

# **LEGISLATIVE COMMISSION**

**AUGUST 30, 2018**



**MEETING PACKET**

STATE OF NEVADA  
LEGISLATIVE COUNSEL BUREAU

LEGISLATIVE BUILDING  
401 S. CARSON STREET  
CARSON CITY, NEVADA 89701-4747  
Fax No.: (775) 684-6600

RICK COMBS, *Director*  
(775) 684-6800



LEGISLATIVE COMMISSION (775) 684-6800  
JASON FRIERSON, *Assemblyman, Chair*  
Rick Combs, *Director, Secretary*

INTERIM FINANCE COMMITTEE (775) 684-6821  
JOYCE WOODHOUSE, *Senator, Chair*  
Mark Krmotic, *Fiscal Analyst*  
Cindy Jones, *Fiscal Analyst*

BRENDA J. ERDOES, *Legislative Counsel* (775) 684-6830  
ROCKY COOPER, *Legislative Auditor* (775) 684-6815  
MICHAEL J. STEWART, *Research Director* (775) 684-6825

**CIRCLED ITEMS INCLUDE SUPPORTING DOCUMENTS**  
**MEETING NOTICE AND AGENDA**

Name of Organization: LEGISLATIVE COMMISSION (NRS 218E.150)

Date and Time of Meeting: Thursday, August 30, 2018 – 9:00 a.m.

Place of Meeting: Grant Sawyer State Office Building, Room 4401  
555 East Washington Avenue  
Las Vegas, Nevada

Note: Some members of the Commission may be attending the meeting and other persons may observe the meeting and provide testimony through a simultaneous videoconference conducted at the following location:

Legislative Building, Room 4100  
401 South Carson Street  
Carson City, Nevada

*If you cannot attend the meeting, you can listen or view it live over the Internet. The address for the Nevada Legislature website is <http://www.leg.state.nv.us>. Click on the link "Calendar of Meetings/View."*

**Note: Minutes of this meeting will be produced in summary format. Please provide the secretary with electronic or written copies of testimony and visual presentations if you wish to have complete versions included as exhibits with the minutes.**

**Note:** Items on this agenda may be taken in a different order than listed. Two or more agenda items may be combined for consideration. An item may be removed from this agenda or discussion relating to an item on this agenda may be delayed at any time.

I. ROLL CALL

II. PUBLIC COMMENT

(Because of time considerations, speakers are urged to avoid repetition of comments made by previous speakers. A person may also have comments added to the minutes of the meeting by submitting them in writing either in addition to testifying or in lieu of testifying. Written comments may be submitted in person or by e-mail, facsimile, or mail before, during, or after the meeting.)

III. PROGRESS REPORT – Litigation Currently in Progress – Kevin Powers, Chief Litigation Counsel

#### IV. LEGISLATIVE COMMISSION POLICY

For Possible Action

A. Review of Administrative Regulations Submitted Pursuant to NRS 233B.067 -

Risa Lang, Chief Deputy Legislative Counsel

Please see attached list of regulations to be considered or access list electronically at:

[http://www.leg.state.nv.us/Register/IndexesRegsReviewed/LCMtg\\_List\\_2018\\_Aug30.pdf](http://www.leg.state.nv.us/Register/IndexesRegsReviewed/LCMtg_List_2018_Aug30.pdf)

For Possible Action

B. Approval of Session Hires for the 2019 Legislative Session – Rick Combs, Director

C. Approval of Transfer of \$245,960.00 Appropriated for Fiscal Year 2017-18 to Fiscal Year 2018-19 for Paper Purchases for the Legal Division – Rick Combs, Director

D. Approval of a Request by the Nevada Silver Haired Legislative Forum for an Extension of the September 1, 2018, Deadline for Submitting Its Bill Draft Request – Dr. John A. Yacenda, President, Nevada Silver Haired Legislative Forum

For Possible Action

#### V. LEGISLATIVE AUDITOR

For Possible Action

A. Request for Approval to Continue Audits Currently in Progress Beyond the Beginning of the 2019 Legislative Session Pursuant to Subsection 4 of NRS 218E.205 – Rocky Cooper, Legislative Auditor

B. Request for Approval of Basic Audit Program Pursuant to NRS 218G.120 – Rocky Cooper, Legislative Auditor

For Possible Action

#### VI. APPOINTMENT OF MEMBER TO NEVADA SILVER HAIR LEGISLATIVE FORUM (NRS 427A.320) -- Rick Combs, Director

For Possible Action

#### VII. REVIEW OF RECOMMENDATIONS OF THE SUNSET SUBCOMMITTEE OF THE LEGISLATIVE COMMISSION (NRS 252B.250) – Senator Kelvin Atkinson, Vice Chair, Sunset Subcommittee

#### VIII. INFORMATIONAL ITEMS

A. Interim Committee Reports

B. Summary of Quarterly Reports on Disciplinary Action from the Licensing Boards and State Agencies

C. Miscellaneous Reports or Correspondence from State Agencies and Others:

1. Reports on Contracts for Public Works Awarded to Contractors, Applicants or Design-Build Teams Who Receive a Preference in Bidding Pursuant to NRS 338.0117(7):

- Las Vegas Convention and Visitors Authority
- Department of Transportation
- Clark County School District
- Clark County Water Reclamation District
- City of Las Vegas

2. Annual Report of City of Sparks Tourism Improvement District (TID) Pursuant to NRS 271A.105

3. Storey County, Annual Report Regarding Economic Diversification District Pursuant to NRS 271B.100

4. Nevada Department of Education, Nevada Educator Code of Ethics Advisory Group's July 2018 Progress Report, Dated June 20, 2018, Pursuant to AB 124 (2017)

## IX. PUBLIC COMMENT

(Because of time considerations, speakers are urged to avoid repetition of comments made by previous speakers. A person may also have comments added to the minutes of the meeting by submitting them in writing either in addition to testifying or in lieu of testifying. Written comments may be submitted in person or by e-mail, facsimile, or mail before, during, or after the meeting.)

## X. ADJOURNMENT

Note: We are pleased to make reasonable accommodations for members of the public who are disabled and wish to attend the meeting. If special arrangements for the meeting are necessary, please notify the Director's Office of the Legislative Counsel Bureau, in writing, at the Legislative Building, 401 South Carson Street, Carson City, Nevada 89701-4747, or call the Director's Office at (775) 684-6800 as soon as possible.

Notice of this meeting was posted in the following Carson City and Las Vegas, Nevada, locations: Blasdel Building, 209 East Musser Street; City Hall, 201 North Carson Street; Legislative Building, 401 South Carson Street; and Legislative Counsel Bureau, Las Vegas Office, Grant Sawyer State Office Building, 555 East Washington Avenue. Notice of this meeting was faxed, e-mailed, or hand delivered for posting to the following Carson City and Las Vegas, Nevada, locations: Capitol Press Corps, Basement, Capitol Building, 101 North Carson Street; Clark County Government Center, Administrative Services, 500 South Grand Central Parkway; and Capitol Police, Grant Sawyer State Office Building, 555 East Washington Avenue. Notice of this meeting was posted on the Internet through the Nevada Legislature's website at www.leg.state.nv.us.

Supporting public material provided to Commission members for this meeting may be requested from Sylvia Wiese, Commission Secretary, Director's Office of the Legislative Counsel Bureau at (775) 684-6775 and is/will be available at the following locations: Meeting locations and the Nevada Legislature's website at www.leg.state.nv.us.



REVIEW OF ADMINISTRATIVE REGULATIONS  
PURSUANT TO NRS 233B.067

## **REGULATIONS TO BE REVIEWED AT THE NEXT MEETING OF THE LEGISLATIVE COMMISSION**

**August 30, 2018**

(These regulations will not become effective unless approved by the Legislative Commission)

**(This list may be amended to add additional regulations; the links will be activated and further details added when a regulation is available for viewing)**

**(A=Adopted; RA=Revised Adopted; P=Proposed; RP=Revised Proposed;  
S=Informational Statement; B=Small Business Impact Statement)**

All of the information is provided in Adobe PDF format; you will need Acrobat Reader to view these files.

<b>REGULATIONS SUBMITTED PURSUANT TO NRS 233B.067:</b>		
<b>LCB NO.</b>	<b>NAC</b>	<b>AGENCY/ SUBJECT</b>
<b>2016 REGULATIONS</b>		
<a href="#"><u>R163-16A</u></a> <a href="#"><u>R163-16S</u></a> <a href="#"><u>R163-16B</u></a>	630	<b>BOARD OF MEDICAL EXAMINERS</b> A REGULATION revising provisions relating to credits received by holders of certain licenses for continuing medical education relating to the misuse and abuse of controlled substances <b>CONTACT</b> Jasmine Mehta (775) 324-9365 jmehta@medboard.nv.gov
<b>2017 REGULATIONS</b>		
<a href="#"><u>R099-17A</u></a> <a href="#"><u>R099-17S</u></a> <a href="#"><u>R099-17B</u></a>	388	<b>DEPARTMENT OF EDUCATION</b> A REGULATION revising provisions relating to a safe and respectful environment <b>CONTACT</b> Amber Reid (775) 848-7967 areid@doe.nv.gov
<a href="#"><u>R136-17A</u></a> <a href="#"><u>R136-17S</u></a> <a href="#"><u>R136-17B</u></a>	482A	<b>DEPARTMENT OF MOTOR VEHICLES</b> A REGULATION revising provisions relating to testing and operation of autonomous vehicles on the highways of this State <b>CONTACT</b> Thomas Martin (775) 684-4371 Tmartin01@dmv.nv.gov

<a href="#"><u>R137-17A</u></a> <a href="#"><u>R137-17S</u></a> <a href="#"><u>R137-17B</u></a>	637	<b>BOARD OF DISPENSING OPTICIANS</b> A REGULATION revising provisions relating to dispensing opticians and apprentice dispensing opticians <b>CONTACT</b> <b>Corinne Sedran</b> (775) 689-0132 <a href="mailto:info@nvopticians.org">info@nvopticians.org</a>
<a href="#"><u>R147-17A</u></a> <a href="#"><u>R147-17S</u></a> <a href="#"><u>R147-17B</u></a>	704	<b>PUBLIC UTILITIES COMMISSION</b> A REGULATION Revising provisions relating to the National LifeLine <b>CONTACT</b> <b>Dallas Harris</b> (702) 486-7244 <a href="mailto:daharris@puc.nv.gov">daharris@puc.nv.gov</a>
<a href="#"><u>R148-17A</u></a> <a href="#"><u>R148-17S</u></a> <a href="#"><u>R148-17B</u></a>	449	<b>DIRECTOR OF THE DEPARTMENT OF HEALTH AND HUMAN SERVICES</b> A REGULATION Revising provisions relating to cost reports <b>CONTACT</b> <b>Amber LaFollette</b> (775) 684-3173 <a href="mailto:alafollette@dhcfp.nv.gov">alafollette@dhcfp.nv.gov</a>
<a href="#"><u>R149-17A</u></a> <a href="#"><u>R149-17S</u></a> <a href="#"><u>R149-17B</u></a>	449	<b>DIRECTOR OF THE DEPARTMENT OF HEALTH AND HUMAN SERVICES</b> A REGULATION Revising provisions relating to financial and utilization reports <b>CONTACT</b> <b>Amber LaFollette</b> (775) 684-3173 <a href="mailto:alafollette@dhcfp.nv.gov">alafollette@dhcfp.nv.gov</a>
<a href="#"><u>R152-17A</u></a> <a href="#"><u>R152-17S</u></a> <a href="#"><u>R152-17B</u></a>	555	<b>STATE QUARANTINE OFFICER</b> A REGULATION revising the list of weeds designated as noxious weeds <b>CONTACT</b> <b>Megan Zich</b> (775) 353-3670 <a href="mailto:mzich@agri.nv.gov">mzich@agri.nv.gov</a>
<a href="#"><u>R159-17A</u></a> <a href="#"><u>R159-17S</u></a> <a href="#"><u>R159-17B</u></a>	228	<b>DIVISION OF PUBLIC AND BEHAVIORAL HEALTH OF THE DEPARTMENT OF HEALTH AND HUMAN SERVICES</b> A REGULATION revising various provisions related to programs <b>CONTACT</b> <b>Leticia Metherell</b> (775) 684-1045 <a href="mailto:lmetherell@health.nv.gov">lmetherell@health.nv.gov</a>
<b>2018 REGULATIONS</b>		
<a href="#"><u>R001-18A</u></a> <a href="#"><u>R001-18S</u></a> <a href="#"><u>R001-18B</u></a>	686A	<b>COMMISSIONER OF INSURANCE</b> A REGULATION revising provisions relating to insurance trade practices and frauds <b>CONTACT</b> <b>Sue Bell</b> (775) 687-7986 <a href="mailto:suebell@doi.nv.gov">suebell@doi.nv.gov</a>
<a href="#"><u>R020-18A</u></a> <a href="#"><u>R020-18S</u></a> <a href="#"><u>R020-18B</u></a>	385	<b>DEPARTMENT OF EDUCATION</b> A REGULATION Revising provisions related to quarterly reports for scholarship organizations <b>CONTACT</b> <b>Karen Johansen</b> (775) 687-9225 <a href="mailto:kjohansen@doe.nv.gov">kjohansen@doe.nv.gov</a> <b>Kris Nelson</b> (775) 687-7283 <a href="mailto:knelson@doe.nv.gov">knelson@doe.nv.gov</a>

