 days from the time they were notified of the breach.

Mr. Pollock said the investigation of the data breach was ongoing; however, the patient registry and point-of-sale areas of the portal were back online and available to the public. The agent portal was only available internally, so applications for medical marijuana establishments had to be entered manually by division staff. Mr. Pollock said the division was fielding a lot of calls from affected individuals. He said some information had to remain confidential, because of the investigation.

Chair Carlton asked the division to provide an update on the data breach during the 2017 Legislative Session.

Assemblyman Sprinkle asked about the extensiveness of the breach, and if there had been any negative ramifications.

Mr. Pollock replied that extensive information was available within the portal database including names, addresses, social security numbers, birth dates and ethnicity. The division was not aware of any fraudulent activity as a result of the data breach; however, it would be difficult to connect an incident of fraudulent activity specifically to the data breach.

Assemblyman Sprinkle asked about the state's liability in the data breach. Mr. Pollock replied that the division was working with Beazley, a company that provides insurance for security breaches and exposures. A majority of the funds requested in Work Program C38780 would be used to pay the deductible on that insurance policy due to the breach. Mr. Pollock said the division hoped the state's liability would be limited to notification and credit monitoring.

Assemblyman Araujo said he wanted to ensure the DPBH was being diligent about communicating the data breach to individuals who may be affected. Mr. Pollock replied that Beazly recommended a company called Epiq to assist with notification mailings and the call center. The division was able to notify a small percentage of individuals via e-mail regarding the data breach; however, the majority had to be contacted by regular mail. He said one of the services provided by Epiq was to investigate returned mail and determine the recipient's new address. Mr. Pollock said Epiq reported to the division daily on the number of people who contacted the call center. He said calls were initially fielded by staff, but were now referred to the call center. He said staff was available to address further questions by callers; however, staff had limited knowledge regarding credit monitoring, because the division was unsure if the data had been used for malicious intent.

In response to a question from Senator Denis, Mr. Pollock replied that the investigation was ongoing; however, he was uncertain whether the investigation would determine how many unauthorized people had accessed the data. He reiterated that the division was uncertain if the data was used for malicious purposes, but a vulnerability was exposed and shared. Assuming the data would be used for malicious purposes, he said the division took precautions and offered credit monitoring.

Senator Denis asked what the division was doing differently to correct the vulnerabilities. He also asked who managed the portal.

Mr. Pollock replied that the portal was managed internally by IT staff. He said EITS identified that the portal was vulnerable, but did not have specifics about the vulnerabilities. He said best practice scans and tests were performed, and the vulnerabilities were identified and corrected; therefore, the division brought the portal back online. Approximately one week later, the division was notified by ZDNet regarding the specific method that was used to access the database, and the portal was taken offline again. He said the division hired a contractor with technical expertise and the system was continually being monitored. Mr. Pollock said he could only provide limited details, but the vulnerability detected by ZDNet, as well as other vulnerabilities, were identified by the contractor. He said some code had to be rewritten, which was why the agent portal was still offline. Upon completion of the investigation, the contractor would provide the division with additional recommendations. Mr. Pollock said the contractor continued to examine the system thoroughly.

In answer to a question from Senator Denis, Mr. Pollock said the majority of the funds would be used to pay the insurance deductible, and the remaining funds would be used to pay the contractor.

Senator Harris asked if health information was stored in the portal and subject to the data breach, and Mr. Pollock said that was correct.

In response to a question from Senator Harris, Mr. Pollock replied that a doctor's recommendation for medical marijuana was based on need. He said the information contained in the doctor's recommendation was included in the patient registry.

Assemblywoman Titus asked if provider information was potentially accessible because of the data breach, and Mr. Pollock said that was correct. He said patients were required to upload their application, a signed doctor's recommendation, and authorization for a background check to the patient registry.

Chair Carlton thanked the division for providing a detailed explanation of the data breach. She asked the division to keep the Committee updated on further issues. She said the Committee looked forward to hearing the final outcome on the matter.

ASSEMBLYMAN SPRINKLE MOVED TO APPROVE AGENDA ITEM C-54.

SENATOR GOICOECHEA SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

RECLASSIFICATIONS

Refer to motion for approval under Agenda Item C.

Agency	Agency/ Account Number	Position Number	Present Class Title, Class Code, Grade and Salary	Proposed Class Title, Class Code, Grade and Salary
WITHDRAWN 1-3-17. Department of Business and Industry – Industrial Relations	742/4682	0103	Safety Specialist Elevator Code: 11.538 Grade: 37/01 Employee/Employer Paid Retirement $51,197.76	Administrative Assistant 2 Code:02.212 Grade: 25/01 Employee/Employer Paid Retirement $31,090.32
Department of Transportation – Information Technology	800/4660	067–095	Telecommunications Coordinator 1 Code: 06.964 Grade: 35/03 Employee/Employer Paid Retirement $51,197.76	IT Professional 2 Code:07.926 Grade: 37/03 Employee/Employer Paid Retirement $55,833.12

D. DEPARTMENT OF ADMINISTRATION – STATE PUBLIC WORKS DIVISION.

1. Request to modify the scope of CIP Project 15-M13, Replace Central Warehouse Refrigeration Units, Northern Nevada Correctional Center, to increase the authority to receive and expend an additional $110,000 to rent portable coolers and freezers, pursuant to NRS 341.145(1)(f), and to transfer $110,000 from CIP Project 15-M03, Replace Air Handling Units, Lovelock Correctional Center Phase II Housing Units, pursuant to Section 34 of Assembly Bill 491 of the 2015 Session, to fund the scope increase for CIP Project 15-M13.

2. Information regarding the Project Exception Report pursuant to NRS 341.100(8)(g).

Chris Chimits, Deputy Administrator, State Public Works Division (SPWD), Department of Administration, said the division requested to modify the scope of CIP Project 15-M13 for the Northern Nevada Correctional Center (NNCC), and transfer funds from CIP Project 15-M03 to CIP Project CIP 15-M13. He said CIP Project 15-M03, a project to replace air handling units at Lovelock Correctional Center, had been completed. He said the division would like to transfer the remaining $110,000 to CIP Project 15-M13, which was for refrigeration equipment for the central warehouse at the NNCC.

Mr. Chimits said the division would proceed with the construction of the project if the transfer was approved by the Committee.

In response to a question from Senator Kieckhefer, Mr. Chimits replied that CIP Project 15-M13 was for the replacement of central warehouse refrigeration units. He said the requested funds would be used to rent portable coolers and freezers to preserve food supplies while the new equipment was being installed.

Chair Carlton inquired about the Project Exception Report. Mr. Chimits replied that Agenda Item D-1 was the only exception included in the report.

> SENATOR KIECKHEFER MOVED TO APPROVE AGENDA ITEMS D-1 AND D-2.
>
> ASSEMBLYMAN FRIERSON SECONDED THE MOTION.
>
> THE MOTION PASSED UNANIMOUSLY.

E. STATEMENT OF CONTINGENCY ACCOUNT BALANCE.

Cindy Jones, Assembly Fiscal Analyst, Fiscal Analysis Division, LCB, referred the Committee to page 205 in Volume II of the meeting packet (Exhibit B). She said the balance of the unrestricted General Fund at the beginning of Fiscal Year (FY) 2017 was approximately $12.8 million. Of the funds allocated in FY 2016, she said approximately $63,000 was reverted, leaving a balance of approximately $12.81 million for FY 2017. After prior allocations and meeting costs were removed, the available balance was $10.2 million. Ms. Jones said there was one request before the Committee for approximately $887,000, which would reduce the balance of the unrestricted General Fund to approximately $9.31 million if approved by the Committee. There were no requests before the Committee for the unrestricted Highway Fund, and the balance remained at approximately $1.7 million. Moving to page 210 in Volume II of the meeting packet (Exhibit B), Ms. Jones said the Committee recently heard Agenda Item G, which was the request of funds from the restricted Highway Fund in the IFC Contingency Account allotment provided for the System Modernization Project for the Department of Motor Vehicles. Prior to the actions of the Committee, approximately $15.7 million was available for the continuation of that project. She said the balance was reduced to approximately $15.0 million after the Committee's approval of $723,021 for Agenda Items C-35, C-36 and Agenda Item G.

