

NEVADA LEGISLATURE SUNSET SUBCOMMITTEE OF THE LEGISLATIVE COMMISSION

(Nevada Revised Statutes [NRS] 232B.210)

SUMMARY MINUTES

The seventh and final meeting of the Sunset Subcommittee of the Legislative Commission for the 2017–2018 Interim was held on Wednesday, June 13, 2018, at 8:30 a.m. in Room 4412, Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. The meeting was videoconferenced to Room 2134, Legislative Building, 401 South Carson Street, Carson City, Nevada.

The agenda, minutes, meeting materials, and audio or video recording of the meeting are available on the Subcommittee's <u>meeting page</u>. The audio or video recording may also be found at https://www.leg.state.nv.us/Granicus/. Copies of the audio or video record can be obtained through the Publications Office of the Legislative Counsel Bureau (LCB) (publications@lcb.state.nv.us or 775/684-6835).

COMMITTEE MEMBERS PRESENT IN LAS VEGAS:

Assemblywoman Irene Bustamante Adams, Chair Senator Kelvin D. Atkinson, Vice Chair Assemblywoman Shannon Bilbray-Axelrod Assemblyman Keith Pickard

COMMITTEE MEMBERS PRESENT IN CARSON CITY:

Senator James A. Settelmeyer William "Buzz" Harris Teresa P. Froncek Rankin

COMMITTEE MEMBER ABSENT:

Senator Moises (Mo) Denis (Excused) Carmen Amen (Excused)

LEGISLATIVE COUNSEL BUREAU STAFF PRESENT:

Carol M. Stonefield, Deputy Research Director, Research Division Jennifer Ruedy, Senior Principal Policy Analyst, Research Division Cesar O. Melgarejo, Senior Policy Analyst, Research Division Brenda J. Erdoes, Legislative Counsel, Legal Division Jessica F. Dummer, Deputy Legislative Counsel, Legal Division Janet Coons, Manager of Research Policy Assistants, Research Division Items taken out of sequence during the meeting have been placed in agenda order.

AGENDA ITEM I—CALL TO ORDER

Chair Bustamante Adams called the seventh and final meeting of the Sunset Subcommittee of the Legislative Commission to order. She thanked the Subcommittee members and staff for their service and time

AGENDA ITEM II—PUBLIC COMMENT

Chair Bustamante Adams called for public comment; however, no testimony was presented.

AGENDA ITEM III—APPROVAL OF MINUTES OF THE MEETING HELD ON MAY 21, 2018

MOTION: Assemblywoman Bilbray-Axelrod moved to approve the minutes of the meeting held on May 21, 2018. The motion was seconded by Vice Chair Atkinson and passed unanimously.

AGENDA ITEM IV—REPORT FROM THE OFFICE OF THE ATTORNEY GENERAL REGARDING THE DEBT OF THE BOARD OF HOMEOPATHIC MEDICAL EXAMINERS (NRS 630A.100)

Carol M. Stonefield, previously identified, presented a letter from Caroline Bateman, Chief Deputy Attorney General (AG), Bureau of Gaming and Government Affairs, Office of the Attorney General (OAG), regarding the debt of the Board of Homeopathic Medical Examiners (BHME). She noted the OAG's response only details matters that are public in nature; any information not disclosed is privileged and should be obtained through the Board. Ms. Stonefield highlighted the following topics addressed in the letter: (1) matters for which the OAG rendered legal services; (2) fees disputed by the Board; (3) collection efforts by the OAG against the Board and payment agreements; and (4) OAG recommendations (Agenda Item IV).

AGENDA ITEM V—INFORMATIONAL ITEMS PROVIDED IN RESPONSE TO QUESTIONS RAISED AT PRIOR MEETINGS OF THE SUNSET SUBCOMMITTEE OF THE LEGISLATIVE COMMISSION

A. Information From the Board of Homeopathic Medical Examiners (NRS 630A.100) in Response to Questions Raised on March 21, 2018

Bruce Fong, D.O., H.M.D., President, BHME, reviewed the information submitted by Capitol Partners, LLC, Reno, Nevada, which consisted of: (1) a summary of tourism revenue generated from out-of-state homeopathic patients; (2) the current number of homeopathic physicians, assistants, and licensee candidates; and (3) letters of support for the Board (Agenda Item V A). He requested leniency regarding the debt owed to the OAG, as the Board has recently undergone a major change in leadership. As the newly elected president of the Board, Dr. Fong said he has formed a fiscal and finance committee, and its first operative action will be

to obtain an independent audit of the Board's finances. Once the audit is completed, he said the Board intends to resolve the debt by creating a payment plan over a five-year period.

Assemblyman Pickard questioned the anticipated amount of the Board's future legal costs and how it plans to pay these costs with so few active licensees.

Mendy Elliott, Capitol Partners, LLC, representing the BHME, stated she spoke with the OAG, which has agreed to sit down with the new Board and complete an analysis of expected legal expenses.