<a href="#"><u>R030-18A</u></a> <a href="#"><u>R030-18S</u></a> <a href="#"><u>R030-18B</u></a>	704	<p><b>PUBLIC UTILITIES COMMISSION OF NEVADA</b></p> <p>A REGULATION revising the definition of “significant service outage” applicable to public utilities that provide telecommunications services to correspond with certain federal regulations</p> <p><b>CONTACT</b> Dallas Harris (702) 486-7244  <b>daharris@puc.nv.gov</b></p>
<a href="#"><u>R034-18A</u></a> <a href="#"><u>R034-18S</u></a> <a href="#"><u>R034-18B</u></a>	353	<p><b>STATE BOARD OF EXAMINERS</b></p> <p>A REGULATION providing for the use of sampling procedures and post-audit techniques</p> <p><b>CONTACT</b> Steve Weinberger (775) 687-0130  <b>sweinberger@finance.nv.gov</b></p>
<a href="#"><u>R035-18A</u></a> <a href="#"><u>R035-18S</u></a> <a href="#"><u>R035-18B</u></a>	385	<p><b>STATE BOARD OF EDUCATION</b></p> <p>A REGULATION revising provisions related to initial testing and retesting</p> <p><b>CONTACT</b> Nancy Olsen (775) 687-7289  <b>nolsen@doe.nv.gov</b></p>
<a href="#"><u>R038-18A</u></a> <a href="#"><u>R038-18S</u></a> <a href="#"><u>R038-18B</u></a>	503	<p><b>BOARD OF WILDLIFE COMMISSIONERS</b></p> <p>A REGULATION revising provisions governing the registration of a trap, snare or similar device</p> <p><b>CONTACT</b> Tyler Turnipseed (775) 688-1540  <b>Kailey Taylor (775-688-1597</b>  <b>kntaylor@ndow.org</b></p>
<a href="#"><u>R045-18A</u></a> <a href="#"><u>R045-18S</u></a> <a href="#"><u>R045-18B</u></a>	519A	<p><b>STATE ENVIRONMENTAL COMMISSION</b></p> <p>A REGULATION Revising provisions related to small mining operations</p> <p><b>CONTACT</b> Joe Sawyer (775) 687-9397  <b>Val King (775) 687-9374</b>  <b>vking@ndep@nv.gov</b></p>
<a href="#"><u>R046-18A</u></a> <a href="#"><u>R046-18S</u></a> <a href="#"><u>R046-18B</u></a>	445A	<p><b>STATE ENVIRONMENTAL COMMISSION</b></p> <p>A REGULATION Revising provisions related to mining</p> <p><b>CONTACT</b> Joe Sawyer (775) 687-9397  <b>Val King (775) 687-9374</b>  <b>vking@ndep@nv.gov</b></p>
<a href="#"><u>R049-18A</u></a> <a href="#"><u>R049-18S</u></a> <a href="#"><u>R049-18B</u></a>	445A	<p><b>STATE ENVIRONMENTAL COMMISSION</b></p> <p>A REGULATION Revising provisions related to safe drinking water</p> <p><b>CONTACT</b> My-Linh Nguyen (775) 687-9515  <b>Val King (775) 687-9374</b>  <b>vking@ndep@nv.gov</b></p>
<a href="#"><u>R079-18A</u></a> <a href="#"><u>R079-18S</u></a> <a href="#"><u>R079-18B</u></a>	388	<p><b>STATE BOARD OF EDUCATION</b></p> <p>A REGULATION providing for the disclosure and protection of certain information given by certain persons to the Safe-to-Tell Program or the hotline maintained by the Office for a Safe and Respectful Learning Environment within the Department of Education</p> <p><b>CONTACT</b> Amber Reid (775) 848-7967  <b>areid@doe.nv.gov</b></p>

<a href="#"><u>R087-18A</u></a> <a href="#"><u>R087-18S</u></a> <a href="#"><u>R087-18B</u></a>	389	<b>STATE BOARD OF EDUCATION</b> A REGULATION amending provisions related to sixth through eighth grade health <b>CONTACT Andre Deleon (775) 687-5934</b> <b>adeleon@doe.nv.gov</b>
<a href="#"><u>R108-18A</u></a> <a href="#"><u>R108-18S</u></a> <a href="#"><u>R108-18B</u></a>	281A	<b>COMMISSION ON ETHICS</b> A REGULATION revising provisions relating to ethics <b>CONTACT Darci Hayden (775) 687-1279</b> <b>dhayden@ethics.nv.gov</b>
<b>REGULATIONS SUBMITTED PURSUANT TO NRS 233B.067 AND DEFERRED AT A PREVIOUS MEETING:</b>		
<b><u>LCB NO.</u></b>	<b>NAC</b>	<b>AGENCY/ SUBJECT</b>
<b>2016 REGULATIONS</b>		
<a href="#"><u>R130-16A</u></a> <a href="#"><u>R130-16S</u></a> <a href="#"><u>R130-16B</u></a>	119A	<b>REAL ESTATE ADMINISTRATOR</b> A REGULATION revising provisions relating to timeshares <b>CONTACT Sharath Chandra (702) 486-4034</b>
<a href="#"><u>R143-16A</u></a> <a href="#"><u>R143-16S</u></a> <a href="#"><u>R143-16B</u></a>	119A	<b>REAL ESTATE DIVISION OF THE DEPARTMENT OF BUSINESS AND INDUSTRY</b> A REGULATION establishing provisions governing the disclosures required for the resale of a timeshare <b>CONTACT Sharath Chandra (702) 486-4034</b>
<b>2017 REGULATIONS</b>		
<a href="#"><u>R056-17A</u></a> <a href="#"><u>R056-17S</u></a> <a href="#"><u>R056-17B</u></a>	389	<b>STATE BOARD OF EDUCATION</b> A REGULATION revising provisions related to instruction in kindergarten social studies <b>CONTACT Mary Holsclaw (775) 687-5935</b> <b>mholscaw@doe.nv.gov</b>
<a href="#"><u>R135-17A</u></a> <a href="#"><u>R135-17S</u></a> <a href="#"><u>R135-17B</u></a>	482A	<b>NEVADA TRANSPORTATION AUTHORITY</b> A REGULATION establishing provisions relating to autonomous vehicles <b>CONTACT David Newton (702) 486-6549</b> <b>dnewton@nta.nv.gov</b>

APPROVAL OF SESSION HIRES FOR THE  
2019 LEGISLATIVE SESSION

W.B.

STATE OF NEVADA  
LEGISLATIVE COUNSEL BUREAU  
LEGISLATIVE BUILDING  
401 S. CARSON STREET  
CARSON CITY, NEVADA 89701-4747  
Fax No.: (775) 684-6600

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MICHAEL J. STEWART, *Research Director* (775) 684-6825

August 26, 2018

TO: Members of the Legislative Commission  
FROM: Rick Combs, Director  
RE: Session Hires

The Legislative Commission adds staff in various divisions for each legislative session. These staff members are temporary, serving from sometime before session to help prepare for session until sometime after session to finish session-related work, depending upon their specific assignments. At the May 16th meeting, we requested some early session hires that are scheduled to start between June and November of this year in support of the 2019 Legislative Session. This request is for additional positions needed for the 2019 Session.

Following are the proposed remaining session hire positions for the 2019 Legislative Session:

**Administrative Division:**

- 15 Janitors at Grade 23 for 6 months
- 1 Clerical Assistant (Police) at Grade 25 for 9 months
- 1 Communication Surveillance Technician (Police) at Grade 30 for 6 months
- 1 Lobbyist Clerk (Director's Office) at Grade 25 for 10 months
- 1 Message Center Operator (Director's Office) at Grade 23 for 6 months
- 4 Camera Operators (BPS) at Grade 23 for 6 months

**Research Division:**

- 1 Research Analyst (Constituent Services Unit) at Grade 36 for 6 months
- 1 Constituent Services Technician at Grade 26 for 8 months
- 3 Research Policy Assistants at Grade 30 for 6 months

At its May 16, 2018, meeting, the Legislative Commission approved two Senior Program Analyst positions for the Fiscal Analysis Division. One of the positions was approved for a period of 5 months and one was approved for a period of 12 months. Due to recent retirement announcements and other factors, I am requesting that one of the positions be reduced to 4 months and the other be increased to 16 months.

Also at the May 16, 2018, meeting, the Legislative Commission approved a GIS Specialist position for the Administrative Division. After discussion with the Information Technology Services Unit and the Research Division regarding plans to provide staffing for redistricting duties from now through the 2021 Legislative Session, I am requesting to transfer the position from the Administrative Division to the Research Division.

Approval of this request would result in a total of 81 session hire positions compared to the 82 session hire position approved for the 2017 Session. The request includes an increase in grade levels for two positions as compared to the grade levels approved for those positions in past sessions. I am requesting a one grade increase for the Clerical Assistant position and the Communications Surveillance Technician position to assist us in recruiting for those positions in today's tight labor market.

Please feel free to contact me or any of the requesting Division Chiefs if you have any questions concerning any of these proposed hires.

REQUEST BY THE NEVADA LEGISLATIVE  
SILVER HAired FORUM FOR AN EXTENSION  
OF DEADLINE FOR SUBMITTING ITS BILL DRAFT REQUEST

IV.D.

STATE OF NEVADA  
LEGISLATIVE COUNSEL BUREAU  
LEGISLATIVE BUILDING  
401 S. CARSON STREET  
CARSON CITY, NEVADA 89701-4747  
Fax No.: (775) 684-6600

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MICHAEL J. STEWART, *Research Director* (775) 684-6825

August 26, 2018

TO: Members of the Legislative Commission  
FROM: Rick Combs, Director  
RE: **Nevada Silver Haired Legislative Forum Request for Extension of BDR Deadline**

Item IV.D on the Legislative Commission's agenda for the August 30, 2018, meeting is a request from the Nevada Silver Haired Legislative Forum for an extension of the September 1, 2018, deadline for the submission of its sole bill draft request. The Forum plans to conduct its work session during the first half of October and plans to approve the details of its BDR request at that time. The BDR is required to be prefiled on or before the third Wednesday in November preceding the 2019 Legislative Session pursuant to the provisions of NRS 218D.220.

If the Legislative Commission elects to approve the request for the extension of the deadline, Legislative Counsel Bureau staff would request that the deadline be extended to not later than October 15, 2018. Because the BDR must be prefiled, this would allow time for drafting of the measure prior to the prefiling deadline.

Please feel free to contact me if you have any questions or concerns regarding this item on the agenda.



- A. Request to Continue Audits Currently in Progress Beyond the Beginning of the 2019 Session (NRS 218E.205(4))
- B. Request for Approval of Basic Audit Program (NRS 218G.120)

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FAX NO. (775) 684-0000

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August 7, 2018

Members of the Legislative Commission  
Legislative Building  
Carson City, Nevada

**REQUEST FOR APPROVAL TO PERFORM AUDITS**

Schedule 1 lists the audits we currently have in progress. In accordance with Nevada Revised Statutes (NRS) 218E.205, we are requesting your approval to continue these audits as we may not be able to present all of them to the Audit Subcommittee of the Legislative Commission by the start of the 2019 Session.

In accordance with NRS 218G.120, we are requesting your approval of a basic audit program, which is set forth in Schedule 2. For agencies with several major programs, we may perform more than one audit for the agency listed. The timing as to when we can start the audits is contingent upon the availability of audit staff and additional requirements that may be placed upon the Audit Division by the Legislative Commission and the Legislature.

The proposed audits were selected using a risk assessment process. This process considered such factors as the length of time since the last audit, amount of agency revenues and expenditures, legislative and public interest, prior problems, and agency or program complexity. Audits are designed to provide information to improve public accountability and facilitate decision making by the Legislature and those responsible for corrective action. Audit objectives may include determining if an agency is operating in an economical or efficient manner, or determining the extent to which a program achieves a desired level of program results. Audit objectives can also include evaluating agencies' compliance with laws and regulations, and determining if appropriate information technology security controls are in place to protect sensitive information against unauthorized use.

Respectfully requested,

A handwritten signature in black ink, appearing to read "Rocky Cooper".

Rocky Cooper, CPA  
Legislative Auditor

RC:sy  
Enclosures

Legislative Counsel Bureau  
Audit Division  
Audits in Progress  
August 7, 2018

Schedule 1

- Department of Employment, Training and Rehabilitation — Employment Security Division
- Division of Forestry
- Gaming Control Board
- Division of Public and Behavioral Health — Adult Mental Health Services
- Division of Public and Behavioral Health — Health Care Quality and Compliance
- Department of Public Safety — Records, Communications, and Compliance Division
- Division of State Parks
- Department of Taxation
- Division of Welfare and Supportive Services
- Report on Count of Money in State Treasury
- Review of Governmental and Private Facilities for Children
- Statewide Single Audit

Legislative Counsel Bureau  
Audit Division  
Proposed Audits  
September 2018 through December 2020

Schedule 2

Department of Administration

- Division of Enterprise Information Technology Services
- Fleet Services Division
- Public Works Division
- Purchasing Division

State Department of Agriculture

Department of Business and Industry

- Office of the Nevada Attorney for Injured Workers
- Division of Insurance
- Office of the Labor Commissioner
- Real Estate Division

Office of the State Controller

Department of Corrections

Office of the Governor

Department of Health and Human Services

- Division of Child and Family Services
- Division of Health Care Financing and Policy
- Division of Public and Behavioral Health

Department of Public Safety

- Division of Emergency Management

Office of the State Treasurer

Department of Veterans Services



APPOINTMENT OF MEMBER TO NEVADA SILVER HAired  
LEGISLATIVE FORUM (NRS 427A.320)

STATE OF NEVADA  
LEGISLATIVE COUNSEL BUREAU

LEGISLATIVE BUILDING  
401 S. CARSON STREET  
CARSON CITY, NEVADA 89701-4747  
Fax No.: (775) 684-6600

RICK COMBS, *Director*  
(775) 684-6800



LEGISLATIVE COMMISSION (775) 684-6800

JASON FRIERSON, *Assemblyman, Chair*  
Rick Combs, *Director, Secretary*

INTERIM FINANCE COMMITTEE (775) 684-6821

JOYCE WOODHOUSE, *Senator, Chair*  
Cindy Jones, *Fiscal Analyst*  
Mark Krmpotic, *Fiscal Analyst*

BRENDA J. ERDOES, *Legislative Counsel* (775) 684-6830  
ROCKY COOPER, *Legislative Auditor* (775) 684-6815  
MICHAEL J. STEWART, *Research Director* (775) 684-6825

## MEMORANDUM

---

DATE: August 24, 2018  
TO: Rick Combs, Director  
FROM: Patrick B. Ashton, Senior Policy Analyst, Coordinator of the Nevada Silver Haired Legislative Forum, Research Division  
SUBJECT: **Appointment to the Nevada Silver Haired Legislative Forum**

---

The Nevada Silver Haired Legislative Forum (NSHLF) was created by the Legislature under *Nevada Revised Statutes 427A.320* through *427A.400* to identify and act upon issues of importance to aging persons.