F. REQUEST FOR ALLOCATION FROM THE IFC CONTINGENCY ACCOUNT (GENERAL FUND) PURSUANT TO NRS 353.268 (Note: IFC may approve a different amount for an allocation than the amount requested) – Department of Taxation – Request for an allocation of $887,491 to fund the implementation of Ballot Question 2, the Initiative to Regulate and Tax Marijuana, as approved by Nevada voters on November 8, 2016.

Deonne Contine, Director, Department of Taxation, introduced Rick Gimlin, Administrative Services Officer, Department of Taxation.

Ms. Contine said the department was requesting funding to begin implementation of Question 2, the Regulation and Taxation of Marijuana Act, which was adopted in November 2016. She said Question 2 legalized the possession of one ounce of marijuana by persons over the age of 21. Question 2 also required the department to license and regulate retail marijuana establishments, including cultivation and production facilities, distributors, testing labs and retail outlets. Ms. Contine said the request for $887,491 included costs for personnel, IT operations, travel and equipment.

Ms. Contine said the department must begin implementation of the Regulation and Taxation of Marijuana Act soon, because regulations had to be drafted and adopted by January 1, 2018. She said the department was currently in the temporary regulation phase, so that workshops and processing of the permanent regulations could begin on July 1, 2017; however, that would not be enough time for the department to hold workshops and adoption hearings; manage unexpected issues; and receive approval by the Tax and Legislative Commissions. Ms. Contine said she was pleased when the regulations for the new Commerce Tax were adopted prior to the due date of the first tax return, which was more than a year after the effective date of the Commerce Tax.

Ms. Contine said implementation would occur in two phases: permanent and temporary. She said the permanent phase would involve a task force modeled after the process used by the State of Colorado. The task force would bring together stakeholders and interested parties affected by the legalization of marijuana, such as the Department of Public Safety, Division of Public and Behavioral Health and local governments. Ms. Contine said the plan used by the State of Colorado was a quick process, and the task force in Colorado ultimately made recommendations in multiple areas based on the initiative. The recommendations were used to support legislation and regulations for the implementation of Colorado's recreational marijuana program. Ms. Contine said the work of the Nevada task force would be a quick process with numerous meetings within a short period of time, and some of the funds requested by the department would be used to facilitate that process.

Ms. Contine said the initiative directed the Department of Taxation to establish the following:

- Procedures and qualifications for issuance, renewal, suspension and revocation of a license;
- Requirements for security of marijuana establishment;
- Requirements to prevent the sale or diversion to persons under 21;
- Requirements on packaging, testing, labeling and recordkeeping;
- Reasonable restrictions on signage, marketing, display and advertising;
- Procedures for the collection of taxes, fees and penalties;
- Procedures and requirements to enable the transfer of a license for a marijuana establishment to another qualified person and to enable a licensee to move the location of the establishment;
- Procedures and requirements concerning dual licensing;
- Procedures to establish a fair market value for the wholesale tax measure; and
- Civil penalties for failure to comply with the regulations.

Ms. Contine said the Department of Taxation was primarily responsible for collecting taxes. She said, although the department regulated liquor, alcohol, tobacco and tobacco products, the regulation and taxation of marijuana was a much larger responsibility. She said the department wanted to get an early start on the process and receive feedback from entities and individuals so that a solid program would be in place when the permanent regulations became effective on January 1, 2018.

Ms. Contine said the second part of the process was the temporary phase, which involved an early start program. She said an application for licenses to sell recreational marijuana would be available by May or June 2017, which would be issued by July 1, 2017. She said the department would temporarily use the MME regulatory enforcement scheme. During the temporary phase, the department would limit the issuance of licenses to current MMEs that were operational and in good standing. Ms. Contine said those entities would have to reapply for a license during the permanent phase.

Ms. Contine said the recreational marijuana program would be different from the medical marijuana program in a couple of ways. The Department of Taxation would license marijuana establishments under the category of "distributor," which would require new regulations rather than utilizing regulations established for the medical marijuana program (MMP). Ms. Contine said the department would also have to establish the wholesale price of marijuana for the temporary and permanent phases of the program.

Chair Carlton said it was important to establish the recreational marijuana program correctly in the initial stages. She said legalized marijuana would impact the underground market. Other states had experienced issues with their recreational marijuana programs, so it was important to take time to analyze those issues and set prices appropriately in order to accomplish what was intended.

Assemblywoman Titus remarked that she opposed the taxation of marijuana intended for medicinal purposes. She asked if recreational marijuana would be taxed at a different rate than medical marijuana.

Ms. Contine replied that the two programs currently had a different tax rate. She said voters adopted a 15 percent wholesale tax on recreational marijuana, which was the responsibility of the cultivator. She said the medical marijuana program had a multi-tiered tax with 2 percent on cultivation, 2 percent on production, and 2 percent at the dispensary.

Assemblywoman Titus asked if the purchaser would be charged a tax for the purchase of recreational marijuana. Ms. Contine replied that the Governor proposed a 10 percent excise tax at recreational marijuana retail locations.

In answer to a question from Assemblywoman Titus, Ms. Contine replied that establishments would have to maintain separate records for recreational and medical marijuana, because the tax structures were different.

Chair Carlton asked when the department intended to pay back the IFC Contingency Account funds. Ms. Contine said the funds would be paid back in FY 2018.

Senator Goicoechea said it was unknown if there would be changes at the federal level concerning recreational marijuana; therefore, he was concerned about the department's ability to pay back the funds. He said there were no MMEs in the rural areas; however, there were entities trying to obtain a temporary recreational marijuana license even though they could not open for business until FY 2018. Senator Goicoechea said he supported the department's request; however, he did not support recreational marijuana.

Chair Carlton asked for additional information regarding the new Deputy Director position.

Ms. Contine reiterated that the recreational marijuana program was a different type of responsibility for the department. She said a Tax Manager position was currently the highest level position within the department; however, the class specifications were very specific and focused on accounting and taxation experience, which was not adequate for the management of the recreational marijuana program. Although taxation experience would be necessary in the new position, the class specifications for the Tax Manager position lacked regulatory experience. Ms. Contine said she hoped to have the flexibility to hire someone with gaming or similar regulatory experience, as well as taxation experience. She said there were no positions within the Department of Taxation that met those requirements; therefore, she requested a Deputy Director position at a salary equivalent to a "topped-out" Tax Manager position.

Chair Carlton asked if the Deputy Director position would be necessary beyond the initial regulatory stage. Ms. Contine replied that she expected the Deputy Director position would be permanent. She said the Department of Taxation's Excise Tax department was responsible for collecting and distributing taxes for substances such as liquor, alcohol and tobacco. She said within a few years the Deputy Director position may be responsible for overseeing the entire Excise Tax department, including marijuana regulation. Based on the public response to the recreational marijuana program in Colorado, Ms. Contine anticipated the Deputy Director position would be a necessity for the Department of Taxation.

In response to a question from Chair Carlton, Janet Murphy, Deputy Director, Governor's Finance Office, confirmed that the department's request was reduced by $16,056, from $887,491 to $871,435.

> ASSEMBLYMAN ARAUJO MOVED TO APPROVE AGENDA ITEM F.
>
> SENATOR PARKS SECONDED THE MOTION.

Senator Kieckhefer said he opposed the motion. He said, although the recreational marijuana program was approved by voters in Nevada; the nomination of Jeff Sessions for federal Attorney General could lead to a discontinuation of recreational marijuana

programs at the state level. He thought it would be better to wait for direction from the federal government before proceeding with the program in Nevada. Senator Kieckhefer said, if necessary, a supplemental appropriation could be provided after the federal government came to a decision concerning enforcement of federal law. He said he may support the issue at a later date; however, he preferred to wait until there was direction from the federal government.

Assemblyman Hambrick also opposed the motion.

Senator Parks remarked that the agency's request required repayment to the IFC Contingency Account.