To help pay its legal expenses, Dr. Fong explained the Board plans to:

- Hold internal business meetings that will not require the presence of a Deputy AG;
- Work with physicians who have pledged to help pay down the OAG debt;
- Consider increasing licensing fees; and
- Form a committee to promote the growth of homeopathic licensure in Nevada.

Dr. Fong stated the current fees for the top level of licensure, which is a homeopathic medical doctor, is \$600 per year. He noted that in comparison, Arizona charges \$1,000 per year. Dr. Fong reported he has been a member of the Board since 2006 in various roles and has currently served as president for one month; he claimed he only recently learned of the scope of the Board's debt to the OAG.

B. Information From the Nevada State Board of Accountancy (NRS 628.035) in Response to Questions Raised on January 22, 2018

Viki A. Windfeldt, Executive Director, Nevada State Board of Accountancy, submitted the Board's draft reserve policy, which she said will be presented at the Board's July meeting (Agenda Item V B).

C. Information From the State Board of Professional Engineers and Land Surveyors (NRS 625.100) in Response to Questions Raised on February 21, 2018

Ms. Stonefield shared information submitted by Patty Mamola, P.E., Executive Director, State Board of Professional Engineers and Land Surveyors, regarding the Board's finances and budget reserves (<u>Agenda Item V C-1</u>) and the Board's business plan (<u>Agenda Item V C-2</u>).

D. Information From the Board of Psychological Examiners (NRS 641.030) in Response to Questions Raised on May 21, 2018

K. Neena Laxalt, representing the Board of Psychological Examiners, introduced Morgan Gleich, Executive Director, Board of Psychological Examiners.

Ms. Gleich reviewed a letter presented to the Subcommittee (<u>Agenda Item V D</u>), which covered the following topics:

- The Board's decreasing reserves and its reserve policy;
- The loss of the behavior analyst license;
- An explanation for using both cash and accrual accounting processes;
- Discrepancies between budgeted and actual expenses;
- Attorney's fees;
- A review of operating, exam, and office supply expenses;
- The Board's \$35,000 deficit;
- Application numbers listed on the occupational licensing board report submitted to the LCB;
- The expediency of the online application;
- Exam specifications;
- The removal of licensure obstacles; and
- The Board's record retention policy.

Chair Bustamante Adams acknowledged the reporting information requested by the LCB of the occupational licensing boards needs better clarification for comparison purposes.

E. Information From Legislative Counsel Bureau Staff Regarding Fingerprinting and Background Checks in Response to Questions From Members of the Sunset Subcommittee

Cesar O. Melgarejo, previously identified, presented information regarding statutory authority for fingerprint-based background checks and associated fees for professional and occupational licensing boards. He categorized the boards into three different groups:

- Group 1—Boards that have no language in their respective NRS or *Nevada Administrative Code* referencing a requirement for applicants to submit fingerprints or a background investigation;
- Group 2—Boards that charge an applicant the amount established by the Central Repository for Nevada Records of Criminal History for fingerprint-based background checks, which is \$36.25, or only act as a "middle man" to forward an applicant's money order and authorization form to the Department of Public Safety; and

• Group 3—Boards that charge an applicant more than the amount established by the Central Repository for fingerprint-based background checks, as well as boards that did not provide information to clarify actual costs (Agenda Item V E).

Chair Bustamante Adams remarked the Subcommittee may recommend that fees charged for background checks should be uniform among the occupational licensing boards.

AGENDA ITEM VI—WORK SESSION—DISCUSSION AND POSSIBLE ACTIONS ON RECOMMENDATIONS RELATING TO THE:

Chair Bustamante Adams announced she would be taking work session items out of order.

A. Peace Officers' Standards and Training Commission (NRS 289.500)

Carol M. Stonefield, previously identified, reviewed the Peace Officers' Standards and Training Commission's (P.O.S.T.) history, membership, and duties, and she highlighted topics discussed during P.O.S.T.'s review at the January 22, 2018, Subcommittee meeting (<u>Agenda Item VI</u>). She reported P.O.S.T. has no suggestions for consolidation with another entity, but to stabilize and increase its budget, P.O.S.T. suggested the following statutory revisions:

- Provide a specific and mandatory portion of court assessment fees; or
- Add a source of funding, such as a surcharge or other method of funding utilized in other states.

Ms. Stonefield reviewed Recommendations A and B, as stated in the work session document (WSD), if the Subcommittee chooses to continue P.O.S.T. (Agenda Item VI).

Senator Settelmeyer complimented P.O.S.T. on the job it performs and expressed his full support of the Commission. He voiced his displeasure that the Legislature took funding for the Northern Nevada Emergency Vehicle Operations Course away from P.O.S.T.

Vice Chair Atkinson agreed with Senator Settelmeyer.

MOTION: Senator Settelmeyer moved to continue P.O.S.T. with the adoption of Recommendation A, whereby the Subcommittee will include a statement in its final report encouraging P.O.S.T. to: (1) request additional funding through the *Executive Budget* for the 2019-2021 Biennium; and (2) seek a sponsor for a bill draft request (BDR) to provide for an increased portion of court assessment fees or a new source of funding, and Recommendation B, which requires the Subcommittee to send a letter to the Governor and chairs of the Senate Committee on Finance and the Assembly Committee on Ways and Means recommending funding of the Northern Nevada Emergency Vehicle Operations Course, estimated in the State Public Works Board Project 7487 at approximately \$5.8 million. The motion was seconded by Vice Chair Atkinson and passed unanimously.