The Legislative Commission shall appoint to the Forum 21 members, each of whom serves a two-year term. Senators shall, after consulting with the members of the Assembly who reside within his or her senatorial district, nominate a person who meets the requirements for appointment to the Forum. A NSHLF member must:

- Have been a Nevada resident for at least five years;
- Have been a registered voter in the appointing senatorial district for at least three years; and
- Be at least 60 years of age on the day of appointment.

The NSHLF member seat for Senate District 3 is vacant, and Senator Segerblom has nominated a person to fill this vacancy. Therefore, the Forum requests from the Legislative Commission the appointment of the following nominee at its August 30, 2018, meeting:

Senate District	Senator	NSHLF Member Nominee
Senate District 3	Senator Tick Segerblom	Mercedes Maharis

Thank you for your kind consideration of this request for appointment. As always, please feel free to contact me at any time if I may be of any assistance to you.



REVIEW OF RECOMMENDATIONS OF THE  
SUNSET SUBCOMMITTEE OF THE  
LEGISLATIVE COMMISSION (NRS 252B.250)

## **SUNSET SUBCOMMITTEE OF THE LEGISLATIVE COMMISSION**

*Nevada Revised Statutes 232B.210*

### **Members**

Assemblywoman Irene Bustamante Adams, Chair  
Senator Kelvin D. Atkinson, Vice Chair  
Senator Moises (Mo) Denis  
Senator James A. Settelmeyer  
Assemblywoman Shannon Bilbray-Axelrod  
Assemblyman Keith Pickard

### **Nonvoting Members**

Carmen Amen  
William (Buzz) Harris  
Teresa P. Froncek Rankin

### **Staff Contacts**

Research Division:  
Carol M. Stonefield, Deputy Research Director  
Jennifer Ruedy, Senior Principal Policy Analyst  
Janet Coons, Manager of Research Policy Assistants  
(775) 684-6825

Legal Division:  
James W. Penrose, Senior Principal Deputy Legislative Counsel  
Jessica F. Dummer, Deputy Legislative Counsel  
(775) 684-6830

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The Research Division provides objective policy analysis, research, and assistance to the Nevada Legislature—its members, committees, and constituents.

DRAFT

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## ***Nevada Revised Statutes***

NRS 232B.210 Creation; membership; election of Chair and Vice Chair; vacancies; meetings; quorum; compensation; expenses.

1. The Sunset Subcommittee of the Legislative Commission, consisting of nine members, is hereby created. The membership of the Sunset Subcommittee consists of:

(a) Three voting members of the Legislature appointed by the Majority Leader of the Senate, at least one of whom must be a member of the minority political party;

(b) Three voting members of the Legislature appointed by the Speaker of the Assembly, at least one of whom must be a member of the minority political party; and

(c) Three nonvoting members of the general public appointed by the Chair of the Legislative Commission from among the names of nominees submitted by the Governor pursuant to subsection 2.

2. The Governor shall, at least 30 days before the beginning of the term of any member appointed pursuant to paragraph (c) of subsection 1, or within 30 days after such a position on the Sunset Subcommittee becomes vacant, submit to the Legislative Commission the names of at least three persons qualified for membership on the Sunset Subcommittee. The Chair of the Legislative Commission shall appoint a new member or fill the vacancy from the list, or request a new list. The Chair of the Legislative Commission may appoint any qualified person who is a resident of this State to a position described in paragraph (c) of subsection 1.

3. Each member of the Sunset Subcommittee serves at the pleasure of the appointing authority.

4. The voting members of the Sunset Subcommittee shall elect a Chair from one House of the Legislature and a Vice Chair from the other House. Each Chair and Vice Chair holds office for a term of 2 years commencing on July 1 of each odd-numbered year. If a vacancy occurs in the office of Chair or Vice Chair, the vacancy must be filled in the same manner as the original selection for the remainder of the unexpired term.

5. The membership of any member of the Sunset Subcommittee who is a Legislator and who is not a candidate for reelection or who is defeated for reelection terminates on the day next after the general election.

6. A vacancy on the Sunset Subcommittee must be filled in the same manner as the original appointment.

7. The Sunset Subcommittee shall meet at the times and places specified by a call of the Chair. Four voting members of the Sunset Subcommittee constitute a quorum, and a quorum may exercise any power or authority conferred on the Sunset Subcommittee.

8. For each day or portion of a day during which a member of the Sunset Subcommittee who is a Legislator attends a meeting of the Sunset Subcommittee or is otherwise engaged in the business of the Sunset Subcommittee, except during a regular or special session of the Legislature, the Legislator is entitled to receive the:

(a) Compensation provided for a majority of the members of the Legislature during the first 60 days of the preceding regular session;

(b) Per diem allowance provided for state officers generally; and

(c) Travel expenses provided pursuant to NRS 218A.655.

The compensation, per diem allowances and travel expenses of the members of the Sunset Subcommittee who are Legislators must be paid from the Legislative Fund.

9. While engaged in the business of the Sunset Subcommittee, the members of the Subcommittee who are not Legislators are entitled to receive the per diem allowance and travel expenses provided for state officers and employees generally.

(Added to NRS by 2011, 2992; A 2013, 787)

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## EXECUTIVE SUMMARY

[Senate Bill 251](#) of the 2011 Session created the Sunset Subcommittee of the Legislative Commission. The Subcommittee's membership, powers, and duties are codified in [NRS 232B.210](#).

The Subcommittee consists of six legislators appointed by legislative leaders. Three nonvoting members are appointed by the chair of the Legislative Commission from nominations submitted by the Governor.

The primary duties of the Subcommittee are to: (1) conduct reviews of all boards, commissions, and similar entities in Nevada, created by statute, and determine whether each entity should be continued, modified, consolidated with another entity, or terminated; (2) recommend improvements to the entities that are to be continued, modified, or consolidated; and (3) determine whether any tax exemptions, abatements, or money set aside for an entity should be continued, modified, or terminated.

The Subcommittee held seven meetings, including four work sessions, during the course of the interim. All meetings were open to the public and conducted through simultaneous videoconferences between legislative meeting rooms at the Grant Sawyer State Office Building in Las Vegas and the Legislative Building in Carson City. The public hearings afforded an opportunity for each board or related entity to present information on its operations, including the management of its staff and services, its revenues and budgeting processes, the effectiveness of its regulations, and the disciplining of licensees. Further, the hearings offered the public an opportunity to comment on the presentations and raise additional issues relating to the entities.

The members reviewed 25 entities during the 2017–2018 Interim. The Subcommittee took action on each entity and made recommendations either to continue, revise, or terminate each board or related entity. In addition, the Subcommittee received status reports from several entities that it had reviewed in the 2015–2016 Interim.

The Subcommittee's final report will contain an overview of its activities and a discussion of its recommendations.

## SUMMARY OF RECOMMENDATIONS

This summary presents the recommendations approved by the Sunset Subcommittee of the Legislative Commission at its meetings on March 21, April 23, May 21, and June 13, 2018. The recommendations will be submitted to the Legislative Commission for its consideration and possible inclusion in bill draft requests (BDRs) to be forwarded to the 80<sup>th</sup> Session of the Nevada Legislature.

## **Recommendations for Legislation**

### *Entities Recommended for Continuation With Statutory Revisions*

1. State Board of Landscape Architecture ([NRS 623A.080](#)) (**BDR** –)
2. Board of Registered Environmental Health Specialists ([NRS 625A.030](#)) (**BDR** –)
3. Nevada Physical Therapy Board ([NRS 640.030](#)) (**BDR** –)

### *Entity Recommended for Termination With Functions Transferred*

1. Board of Homeopathic Medical Examiners ([NRS 630A.100](#)) (**BDR** –)

### *Further Legislation Recommended*

1. Authorize each board or commission, created in Title 54 (“Professions, Occupations and Businesses”) of NRS, to enter into or participate in a contract for the acceptance of credit cards and other electronic transfers of money or to participate in such a contract entered into by the director of the Office of Finance, Office of the Governor. (**BDR** –)
2. Establish an interim study of the operations of the professional and occupational licensing boards during the 2019–2020 Interim. (**BDR** –)

## **Recommendations for Committee Action**

### *Entities Recommended for Continuation*

1. State Contractors’ Board ([NRS 624.040](#))
2. State Board of Professional Engineers and Land Surveyors ([NRS 625.100](#))
3. Advisory Committee on Nursing Assistants and Medication Aides ([NRS 632.072](#))

### *Entities Recommended for Continuation With Additional Actions and Reporting*

1. Peace Officers’ Standards and Training Commission ([NRS 289.500](#))
2. State Board of Architecture, Interior Design and Residential Design ([NRS 623.050](#))
3. Commission on Construction Education ([NRS 624.570](#))
4. Nevada State Board of Accountancy ([NRS 628.035](#))
5. Board of Medical Examiners ([NRS 630.050](#))

6. State Board of Nursing ([NRS 632.020](#))
7. State Board of Osteopathic Medicine ([NRS 633.181](#))
8. Chiropractic Physicians' Board of Nevada ([NRS 634.020](#))
9. State Board of Podiatry ([NRS 635.020](#))
10. State Board of Pharmacy ([NRS 639.020](#))
11. Board of Occupational Therapy ([NRS 640A.080](#))
12. Board of Massage Therapy ([NRS 640C.150](#))
13. Board of Psychological Examiners ([NRS 641.030](#))
14. Board of Examiners for Marriage and Family Therapists and Clinical Professional Counselors ([NRS 641A.090](#))
15. Board of Examiners for Social Workers ([NRS 641B.100](#))
16. Board of Examiners for Alcohol, Drug and Gambling Counselors ([NRS 641C.150](#))
17. Private Investigator's Licensing Board ([NRS 648.020](#))
18. Certified Court Reporters' Board of Nevada ([NRS 656.040](#))

## I. INTRODUCTION

The Sunset Subcommittee is a permanent subcommittee of the Legislative Commission whose authorization and duties are set forth in [Chapter 232B](#) (“Legislative Review of Public Agencies”) of *Nevada Revised Statutes* (NRS). Created in 2011 with the enactment of [Senate Bill 251](#), the Subcommittee is responsible for conducting reviews of all boards, commissions, and similar entities in Nevada that are not provided in the *Nevada Constitution* or established by an executive order of the Governor. Charged with determining whether those entities should be continued, modified, terminated, or consolidated with another entity, the Subcommittee must make its recommendations on or before June 30 of each even-numbered year.

The creation of the Subcommittee, its membership, powers, and duties, are codified in [NRS 232B.210 through 232B.250](#). Membership consists of six legislators, appointed by legislative leadership, and three nonvoting members, selected by the chair of the Legislative Commission from nominations submitted by the Governor. The chair and vice chair are elected by the legislative members of the Subcommittee.

The statutory charge of the Subcommittee is to evaluate the major policies and programs of the boards or commissions, specifically to determine whether any services provided are duplicates of services offered by other programs and whether any revenues provided to the boards or commissions should be continued, revised, or terminated. The Subcommittee may recommend to the Legislative Commission that the Legislative Auditor conduct audits of selected boards or commissions under its review; such recommendations are limited to no more than four entities per interim. Pursuant to NRS 232B.240, the board or commission under review has the burden of proving a public need for its continued existence.

The Subcommittee held seven meetings during the 2017–2018 Interim. All of the meetings were conducted through simultaneous videoconferencing between legislative hearing rooms in the Grant Sawyer State Office Building in Las Vegas and the Legislative Building in Carson City. The following list of dates includes links to each meeting:

- [December 8, 2017](#)
- [January 22, 2018](#)
- [February 21, 2018](#)
- [March 21, 2018](#)
- [April 23, 2018](#)
- [May 21, 2018](#)
- [June 13, 2018](#)

The Subcommittee selected and reviewed 25 professional and occupational licensing boards and related entities. The members heard briefings on all of the entities and made final recommendations on each of them. In addition, the Subcommittee received reports from several boards and commissions that had been reviewed in the previous interim. The Subcommittee received briefings on several issues related to the review of professional and occupational licensing boards.

More information about the Committee's activities—including minutes, recordings of meetings, and copies of presentations and other exhibits—may be accessed on the Legislature's website for the [2017–2018 Interim](#).

## II. BACKGROUND

During the 2017–2018 Interim, the Subcommittee received two presentations relating to professional and occupational licensing in Nevada. These included a report on Nevada's participation in the Occupational Licensing Policy Learning Consortium. The Subcommittee also received an overview of data on occupational licensing.