Senator Harris asked if there was a reimbursement mechanism in place if the recreational marijuana program was halted due to decisions made at the federal level. Ms. Jones replied that the Legislature would have to approve a General Fund appropriation to the IFC Contingency Account; therefore, the General Fund would ultimately be responsible if the funds had already been expended.

Assemblyman Edwards said, although he did not support recreational marijuana, he would support the motion.

> THE MOTION PASSED. (Senator Kieckhefer and Assemblyman Hambrick opposed the motion.)

G. REQUEST FOR ALLOCATION FROM THE IFC CONTINGENCY ACCOUNT (HIGHWAY FUND) PURSUANT TO SENATE BILL 514, SECTION 83 (2015 Legislature) (Note: IFC may approve a different amount for an allocation than the amount requested) – Department of Motor Vehicles – Request for an allocation of $723,021 for software implementation for the system modernization project. **RELATES TO AGENDA ITEMS C.36 AND 37.**

Agenda Items C-36, C-37 and Agenda Item G were heard together. Refer to testimony and motion for approval under Agenda Item C-37.

H. REQUEST FOR A WAIVER BY A SCHOOL DISTRICT FROM MINIMUM EXPENDITURE REQUIREMENT DURING ECONOMIC HARDSHIP PURSUANT TO NRS 387.2065 – Request for approval of a waiver on behalf of White Pine County School District in the amount of $13,278 due to an economic hardship in Fiscal Year 2016.

Roger Rahming, Deputy Superintendent, Department of Education (NDE), introduced Paul Johnson, Chief Financial Officer (CFO), White Pine County School District (WPCSD).

Mr. Johnson said school districts were required to spend a minimum amount per school year on textbooks; however, in the event of economic hardship, a school district could request a waiver from the requirement. He said the WPCSD had a considerable

revenue setback in FY 2016 due to a combination of factors, which caused the district to lay off 25 percent of its General Fund staff and spend down reserves to a negligible amount. Additionally, the WPCSD had met with the Committee on Local Government Finance to discuss why the district experienced three successive years of declining fund balance, and what would be done to avoid a fourth year. Mr. Johnson said the district utilized "free spending" and finished the year within $50,000 of the budgeted expenditures, which was equivalent to 99.6 percent of expenditures. He said expenditure outcome was determined prior to revenue outcome, because revenue continued to come in for three months after the end of the fiscal year. Mr. Johnson said the district experienced a deficit with respect to textbooks and instructional supplies compared to the budgeted amount. He said he inquired with the Department of Education about an economic hardship waiver, because it was his responsibility as the district CFO to preserve revenue.

In answer to a question from Chair Carlton, Mr. Johnson replied that enrollment in the district had leveled out. The largest impact on district enrollment was the opening of the charter school in White Pine County. He said 15 percent of the WPCSD student population migrated to the charter school over the course of a couple of years. Mr. Johnson said the district intended to build up its fund balance in anticipation of reduced enrollment; however, during the 2015 Legislative Session the count day was changed to average daily enrollment and the hold-harmless provision was reduced from two years to one. These changes occurred after the district's final budget had already been developed. He said the district had to accommodate those changes during the fiscal year and err on the side of caution to ensure a positive fund balance; however, in doing so, the district did not meet the textbook spending requirement.

Chair Carlton asked if the 15 percent enrollment decrease was due solely to the local charter school, and Mr. Johnson said that was correct. He clarified that the WPCSD had an enrollment base of approximately 1,300, of which 180 students migrated to the local charter school and 12 students began attending online charter schools. He said the district received approximately $8,000 in state funding per student; therefore, a loss of nearly 200 students had a significant financial impact. Also, a student-to-teacher ratio of 30-to-1 for 180 students was six teachers. The district lost approximately $1.7 million for a student population that supported the direct instruction of six teachers. Mr. Johnson said the cost of six teachers at roughly $70,000 per year was about $420,000, so the district still had to cut approximately $1.3 million from its budget to accommodate the reduced enrollment, which was an unintended consequence of the charter school. Mr. Johnson said it would be helpful for the state to examine how charter schools impacted smaller school districts, such as Churchill County School District, which was experiencing similar financial adversity due to charter school migration. He said the WPCSD had to adapt to the reduced revenue, which meant being more conservative with funds and utilizing free spending; however, there was still a shortfall in revenue. Mr. Johnson said the district was using technology to accommodate the lack of physical textbooks so that students would not be without curriculum. The district also incorporated a blended instructional model for students to learn at their own pace. He said there was some teacher involvement, but much of the

work was done through online and virtual classes to maximize instructional staff time due to a significantly diminished staff.

Senator Goicoechea said the WPCSD and other counties experiencing decreased revenue due to the reduction of the hold harmless provision. Likewise, declining enrollment under any circumstances seriously impacted revenue in the rural districts. Senator Goicoechea said he encouraged Senator Harris' involvement last fall, because she was the chair of the Senate Committee on Education during the 2015 Legislative Session.

Senator Goicoechea said Nevada needed a solution to declining revenue in the rural school districts. He thought the current system was ineffective if a school district had to ask for a waiver for $13,000 worth of textbooks. He thought schools were falling through the cracks. Necessary maintenance was not being performed, and schools were struggling to maintain staff and remain operational due to the lack of revenue. Senator Goicoechea said the WPCSD had to lay off teachers before the 2016-2017 school year began. He said parents of school-aged children had very few alternatives in the rural areas.

Senator Goicoechea thanked Mr. Johnson for approaching the Committee. He thought it was disgraceful the school district had to request a waiver.

Assemblywoman Swank asked the age of the textbooks being used in the WPCSD. Mr. Johnson said he was unsure, but he would provide the information to the Committee. He said the school district was utilizing online subscription materials when possible to avoid purchasing textbooks and to keep costs down.

Assemblywoman Swank said there were other programs that may be presented in the future that could impact school districts in a similar manner as the reduced hold harmless provision, and it was important for the Legislature to consider how those programs may impact the school districts. She was concerned about the fact that the hardest hit schools were smaller schools, especially as more students were being educated outside the public school system. She said it would negatively impact low-income students and other students that needed the education. Assemblywoman Swank said it was important to consider how funds would be allocated to public schools during the 2017 Legislative Session.

In response to a question from Assemblyman Sprinkle, Mr. Johnson replied that education funding followed the student. The district prepared a budget at the beginning of each school year; however, funding was based on enrollment, which was determined after the school year began. He said the WPCSD lost a total of 180 students since FY 2014, and the per-pupil amount the WPCSD would have received for those 180 students was redirected to the local charter school. Mr. Johnson said the district reduced its budget to a degree, but reductions were limited to items directly related to students, such as teachers and instructional supplies. He said approximately 40 percent of operating expenditures remained in the district regardless of student population. He said approximately 60 percent of operating costs could be reduced

without adversely affecting the remaining student population. Mr. Johnson said the WPCSD lost about $1.7 million in revenue. Instructional costs were approximately $400,000, including the cost of teachers and instructional supplies so the $1.3 million had to be cut from school district operations to balance the budget. He said there were many fixed costs not directly tied to students, such as buses, nutrition program expenditures and administration. Mr. Johnson said it was difficult to lose a large sum of money and still accommodate expenditures without negatively affecting the remaining school population.

Assemblyman Frierson thanked Mr. Johnson for explaining the situation. He appreciated that the district wanted to address the problem.

In response to a previous comment by Senator Goicoechea, Assemblyman Frierson said students throughout the state were faced with limited options and resources. He said students living in urban areas who lacked transportation faced similar challenges as students in rural areas.

Senator Harris said she was sympathetic to the district's situation. She thought virtual and blended learning were creative solutions. She wanted reassurance that the academic progress of WPCSD students would not be severely impacted by the waiver. If so, a larger conversation needed to occur concerning how to meet the needs of all Nevada students and ensure that students in White Pine County were receiving the education they required.