B. State Board of Architecture, Interior Design and Residential Design (NRS 623.050)

Ms. Stonefield reviewed the Board's history, membership, and duties, and she highlighted topics discussed during the Board's review at the February 21, 2018, Subcommittee meeting. She noted the Board has no recommendations for consolidation with another entity nor any recommendations for revisions to its practice act. Ms. Stonefield reviewed Recommendations A and B before the Subcommittee if it chooses to continue the Board (Agenda Item VI).

Assemblywoman Bilbray-Axelrod questioned whether all Subcommittee members received correspondence regarding the Board and its activities.

Chair Bustamante Adams clarified that all Subcommittee members received correspondence pertaining to the Board's travel expenses, other expenses for gifts, and a bonus for the executive director from a person who requested to remain anonymous. She mentioned there is a confidential hotline to report fraud, waste, and abuse of state and federal funds (775-687-0150).

Assemblyman Pickard commented there are due process concerns regarding the Board's practice of retaining revenues from levying fines and civil penalties, rather than depositing them with the Office of the State Treasurer. He proposed that the Subcommittee urge the Board to bring its procedures in line with those of the other boards, and he requested his suggestion be included in the letter the Subcommittee will send to the Board as stated in Recommendation A.

MOTION: Assemblyman Pickard moved to continue the State Board of Architecture, Interior Design and Residential Design with the adoption of Recommendation A, whereby the Subcommittee will send a letter to the Board urging it to: (1) discontinue the practice of longevity pay and reduce its travel expenses; (2) review its fees for examinations and first-time registrations and direct the Board to report to the Subcommittee during the 2019–2020 Interim on the results of its review; and (3) bring its procedures regarding fines in line with the other professional and occupational licensing boards, and Recommendation B, which requires the Subcommittee to note in its final report that the Board's practice of retaining revenues from levying fines and civil penalties, rather than depositing them with the Office of the State Treasurer, is not aligned with the provisions of other practice acts. The motion was seconded by Assemblywoman Bilbray-Axelrod and passed unanimously.

C. State Board of Professional Engineers and Land Surveyors (NRS 625.100)

Ms. Stonefield reviewed the Board's history, membership, and duties. She noted the Board adopted a reserve policy on May 10, 2018, and a business plan effective June 2018. Ms. Stonefield added the Board has no recommendations for consolidation with another entity nor any recommendations for statutory changes (Agenda Item VI).

MOTION: Vice Chair Atkinson moved to continue the State Board of Professional Engineers and Land Surveyors with no modifications. The motion was seconded by Assemblyman Pickard and passed unanimously.

D. Nevada State Board of Accountancy (NRS 628.035)

Ms. Stonefield reviewed the Board's history, membership, and duties. She noted a message from the executive director indicated the Board has approved the drafting of a reserve policy, which will likely be adopted at the Board's July meeting. Ms. Stonefield reviewed Recommendation A from the WSD (Agenda Item VI).

MOTION: Assemblyman Pickard moved to continue the Nevada State Board of Accountancy with the adoption of Recommendation A, whereby the Subcommittee will include in its final report a statement regarding the Board's development and adoption of a reserve policy. The motion was seconded by Assemblywoman Bilbray-Axelrod and passed unanimously.

E. Board of Medical Examiners (NRS 630.050)

Chair Bustamante Adams shared with the Subcommittee that the Board reported in the minutes of its May 14, 2018, meeting that it recently purchased a building with cash. She indicated she would follow up with the Board after today's Subcommittee meeting since no Board members were present to comment on the purchase.

Ms. Stonefield reviewed the Board's history, membership, and duties, and she highlighted topics discussed during the Board's review at the March 21, 2018, Subcommittee meeting. She noted the Board has no recommendations for consolidation with another entity nor any recommendations for statutory revisions. Ms. Stonefield reviewed Recommendations A and B before the Subcommittee if it chooses to continue the Board (Agenda Item VI).

MOTION: Vice Chair Atkinson moved to continue the Board of Medical Examiners with the adoption of Recommendation A, whereby the Subcommittee will send a letter to the Board urging it to review its fee schedules, including aligning fees charged for background checks with costs to obtain the information, and Recommendation B, which directs the Board to report the results of its review to the Subcommittee during the 2019–2020 Interim. The motion was seconded by Assemblywoman Bilbray-Axelrod and passed unanimously.

F. Board of Homeopathic Medical Examiners (NRS 630A.100)

Ms. Stonefield reviewed the Board's history, membership, and its duties. She highlighted the issues discussed during the Board's review at the March 21, 2018, meeting of the Subcommittee. Ms. Stonefield stated the Subcommittee requested additional information from the Board regarding the amount of money generated from homeopathic medical tourism, the number of pending applications, and the number of individuals practicing homeopathic medicine without a license in Nevada. She added the Subcommittee also requested information from the OAG regarding the Board's debt of approximately \$145,000, which has been accruing since 2004 (Agenda Item VI).