### **A. Report on Nevada's Participation in the Occupational Licensing Policy Learning Consortium**

At its [December 8, 2017](#), meeting, Assemblyman Nelson Araujo summarized Nevada's participation in the Occupational Licensing Policy Learning Consortium. Along with ten other states, Nevada was selected to participate in the Consortium, which is supported by The Council of State Governments, the National Conference of State Legislatures, and the NGA (National Governors Association) Center for Best Practices. Additional support is provided by the United States Department of Labor.

Each participating state identified four target occupations based on certain criteria: occupations licensed in at least 30 states, and occupations that require less than a bachelor's degree. Nevada selected occupations in construction and health care.

The purpose of the study is to identify and implement licensing best practices that support a skilled workforce, deliver high-quality services, and remove barriers to licensing. Assemblyman Araujo stated the Consortium plans to complete its work and make recommendations in December 2019.

### **B. Report from the Office of Workforce Innovation, Office of the Governor**

[Senate Bill 69](#) of the 2017 Session requires the executive director of the Office of Workforce Innovation (OWINN), Office of the Governor, to report to the Legislature on the number of persons in Nevada who are engaged in an occupation or profession that is regulated by a regulatory body and the demand for the services of such persons.

At its [May 21, 2018](#), meeting, Manny Lamarre, Executive Director, OWINN, provided an analysis of regulated occupations. He reported that Nevada ranks second among the 50 states for “burdensome” licensing laws, a designation based upon the average amount of education and

experience required, as well as the amount of fees for registration, examination, and licensing. Mr. Lamarre reported that approximately 30 percent of Nevada's workforce is regulated through a licensing board.

Mr. Lamarre also provided information on core strategies and policies relating to occupational licensing. Priorities for 2018–2019 include aligning workforce training with labor market data, scaling work-based learning and apprenticeships, and outreach and awareness of workforce opportunities and partnerships.

### **III. DISCUSSION OF TESTIMONY AND RECOMMENDATIONS**

The Sunset Subcommittee of the Legislative Commission reviewed 25 professional and occupational licensing boards and related entities during the 2018–2019 Interim. The Subcommittee held work sessions on March 21, April 23, May 21, and June 13, 2018. In addition to recommending continuation, modification, or termination of each entity, the Subcommittee also considered proposed actions for legislation, letters, or statements to include in its final report. Additional information regarding all recommendations considered is available in the Committee's Work Session Documents at: <https://www.leg.state.nv.us/App/InterimCommittee/REL/Interim2017/Committee/1415/Meetings>.

The Subcommittee requested from each entity a completed review form and supporting documents including budgets, audits, governance structure, and reports required by the Legislature. In addition, the Subcommittee requested that each entity provide information on licensing fees charged in Nevada and in neighboring states. These documents are available on the Subcommittee's [website](#) on the date of the initial review by the Subcommittee, as provided in the following information.

#### **A. Entities Recommended for Continuation With Statutory Revisions**

1. The **State Board of Landscape Architecture** ([NRS 623A.080](#)) was established in 1975. The Board consists of five members appointed by the Governor. The Board is responsible to implement the provisions of [Chapter 623A](#) ("Landscape Architects") of NRS. The Board was reviewed by the Sunset Subcommittee at its meeting on [February 21, 2018](#). Discussion among the Subcommittee members and representatives of the Board concerned travel expenses, videoconferencing, continuing education, fees, and accessibility to forms and other functions via the Internet for the convenience of certificate holders.

The Board offered one suggestion for revision to the statutes governing its operations. Existing law provides that the president of the Board or a designated Board member must review a complaint filed with the executive director. Consideration of the complaint by a member of the Board in this manner eliminates that person from subsequent participation in a later hearing on the complaint. The Board suggested revising these provisions by substituting the executive director for the president or any Board member, so that all Board members may participate in a hearing without violating the due process rights of the person named in the complaint.

Subsequent to the review, the Board reported that it had proposed a permanent regulation for inclusion in [Chapter 623A](#) (“Landscape Architecture”) of *Nevada Administrative Code* (NAC), which had been submitted to the Legal Division of the Legislative Counsel Bureau.

*At the [March 21, 2018](#), work session, the Subcommittee recommended continuation of the Board. It further recommended amending NRS to provide that the executive director, rather than the president of the Board or any designated Board member, consider a complaint that is filed with the Board to determine whether further proceedings are warranted.*

*The Subcommittee also voted to send a letter to the Board requesting to be informed when the Board’s continuing education policy is implemented.*

2. The **Board of Registered Environmental Health Specialists** ([NRS 625A.030](#)) was created by the Legislature in 1987. The Board includes the Chief Medical Officer and four members appointed by the Governor to represent the general public and the health districts of Washoe County and Clark County. The Board issues certificates of registration, sets fees, determines continuing education requirements, establishes standards of professional conduct, and takes disciplinary actions.

The Sunset Subcommittee reviewed the Board at its meeting on [February 21, 2018](#). Members of the Subcommittee and representatives of the Board discussed the impact of legalized marijuana on the requirements for registration with the Board. Representatives of the Board discussed changes to the practice of environmental health specialists, the Board’s disciplinary options, and its lack of authority to impose fines.

The Board recommended revisions to provisions of [Chapter 625A](#) (“Environmental Health Specialists”) of NRS to authorize the Board to issue licenses rather than certificates; and impose civil penalties as a means of disciplinary action. The Board recommended that it be given the option to delegate to a hearing officer its authority to take disciplinary action.

*At the [April 23, 2018](#), work session, the Subcommittee voted to recommend continuation of the Board and revise NRS to provide the Board with the option to delegate to a hearing officer its authority with regard to disciplining a certificate holder.*

3. The Legislature established the **Nevada Physical Therapy Board** ([NRS 640.030](#)) in 1955. The Board consists of five members appointed by the Governor. In addition, in 2017, the Legislature authorized the Board to select any person to serve as a nonvoting advisory member of the Board. The Board is authorized to enforce the provisions of [Chapter 640](#) (“Physical Therapists, Physical Therapist Assistants and Physical Therapist Technicians”) of NRS, evaluate applicants, issue licenses, investigate complaints, discipline licensees, forward to law enforcement any substantiated information concerning a person who allegedly practices without a license, and approve educational programs leading to licensure.

The Sunset Subcommittee reviewed the Board at its meeting on [April 23, 2018](#). Subcommittee members and Board representatives discussed the following:

- Lack of internal controls in Board operations, including the segregation of duties and maintenance of adequate records to enable the financial audit;
- Expenditures exceeding revenues;
- Budgets not prepared for Fiscal Year (FY) 2015 or FY 2016;
- The previous executive director making unauthorized payments to herself prior to resignation;
- Moving to an annual audit to assist the Board in the accountability and maintenance of its financial records; and
- Board training consisting of providing members with lists of websites relating to ethics, government, and the Open Meeting Law; instruction in the legislative process provided by the lobbyist; and recommendations for education and training events.

The Board has taken the following steps to address some of these issues:

- Working with the Office of the Attorney General (OAG) rather than full-time, outside legal counsel;
- Reviewing invoices and regulations;
- Establishing internal financial controls;
- Providing online access to licensing renewals; and
- Putting employee performance evaluations in place.

The Board had no suggestions for consolidation with another entity. On its review form, the Board indicated that 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.

*At its work session on June 13, 2018, the Sunset Subcommittee voted to recommend continuation of the Board. The Subcommittee also voted to recommend improvements to the Board's training by revising provisions of Chapter 640 of NRS to require Board members to attend training offered by the OAG and require the Board to report to the Subcommittee during the 2019–2020 Interim with documentation of training in which each Board member participated. The Subcommittee also voted to send a letter to the Board urging it to establish an annual audit cycle, create an annual budget, and improve its budgeting process and maintenance of records. The Subcommittee also will require the Board to report in the 2019-2020 Interim on its investigation into the conduct of the previous executive director and its steps taken to correct problems identified during the Board's review.*

## B. Entity Recommended for Termination With Functions Transferred

1. The **Board of Homeopathic Medical Examiners** ([NRS 630A.100](#)) was established by the Legislature in 1983. The Board consists of seven members appointed by the Governor. The Board has the authority to regulate the practice of homeopathic medicine, determine qualifications of applicants, issue licenses or certificates, and investigate complaints.

The Subcommittee reviewed the Board at its meeting on [March 21, 2018](#). Discussion between Subcommittee members and representatives of the Board included a review of the Board's expenditures, revenues, and debt of approximately \$145,000 owed to the OAG, which has been accruing since 2004. Representatives of the Board indicated most patients are not Nevada residents; they generate medical tourism revenue during their stay for treatment. In addition, the Board reported that new applications for a license indicate a growing trend in homeopathic medicine.

The Subcommittee requested additional information, as follows:

- Subsequent to the March review, the chair requested information on 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. A report addressing the requested information was submitted by Capitol Partners, LLC, on behalf of the Board. The report and letters of support are included in the informational items on the agenda for the Subcommittee's meeting on [June 13, 2018](#).
- At the Subcommittee's meeting on [April 23, 2018](#), the members voted to request information from the OAG regarding the circumstances of the amounts payable and any suggestions for resolution. The OAG submitted a response for the Subcommittee's consideration at the [June 13, 2018](#) meeting.

*At its work session on [June 13, 2018](#), the Subcommittee addressed issues relating to the Board in separate actions. First, the Subcommittee voted to send a letter to the Board, the OAG, the Legislature's Interim Finance Committee, and the next Governor, explaining the details of the debt owed by the Board to the OAG and requesting a resolution of the debt. Second, the Subcommittee voted to recommend termination of the Board and the transfer of its licensing duties to the Division of Public and Behavioral Health, Department of Health and Human Services.*

## C. Entities Recommended for Continuation

1. The **State Contractors' Board** ([NRS 624.040](#)) was established in 1941. The Board consists of seven members appointed by the Governor, including six licensed contractors and one representative of the general public. The Board is authorized to make bylaws, rules of procedure, and regulations that are necessary to carry out the provisions of [Chapter 624](#) ("Contractors") of NRS, including issuing licenses and disciplining licensees, establishing an Investigations Office, administering the Recovery Fund, and adopting regulations for the Commission on Construction Education.

The Sunset Subcommittee reviewed the Board at its meeting on [February 21, 2018](#). Members of the Subcommittee and representatives of the Board discussed the delegation of the authority to discipline licensees to an administrative law judge and licensure by endorsement. Representatives indicated the Board is considering revisions to its strategic plan. The Board reported that, due to the economic downturn, it refunded approximately \$2.6 million to both active and inactive licensees. The Board has a practice of maintaining a one-year operating reserve. Representatives responded to questions relating to increased expenses for professional services.

*At its work session on [May 21, 2018](#), the Subcommittee voted to recommend continuation of the Board without any revisions.*

2. The **State Board of Professional Engineers and Land Surveyors** ([NRS 625.100](#)) was initially established by the Legislature in 1919, when it defined the practice of professional engineering. The practice of land surveying was recognized by the Legislature in 1947. The Board consists of nine members appointed by the Governor. The Board is responsible to issue licenses, define the scope of the disciplines by regulation, discipline licensees, and investigate complaints.

The Sunset Subcommittee considered the Board at its meeting on [February 21, 2018](#). A review of the Board's financial audit indicated the Board has a reserve balance that would cover approximately 35 months of operating expenses. The Board reported it does not have a reserve policy, and retains all money from the imposition of fines, collected pursuant to NRS 625.150.

Following the review, a letter from the executive director was included in the informational items provided to the Subcommittee at its meeting on [May 21, 2018](#). The Board indicated that "internal procedures have been implemented to ensure that all future fines" imposed by the Board will be deposited with the Office of the State Treasurer.

Subsequently, the Board submitted a reserve policy it adopted in May 2018 and a business plan effective June 2018.

*At its work session on [June 13, 2018](#), the Subcommittee voted to recommend continuation of the Board without any revisions.*

3. The **Advisory Committee on Nursing Assistants and Medication Aides** ([NRS 632.072](#)) was established by the Legislature in 1989. As part of a budget reconciliation act, the federal government developed procedures for approving nursing assistant training programs. In 2011, the Legislature added the certification of medication aides.

The Advisory Committee consists of 11 members, as provided in statute, including representatives of certain types of agencies or organizations, certain divisions of the Department of Health and Human Services (DHHS), and various levels of nursing licensure. The Advisory Committee must advise the State Board of Nursing on matters relating to nursing assistants and medication aides-certified.

In 1995, the Legislature authorized the Board of Nursing to create other advisory committees as it deemed appropriate.

The Sunset Subcommittee reviewed the Advisory Committee at its meeting on [March 21, 2018](#). Subcommittee members asked whether the Board might prefer more flexibility by establishing the Advisory Committee through regulation rather than statute. Members also inquired about the pass/fail rates of educational and training programs.

Subsequent to the meeting, the executive director of the State Board of Nursing reported that the Board has not experienced any problems or limitations because the Advisory Committee is established in statute. Further, the Board can see no advantage to moving the Advisory Committee from statute to regulation. The Board also provided information on success rates of educational and training programs, which was provided to the Subcommittee as an attachment to the work session document.

*At its work session on [April 23, 2018](#), the Subcommittee voted to recommend continuation of the Advisory Committee without any revisions.*

#### **D. Entities Recommended for Continuation With Additional Actions and Reporting**

1. The **Peace Officers' Standards and Training Commission** (P.O.S.T.) ([NRS 289.500](#)), created by the Legislature in 1981, consists of nine members appointed by the Governor. Members must represent geographic areas of the state as well as categories of peace officers.

The Commission provides training opportunities for law enforcement personnel and establishes minimum standards for the certification, recruitment, selection, and training of peace officers. It shall determine whether agencies of state and local government are complying with standards, carrying out duties relating to certain investigations, and performing any other duties necessary to meet their statutory functions.