Mr. Johnson replied that the textbook spending requirement for the district was $180,000, and the shortfall was $13,000; therefore, a majority of the funds were expended. He said the district had to redefine how educational services were provided in the WPCSD due to diminished revenues, which was why the district shifted to a blended learning model. He explained that a blended learning model utilized virtual learning materials and allowed students to learn at their own pace with teacher intervention as needed. The teacher provided a group setting and students identified their individual learning needs. Students who did not require additional assistance could move forward at their own pace, while students who required additional help would receive more traditional instruction with their peers.

Mr. Johnson was unsure that it was fair to require school districts or local governments to spend a minimum amount of money on a particular expenditure regardless of financial circumstances. Mr. Johnson said he had been the CFO of the WPCSD since March 1997 and recalled a time when there was an automatic waiver with respect to the textbook requirement. He said, at the time, school districts were not required to apply for a waiver during times of economic adversity, instead it was assumed that districts occasionally needed to draw from all sections of their budget to make ends meet. Mr. Johnson indicated that the WPCSD was the first district to request the minimum expenditure requirement waiver since NRS 387.2065 was enacted. He said the district was working to maintain a uniform and longitudinal educational quality; adapt to changing times and technology; and redefine the district in spite of diminishing resources. He said revenue had stabilized; therefore, the district did not intend to

request another waiver in FY 2017. Mr. Johnson said he wished the district superintendent was present to discuss the academic and curriculum aspects of the district, because that was his field of expertise; however, the proof of the district's success could be found in the accountability reports filed with the Nevada Department of Education. The district was proud to note that White Pine High School had one of the highest graduation rates in the state and a very low dropout rate. He said the graduation rate and low dropout rate were evidence that the district was still making progress; however, the district would examine the impact the decreased revenue had on those rates. He said the district would have continued to maintain its level of spending for students if revenue had not been negatively impacted.

Senator Harris said she would like to have a discussion in the future about how to ensure students in the WPCSD would continue to have the necessary resources to be successful and receive the level of education they needed.

Chair Carlton reminded the Committee that the waiver request was for FY 2016 and pertained to the 2015-2016 school year. She said the revenue decline was not an ongoing issue. She said the shortfall was discovered after the fact, and the district was taking the appropriate steps by coming to IFC to request the minimum expenditure requirement waiver.

Assemblyman Oscarson said he understood the district's challenges and appreciated Mr. Johnson's efforts.

Assemblyman Oscarson said he was concerned that the waiver request by the WPCSD would set a precedent for other districts experiencing decreased enrollment, such as Lincoln and Nye Counties.

Chair Carlton said, by statute, any district could request a waiver from the minimum expenditure requirement. The number of waiver requests could increase depending on how the Legislature responded to education funding. She said it was important to keep that in mind as decisions were being made during the legislative session.

Assemblywoman Titus asked if the local charter school had reached its maximum enrollment, or if the district would continue to experience revenue shortfall due to migrating students. She said White Pine County residents may continue to migrate to other schools if the public schools lacked funds for textbooks and other instructional materials. Assemblywoman Titus said mining issues and other economic impacts on employment could continue to impact revenue in school districts such as White Pine County.

Mr. Johnson replied that the charter school located in White Pine County had reached its maximum of 180 students, with no plans for expansion. He said finances were at risk in many rural school districts. He said one additional school in a district could have a significant and adverse impact on a school district's budget. He said the district would not experience another sharp decline in revenue due to the local charter school, because it was at capacity. Mr. Johnson said the WPCSD had lost 15 percent of its

budget over two years, which was a sharp and abrupt change to educational services in the community; however, the district had also experienced adversity due to the loss of mining, which resulted in the loss of residents and tax base. The district was familiar with economic adversity, and in those instances it was necessary to draw from expenditures to make ends meet. Mr. Johnson said the district did not foresee another significant episode of economic adversity. He said there had been periods of minor economic adversity in prior years, but the district had been able to meet the spending requirement during those times. Mr. Johnson thought forgiveness should be written into the law, so that when a district experienced adverse financial circumstances in excess of a certain percentage (similar to the hold harmless provision for student enrollment), school districts could adjust expenditures accordingly rather than requesting a waiver. He said, overall, the WPCSD planned on spending the required per pupil amount in FY 2017, which was approximately $121 per student.

Chair Carlton thanked Mr. Johnson for his honesty. She reiterated that although the district's waiver request was the first since the legislation was enacted, additional requests may follow.

Senator Kieckhefer said Learning Bridge Charter School in White Pine County had been open for quite some time. He asked if the district's declining revenue had been developing during those eight years since the charter school opened. Mr. Johnson clarified that Learning Bridge Charter School opened in 2014.

Senator Kieckhefer remarked that 15 percent of the district's enrollment chose to leave the WPCSD, possibly more if the charter school had a waitlist. He said families chose to leave the school district, because they were unsatisfied with the educational experience in the district. Senator Kieckhefer noted that his comments were not directed at Mr. Johnson, and he supported the district's waiver request. He agreed with Senator Harris, that the state needed to find a way to ensure that every student in the WPCSD had access to an excellent education. He said parents chose to enroll their children in another public school, and the Legislature should respect that decision and find a way to support everyone.

Assemblywoman Spiegel thanked Mr. Johnson for his candor. For the last couple years she had been asking the Clark County School District to provide her with the difference between variable costs and fixed costs of education; however, no one in the district had been able to provide her with those figures. She said knowing that 40 percent of education costs were fixed and 60 percent were variable would be helpful moving forward with the IFC and examining education funding in the future.

Assemblywoman Spiegel asked if White Pine County required the addition of a school when the county population increased by a particular amount. If so, the Legislature needed to be mindful of that to avoid placing requirements on fixed costs that could cause additional strain on the district's revenue.

Mr. Johnson replied that White Pine County was unique in that the county did not have the bonding capacity to build a school unless the household impact to the community

drastically increased the county's tax base. White Pine County did not have a formula or a stochastic economic model that identified a student population with school construction. He said it was determined by the county a couple years ago that $7 million was the maximum bond that could be issued, which was not enough to build a school. He said many rural areas had a small per capita tax, which did not provide enough money to secure a bond adequate to build a school. Mr. Johnson stated that the county would like to discuss potential solutions to pending county issues with the Legislature. He noted that the WPCSD was responsible for NRS 387.3335, which established a fund at the state level to assist schools with capital projects. As a result of NRS 387.3335, state funding paid for the construction of a school in Lund, Nevada. Mr. Johnson said he wished White Pine County had an economic model to assist with school construction, and thought it might be helpful to evaluate the models used by Clark and Washoe Counties. He said White Pine County had not experienced population growth; in fact, White Pine County and Mineral County were the only two counties in the state that currently had fewer residents than in 1970, when the Nevada Plan was contrived. Mr. Johnson said he hoped the county population would grow to such an extent that the county would have to find resources to accommodate the growth.

In response to a previous comment by Senator Kieckhefer, Mr. Johnson said the WPCSD did not oppose school choice; however, the district was facing the economic reality of school choice. He said he was born and raised in White Pine County and received his degree from the University of Nevada, Las Vegas. After living in Las Vegas for 15 years, he returned to Ely to raise his family. He and his siblings had attended a parochial school in White Pine County, and he planned for his children to attend the same school; however, it closed before his son entered kindergarten. Mr. Johnson said the reason he wanted his children to attend parochial school was not because of the quality of education in the public school district, it was a personal decision. He said parents who chose the charter school over the public schools had the same desire to seek an alternative form of education. He said one of the reasons families migrated to the charter school was due to the four-day school week implemented in the WPCSD several years ago. Mr. Johnson explained that a large percentage of teachers in the district were also coaches, which required them to travel to out-of-town sporting events on Fridays; therefore, the district chose to move to a four-day school week to improve instructional time with students. A district survey of families determined that 15 to 18 percent preferred a five-day school week, and the charter school in White Pine County coincidently had a five-day school week.

Mr. Johnson said the charter school was also an option for families that were disappointed with school administration and teachers in the district. The quality of education services could be measured through state accountability reports, which showed the performance of each school in the state. He said education services in the WPCSD were comparable to the charter school. Also, the teachers at the charter school were former district teachers; therefore, the charter school did not offer different teachers or a unique model. Mr. Johnson said there were interesting dynamics that made the charter school a good choice for parents; however, he did not think the migration away from the WPCSD was due to the quality of education.