Ms. Stonefield stated the Board has no recommendations for consolidation with another entity and no recommendations for revisions to its statutory provisions. She reviewed the following recommendations from the WSD (Agenda Item VI):

- Recommendation A—Offers the option to terminate the Board and transfer the authority to issue licenses to the Division of Public and Behavioral Health (DPBH), Department of Health and Human Services (DHHS);
- Recommendations B—Offers the option to continue the Board with the following additional recommendations: (1) Submit to the Legislative Commission a recommendation for an audit of the Board, which would consider the information provided by the OAG regarding the Board's liability to that Office and determine what actions may be taken to reduce or eliminate the liability; (2) recommend continued monitoring of the Board by the Subcommittee during the 2019–2020 Interim; and (3) recommend the director of the Department of Administration to establish a procedure to monitor the activities of the Board and provide assistance as appropriate to improve performance of duties.
- Recommendation C—Offers the option to recommend continuation of a newly constituted board to license practitioners that would mirror the provisions of Assembly Bill 494 (Chapter 348, *Statutes of Nevada 2013*).

Julie Kotchevar, Ph.D., Administrator, DPBH, DHHS, and Deputy Director, DHHS, explained how DPBH could oversee the licensing of homeopathic physicians. She acknowledged DPBH has never absorbed an existing board, but since there are not many homeopathic licensees, DPBH could integrate the licensees into other regulatory functions without much expense. Dr. Kotchevar acknowledged DPBH does not have any built-in expertise in homeopathy, which it would need in order to effectively regulate this professional group.

Assemblyman Pickard wondered whether the transfer of authority would be burdensome to DPBH in light of the knowledge gap.

Dr. Kotchevar asked whether the Subcommittee expects DPBH to absorb the actual Board or just the function of licensing the profession.

Chair Bustamante Adams clarified the Subcommittee would want DPBH to only absorb the function of licensing. She shared that she has received many comments from individuals who want to keep the license but consider the Board to be dysfunctional.

Considering the small number of licensees, Dr. Kotchevar said she did not see this one-time change to the system as an administrative burden to DPBH. She reiterated DPBH would need to learn about the practice of homeopathy and seek guidance on regulating the licensees, especially in instances of suspected violations.

Assemblyman Pickard asked whether the Division would be able to assist if the Subcommittee recommends continuation of a newly constituted board.

Dr. Kotchevar said DPBH would offer assistance during such a transition.

Senator Settelmeyer questioned whether terminating the Board and transferring its authority to a new entity resolves the issue of the debt owed to the OAG.

Assemblyman Pickard asked Legal Counsel how the debt would be handled if the Board is terminated or newly constituted.

Brenda J. Erdoes, previously identified, explained there is a broad spectrum of ways to deal with this issue. She said the debt could be forgiven through legislation by making an appropriation or providing the money in another way when considering the OAG's budget for the next biennium. Ms. Erdoes stated another option could be to work out a payment plan.

Senator Settelmeyer asked whether the Legislature could forgive the debt or whether an appropriation has to be made.

Ms. Erdoes stated her legal opinion is that the Legislature can forgive the debt; the budget committees make decisions like this frequently. She shared the example of when the LCB took over the State Printing Office, Legal Division, LCB, the debt for the building and outstanding items were waived through legislation.

Senator Settelmeyer opined there are numerous controversial subjects related to this Board, and he suggested the Subcommittee may want to address them separately. Regarding the debt owed to the OAG, he proposed the Subcommittee draft a letter to the Board, the OAG, the Interim Finance Committee (IFC) (NRS 218E.400), and the next Governor requesting a fair solution to resolve the debt. He suggested that since this debt is the mistake of both the Board and the OAG, responsibility for the debt might be divided in half between the two parties and addressed before the Subcommittee decides to continue or terminate the Board.

Chair Bustamante Adams favored addressing the debt separately to find a solution.

MOTION: Senator Settelmeyer moved that the Subcommittee draft a letter to the Board of Homeopathic Medical Examiners, the OAG, the IFC, and the next Governor explaining the details of the Board's debt to the OAG and requesting a favorable method of resolution.

Assemblyman Pickard agreed this motion is a good way to approach the issue of the debt since culpability lies with both parties. He said in the Board's request to continue, it must recognize its incurring debt and be responsible to pay it back.

The previous motion by Senator Settelmeyer was seconded by Assemblyman Pickard and passed unanimously.

MOTION: Assemblywoman Bilbray-Axelrod moved to terminate the Board of Homeopathic Medical Examiners and transfer its duties of issuing licenses to the DPBH, DHHS. The motion was seconded by Vice Chair Atkinson and passed unanimously.

G. State Board of Osteopathic Medicine (NRS 633.181)

Ms. Stonefield reviewed the Board's history, membership, and duties, and she highlighted topics discussed at the Board's review during the March 21, 2018, Subcommittee meeting. Ms. Stonefield commented the Board indicated it would consider a reserve policy at its June 2018 meeting and review

its fees. She said the Board has no recommendations for consolidation with another entity nor any recommendations for statutory changes (Agenda Item VI).