The Sunset Subcommittee reviewed P.O.S.T. at its [January 22, 2018](#), meeting. Subcommittee members and representatives of P.O.S.T. discussed funding for the activities of the Commission. The executive director stated that the only source of funding is through court assessment fees. Subcommittee members requested information on funding available to similar agencies in other states. The response from the executive director was included in the informational items provided to the Subcommittee at its meeting on [February 21, 2018](#).

To stabilize and increase P.O.S.T.'s budget, the Commission suggested statutory revisions to provide a specific and mandatory portion of court assessment fees or to add a source of funding, such as a surcharge, or other methods of funding utilized in other states.

*At the [June 13, 2018](#), work session, the Subcommittee voted to include a statement in its final report encouraging P.O.S.T. to request additional funding for the 2019–2021 Biennium and to seek a sponsor for a BDR to provide an increased portion of court assessment fees or a new source of funding. In addition, the Subcommittee also voted to send a letter to the Governor and the chairs of the Senate Committee on Finance and the Assembly Committee on Ways and Means recommending funding for the Northern Nevada Emergency Vehicle Operations Course that had been approved in 2007 but not constructed due to the ensuing economic recession.*

2. The **State Board of Architecture, Interior Design and Residential Design** ([NRS 623.050](#)) was created by the Legislature in 1949 to recognize the profession of architecture. Subsequently, the practice of residential design was defined in 1975, and the practice of interior design was defined in 1995. The name of the Board was revised each time another practice was licensed. The Board consists of nine members appointed by the Governor to represent the three practices and the general public. The Board is authorized to issue licenses, discipline licensees and impose civil penalties, establish education and training requirements, and adopt a code of ethics.

The Sunset Subcommittee reviewed the Board at its meeting on [February 21, 2018](#). Subcommittee members and representatives of the Board discussed the Board's policy of offering longevity pay to employees, budgeted travel costs, fees as they compare to surrounding states, and the retention of revenues from fines.

The Board provided a response to questions raised, which was included in the informational items provided to the Subcommittee at its meeting on [May 21, 2018](#). The Board indicated the following:

- Longevity pay has been an employment policy since 2001 as part of its compensation package. The Board offered to discontinue this policy;
- In-state travel costs include travel for board meetings, exam administration, continuing education seminars, and educational outreach programs. Several Board members participate in national organizations, generating out-of-state travel expenses;
- First-time registration fees are higher than surrounding states because the Board is entirely self-funded. It provides certain services, including free continuing education, participation in an alternative path to licensure for some qualified interior designers, and faster licensing;
- [NRS 623.310](#) provides a ceiling of \$800 for an examination. Fees have not been raised since 2002; and
- With regard to fines and assessments, the Board takes the position that its legal authority "seems to differ from the authority that governs other" licensing boards in Nevada.
  - [NRS 623.365](#) provides for a civil penalty not to exceed \$10,000.
  - No provision in [Chapter 623](#) ("Architects, Interior Designers and Residential Designers") of NRS specifically directs the Board to deposit money from fines in the Office of the State Treasurer, although [NRS 623.165](#) provides that if the Board does make such deposits, it can request reimbursement for investigative costs from the Interim Finance Committee. The Board asserts that its "present processes do not pose the kinds of due process risks" of concern to the Sunset Subcommittee.

*At the [June 13, 2018](#), work session, the Subcommittee voted to continue the Board. It also voted to send a letter to the Board urging it to discontinue the practice of longevity pay*

*and reduce its travel expenses; review its fees for examinations and first-time registrations; and bring its procedures regarding fines in line with the other professional licensing boards. The Board is directed to report to the Subcommittee during the 2019–2020 Interim on the results of the review. Finally, the Subcommittee voted to make a statement in its final report that the Board’s practice of retaining revenues from levying fines and civil penalties is not aligned with the provisions of other practice acts.*

3. The **Commission on Construction Education** ([NRS 624.570](#)) was established in 2001. It consists of seven members, including one member of the State Contractors’ Board, four members who represent the construction industry, and two members who are knowledgeable about construction education.

The Commission is authorized to establish a grant program and distribute grants from the Construction Education Account to projects relating to education in building construction. Money deposited in the Account includes voluntary contributions, fines assessed for disciplinary actions, and fines assessed for participating in certain prohibited acts. The State Contractors’ Board is authorized to adopt regulations for the Commission.

The Sunset Subcommittee reviewed the Commission at its meeting on [February 21, 2018](#). A summary of recent grants awarded was included in informational items to the Subcommittee at its meeting on [April 23, 2018](#).

*At the work session on [May 21, 2018](#), the Subcommittee voted to recommend continuation of the Commission. The Subcommittee also voted to make a statement in its final report supporting revisions to the Commission’s grant program to require grant recipients to evaluate the outcomes of a grant proposal and report those findings to the Commission. In addition, the Subcommittee voted to include a statement encouraging the Commission to align the priorities of the grant program with the vision of the Office of Workforce Innovation, Office of the Governor, to support state apprenticeships and work-based learning. The Subcommittee further requested that the Commission report to the Subcommittee during the 2019–2020 Interim on the enactment of both recommendations.*

4. The **Nevada State Board of Accountancy** ([NRS 628.035](#)) was established by the Legislature in 1913. The Board consists of seven members appointed by the Governor. The Board has the authority to regulate [Chapter 628](#) (“Accountants”) of NRS, including adopting regulations concerning professional conduct, issuing certificates, establishing educational requirements, prescribing examinations, registering corporations for the practice of public accounting, and disciplining holders of certificates.

The Subcommittee reviewed the Board at its meeting on [January 22, 2018](#). Subcommittee members and representatives of the Board discussed the following:

- The Board has approximately 22 months of operating reserves;
- Cost efficiencies implemented by the Board resulted in a reduction of operating expenses; and

- Board members who are involved in enforcement committee proceedings abstain from voting.

A subsequent letter from the executive director was included in the informational items provided to the Subcommittee at its meeting on [March 21, 2018](#). The Board explained the actions it implemented in 2004 to improve its financial position, which resulted in a growing reserve. The Board noted its concerns with a suggestion that it maintain reserves of only three to six months to cover operating costs.

The Board included on the agenda for its own March 2018 meeting a discussion of a reserve policy. A message from the executive director indicated that the Board has approved the drafting of a reserve policy, which will likely be adopted at its scheduled meeting in July 2018.

*At its work session on [June 13, 2018](#), the Subcommittee voted to recommend continuation of the Board. It also voted to include a statement in its final report that the Board indicated it is in the process of developing and adopting a reserve policy.*

5. The **Board of Medical Examiners** ([NRS 630.050](#)) was created by the Legislature in 1899. It consists of nine members appointed by the Governor. The Board enforces the provisions of [Chapter 630](#) (“Physicians, Physician Assistants, Medical Assistants, Perfusionists and Practitioners of Respiratory Care”) of NRS. It establishes standards for the practice of licensure, conducts examinations, and investigates applicants. Pursuant to statute, the Board holds hearings, conducts investigations, inspects premises, and disciplines licensees.

The Board was reviewed by the Subcommittee on [March 21, 2018](#). Subcommittee members and representatives of the Board discussed the Board’s reserve policy and fees. Representatives reported the Board established a policy to maintain reserves equal to approximately 12 months of operating expenses, based on an audit from the Federation of State Medical Boards. Subsequently, it reduced fees for all licensure categories. The members noted that the Board’s fees remain higher than surrounding states in most categories, including background checks, initial application fees, and renewal fees.

Representatives explained the use of hearing officers in administrative hearings. The hearing officers are independent contractors who conduct initial proceedings, make a finding of the credibility of witnesses, and prepare a record that is provided to the Board members who conduct the formal hearing.

*At its [June 13, 2018](#), work session, the Subcommittee voted to recommend continuation of the Board. The Subcommittee also voted to send a letter to the Board urging it to review its fee schedule, including aligning fees charged for background checks with costs to obtain the information and directing the Board to report the results of its review to the Subcommittee during the 2019–2020 Interim.*

6. The **State Board of Nursing** ([NRS 632.020](#)) was established by the Legislature in 1923. The Board consists of seven members appointed by the Governor, including representatives of the practice of nursing, a representative of the interests of certain health care providers, and

one representative of the public. The Board is responsible for determining qualifications, administering examinations, and issuing licenses. The Board may discipline licensees.

At its meeting on [March 21, 2018](#), the Sunset Subcommittee reviewed the Board. The Legislative Auditor reported the amount of reserves maintained by the Board is \$5.6 million, which is equal to 22 months of operating expenses, and highlighted certain budget items. The Board stated that it has a two-year reserve policy.

Representatives of the Board indicated that it does not rely on hearing officers to consider complaints against licensees, although it has the authority to do so. The Board does collect costs associated with investigating complaints, but it deposits fines in the State General Fund.

Board members receive training, which is recorded in each individual Board member's file. The Board indicated that it intends to pursue the Enhanced Nurse Licensure Compact in the 2019 Session of the Legislature.

*At the [April 23, 2018](#), work session, the Subcommittee voted to recommend continuation of the Board. It also voted to send a letter to the Board directing it to report to the Sunset Subcommittee during the 2019–2020 Interim on its reserves, including its plans to provide value to its licensees in the form of professional development, continuing education, and other increased services.*

7. The **State Board of Osteopathic Medicine** ([NRS 633.181](#)) was created by the Legislature in 1925. The Board consists of seven members appointed by the Governor. The Board adopts regulations to carry out its duties, issues licenses, investigates complaints, and disciplines licensees.

The Board was reviewed by the Subcommittee at its meeting on [March 21, 2018](#). Subcommittee members and representatives of the Board discussed:

- The Board's reserves of approximately \$1 million, which are equal to 20 months of operating costs;
- An increase in applications that generated increased revenue;
- The Board's retention of fines for disciplinary actions;
- The Board's hearing process, including the selection of a hearing officer;
- The level of fees in Nevada, which are higher than most surrounding states; and
- The Board's plans to review its fees and consider necessary adjustments.

A subsequent letter from the executive director was included in the informational items provided to the Subcommittee at its meeting on [April 23, 2018](#). The Board provided information in response to questions from the Subcommittee, including the following:

- The Board will consider a reserve policy at its scheduled meeting in June 2018;
- Criteria considered when selecting a hearing officer include experience, education, and references; and
- The Board will review licensing, renewal, and fingerprint processing fees to determine whether adjustments are necessary.

*At its work session on [June 13, 2018](#), the Subcommittee voted to recommend continuation of the Board. The Subcommittee also voted to 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.*

8. The Legislature created the **Chiropractic Physicians' Board of Nevada** ([NRS 634.020](#)) in 1923. The Board consists of seven members appointed by the Governor. The Board adopts regulations to carry out its duties, issues licenses, inspects premises, investigates complaints, and disciplines licensees.

The Sunset Subcommittee reviewed the Board at its meeting on [April 23, 2018](#). The members and representatives of the Board discussed the following:

- The Board possesses marketable securities with no plans for liquidation and no policy on investments;
- The Board has reserves of \$206,000, which are equivalent to seven months of operating costs, and it has no reserve policy; and
- Licensing fees are higher than most surrounding states.

At the meeting, Board counsel explained how the Board came to hold stock in a publicly traded company. Counsel stated the Board will place on the agenda for its July 2018 meeting items proposing to divest itself of this stock and to establish a reserve policy.

A subsequent letter from the executive director was included in the informational items provided to the Subcommittee at its meeting on [May 21, 2018](#). The Board provided information in response to questions from the Subcommittee, including doubtful accounts turned over to the Office of the State Controller; sources of other income; variances in budgeted and actual revenues and expenditures; and services provided to licensees that are funded from fees.

The Board indicated that it may seek legislation to revise provisions of [Chapter 634](#) ("Chiropractic Physicians and Chiropractors' Assistants") of NRS during the 2019 Legislative Session.

*At its work session on [June 13, 2018](#), the Subcommittee voted to recommend continuation of the Board. It also voted to send a letter to the Board recommending it divest itself of certain securities, establish a reserve policy, and improve its budgeting process. The Subcommittee*

*also voted to direct the Board to report to the Subcommittee during the 2019–2020 Interim on steps taken to improve its budgetary process and management of its finances.*

9. The Legislature established the **State Board of Podiatry** ([NRS 635.020](#)) in 1949, although it first regulated the practice by requiring certification through the Board of Medical Examiners in 1917. The Board consists of five members appointed by the Governor.

The Board adopts regulations to carry out the provisions of [Chapter 635](#) (“Podiatric Physicians and Podiatry Hygienists”) of NRS. It examines applicants, issues licenses, requires training, inspects premises, and disciplines licensees.

The Board was reviewed by the Sunset Subcommittee at its meeting on [April 23, 2018](#). Subcommittee members and representatives of the Board discussed the former director’s restitution for felony embezzlement; contractual and professional services, which represent significant expenditures for a relatively small board; electronic payments; lack of a reserve policy; the need for licensed podiatric hygienists; and fines included as part of the Board’s operating revenues.

A subsequent letter from the executive director was included in the informational items provided to the Subcommittee at its meeting on [May 21, 2018](#). The Board provided information in response to questions from the Subcommittee, including the following:

- Civil penalties, not previously deposited with the Office of the State Treasurer, will be deposited there in the future;
- Online renewals will be considered by the Board;
- Board training will be considered at future Board meetings; and
- The need for podiatric hygienists may be considered by the Board at a later date.

*At its work session on [June 13, 2018](#), the Subcommittee voted to recommend continuation. It also voted to send a letter to the Board urging it to adopt electronic renewals and payments. In addition, the Subcommittee voted to recommend to the Legislative Committee on Health Care (LCHC) that it review the need to license for podiatric hygienists.*

10. The **State Board of Pharmacy** ([NRS 639.020](#)) was created by the Nevada Legislature in 1901. The Board consists of seven members appointed by the Governor, including six registered pharmacists and one member who represents the general public.