Mr. Johnson said he agreed that the state needed to create a more symbiotic relationship between schools, because it was in the best interest of the students. He said it would be helpful to determine a separate funding method for school districts and charter schools to avoid funding one at the expense of the other.

Senator Ford echoed the comments of Committee members regarding Mr. Johnson's testimony. He found the conversation enlightening, because the WPCSD was involved in a form of school choice with the local charter school, which had negatively impacted the district. He said the local charter school had reached capacity, which meant other students must remain in the public school system; however, the public school system lacked funds for textbooks. Senator Ford said he agreed with school choice with regard to charter schools. He thought the Legislature was partly to blame for the negative impact charter schools had on the traditional public schools, because the Legislature authorized the operation and funding of charter schools in the state. Senator Ford said the WPCSD received less per-pupil funding due to the migration of students to the charter school; however, overhead expenses remained the same regardless of the number of students. He said the Legislature would have to make another decision concerning school choice in the form of the Education Savings Accounts program, which could have additional impact on funding for the traditional public schools, and he did not agree with it. Senator Ford agreed that the Legislature had to find a way for the students who remained in the WPCSD to receive a full and adequate education, which meant properly funding the public schools. He encouraged Committee members to prepare for the discussion of school choice and education funding during the 2017 Legislative Session.

Chair Carlton asked Committee members to focus their questions and comments on the waiver from the minimum expenditure requirement.

Senator Goicoechea thought the biggest impact on rural school districts was the reduction of the hold-harmless provision on base-level funding. He said it was important for the state to provide a base level of funding that would allow the districts to deliver an adequate education platform regardless of declining enrollment. He said there had been other non-district schools in White Pine County in the past, such as the parochial school mentioned previously, but the WPCSD was not negatively impacted, because there was adequate base-level funding.

> SENATOR FORD MOVED TO APPROVE AGENDA ITEM H.
>
> ASSEMBLYWOMAN SWANK SECONDED THE MOTION.
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> THE MOTION PASSED UNANIMOUSLY. (Assemblyman Frierson was not present for the vote.)

I. INFORMATIONAL ITEMS.

The Committee expressed interest in hearing testimony on Agenda Items I-4, Department of Transportation; and I-6, Report of the Activities for the Charter Harbor Master program.

1. DEPARTMENT OF EDUCATION

a) Quarterly reports on the status of Class Size Reduction Variances for the periods ending March 31, 2016, and June 30, 2016, of the 2015-16 school year, pursuant to NRS 388.700(5).

There was no discussion on this item.

2. DEPARTMENT OF HEALTH AND HUMAN SERVICES

a) Division of Health Care Financing and Policy – Biannual report on the Waiver for Persons with Physical Disabilities for the period of July 1, 2014, through June 30, 2016, pursuant to Senate Bill 174 (2001 Session).

b) Division of Welfare and Supportive Services

1) Assistance to Aged and Blind – Report for November 2016 on the implementation of the federal Supplemental Security Income payment increase (letter of intent, 2015 Legislature).

2) Annual report concerning the SFY 2016 evaluation of programs of energy assistance required pursuant to NRS 702.275.

There was no discussion on these items.

3. DEPARTMENT OF PUBLIC SAFETY – Division of Emergency Management – Emergency Assistance Account – Quarterly report on the status of the Emergency Assistance Account for the period ending September 30, 2016, pursuant to NRS 414.135(5).

There was no discussion on this item.

4. DEPARTMENT OF TRANSPORTATION - Report on the activities of the Advisory Committee on Transportational Storm Water Management and the implementation and efficacy of the department's storm water program pursuant to NRS 408.439.

Rudy Malfabon, Director, Nevada Department of Transportation (NDOT), introduced David Gaskin, Deputy Director, NDOT.

Mr. Gaskin referred the Committee to the presentation on page 311 in Volume II of the meeting packet (Exhibit B). He said NDOT was audited by the U.S. Environmental Protection Agency (EPA) in 2011. In response to the audit, NDOT, the Governor's Office and the Nevada Division of Environmental Protection (NDEP) came before the 2015 Legislature with Senate Bill (S.B.) 324 and a budget amendment to provide the resources and authority for NDOT to comply with the federal regulations on storm water programs under the Clean Water Act.

Mr. Gaskin said, after years of negotiation, NDOT reached an agreement with the EPA on the settlement terms. He said the effective date of the consent decree was September 14, 2016, which began the countdown for various deadlines.

Mr. Gaskin said NDOT had begun implementing and building the Storm Water Division and program. He said the mission of the storm water program was to promote storm water stewardship as an essential element of all NDOT operations. Mr. Gaskin said the recent abundance of precipitation in northwest Nevada had been a test for the storm water system. He said the Storm Water Division received accolades from the NDOT's Reno district on the division's efforts to keep the roadways functioning and properly maintained over the past year, and as a result, there had been minimal damage to the roadways. He said the storm water system was important from an environmental standpoint, as well as for flood protection. Mr. Gaskin said maintaining the storm water system helped provide an integral and functioning infrastructure in terms of protecting the integrity of roads and bridges.

Mr. Gaskin said the Storm Water Division provided quarterly reports to various entities. He said the first quarterly compliance meeting with the EPA was held on November 2, 2016, and the second quarterly compliance meeting would be held in San Francisco on February 2, 2017. To date, the storm water program was compliant with deadlines, and the EPA was satisfied with the program's progress. Mr. Gaskin said the next meeting of the Advisory Committee on Transportational Storm Water Management was scheduled for February 6, 2017. He said the advisory committee, like the EPA, monitored the program's progress. Lastly, the Storm Water Division also provided a quarterly update to the Nevada Transportation Board, which includes the Governor.

Mr. Gaskin said the storm water pivision had received all of the equipment requested for FY 2016 and was in the process of ordering equipment for FY 2017. With regard to employee training, specialized classes had been established for various groups within NDOT to provide more in-depth training on storm water management. Mr. Gaskin said the division was focusing on efficient and effective training.

Mr. Gaskin said page 315 in Volume II of the meeting packet (Exhibit B) provided an example of the Geographical Information System (GIS) asset map. He said there were many elements in the consent decree that related to asset management. He said the division began with inventory and mapping of the storm water system, and from there, the system had to be integrated into the design, permitting, construction, inspections, operations and maintenance, compliance and enforcement, and ultimately, the assessment of the function of the storm water system. The division was also required to provide updates to various entities such as the EPA and NDEP. The process to coordinate all those functions with the consent decree needed to be automated, compatible and integrated. Mr. Gaskin said the GIS asset map on page 315 displayed the components for the storm water system around just one intersection. He said there were tens of thousands of storm water components that NDOT maintained and operated throughout the

state. An interactive GIS map was available on the website for the Storm Water Division, which allowed users to obtain information on every component of the storm water system. He said the GIS asset map was critical to ensuring that the division performed inspections based on the required frequency. Additionally, the system automatically conveyed maintenance needs to staff. Mr. Gaskin said new construction projects added to the inventory of assets. He said everything was tied together, which helped the division with year-end reporting. The division's annual report to the EPA took approximately three months to complete; however, the integrated asset management system would save the division a significant amount of time and effort, which would improve the effectiveness and efficiency of the reports.

Turning to page 317 of the meeting packet, Mr. Gaskin said the division was assessing and updating issues at the NDOT maintenance yards (Exhibit B). One issue in particular was the proper disposal of runoff when trucks were cleaned. He said it was important to keep sources of contamination under control and in a manner that was effective and efficient for operators.

Mr. Gaskin said there were many things that impacted the maintenance of the storm water system, such as flooding and forest fires. He said the financial resources and additional personnel provided by the Legislature helped the division reinforce the storm water program and provide adequate system maintenance.

Mr. Gaskin said the division was striving to make the storm water system durable, sustainable, and easier to maintain and operate. He said the design and construction of storm water system components, such as the Environmental Passive Integrated Chamber filtration system, required state-of-the-art technology.