Ms. Stonefield reviewed Recommendations A and B, as stated in the WSD (<u>Agenda Item VI</u>). Regarding Recommendation B, which refers to the Board's practice of retaining revenues from levying fines and civil penalties, rather than depositing them with the Office of the State Treasurer, she said NRS 633.261 provides that all money received shall be deposited in financial institutions in Nevada, and NRS 633.660 delegates authority to a hearing officer. Ms. Stonefield added that typical language about depositing money in the Office of the State Treasurer is not included in Chapter 633 ("Osteopathic Medicine") of NRS.

Ms. Erdoes clarified that Recommendation B could be worked into a BDR.

MOTION: Vice Chair Atkinson moved to continue the State Board of Osteopathic Medicine with the adoption of Recommendation A only, whereby the Subcommittee will send a letter to the Board requesting it to review its fee schedules, including aligning fees charged for background checks with costs to obtain the information, and direct the Board to report the results of its review to the Subcommittee during the 2019–2020 Interim. The motion was seconded by Assemblyman Pickard and passed unanimously.

H. Chiropractic Physicians' Board of Nevada (NRS 634.020)

Ms. Stonefield reviewed the Board's history, membership, and its duties. She highlighted issues discussed during the Board's review at the April 23, 2018, meeting of the Subcommittee. Ms. Stonefield pointed out the Board has no recommendations for consolidation with another entity, but the Board indicated it might seek revisions to Chapter 634 ("Chiropractic Physicians and Chiropractors' Assistants") of NRS during the 2019 Legislative Session. Ms. Stonefield explained Recommendations A and B before the Subcommittee if it chooses to continue the Board (Agenda Item VI).

MOTION: Assemblyman Pickard moved to continue the Chiropractic Physicians' Board of Nevada with the adoption of Recommendation A, whereby the Subcommittee will send a letter to the Board recommending it divest itself of certain securities; establish a reserve policy; and improve its budgeting process, and Recommendation B, which directs the Board to report back to the Subcommittee during the 2019–2020 Interim on steps taken to improve its budgetary process and the management of its finances. The motion was seconded by Vice Chair Atkinson and passed unanimously.

I. State Board of Podiatry (NRS 635.020)

Ms. Stonefield reviewed the Board's history, membership, and duties. She said the Board had no recommendations for consolidation with another entity; it is discussing potential revisions to Chapter 635 ("Podiatric Physicians and Podiatry Hygienists") of NRS but has no recommendations to suggest to the Subcommittee. Ms. Stonefield reviewed Recommendations A and B before the Subcommittee if it chooses continuation of the Board (Agenda Item VI).

MOTION: Assemblywoman Bilbray-Axelrod moved to continue the State Board of Podiatry with the adoption of Recommendation A, whereby the Subcommittee will send a letter to the Board urging it to adopt electronic renewals and payments, and Recommendation B, whereby the Subcommittee will recommend to the Legislative Committee on Health Care (LCHC) (NRS 439B.200) that it review the need for a podiatric hygienist. The motion was seconded by Vice Chair Atkinson and passed unanimously.

J. Nevada Physical Therapy Board (NRS 640.030)

Ms. Stonefield reviewed the Board's history, membership, and duties. She highlighted issues discussed at the Board's review at the April 23, 2018, meeting of the Subcommittee and shared steps the Board has taken to address these issues. Ms. Stonefield added the Board has no suggestions for consolidation with another entity, but it is undertaking a comprehensive review of its administrative regulations for the purpose of updating and revising licensing procedures, professional standards and conduct, and disciplinary actions. She reviewed Recommendations A, B, and C before the Subcommittee if it wishes to continue the Board (Agenda Item VI).

Assemblyman Pickard requested the Board include in its report to the Subcommittee during the 2019–2020 Interim a summary of the revisions made and steps taken to correct the problems identified by the Subcommittee during its review of the Board this interim.

Chair Bustamante Adams stated her opinion that some of the boards and commissions have not been serving Nevadans, and the Nevada Physical Therapy Board is a good example of how the Subcommittee can bring a board back into alignment. She suggested that if the Board had not shown signs of progress this interim, the Subcommittee may have recommended termination. Chair Bustamante Adams asked for a legal opinion regarding whether both options under Recommendation B in the WSD can be adopted (Agenda Item VI).

Ms. Erdoes affirmed that both options under Recommendation B could work together.