The Board regulates the practice of pharmacy and registers pharmacies, various health care facilities, wholesalers, providers of medical devices, and warehouses. The Board also monitors and regulates activity involving prescription drugs. It operates on a biennial licensing cycle, pursuant to statute.

The Sunset Subcommittee reviewed the Board at its meeting on [April 23, 2018](#). Members of the Subcommittee and representatives of the Board discussed the Board's deficit in 2017; expenditures exceeded revenues by approximately \$337,000. Representatives indicated the Board does not have a reserve policy. The Board reported that it issues over 27,000 licenses across 19 different categories.

*At the [May 21, 2018](#), work session, the Subcommittee voted to recommend continuation. It also voted to send a letter to the Board and make a statement in its final report to urge the Board to develop a policy to provide guidelines for maintaining adequate reserves to cover its operating expenses. The Subcommittee also voted to direct the Board to report to the Subcommittee during the 2019–2020 Interim on its budget and actual revenues and expenditures for Fiscal Years 2017–2018 and 2018–2019, including an analysis of the adequacy of its fees to support its operations.*

11. The **Board of Occupational Therapy** ([NRS 640A.080](#)) was established by the Legislature in 1991. The Board consists of five members appointed by the Governor, including four practitioners and a representative of the public.

The Board enforces the provisions of [Chapter 640A](#) ("Occupational Therapists and Occupational Therapy Assistants") of NRS. It examines applicants, issues licenses, establishes standards of practice, investigates complaints, disciplines licensees, inspects premises, and refers to law enforcement any reports of individuals practicing without a license.

The Board was reviewed by the Sunset Subcommittee at its meeting on [April 23, 2018](#). At that time, members and representatives of the Board discussed the Board's reserves of approximately \$650,000, growth in license applications, electronic access to Board forms and services, and a vacancy on the Board for a public member. The Board has no policy regarding the level of reserves necessary to maintain its operations, although representatives of the Board indicated operating costs are low due to cost-effective and efficient procedures.

The Board reported that a retreat is planned for August 2018 to review its operations and fee structure and to establish a reserve policy in accordance with its long-term plan.

*At its work session on [May 21, 2018](#), the Subcommittee voted to recommend continuation of the Board. It also voted to send a letter to the Board urging it to develop a policy to provide guidelines for maintaining adequate reserves to cover its operating costs.*

12. The **Board of Massage Therapy** ([NRS 640C.150](#)) was established by the Legislature in 2005. The Board consists of nine voting members, including eight practitioners and a representative of the public, and one nonvoting advisory member appointed by the Governor. The nonvoting advisory member must be a resident of Clark County, certified by P.O.S.T., and a current or former police officer with the Las Vegas Metropolitan Police Department.

The Board enforces the provisions of [Chapter 640C](#) ("Massage Therapists") of NRS, including examining applicants, issuing licenses, disciplining licensees, establishing standards for the

profession, and requiring continuing education. It also adopts regulations regarding curriculum for schools of massage therapy, reflexology, and structural integration.

The Sunset Subcommittee reviewed the Board at its meeting on [April 23, 2018](#). At that time, members and representatives of the Board discussed the Board's doubtful accounts, which had been turned over to the Office of the State Controller for collection. They also discussed disciplinary procedures, investigations, training for new Board members, and implementation of new regulations in compliance with [Assembly Bill 179](#) (Chapter 275, *Statutes of Nevada 2017*). This legislation authorized the Board to issue licenses to practice reflexology and structural integration.

The Board recommended a statutory revision to reduce the size of its membership. The Board suggested that, as terms expire (one in 2019 and one in 2021), those positions should be eliminated.

*At its work session on [May 21, 2018](#), the Subcommittee voted to recommend continuation of the Board and to direct the Board to report to the Subcommittee during the 2019–2020 Interim on the implementation of regulations to regulate and license reflexologists and structural integrationists.*

13. The **Board of Psychological Examiners** ([NRS 641.030](#)) was established by the Legislature in 1963. The Board consists of six members appointed by the Governor. In 2017, the Legislature created the Board of Applied Behavior Analysis, transferred the responsibility for regulation of that profession from the Board of Psychological Examiners, and reduced the membership from seven members to six.

The Board enforces the provisions of [Chapter 641](#) (“Psychologists, Behavior Analysts, Assistant Behavior Analysts and Autism Behavior Interventionists”) of NRS, including licensing applicants, disciplining licensees, investigating complaints, and requiring a mental or physical examination of a licensee who is named in a complaint.

In 2017, the Legislature enacted [AB 457](#) (Chapter 363, *Statutes of Nevada*) to require the Board to establish policies concerning compensation and performance of the staff, to authorize the Board to enter into agreements with DHHS to assist in improving performance of duties, and to adopt online application forms for issuance or renewal of licenses and certificates.

The Subcommittee reviewed the Board at its meeting on [May 21, 2018](#). Subcommittee members and representatives of the Board discussed the following:

- A lack of oversight, segregation of duties, and proper documentation as reported in the financial audit;
- A decline in the reserve balance over the past several years and large variances in the budget regarding certain fees;
- Reserves equivalent to approximately five months of operating costs;

- Loss in revenue due to the creation of the new Board of Applied Behavior Analysis; and
- Testing and licensing procedures, including the development of a computer-based exam.

The Board reported that it has developed procedures to separate duties; the executive director and the secretary-treasurer meet monthly to reconcile statements. The deficit was due to services of a lobbyist, an exam developer, an exam commissioner, and an accountant. The Board represented that its actual expenditures will be closer to the budget as it finishes its two-year budget.

The Board recommended its membership be returned to seven. It also requested an increase in the statutory limits placed on fees, which have not been increased since 1997.

*At the work session on [June 13, 2018](#), the Subcommittee voted to recommend continuation of the Board. It also voted to recommend that the LCHC and the Commission on Behavioral Health (CBH) continue to monitor the Board, pursuant to [AB 457](#), and require the Board to report to the Subcommittee during the 2019–2020 Interim on its progress in complying with the provisions of [AB 457](#).*

14. The Legislature initially established the **Board of Examiners for Marriage and Family Therapists and Clinical Professional Counselors** ([NRS 641A.090](#)) in 1973, when it licensed marriage counselors. The practice of clinical professional counselors was recognized in 2007; the name of the Board was revised to reflect that licensing. The Board currently consists of nine members appointed by the Governor.

The Board enforces the provisions of [Chapter 641A](#) (“Marriage and Family Therapists and Clinical Professional Counselors”) of NRS, including examining applicants, granting licenses, disciplining licensees, and establishing criteria for courses of study for licensing and continuing education.

In 2017, the Legislature enacted [AB 457](#) to require the Board to establish policies concerning the compensation and performance of Board staff, to authorize the Board to enter into agreements with DHHS to assist in improving performance of duties, and to adopt online application forms for issuance or renewal of licenses and certificates.

The Sunset Subcommittee reviewed the Board at its meeting on [May 21, 2018](#). Subcommittee members and representatives of the Board discussed the following:

- An employee loan that was not authorized or approved by the Board and other loss attributed to theft;
- Lack of documentation to prepare a budget and an audit;

- Efforts to manage Board operations without a staff director; and
- A records retention policy.

The Board reported that it has developed a policy and operations manual, will interview applicants to fill the executive director position, and has requested the Office of the Attorney General investigate the loss attributed to theft.

The Board reported that, at its April meeting, it voted to support a number of revisions to Chapter 641A, including increases in the statutory limits on fees, which have not been increased since 1989. It may propose a biennial license to increase revenues and address cash flow problems.

*At the work session on [June 13, 2018](#), the Subcommittee voted to recommend continuation of the Board. It also voted to recommend that the LCHC and the CBH continue to monitor the Board, pursuant to [AB 457](#), and require the Board to report to the Subcommittee during the 2019–2020 Interim on its progress in complying with the provisions of [AB 457](#).*

15. The **Board of Examiner for Social Workers** ([NRS 641B.100](#)) was established by the Legislature in 1987. The Board consists of five members appointed by the Governor.

The Board adopts regulations to carry out the provisions of [Chapter 641B](#) (“Social Workers”) of NRS, including issuing licenses and disciplining licensees. The Board must maintain a list of licensed social workers.

In 2017, the Legislature enacted AB 457 to require the Board to establish policies concerning the compensation and performance of Board staff, to authorize the Board to enter into agreements with DHHS to assist in improving performance of duties, and to adopt online application forms for issuance or renewal of licenses and certificates.

The Board was reviewed by the Sunset Subcommittee at its meeting on [May 21, 2018](#). Subcommittee members and the Board discussed the following:

- The Board’s reported deficit and expenditures exceeded revenues according to the financial audit;
- Online licensing, including the purchase of computer software and contracting with a new vendor; and
- The increasing demand for social workers in Nevada.

The Board reported it is proposing to increase the application fee and the initial licensure fee for licensed clinical social workers, which will bring in additional revenue. If its statutory limits are increased, the Board plans to use the additional revenue to provide computer programming, improve office efficiencies, and build its reserve funds. Representatives stated statutory fees were last increased in 1995.

*At the work session on [June 13, 2018](#), the Subcommittee voted to recommend continuation of the Board. It also voted to recommend that the LCHC and the CBH continue to monitor the Board, pursuant to [AB 457](#), and require the Board to report to the Subcommittee during the 2019-2020 Interim on its progress in complying with the provisions of [AB 457](#).*

16. In 1999, the Legislature created the predecessor to the **Board of Examiners for Alcohol, Drug and Gambling Counselors** ([NRS 641C.150](#)), when it required persons who counsel alcohol and drug abusers to be licensed. The Board was revised in 2003 to include gambling counselors. The Board consists of seven members appointed by the Governor. The Board is authorized to adopt regulations relating to examinations, licensing, and discipline.

In 2017, the Legislature enacted AB 457 to require the Board to establish policies concerning the compensation and performance of Board staff, to authorize the Board to enter into agreements with DHHS to assist in improving performance of duties, and to adopt online application forms for issuance or renewal of licenses and certificates.

The Board was reviewed by the Sunset Subcommittee at its meeting on [May 21, 2018](#). Subcommittee members and Board representatives discussed the following:

- Reserves equivalent to nine months of operating costs;
- Both examination expenses and revenue collected from exams and fees indicate growth in the field;
- The Board's initial application fee is higher than surrounding states; and
- Expenditures exceeded revenues due to lobbyist fees for the 2017 Legislative Session.

The Board reported it has not entered into an agreement with DHHS because it has a solid system of governance in place. The Board also reported it updated its policies and procedures in 2017 and has offered online renewals since 2014.

*At the work session on [June 13, 2018](#), the Subcommittee voted to recommend continuation of the Board. It also voted to recommend that the LCHC and the CBH continue to monitor the Board, pursuant to [AB 457](#), and require the Board to report to the Subcommittee during the 2019–2020 Interim on its progress in complying with the provisions of [AB 457](#).*

17. The **Private Investigator's Licensing Board** ([NRS 648.020](#)) was established by the Legislature in 1953. Prior to that, the Legislature authorized the Nevada State Police to issue a private detective's license in 1947. The Board consists of five members appointed by the Governor.

The Board carries out the provisions of [Chapter 648](#) ("Private Investigators, Private Patrol Officers, Polygraphic Examiners, Process Servers, Repossessors, Dog Handlers and Registered Employees") of NRS, including classifying licensees according to the type of business. The Board may limit the operations of a licensee. It establishes criteria for

authorizing self-insurance and levying fines for violations. It may establish qualifications of licensees and the directors and officers of corporate licensees. It may also require licensees to attend courses in firearms safety.

The Board was reviewed by the Sunset Subcommittee at its meeting on [January 22, 2018](#). Subcommittee members and representatives of the Board discussed the vetting process for new applicants; the high cost of personnel due to employing six investigators, running background checks, and providing state benefits to all employees; online processing of license applications, renewals, and credit card payments; and licensing fees in Nevada compared to surrounding states.

A subsequent letter from the executive director was included in the informational items provided to the Subcommittee at its meeting on [March 21, 2018](#). The Board provided information in response to questions from the Subcommittee, including the following:

- A comparison of fees in Nevada with selected states indicates that Nevada's fees are higher;
- The Board reported that Nevada is the only state that performs an in-depth background investigation on applicants and their companies, including credit checks and other public records; and
- The Board suggested that funding from the state would enable the Board to obtain Rap Back services from the Federal Bureau of Investigation, which allows authorized agencies to receive notification of activity by individuals who hold positions of trust or who are under criminal justice supervision or investigation. This would eliminate the need for repeated background checks on a person from the same applicant agency.

*At its work session on [June 13, 2018](#), the Subcommittee voted to recommend continuation with further review by the Subcommittee during the 2019–2020 Interim, including a study of its fees and operations.*

18. The **Certified Court Reporters' Board of Nevada** ([NRS 656.040](#)) was created by the Legislature in 1973. The Board consists of five members appointed by the Governor.

The Board examines applicants for certification, issues licenses to conduct business as a court reporting firm, fixes the fees, and disciplines licensees. In 2017, the Legislature enacted [SB 406](#) (Chapter 361, *Statutes of Nevada*), which changed examination requirements and qualifications.

The Board was reviewed by the Subcommittee at its meeting on [January 22, 2018](#). Subcommittee members and representatives of the Board discussed the following:

- The increasing use of videography in depositions and changes in technology;
- Concerns for the protection of the public and the accuracy of the record created via videography;

- The lack of authority provided to the Board to oversee these methods; and
- The impact of declining numbers of licensees on the revenues of the Board.