Mr. Gaskin referred the Committee to the division's public outreach and education efforts, as required by the EPA, on page 320 in Volume II of the meeting packet (Exhibit B). He said the division recently held a drawing contest for K-5 students throughout the state, and a storm water calendar was produced using a selection of entries. He said the division attended many public events and community meetings. The division also used social media to educate the public on the storm water program. Mr. Gaskin said, overall, the vision of the Storm Water Division was to be a leader in storm water management and preserve Nevada's water quality for future generations.

Mr. Gaskin said Mr. Malfabon would discuss the Enterprise Asset Management System (EAMS), which was necessary to complete items in the EPA consent decree and meet other federal requirements. He said the new system would integrate the various systems within NDOT.

Mr. Malfabon said, in 2012 the surface transportation bill known as "MAP-21" was passed by Congress. The bill required all state departments of transportation to develop transportation asset management plans. NDOT drafted its initial plan and was currently implementing that plan. To be MAP-21 compliant, Mr. Malfabon said

the department had to collect data, relate it to performance, and recommend investments to the Nevada Transportation Board (Board). He said implementation of the NDOT asset management plan involved upgrading the current systems used for asset management with EAMS. The systems that required upgrading included the maintenance management system, which tracked resources, labor and equipment and was used for various maintenance activities including the storm water program; the pavement management system, which tracked the condition of the state's highways for reporting to the federal Highway Administration on pavement conditions; and the bridge management system, which tracked the condition of the state's bridges for reporting to the federal Highway Administration. Mr. Malfabon noted that Nevada ranked first in the nation for bridge conditions. Nevada also ranked high for pavement conditions.

Mr. Malfabon reiterated that the department wanted to track storm water assets as they related to compliance with the consent decree. He said the current NDOT system was comprised of separate systems that were developed years ago. The software was outdated and the current systems were not integrated. He said there were a lot of silos among the current systems, which required duplication of effort to maintain and operate. Mr. Malfabon said NDOT reported to the Board in May 2016 that the new asset management system would cost between $5 million and $7 million. He said the department would seek the Board's approval when a vendor was selected. He said the department anticipated the bulk of the expenditures for the new EAMS would occur in the 2017-19 biennium.

Mr. Malfabon said, overall, NDOT looked forward to EAMS, because it would help the department improve performance and track performance measures related to pavement, bridges and storm water infrastructure. He said the department would also like to add cameras, freeway message boards and ramp meters to EAMS to improve the management of those systems.

Chair Carlton recalled that Mr. Malfabon indicated the majority of the EAMS implementation would occur during the 2017-19 biennium. She asked when the department would begin implementation.

Mr. Malfabon replied that the department was in the process of securing a vendor. He said the list of prospective vendors had been narrowed down to three, and they would each demonstrate their product in front of the selection committee. He said the department was seeking an off-the-shelf product based on what other states were using. He said the selection committee would submit its vendor recommendation to the Board in May 2017, and implementation of the EAMS would begin a few months after the Board's approval.

Chair Carlton asked for a progress update on the consent decree. Mr. Gaskin replied that the consent decree had various deadlines, with the last deadline in December 2018. He indicated the development of the EAMS would take at least one year; therefore, it was important for the division to make progress quickly.

Chair Carlton thanked the agency for providing an update. She said there would be more discussion regarding the storm water program during the 2017 Legislative Session.

5. NEVADA DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES – Division of State Lands – Semiannual report on the status of the state's Environmental Improvement Program (EIP)/Fund to Protect the Lake Tahoe Basin (FPLTB) for the period ending December 31, 2016, pursuant to Chapter 514, Statutes of Nevada 1999.

There was no discussion on this item.

6. Report on the activities of the Charter Harbor Master program, including the expenditure report of the grant awarded to a nonprofit organization pursuant to S.B. 491, Section 1 (2015 Legislature).

Allison Serafin, President and Founder, Opportunity 180, said she was excited to provide the Committee with an update on the work completed by Opportunity 180 to date.

Ms. Serafin said Opportunity 180 was established in 2014 in response to the growing education opportunity gap, especially in Clark County where there were approximately 83,000 children in low-performing schools, of which 77 percent identified as African-American or Latino. She said everyone fundamentally believed that great schools were the equalizer for a child to reach their greatest success. In order to address the education opportunity gap in Clark County, Opportunity 180 had a vision for 25,000 children to attend great urban public schools by 2025. Over the past year and a half, Opportunity 180 strived to be a part of the solution to the problem.

Ms. Serafin said the report submitted by Opportunity 180 to the Committee related to the scope of work submitted in the company's request for proposal (RFP) application with the Department of Education. She said it was important to note that the efforts of Opportunity 180 in recruiting high-quality charter schools and investing in high-quality talent began prior to the launch of the Charter Harbor Master RFP. Ms. Serafin said Opportunity 180 submitted its RFP application and was awarded the contract in March 2016. Opportunity 180 raised the required $5 million by April 2016, which was the due date for the first quarterly report to secure the state funding match. The first state funding match was received in June 2016. Ms. Serafin said Opportunity 180 intentionally designed the state Charter Harbor Master match to be used for granting and programmatic costs to address the opportunity gap in Clark County. She noted the state funding match did not currently provide any support toward the operation of Opportunity 180.

Ms. Serafin said Opportunity 180 focused on four main priorities to address the growing need for great schools in low-income communities. The first and foremost priority was identifying high-quality public charter schools across the country and encouraging those public charter schools to expand to Clark County. She said the

second priority was the necessity for great school leaders; therefore, Opportunity 180 also invested in high-quality talent pathways to expand leadership in Southern Nevada that would lead the schools of the future and engage in innovation for low-income students. Ms. Serafin said the third priority in increasing the number of great schools in low-income communities was family engagement. She said Opportunity 180 invested significantly in community engagement to work closely with families. As a result, Opportunity 180 had connected with more than 500 people in Southern Nevada who were committed to and desired great public schools in their community. In addition to the great district schools that existed in east Las Vegas, families wanted the same choices as families in Anthem and Summerlin. Ms. Serafin said the fourth priority was affordable school buildings, because lack of affordable buildings was a significant barrier in the establishment of public charter schools and offering families more high-quality, tuition-free public school choices in their neighborhoods.

Assemblywoman Diaz asked for the definition of a high-quality charter school. She said a clear definition would help determine what was expected of a high-quality charter school. She said it was important those charter schools exceeded the expectations in order to make a difference in the lives of students.

Ms. Serafin replied that Opportunity 180 was working closely with Public Impact in North Carolina, as well as analyzing highly rated local schools, in order to define a high-quality charter school. She said Opportunity 180 was focused on students living in poverty who qualified for free and reduced lunches. She said the outcomes of those students were compared to the outcomes of their peers at similar schools, as well as students in more affluent schools. When Opportunity 180 began to vet nonprofit, tuition-free charter schools across the country, it was important to ensure that those charter schools were mission driven and serving students that needed access to great schools. Most significantly, it was important that those charter schools demonstrated scale, success and sustainability in serving low-income children and that the student achievement outcomes were significantly better than peer schools and local district and state schools.

Assemblywoman Diaz asked what metrics were used to determine that a charter school was “sustainably better” than other schools. Ms. Serafin replied that Opportunity 180 worked with a third-party think tank to vet charter school data to avoid bias. Public Impact was asked to provide statistics concluding which charter schools had demonstrated significantly better student outcomes over three years than outcomes at peer schools, and in comparison to outcomes of existing schools in the communities where Opportunity 180 wanted to launch a charter school.

Ms. Serafin said there was not a particular “cut” score, because exams varied among states. Although it was not possible to compare every state in the nation using the exact same cut score metric, she said Opportunity 180 examined a control group of children at similar schools and affluent schools within a state to see how a charter school’s performance compared to others within that context.

Senator Woodhouse asked if Opportunity 180 anticipated that the $10 million General Fund appropriation would be expended by June 30, 2019. She asked what the long-term vision was for the program after that date.