MOTION: Assemblyman Pickard moved to continue the Nevada Physical Therapy Board with the adoption of:

- Recommendation A, whereby the Subcommittee will send a letter to the Board urging it to:
 - 1. Establish an annual audit cycle; and
 - 2. Establish an annual budget and improve its budgeting process and maintenance of records;
- Recommendation B, whereby the Subcommittee will recommend improvement of the Board's training by:
 - 1. Revising provisions of Chapter 640 ("Physical Therapists, Physical Therapist Assistants and Physical Therapist Technicians") of NRS to require Board members to attend training offered by the OAG; and

- 2. Requiring the Board to report to the Subcommittee during the 2019–2020 Interim with documentation of training in which every Board member participated; and
- Recommendation C, whereby the Board will report back to the Subcommittee during the 2019-2020 Interim on:
 - 1. The outcome of the investigation into the conduct of the previous executive director; and
 - 2. Steps taken by the Board to correct the problems identified by the Subcommittee during its review of the Board in the 2017–2018 Interim.

The motion was seconded by Vice Chair Atkinson and passed unanimously.

K. Board of Psychological Examiners (NRS 641.030)

Ms. Stonefield reviewed the Board's history, membership, and duties, and she highlighted issues discussed at the Board's review by the Subcommittee on May 21, 2018. She noted the Board has taken steps to separate its duties, and the executive director and secretary-treasurer meet monthly to reconcile statements. Ms. Stonefield said the Board has no suggestions for consolidation with another entity but recommends its membership be returned to seven. She stated the Board also requested an increase in the statutory limits placed on fees, which she said have not increased since 1997. Ms. Stonefield reviewed Recommendations A, B, and C before the Subcommittee if it chooses to continue the Board (Agenda Item VI).

Chair Bustamante Adams suggested the Board request its own bill draft to revise its membership according to NRS 641.030.

MOTION: Vice Chair Atkinson moved to continue the Board of Psychological Examiners with the adoption of Recommendation B, whereby the Subcommittee will recommend that the LCHC and the Commission on Behavioral Health (CBH), DHHS, continue to monitor the Board, pursuant to AB 457 (Chapter 363, *Statutes of Nevada 2017*), and Recommendation C, which will require the Board to report to the Sunset Subcommittee during the 2019–2020 Interim on its progress in complying with the provisions of AB 457. The motion was seconded by Assemblywoman Bilbray-Axelrod and passed unanimously.

L. Board of Examiners for Marriage and Family Therapists and Clinical Professional Counselors (NRS 641A.090)

Ms. Stonefield reviewed the Board's history, membership, and duties, and she highlighted issues discussed at the Subcommittee's May 21, 2018, review of the Board. She reported the Board: (1) has no suggestions for consolidation with another entity; (2) voted to support a number of revisions to Chapter 641A ("Marriage and Family Therapists and Clinical Professional Counselors") of NRS at its April meeting, including increasing the statutory limits on fees, which have not been increased since 1989; and (3) may propose a biennial license to increase revenues and address cash flow problems (Agenda Item VI).

Ms. Stonefield reviewed Recommendations A and B before the Subcommittee if it chooses to continue the Board (<u>Agenda Item VI</u>). She mentioned she received communication this morning from Jake Wiskerchen, President, Board of Examiners for Marriage and Family Therapists and Clinical Professional Counselors, which indicated three candidates for the position of executive director will be interviewed on Friday (<u>Agenda Item VI L</u>).

MOTION: Assemblyman Pickard moved to continue the Board of Examiners for Marriage and Family Therapists and Clinical Professional Counselors with the adoption of Recommendation A, whereby the Subcommittee will recommend that the LCHC and the CBH continue to monitor the Board, pursuant to AB 457, and Recommendation B, which requires the Board to report to the Sunset Subcommittee during the 2019–2020 Interim on its progress in complying with the provisions of AB 457. The motion was seconded by Vice Chair Atkinson and passed unanimously.

M. Board of Examiners for Social Workers (NRS 641B.100)

Ms. Stonefield reviewed the Board's history, membership, and duties, and she highlighted issues discussed during the Subcommittee's May 21, 2018, review of the Board. She reported the Board may seek legislation to increase its fees and has no recommendation for consolidation with another entity. Ms. Stonefield reviewed Recommendations A and B before the Subcommittee if it chooses to continue the Board (<u>Agenda Item VI</u>).

MOTION: Assemblyman Pickard moved to continue the Board of Examiners for Social Workers with the adoption of Recommendation A, whereby the Subcommittee will recommend that the LCHC and the CBH continue to monitor the Board, pursuant to AB 457, and Recommendation B, which requires the Board to report to the Sunset Subcommittee during the 2019–2020 Interim on its progress in complying with the provisions of AB 457. The motion was seconded by Vice Chair Atkinson and passed unanimously.

N. Board of Examiners for Alcohol, Drug and Gambling Counselors (NRS 641C.150)

Ms. Stonefield reviewed the Board's history, membership, and duties, and she highlighted issues discussed during the Subcommittee's May 21, 2018, review of the Board. She said the Board: (1) has not entered into an agreement with DHHS because it has a solid system of governance in place; (2) updated its policies and procedures in 2017; (3) has offered online renewals since 2014; and (4) has no recommendations for consolidation with another entity or suggestions for statutory revisions. Ms. Stonefield reviewed Recommendations A and B before the Subcommittee if it chooses to continue the Board (Agenda Item VI).