A staff memorandum was submitted to the members at its meeting on [April 23, 2018](#), that provided the following information relating to the regulation and licensing of videography in Nevada and other states: (1) states do not regulate legal videographers as they do certified court reporters; (2) the National Court Reporters Association (NCRA) has taken no position on state licensure; and (3) the Certified Legal Video Specialist Council, within the NCRA, holds that a court reporter should be present during a deposition and should be responsible for creating and maintaining the written testimony.

In addition, in 2017, the Nevada Supreme Court created the Nevada Rules of Civil Procedure Committee to review and make recommendations whether to update and revise the *Nevada Rules of Civil Procedure* and related rules. By the date of the Subcommittee's work session on the Board, the Committee had made no recommendations regarding the structure of rules to accommodate both videography and court reporting.

*At its work session on [June 13, 2018](#), the Subcommittee voted to recommend continuation of the Board. The Subcommittee also voted to require the Board to report to the Subcommittee during the 2019–2020 Interim on the impact of the provisions of [SB 406](#) relating to revisions of examination requirements and qualifications and any recommendations from the Nevada Rules of Civil Procedure Committee of the Nevada Supreme Court regarding the regulation of videographers. The Subcommittee also voted to urge the Board to seek statutory revisions to [Chapter 656](#) (“Certified Court Reporters; Court Reporting Firms”) of NRS with its own bill draft request.*

## **E. Further Legislation Recommended**

1. During its review of professional and occupational licensing boards, the Subcommittee became aware that some boards do not accept electronic transfer of funds from individuals who wish to pay for services offered by the board. Some of these functions include registering for licensing examinations, enrolling in continuing education courses, purchasing materials, renewing licenses, and paying fines or assessments. Some boards have chosen not to accept electronic transfers, while other boards view statutory provisions as limiting their options to accept electronic transfer of funds.

As an example, at its meeting on [February 21, 2018](#), the Subcommittee received testimony from the State Board of Landscape Architecture regarding accessibility of its forms and functions via the Internet. Representatives of the Board reported that [NRS 623A.240](#) limits certain financial transactions involving the Board to United States currency in the form of a “check, cashier’s check or money order.” Discussion among the Subcommittee members and representatives of the Board concerned revisions to sections of NRS limiting methods of payment. Subcommittee members questioned the convenience of access and service to licensees.

*At its work session on March 21, 2018, the Subcommittee voted to recommend revisions to statutory provisions to authorize, but not require, each board or commission provided for in Title 54 (“Professions, Occupations and Businesses”) of NRS to enter into or participate in a contract to accept credit cards and other electronic transfers of money or to participate in such a contract entered into by the director of the Office of Finance, Office of the Governor.*

2. During the 2017–2018 Interim, the Sunset Subcommittee reviewed 23 professional and occupational licensing boards. Over the previous three interims, the Subcommittee had reviewed an additional nine licensing boards. As the Subcommittee conducted its work, members became aware of issues that the Legislature may wish to address. These observations and findings are provided in Section V of this report.

*At its work session on June 13, 2018, the Subcommittee voted to recommend that the Legislature establish an interim study of the operations of the professional and occupational licensing boards during the 2019–2020 Interim.*

#### **IV. SUGGESTED LEGISLATION**

**THE SUBCOMMITTEE’S LEGISLATION WILL BE LISTED HERE AFTER IT PRESENTS ITS REPORT AND RECOMMENDATIONS TO THE LEGISLATIVE COMMISSION FOR APPROVAL.**

The following bill draft requests will be available during the 2019 Legislative Session at the following website: [BDR Insert number Click here to insert description](https://www.leg.state.nv.us/App/NELIS/REL/80th2019/BDRs>List</a>.</p></div><div data-bbox=)

BDR Insert number Click here to insert description

*The following explains the numbers or letter preceding the dash in the BDR number:*

*BDR 40–368 A number denotes the NRS Title (i.e., Title 40), which encompasses the main subject of the bill draft.*

*BDR R–369 The letter “R” denotes the bill draft is a resolution.*

*BDR S–370 The letter “S” denotes the bill draft is a special act.*

## V. GENERAL FINDINGS AND RECOMMENDATIONS

Along with recommendations regarding specific boards, the Subcommittee noted issues that the members voted to bring to the attention of the Legislature. The following is a summary of the Subcommittee's concerns, findings, and observations about Nevada's professional and occupational licensing boards.

- A. In many instances, NRS provides that a board may delegate its authority to hear complaints made against licensees. It would appear that NRS does not provide for qualifications of hearing officers who receive this delegated authority from licensing boards.
- B. The training of board members is not uniform among the boards. While [NRS 622.200](#) provides that a member of a regulatory body must be provided training on duties and responsibilities by the Attorney General, it appears that not all board members and staff participate.
- C. Although the Legislative Auditor receives financial audits and balance sheets, they are not available for public inspection, creating a lack of transparency.
- D. 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 some boards, while other boards with more limited resources, may utilize other methods to obtain financial information to increase oversight of their budgeting and management.
- E. Board reserves range from several million dollars to less than three months of operating costs. Many boards have no policy with regard to reasonable reserves.
- F. Most boards are empowered to discipline licensees, including levying a fine or a civil penalty as a form of discipline. Practice acts are not uniform with regard to provisions requiring the deposit of such revenues with the Office of the State Treasurer. Some boards follow that practice, while other boards retain the revenues, creating a potential for conflict of interest.
- G. Fee structures are not uniform. Some boards charge more than is required to obtain fingerprint and background check information. Some boards are provided a range and limitation on the amounts they may charge licensees, while the fees for other boards are set in NRS. Some boards charge fees that are considerably more than what neighboring states levy.
- H. Not all boards have explicit authority to investigate individuals reported as practicing the profession without a license. Others are required to report such alleged activity to law enforcement. Some have the authority to seek injunctive relief.
- I. A review of budgets informed the Subcommittee that many boards utilize outside legal counsel, instead of obtaining assistance from the Office of the Attorney General, and hire the services of a lobbyist, leading to increased expenditures. Some boards fail to obtain approval of such contracts from the State Board of Examiners.

- J. The status of staff is not consistent among the boards. Some employees are members of the Public Employees' Retirement System; others participate in Social Security; and some are contractors, receiving few if any benefits at all.
- K. Not all boards use electronic access to documents and payments of fees. The Subcommittee suggests that the Legislature consider all boards implement electronic renewals and filing to accommodate licensees. The elimination of cash transactions would also reduce opportunities for financial mismanagement.
- L. Because board budgets include many duplicated operations and expenditures, including compensation, legal fees, lobbying expenses, information technology, and office overhead, the Subcommittee suggests that the Legislature explore the idea of central personnel consolidation.

## **VI. REPORT TO THE LEGISLATIVE COMMISSION**

**INSERT PARAGRAPH SUMMARIZING THE PRESENTATION OF RECOMMENDATIONS TO THE LEGISLATIVE COMMISSION AND ITS SUBSEQUENT APPROVAL OR REJECTION OF RECOMMENDATIONS.**



## INTERIM COMMITTEE REPORTS

VIII.A.

## **COMMITTEE TO STUDY ISSUES REGARDING AFFORDABLE HOUSING**

Senate Concurrent Resolution 1  
(File 40, *Statutes of Nevada 2017*)

### **Members**

Senator Julia Ratti, Chair  
Assemblyman Tyrone Thompson, Vice Chair  
Senator Yvanna D. Cancela  
Senator Ben Kieckhefer  
Assemblyman Edgar Flores  
Assemblywoman Sandra Jauregui

### **Staff Contacts**

Research Division:  
Diane C. Thornton, Principal Policy Analyst  
Natalie J. Pieretti, Research Policy Assistant  
(775) 684-6825

Legal Division:  
Asher A. Killian, Principal Deputy Legislative Counsel  
(775) 684-6830



**Senate Concurrent Resolution 1**  
**(File 40, *Statutes of Nevada 2017*)**

Senate Concurrent Resolution No. 1—Senator Ratti

FILE NUMBER.....

SENATE CONCURRENT RESOLUTION—Directing the Legislative Commission to appoint a committee to conduct an interim study relating to affordable housing within the State of Nevada.

WHEREAS, The United States Department of Housing and Urban Development defines affordable housing as housing for which an occupant is paying no more than 30 percent of his or her income for gross housing costs, including utilities; and

WHEREAS, Families who pay more than 30 percent of their income for housing may have difficulty affording essentials such as food, clothing, transportation and medical care; and

WHEREAS, According to statistics from the American Community Survey conducted by the United States Census Bureau, of units occupied by persons paying rent in Nevada, an estimated 46.8 percent of occupants spent more than 30 percent of their household income on rent and utilities in 2015; and

WHEREAS, According to statistics from the Housing Division of the Department of Business and Industry, rent for affordable housing units in Nevada increased by 11 percent between 2013 and 2015, while average wages in Nevada increased by only 3 percent during that same period and average vacancy rates for affordable housing units decreased to 4 percent; and

WHEREAS, The shortage of affordable housing has forced thousands of seniors, veterans, families and children in Nevada to occupy motels that typically have minimal or no facilities for the preparation and storage of food and which serve as an inadequate substitute for stable, long-term housing; and

WHEREAS, Various research studies on the impact of housing on children's academic success indicate that the availability of adequate, safe, affordable housing can provide children with enhanced opportunities for academic success by reducing the frequency of unwanted moves which disrupt both the continuity of educational instruction and the social bonds and networks that support learning; and

WHEREAS, Increasing the availability of adequate, safe, affordable housing may also assist the State in meeting its economic development goals, increase the ability of the State to attract and retain a skilled workforce and improve educational outcomes for children in Nevada; now, therefore, be it



79th Session (2017)

RESOLVED BY THE SENATE OF THE STATE OF NEVADA, THE ASSEMBLY CONCURRING, That the Legislative Commission is hereby directed to appoint a committee composed of three members of the Assembly and three members of the Senate, one of whom must be appointed by the Legislative Commission as Chair of the committee, to conduct an interim study of affordable housing within the State of Nevada; and be it further

RESOLVED, That the study must include, without limitation, an examination of:

1. The present and prospective need for affordable housing in the State, including, without limitation, affordable housing that is accessible to persons with disabilities;
2. Any impediments to the development of affordable housing in the State;
3. Methods to increase the availability of affordable housing in rural, suburban and urban areas of the State; and
4. Any other matters which are deemed relevant to the issue of affordable housing; and be it further

RESOLVED, That the committee solicit the input of interested stakeholders, including, without limitation, agencies and organizations that provide access to affordable housing and affordable housing assistance; and be it further

RESOLVED, That any recommended legislation proposed by the committee must be approved by a majority of the members of the Senate and a majority of the members of the Assembly appointed to the committee; and be it further

RESOLVED, That the Legislative Commission submit a report of the results of the study and any recommended legislation to the 80th Session of the Nevada Legislature; and be it further

RESOLVED, That the Secretary of the Senate prepare and transmit a copy of this resolution to the Administrator of the Housing Division of the Department of Business and Industry.



## ABSTRACT

### COMMITTEE TO STUDY ISSUES REGARDING AFFORDABLE HOUSING

Senate Concurrent Resolution 1  
(File 40, *Statutes of Nevada 2017*)

Nevada faces an affordable housing crisis. As the state experiences growth in both economic development and population, housing costs are also rapidly increasing while incomes are not keeping pace. According to the United States Census Bureau, 35 percent of Nevada households spend more than 30 percent of their income for housing and are considered housing cost burdened. The National Low Income Housing Coalition estimates that in Nevada, 80 percent of extremely low-income renters are severely cost burdened. In addition, 209,635 affordable housing units are needed across the state, creating a shortage of rentals available to low-income households according to Nevada's Housing Division, Department of Business and Industry.

In 2017, the Nevada Legislature adopted [Senate Concurrent Resolution 1](#), which established the Committee to Study Issues Regarding Affordable Housing. The Committee's primary responsibilities include conducting a study to examine the present and prospective need for affordable housing in Nevada, any impediments to the development of affordable housing, methods to increase the availability of affordable housing, and other relevant matters relating to affordable housing.

The committee held four meetings and heard from representatives from state and local agencies, businesses, community groups, nonprofit and professional organizations, and the public to provide insight and solutions to Nevada's affordable housing problem.

During the first meeting, on January 23, 2018, the Committee heard testimony related to the critical need for affordable housing in Nevada, including the current housing stock, the shortage of affordable and available rentals for low-income households, an overview of affordable housing initiatives at the federal, state, and local level, an evaluation of the housing database, and possible solutions to the affordable housing problem. Chair Ratti also invited stakeholders, interested parties, and the public to join working groups to help in providing the Committee with recommendations to consider. The following working groups were suggested: Financing, Definitions, Local Government, and Housing Data.

At the second meeting, on March 13, 2018, the Committee focused on supportive housing and the link between housing and health. The Committee heard testimony on regional efforts to provide a continuum of care for homeless families and individuals, how other states are providing supportive services, and the strategic goals related to housing, homelessness prevention, and intervention from the Interagency Council on Homelessness, Division of Public and Behavioral Health, Department of Health and Human Services.

Testimony during the third meeting, on May 15, 2018, examined workforce housing and the various programs available to help both new and struggling homeowners. Nevada's increasing population and shifting demographics lead to a demand for a wider variety of housing types.

According to a [presentation](#) at the meeting by Nevada HAND, a nonprofit organization dedicated to providing affordable housing solutions in southern Nevada, it is estimated that over the next ten years, the lack of affordable housing is projected to worsen for renter households earning up to \$47,000, particularly those among Nevada's workforce, also referred to as the "missing middle" households.

At its work session in Las Vegas, Nevada, on May 31, 2018, the Committee approved five proposals for drafting legislation and three proposals for letters or final report statements. The topics covered include:

- Definitions of affordable housing;
- Housing data collection;
- Local government development fees;
- Supportive housing;
- Financing for affordable housing;
- Urban and transit-oriented development; and
- Consumer tenant protections.