Ms. Serafin said it was a privilege to be stewards of such a significant amount of state funds. She said Opportunity 180 was working to support and recruit great programs to invest in and lead great talent. She said Opportunity 180 had to raise money privately to receive the state match. She said the Dream Fund provided a significant investment of $2 million, and a philanthropic investment of $300,000 helped launch the LEAD Academy through TNTP (The New Teacher Project) to serve as a leadership primer for Clark County teachers interested in school leadership. Ms. Serafin said Opportunity 180 was able to leverage state dollars to demonstrate how it would look to double down on programs, such as having 12 teachers in the LEAD Academy instead of 6. She said programs would be more sustainable if additional capital was invested in local talent and by supporting great teachers and leaders in schools.

Senator Denis said the report submitted by Opportunity 180 indicated that $1.5 million was used for the redevelopment of existing commercial property; however, he did not recall that S.B. 491 (2015 Session) allowed for the distribution of funds for the purpose of redevelopment.

Ms. Serafin referred the Committee to the scope of work and application for grant funds in the RFP application, where Opportunity 180 indicated that the state match would be used to invest in affordable school buildings, because many charter schools did not have access to affordable buildings. Additionally, the two partners identified by Opportunity 180 in the RFP also went through a state subcontractor approval process to ensure that Futuro Academy specifically, would have a school facility located in a neighborhood where Opportunity 180 would be able to provide relief to overcrowded schools and offer families a high-quality choice.

In response to a question from Senator Denis, Ms. Serafin said Superintendent Canavero could speak to the department's position on S.B. 491, given that Opportunity 180's RFP application, cost schedule and project timeline included the redevelopment expense.

Steve Canavero, Superintendent, NDE, said the department thought the scope of the project in Opportunity 180's RFP application was consistent with S.B. 491. He said the contract provided the latitude to work on the Northland property in order to develop a school and its leadership. He said the authority to utilize the funds for redevelopment purposes was within the contract established in collaboration with the Purchasing Division.

Senator Denis asked if the NDE thought S.B. 491 allowed for the distribution of funds for redevelopment purposes, and Mr. Canavero said that was correct.

Senator Denis asked for the status on the redevelopment of the property. Ms. Serafin replied that it was exciting to see a property vacant for five years

become a thriving K-5 elementary school, Futuro Academy. She said Opportunity 180 did not purchase the property and no one was making a profit. The property was purchased through a Program Related Investment, which was similar to a grant and was meant to be used by nonprofit organizations to secure a facility. Opportunity 180 was working in conjunction with Building Hope and Charter Schools Development Corporation, two nonprofit organizations with tremendous expertise in charter school facilities. She said multiple organizations expressed an interest in the project; however, the Opportunity 180 Board intentionally chose to work with Building Hope and Charter Schools Development Corporation for their expertise and commitment to hire locally. She said Charter Schools Development Corporation owned the building and Futuro Academy was the master tenant.

Ms. Serafin said the grant provided by Opportunity 180 to Futuro Academy contributed to the goal of obtaining an affordable school building. She said the grant funds helped reduce the lease rate for Futuro Academy so that more Distributive School Account (DSA) funds went toward talent and instruction. The grant also helped obtain a lower interest rate on the property. Ms. Serafin said that ultimately, Opportunity 180 wanted public dollars to go toward students and instruction as opposed to rent; therefore, the grant provided tremendous relief to Futuro Academy to be able to access that building.

In answer to a question from Senator Denis, Ms. Serafin replied that the building would be ready for occupancy on July 1, 2017. She said Futuro Academy would be able to move in during the summer and enroll children for the 2017-2018 school year.

Senator Denis asked if construction work had begun on the building. Ms. Serafin said Charter Schools Development Corporation had already started accepting bids and working with the foreman regarding the subcontractor process. The property was built out enough for the Executive Director of Futuro Academy, Ignacio Prado, to hold meetings and allow families to tour the facility.

Assemblyman Edwards said it took time to nurture clientele and bring staff up to speed. He asked how long it would take to advance from a two-star to a five-star charter school.

Ms. Serafin said the search for a building began in January 2016, which involved viewing potential properties and learning how a special use permit could be utilized. Opportunity 180 was committed to identifying vacant commercial properties in communities of blight in order to uplift that community, as opposed to finding vacant parcels of land and building from scratch. She said an important part of Opportunity 180's vision was to invest in neighborhoods that were undergoing redevelopment. Ms. Serafin said the building for Futuro Academy was purchased in October 2016.

Ms. Serafin said Futuro Academy would be enrolling kindergarten and first grade students for the fall of 2017, and the school would grow one grade per year, every

year thereafter, until it was a fully enrolled K-5 school with 584 students. She said the method of growing by one grade per year was considered a "fresh start/slow start" method. She explained that "fresh start" meant a school was starting from the beginning, and "slow start" meant the school would grow one grade per year. She said the importance of a slow start was that it gave the school a chance to build relationships with parents and set core values and instructional expectations. Ms. Serafin said Futuro Academy would have proficiency data by the third year and growth data by the fourth year.

In response to a question from Assemblyman Edwards, Ms. Serafin said it took time for a newly established school to obtain metrics recognized by the state, such as 2 stars or 5 stars, but there was also a holding pattern. She said Futuro Academy was a college preparatory elementary school being established in east Las Vegas, and although metrics would not be available for a few years, meaningful work would occur during that time period. She said a tremendous amount of effort was involved in building relationships with families. Ms. Serafin said children would begin kindergarten with proficient reading skills and enter first grade with the skills necessary to excel. She said there would be great outcomes from Futuro Academy, even before growth data was available.

Assemblyman Edwards said he wanted to avoid placing unrealistic and unworkable expectations on newly established schools such as Futuro Academy.

Mr. Canavero said the fresh start/slow start approach being utilized by Futuro Academy was unique. He said the vast majority of charter schools started with a larger student body, and growth data was typically available in the second year of operation. New public schools were given their star rating based on second year data. He said it was important not to define all charter schools by the approach being used by Futuro Academy. Assemblyman Edwards thanked Mr. Canavero for noting the distinction.

Chair Carlton said she agreed with the concerns expressed by Senator Denis regarding the interpretation of S.B. 491. She was unaware that S.B. 491 gave permission to use funds for capital improvement projects; however, it appeared the money had been moved around and ultimately used for that purpose. Although the issue was not within the IFC's jurisdiction, she thought it was important to determine if the funds were being utilized as the Legislature intended. Chair Carlton asked the LCB Legal Division to review S.B. 491.

Chair Carlton recalled an article in the Las Vegas Review Journal regarding a federal investigation of Celerity Schools. She said Celerity was one of the schools considered to be a high-quality charter school. She was glad the news of the investigation was made known before the school was firmly established in Nevada. Chair Carlton asked how charter schools were vetted by the state.

Mr. Canavero replied that outcomes from Celerity Schools in Los Angeles, with similar student populations to Nevada, were incredibly strong. He said Nevada established the State Public Charter School Authority (SPCSA) a number of years

ago and placed a clear focus on quality charter schools in Nevada. Processes were created to rightfully vet charter schools that would be entrusted with students, as well as taxpayer dollars. Mr. Canavero said the SPCSA had since developed nationally standardized vetting procedures that were also used by the Achievement School District (ASD). He said the state was fortunate that charter school candidates previously underwent a third-party empirical review by the Charter Harbor Master. He said the NDE scrutinized a charter school's academic results, financial stewardship and organizational integrity before authorizing the charter school to become established in Nevada. Mr. Canavero said applicants went through a vetting process with a review panel comprised of members from around the nation.