MOTION: Vice Chair Atkinson moved to continue the Board of Examiners for Alcohol, Drug and Gambling Counselors with the adoption of Recommendation A, whereby the Subcommittee will recommend that the LCHC and the CBH continue to monitor the Board, pursuant to AB 457, and Recommendation B, which requires the Board to report to the Sunset Subcommittee during the 2019–2020 Interim on its progress in complying with the provisions of AB 457. The motion was seconded by Assemblyman Pickard and passed unanimously.

O. Private Investigator's Licensing Board (NRS 648.020)

Ms. Stonefield reviewed the Board's history, membership, and duties. She highlighted the issues discussed during the Board's review at the January 22, 2018, meeting of the Subcommittee and reviewed Recommendation A before the Subcommittee if it chooses to continue the Board. Ms. Stonefield remarked the Board has no suggestions for consolidation with another entity; it is reviewing the provisions of Chapter 648 ("Private Investigators, Private Patrol Officers, Polygraphic Examiners, Process Servers, Repossessors, Dog Handlers and Registered Employees") of NRS and Chapter 648 ("Private Investigators, Private Patrol Officers, Polygraphic Examiners, Process Servers, Repossessors and Dog Handlers") of the *Nevada Administrative Code* and anticipates proposing several changes. (Agenda Item VI).

Senator Settelmeyer stated his opinion that the Board's fees are out of line and exhibit economic self-protection. He moved to continue the Board but requested it review its fees and report back during the next interim and that the Subcommittee continue to monitor the Board's activities. Senator Settelmeyer added that if the Board does not review its fees and make them more reasonable—compared to the fees of surrounding states—a legislator might do something during the next session.

Chair Bustamante Adams agreed with Senator Settelmeyer's assessment of the Board's fees; she said she does not understand how Nevadans are benefiting from some of the Board's services.

MOTION: Assemblywoman Bilbray-Axelrod moved to continue the Private Investigator's Licensing Board with the adoption of Recommendation A, whereby the Subcommittee will further review the Board during the 2019–2020 Interim, including a study of its fees and operations. The motion was seconded by Vice Chair Atkinson and passed unanimously.

P. Certified Court Reporters' Board of Nevada (NRS 656.040)

Ms. Stonefield reviewed the Board's history, membership, and duties, and she highlighted issues discussed during the Subcommittee's January 22, 2018, review of the Board. She noted the 2017 Legislature enacted Senate Bill 406 (Chapter 361, *Statutes of Nevada*), which made changes to examination requirements and qualifications. Ms. Stonefield reviewed information relating to regulating and licensing videography in Nevada and other states, which was provided to the Subcommittee at its April meeting (<u>Agenda Item VI</u>).

Ms. Stonefield reported the Board has no recommendations for consolidation with another entity, but it suggested an officer in a deposition should be defined to be a "certified court reporter or certified voice writer to protect the public from noncertified persons reporting legal proceedings."

Ms. Stonefield reviewed Recommendations A and B before the Subcommittee if it chooses to recommend continuation of the Board (Agenda Item VI).

Assemblyman Pickard questioned whether Recommendations A and B could be combined into one recommendation (Agenda Item IV).

Ms. Erdoes verified that Recommendations A and B could be combined in one BDR with clear direction from the Subcommittee.

Assemblyman Pickard suggested it would be more appropriate for the Board to pursue its own BDR to revise Chapter 656 ("Certified Court Reporters; Court Reporting Firms") of NRS to license videographers under the jurisdiction of the Board.

MOTION: Assemblyman Pickard moved to continue the Certified Court Reporters' Board of Nevada with the adoption of Recommendation A, whereby the Subcommittee will require the Board to report to the Subcommittee during the 2019–2020 Interim on: (1) the impact of the provisions of SB 406 relating to the revisions of examination requirements and qualifications, including the number of licensees and total revenues; and (2) any recommendations from the Nevada Rules of Civil Procedure Committee of the Nevada Supreme Court regarding the regulation of videographers, and Recommendation B, which urges the Board to seek revisions of Chapter 656 with its own BDR. The motion was seconded by Vice Chair Atkinson and passed unanimously.

Q. General Findings and Recommendations Regarding Occupational and Professional Licensing Boards

Ms. Stonefield summarized the Subcommittee's concerns, findings, and observations resulting from its review of 23 professional and occupational licensing boards during the interim. She shared two possible recommendations the Subcommittee may wish to adopt to address the concerns (Agenda Item VI).

Assemblyman Pickard questioned Item D, which states:

Some boards obtain only biennial audits. The lack of oversight by a board reduces accountability, which increases the possibility of mismanagement, fraud, and embezzlement. Annual audits may provide more structure to the budgeting processes of these boards.

He commented that smaller boards lack the financial resources to take on expensive audits and recommended that Item D should provide other ways of establishing and monitoring accountability without requiring an expensive audit.

Chair Bustamante Adams supported the suggestion of rewording Item D to include other methods of establishing accountability for smaller boards.

Senator Settelmeyer suggested adding a recommendation that all agencies and entities strive for electronic renewals and filings with electronic payments and/or checks only; cash would no longer be accepted.

Chair Bustamante Adams agreed with Senator Settelmeyer's suggestion.

Ms. Rankin stated that during the 1980s and 1990s, there was a drive to combine and organize government entities for efficiency and effectiveness. She suggested that might be the direction of a future interim study of the operations of the professional and occupational licensing boards. Ms. Rankin added that financial issues seem to cause many of the problems with the smaller boards and commissions; she stressed the need to eliminate embezzlements.

Ms. Rankin also mentioned that some lawyers representing the occupational and licensing boards and commissions object to the idea of having a central panel of hearing officers trained to hear cases because the expertise the boards bring to a case regarding their licenses and services is vital. She cautioned the Subcommittee about including the consolidation of administrative issues as part of a future interim study.

Chair Bustamante Adams said she would entertain the idea of adding to the existing list of concerns noted in the WSD (Agenda Item VI): (1) Item K, which would recommend that all entities use electronic filings and renewals and no longer accept cash payments but checks would be allowed; and (2) Item L, which would explore the idea of central personnel consolidation.

MOTION: Assemblyman Pickard moved to approve: (1) including Items A through C and Items E through J, as stated in the WSD; rewording Item D to include other methods of accountability for the smaller boards; and adding Items K and L, as stated above, in the Subcommittee's final report of its findings and observations regarding the operations of the professional and occupational licensing boards; and (2) recommending the Legislature establish an interim study of the operations of the professional and occupational licensing boards during the 2019–2020 Interim. The motion was seconded by Vice Chair Atkinson and passed unanimously.

AGENDA ITEM VII—RECOMMENDATIONS RELATING TO THE FUNCTIONS AND OPERATIONS OF THE SUNSET SUBCOMMITTEE OF THE LEGISLATIVE COMMISSION

Chair Bustamante Adams asked the Subcommittee members whether they had any proposed changes to the functions and operations of the Subcommittee; no recommendations were made.

AGENDA ITEM VIII—PUBLIC COMMENT

Chair Bustamante Adams called for public comment.

Bruce Fong, previously identified, thanked the Subcommittee for its process, but he expressed his displeasure with the Subcommittee's decision to terminate the Board of Homeopathic Medical Examiners. He added the Board will fight this decision during the 2019 Legislative Session. Dr. Fong pointed out the Board not only has 20 licensees, but it also issues certifications to over 40 other individuals as advanced practitioners and homeopathic assistants, which would also have to be absorbed by the DPBH.

Tiffany Van der Stokker, Executive Director, Nevada Homeopathic and Integrated Medical Association (NHIMA), expressed her appreciation for the Legislature but also her sadness at the

Subcommittee's decision to terminate the BHME. She said she will continue to raise money to help the Board pay off its debt to the OAG.

K.J. Smith, Secretary/Treasurer, BHME, said she was amazed at how quickly the OAG's debt was excused, which has been the hammer over this Board. She stated the Board provides a unique service to the citizens of Nevada, and people have a right to choose different medical approaches. Ms. Smith opined the BHME would be strong if the OAG's debt was settled.

Inge Gerber, licensed homeopathic assistant, spoke on behalf of NHIMA. She said the educational requirements of those licensed under the BHME are unique. She added that NHIMA is developing a fellowship program to train potential new licensees, which would be a source of revenue to help with the Board's debt.

AGENDA ITEM IX—ADJOURNMENT

There being no further business to come before the Subcommittee, the meeting was adjourned at 11:09 a.m..

	Respectfully submitted,	
	Janet Coons Manager of Research Policy Assistants	
	Carol M. Stonefield Deputy Research Director	
APPROVED BY:		
Assemblywoman Irene Bustamante Adams, Chair		
Date:		

MEETING MATERIALS

AGENDA ITEM	PRESENTER/ENTITY	DESCRIPTION
Agenda Item IV	Caroline Bateman, Chief Deputy Attorney General, Bureau of Gaming and Government Affairs, Office of the Attorney General	Letter
Agenda Item V A	Capitol Partners, LLC	Information regarding the Board of Homeopathic Medical Examiners
Agenda Item V B	Viki A. Windfeldt, Executive Director, Nevada State Board of Accountancy	Board's draft reserve policy
Agenda Item V C-1	Patty Mamola, P.E., Executive Director, State Board of Professional Engineers and Land Surveyors	Information regarding the Board's finances and budget reserves
Agenda Item V C-2	Patty Mamola, P.E., Executive Director, State Board of Professional Engineers and Land Surveyors	Business Plan June 2018
Agenda Item V D	Morgan Gleich, Executive Director, Board of Psychological Examiners.	Letter and information regarding the Board of Psychological Examiners
Agenda Item V E	Cesar O. Melgarejo, Senior Policy Analyst, Research Division, Legislative Counsel Bureau (LCB)	Statutory authority for fingerprint-based background checks
Agenda Item VI	Carol M. Stonefield, Deputy Research Director, Research Division, LCB	Work Session Document
Agenda Item VI L	Jake Wiskerchen, President, Board of Examiners for Marriage and Family Therapists and Clinical Professional Counselors	E-mail correspondence

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