Mr. Canavero said, out of the ten charter school applications received, Democracy Prep and Futuro Academy were the only two that had been approved by the state. He said Democracy Prep and Futuro Academy were two of three applicants that came through the Charter Harbor Master. He said Celerity Schools was only conditionally approved by the ASD. The ASD reviewed 300 pages of financial statements for Celerity Schools, as well as the financial statements for the nonprofit organization, Celerity Educational Group. Mr. Canavero said Celerity Educational Group was the subject of the federal investigation as indicated in the news article on January 25, 2017 (Anna M. Phillips, Howard Blue and Matt Hamilton, "Federal Agents raid Los Angeles charter school network," *The Los Angeles Times*, <http://www.latimes.com/local/education/>, accessed on May 22, 2017). He said the ASD review panel saw no cause for concern with regard to Celerity Educational Group's governance or finances, and the group was approved by the ASD under several conditions. Mr. Canavero said one of those conditions was the approval of Celerity Educational Group by the Los Angeles Unified School District (LAUSD); however, the LAUSD originally did not approve two of Celerity Educational Group's charter schools. After appealing to the California State Board of Education, Celerity Educational Group received approval for all of their charter schools, which made the group eligible in Nevada as well.

Mr. Canavero said Deputy Superintendent Brett Barley was made aware of the news article concerning Celerity Educational Group at 9 p.m. on January 25, 2017. By 10 p.m., the Charter Harbor Master and Opportunity 180 had withdrawn their endorsement of Celerity Educational Group, and a memo was issued by the ASD revoking eligibility in Nevada. He said Celerity Educational Group would have an opportunity to work through the process and change its status in Nevada.

Chair Carlton said she was concerned that the federal investigation could have happened after Celerity Schools was established in Nevada when students were attending the school. She thought the state needed to conduct its own examination of charter schools' financial and audit records and avoid relying on the opinion of others, because Nevada students were the state's responsibility. Chair Carlton said, although it was good to recognize national licensure, that was not always the best choice for Nevada.

Mr. Canavero replied that the financial statements reviewed by the ASD had been audited by a certified public account. He said charter schools were nonprofit organizations; therefore, the audited financial statements contained a substantial amount of information. He said the ASD was trying to determine if something was overlooked in the review of Celerity Educational Group, and if something significant, such as a federal investigation, could have been determined based on the required documentation and questions by the review panel. Mr. Canavero agreed it was better that the state found out about Celerity Schools sooner than later. He said it was an unfortunate situation, and the ASD took swift and decisive action to clearly set the parameters.

Chair Carlton recalled that the raid on Celerity Educational Group was due to fraud and financial mismanagement. She asked who executed the raid. Mr. Canavero replied that it was a federal matter, with a number of agencies involved.

Chair Carlton said it was important to know how the federal government discovered the fraud and financial mismanagement, and learn from it. Mr. Canavero agreed.

Assemblywoman Diaz said many of the schools on the ASD list were in her district and Senator Denis' district, which was why she asked for the definition of a high-quality charter school. She was not confident the vetting process was yielding the right results and benefits, because there were many concerned parents in her district who were not enthusiastic about a change in their school, the teachers and the culture of the school. Assemblywoman Diaz thought it was unfair for the state to speak about school choice, but not allow families to decide whether their school should be transitioned to the ASD. She said discussions about school choice needed to be applied across the board. She thought the transition to the ASD list was also unfair to the administrators of those schools. Many of their staff would consider changing schools due to instability, which further impacted the school. Assemblywoman Diaz said students who could not afford to fall further behind were impacted the most by the change. She hoped the vetting process improved and that the individuals involved in the vetting process were held accountable to taxpayers.

Mr. Canavero said it was difficult to make a quick transformation without instability or disruption; however, he understood the concern expressed by Assemblywoman Diaz. He said the ASD regulation process had been long, but the regulations were necessary and appropriate to carrying out the law. The NDE spent a lot of time listening and learning during the regulation process and as a result, the NDE had improved the policies. Mr. Canavero said there would be another opportunity to pass the regulations at the January 27, 2017, meeting of the Legislative Commission. He thought the revised regulations honored the state's commitment to students. Mr. Canavero thought if a school and its staff could not produce the outcomes students deserved, then providing the option to remain in an underperforming school was a false choice. He said there was a second part to the decision matrix, which provided opportunities for parents, communities and schools to engage in partnerships with the NDE to achieve the outcomes students

deserved. Mr. Canavero said the NDE set specific requirements and had high expectations for one and two-star schools so that those schools could rise to the level of a three-star school within three years. He said the revised regulations and the vision for the ASD program had improved from six months ago.

Assemblywoman Diaz said she was glad the NDE reconsidered the process for underperforming schools. She hoped it would be more equitable and fair. She thought it was important for the state to be supportive of underperforming schools, such as Cambeiro Elementary School. She said Nevada needed to ensure that systems were in place to track progress and retain staff. Assemblywoman Diaz recalled a previous comment by Ms. Serafin indicating that amazing leaders and talent created amazing charter schools. She said that would be possible within the public school districts too if the state provided support for teachers at all schools.

Mr. Canavero said a new federal law provided an unprecedented opportunity for Nevada. He said the Governor's Office and the NDE were working to set Nevada's priorities and use the new federal law to meet those priorities. Over the course of all the meetings that had led to the revised ASD regulations, the NDE was 100 percent focused on three main strategies, one of which was leadership. Mr. Canavero said the department understood and appreciated the impact of school leadership and instruction. He thought there was already a marketplace for working with Nevada teachers, and great leaders were transformative in growing schools.

Mr. Canavero said underperforming schools were now referred to as "Rising Stars" by the NDE to avoid a negative connotation. The department also created a "Shining Stars" list, which was a list of high-performing schools in high-poverty areas of the state. He said it was important to show that Nevada could produce high-performing schools. He said the Shining Star schools were a good example of how a school could perform well in Nevada, and underperforming schools could learn from that example. Mr. Canavero said the ASD only affected six schools per year. However, he said the ASD was not a solution for providing equitable outcomes for all students in Nevada; therefore, the NDE and the districts needed to create a system that would support, reward and maintain a line of expectations for all Nevada schools.

Assemblywoman Bustamante Adams said she was disappointed to read about Celerity Educational Group. She was concerned about the state's vetting process for charter schools. She said auditing financial records would not provide insight on a charter school's policies, procedures and internal controls.

Senator Ford said he was also concerned about the charter school vetting process used by the ASD and the Charter Harbor Master. He was an advocate for charter schools and thought the oversight regarding Celerity Educational Group was a step backward. He thought it was necessary for the protection of Nevada students to openly ask charter school applicants if they were under federal investigation. He said the state would have had to deal with the disruption if Celerity Schools was already operational in Nevada. Senator Ford said he agreed

with Chair Carlton that it was fortunate the news article was released the day before the IFC meeting. He said he appreciated the e-mail Ms. Serafin sent to the Committee regarding the matter. He said he also appreciated the efforts of Ms. Serafin and Mr. Canavero. Senator Ford said he was unsure how the state would move forward quickly. He said there would be discussions during the 2017 Legislative Session regarding the efficacy and appropriateness of the ASD. He said many people had been hesitant about the ASD, and after the incident with Celerity Schools, he thought the state should reassess the ASD.

Mr. Canavero said charter school applicants were required to disclose whether they were under federal investigation during the vetting process. He said he would assemble an outline of the ASD's vetting requirements and review process. He noted that the ASD required more than just financial statements from applicants. The ASD also reviewed the organization's function, capacity of its board, etc. Mr. Canavero said the situation with Celerity Educational Group was unfortunate for the school. It was also unfortunate that the federal investigation was not uncovered during the vetting process. He reiterated that the ASD would reexamine its review of Celerity Schools to see if something had been overlooked.

In response to a question from Assemblyman Edwards, Mr. Canavero replied that the ASD approved two of the ten charter school applications. He said one application was conditionally approved, two were approved, and the remaining seven were denied. Mr. Canavero said those seven applicants did not meet the required criteria; therefore, they would need to reapply.

Chair Carlton thanked Ms. Serafin and Mr. Canavero for their efforts. She said there would be continued discussion during the legislative session.

J. PUBLIC COMMENT.

There was no public comment.

K. ADJOURNMENT

Chair Carlton adjourned the meeting at 4:23 p.m.

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Assemblywoman Maggie Carlton, Chair
Interim Finance Committee

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Rick Combs, Director, Legislative Counsel Bureau,
and Secretary, Interim Finance Committee