More information about the Committee's activities—including minutes, recordings, and copies of presentations and other exhibits—may be accessed on the Legislature's [website](#) for the 2017–2018 Interim.

## SUMMARY OF RECOMMENDATIONS

### COMMITTEE TO STUDY ISSUES REGARDING AFFORDABLE HOUSING

Senate Concurrent Resolution 1  
(File 40, *Statutes of Nevada 2017*)

This summary presents the recommendations approved by the Committee to Study Issues Regarding Affordable Housing at its meeting on May 31, 2018. The bill draft requests (BDRs) will be forwarded to the Legislative Commission for transmittal to the 80<sup>th</sup> Session of the Nevada Legislature.

### RECOMMENDATIONS FOR LEGISLATION

#### *Definitions of Affordable Housing*

1. Draft legislation to revise certain definitions of affordable housing to provide consistency within the *Nevada Revised Statutes* (NRS). **(BDR –)**

#### *Housing Data Collection*

2. Draft legislation linking [NRS 278.235](#) (Annual Housing Progress Report) to [NRS 319.143](#) (Low-Income Housing Database) to clarify the connection between the two sections and support current practices of Nevada's Housing Division (NHD), Department of Business and Industry, and local governments. **(BDR –)**

#### *Local Government Development Fees*

3. Draft legislation to amend NRS 278.235 to enable local governments to assist affordable housing developments by allowing them to reduce or subsidize building fees, impact fees, and/or enterprise fees without having to be reimbursed from the local government's general fund (GF) or without having to borrow and pay back enterprise funds from the GF. Local governments must provide for a public review of the fiscal stability of the GF or enterprise fund, as appropriate, if such fees are either reduced or subsidized. **(BDR –)**

#### *Supportive Housing*

4. Draft legislation directing Nevada's Department of Health and Human Services to expand the Medicaid 1915(i) State Plan Option. This would allow Nevada to offer a variety of services under a state plan for home- and community-based services benefit that would facilitate housing as health care. **(BDR –)**

#### *Financing for Affordable Housing*

5. Draft legislation to create a Nevada affordable housing tax credit program to encourage the development and preservation of low-income residential housing statewide.

The proposed program is a four-year pilot program, which authorizes up to \$10 million of transferrable tax credits per fiscal year, not to exceed a total of \$40 million, to be administered by NHD. **(BDR –)**

#### RECOMMENDATIONS FOR COMMITTEE ACTION

6. Send a letter to Nevada's Congressional Delegation advocating for the support and passage of [S.548/H.R.1661](#) (Affordable Housing Credit Improvement Act of 2017), 115<sup>th</sup> Congress, also known as the Cantwell-Hatch Act, introduced by Senators Maria Cantwell (D-Washington) and Orrin G. Hatch (R-Utah).
7. Include a statement in the final report supporting the comments submitted by Joshua J. Hicks, on behalf of the Nevada Homebuilders Association, the Southern Nevada Homebuilders Association, and the Builders Association of Northern Nevada, to the Committee encouraging urban land development, transit-oriented development, comprehensive planning, workforce training, flexibility on permitting and enterprise fund fees, and opposing federal tariffs on construction material.
8. Include a statement in the final report supporting the comments submitted by James Conway, on behalf of Statewide Legal Services Coalition, to the Committee to strengthen consumer protections for tenants, including, without limitation, allowing additional time for tenants to locate new housing in the case of an eviction or a displacement due to rising rents, to help in mitigating the affordable housing crisis in Nevada.

## **COMMITTEE TO CONDUCT A STUDY CONCERNING THE COST AND AFFORDABILITY OF HIGHER EDUCATION**

Assembly Bill 202  
(Chapter 150, *Statutes of Nevada 2017*)

### **Members**

Assembly Member Amber Joiner, Chair  
Senator Moises (Mo) Denis, Vice Chair  
Senator Yvanna D. Cancela  
Senator Ben Kieckhefer  
Assemblyman Chris Edwards  
Assemblywoman Heidi Swank

### **Nonvoting Members**

Alicia L. Contreras-Martinez, Student, Nevada State College  
David H. Sanders, Ph.D., Professor, University of Nevada, Reno

### **Staff Contacts**

Research Division:  
Jennifer Ruedy, Senior Principal Policy Analyst  
Maria Aguayo, Research Policy Assistant  
(775) 684-6825

Fiscal Analysis Division:  
Brody Leiser, Senior Program Analyst  
(775) 684-6821

Legal Division:  
Asher A. Killian, Principal Deputy Legislative Counsel  
(775) 684-6830



**Assembly Bill 202**  
**(Chapter 150, *Statutes of Nevada 2017*)**

**Section 1.**

1. The Legislative Commission shall appoint a committee to conduct an interim study concerning the cost and affordability of higher education in the State of Nevada for students.
  2. The committee must be composed of:
    - (a) Two voting members of the Legislature appointed by the Majority Leader of the Senate;
    - (b) Two voting members of the Legislature appointed by the Speaker of the Assembly;
    - (c) One voting member of the Legislature appointed by the Minority Leader of the Senate;
    - (d) One voting member of the Legislature appointed by the Minority Leader of the Assembly;
    - (e) One nonvoting member of the general public who is a faculty member in the Nevada System of Higher Education appointed by the Chair of the Legislative Commission from among the names of nominees submitted by the Board of Regents of the University of Nevada pursuant to subsection 3; and
    - (f) One nonvoting member of the general public who is a student enrolled in the Nevada System of Higher Education appointed by the Chair of the Legislative Commission from among the names of nominees submitted by the Board of Regents of the University of Nevada pursuant to subsection 3.
  3. The Board of Regents of the University of Nevada shall submit to the Legislative Commission the names of at least three:
    - (a) Faculty members in the Nevada System of Higher Education qualified for membership on the committee.
    - (b) Students enrolled in the Nevada System of Higher Education qualified for membership on the committee.
  4. The Speaker of the Assembly shall appoint a Chair and a Vice Chair of the committee.
  5. The committee shall consult with and solicit input from persons and organizations with expertise in matters relevant to the cost of higher education in this State and funding methods for higher education in this State.
  6. The committee shall submit a report of its findings, including, without limitation, any recommendations for legislation, to the 80<sup>th</sup> Session of the Nevada Legislature.



## ABSTRACT

### **COMMITTEE TO CONDUCT A STUDY CONCERNING THE COST AND AFFORDABILITY OF HIGHER EDUCATION**

Assembly Bill 202  
(Chapter 150, *Statutes of Nevada 2017*)

The Committee to Conduct a Study Concerning the Cost and Affordability of Higher Education was established per the enactment of [AB 202](#). The Committee was comprised of six legislators, three from each house, and two nonvoting members, one who is a faculty member in the Nevada System of Higher Education (NSHE) and one who is a student enrolled in NSHE. Per the enabling legislation, the Legislative Counsel Bureau and NSHE were charged with providing administrative and technical assistance to the committee as requested by the chair.

The Committee held four meetings during the 2017–2018 Interim. All four meetings were held in the Legislative Building in Carson City, Nevada, with videoconferencing to the Great Basin College in Elko, Nevada, and the Grant Sawyer State Office Building in Las Vegas, Nevada. Each meeting focused primarily on specific areas as follows:

1. March 22, 2018—Affordability and costs of higher education;
2. April 17, 2018—Programs of higher education;
3. May 8, 2018—Compensation for faculty; and
4. June 4, 2018—Final work session.

This was a multifaceted study regarding the cost and affordability of higher education. To this end, the Committee studied programs, policies, and funding to make higher education more financially accessible to residents of this state. The Office of Economic Development and the Office of Workforce Innovation, within the Office of the Governor, participated along with NSHE in the Committee's evaluation of the need for higher education programs to ensure economic progress and workforce development in Nevada. The system of compensation for faculty was carefully reviewed in order to recruit and retain quality faculty that will further programs of higher education and research. At its final work session, the Committee voted on recommendations for bill draft requests (BDRs), letters, and statements for the Committee's final report.

The Committee voted to forward four recommendations as BDRs to the 80<sup>th</sup> Session of the Nevada Legislature in 2019 addressing the following topics: (1) professional employee and faculty compensation; (2) the Governor Guinn Millennium Scholarship Program; (3) creating a new state-funded grant program for qualified students enrolled in universities within NSHE; and (4) the Silver State Opportunity Grant Program.



## SUMMARY OF RECOMMENDATIONS

### COMMITTEE TO CONDUCT A STUDY CONCERNING THE COST AND AFFORDABILITY OF HIGHER EDUCATION

Assembly Bill 202  
(Chapter 150, *Statutes of Nevada 2017*)

This summary presents the recommendations approved by the Committee to Conduct a Study Concerning the Cost and Affordability of Higher Education at its June 4, 2018, meeting. The Committee voted to forward four recommendations as bill draft requests (BDRs) to the 80<sup>th</sup> Session of the Nevada Legislature in 2019, send several letters expressing support for a specific issue or encouraging certain action, and include several statements in the Committee's final report.

During the drafting process, specific details of the following proposals for legislation and letters may be further clarified by staff in consultation with the chair or others, as appropriate.

#### RECOMMENDATIONS FOR LEGISLATION

1. The Committee voted to request legislation to establish the structure for a comprehensive and sustainable faculty compensation system, including regular in-rank salary increases. The BDR should address compression in faculty salaries in order to promote the recruitment and retention of high-quality faculty for the Nevada System of Higher Education (NSHE).

The intent of the legislation would be that if the Board of Regents and NSHE do establish a compensation plan for its professional employees, in line with statutory parameters and with certain reporting requirements, then the additional cost of the in-rank salary increases would be part of the cost of continuing NSHE's operations at the current level of service, rather than as an enhancement or separate line item for the purpose of creating the executive budget. The legislation should continue to allow institutional flexibility according to the needs of research universities, two-year colleges, four-year universities, the Desert Research Institute, and other statewide programs, with oversight by the Board of Regents explicitly authorized by statute. **(BDR →)**

2. The Committee voted to request legislation to revise statutory provisions concerning the Governor Guinn Millennium Scholarship (GGMS) Program to:
  - a. Establish one grade point average (GPA) for all students in all semesters that they receive the GGMS, as a requirement to maintain eligibility for the GGMS. To do so, the Committee voted to increase the first-year GPA from 2.60 to 2.75, which is the current GPA requirement for students in their second and subsequent years.

- b. Revise the “two strikes” provision in Section 5 of *Nevada Revised Statutes* (NRS) 396.934 to provide that a student may continue to receive the GGMS in the student’s succeeding semester of enrollment after failing to meet the continuing eligibility requirement during a semester of enrollment, since more students may fail to meet the increased GPA requirement. However, if the student fails to meet the requirements during a second semester at any time during the student’s enrollment, the student is no longer eligible for the GGMS.
  - c. Propose an effective date of July 1, 2020, for these revisions to provide students and institutions adequate notice of the change in the GPA requirements. The proposed revisions in the eligibility requirements would be applied to all students in the GGMS program on July 1, 2020. **(BDR –)**
- 3. The Committee voted to request legislation to establish a separate, state-funded grant program for qualified students enrolled in universities within NSHE with a similar structure and qualifications as the Silver State Opportunity Grant (SSOG) Program (NRS 396.950 through 396.960). **(BDR –)**
- 4. The Committee voted to request legislation to revise statutory provisions concerning the SSOG Program as follows:
  - a. Expand eligibility to students enrolled in 30 credits in an academic year utilizing fall, spring, and summer terms. Currently, under NRS 396.952, to be eligible for the SSOG, a student must enroll in at least 15 credit hours each semester (fall and spring semesters only);
  - b. Amend NRS 396.952 to allow students to enroll in fewer than 30 credit hours in the final academic year of his or her program of study and remain eligible for the program;
  - c. Include in the report to the Legislature relevant to the SSOG, per NRS 396.960, credit load data indicating how students met the 30 credit hour requirement each academic year. **(BDR –)**

#### RECOMMENDATIONS FOR COMMITTEE LETTERS AND STATEMENTS IN THE COMMITTEE’S FINAL REPORT

- 5. The Committee voted to send a letter to the Governor, Board of Regents, chairs of the Senate Committee on Finance and the Assembly Committee on Ways and Means, and legislative leadership, and include a statement in the Committee’s final report encouraging the development of plans and options to:
  - a. Support the Board of Regents’ efforts to revise the faculty compensation structure, creating a competitive but sustainable compensation system that addresses salary compression and provides for in-rank salary advancement;

- b. Support the allocation of State General Fund appropriations to address professional compensation, including in-rank salary adjustments, in addition to student registration fees, miscellaneous student fees, nonresident tuition charges, and state-allocated revenues;
- c. Support regular funding in every fiscal year (FY) for in-rank salary advancement for NSHE professional employees at a level comparable, as a percentage of the total personnel budget, to funding for the in-grade steps for classified personnel in the state; and
- d. Fund a one-time, base-pay salary adjustment in FY 2019–2020 to partially address equity, salary compression, and inversion issues. It should be noted that an independent study was conducted for the Board of Regents, and the findings of the study were later presented to the Committee during its May 8, 2018, meeting. Gallagher Benefit Services, Inc., testified the one-time costs to address this issue could total as much as \$38.4 million for administrative faculty and \$49 million for academic faculty.

6. The Committee voted to send a letter to the Board of Regents recommending that each NSHE educational institution participate in the American Association of University Professors' annual faculty compensation survey, in order to provide valid comparative salary data year after year.
7. The Committee voted to send a letter to the Governor, Board of Regents, chairs of the Senate Committee on Finance and the Assembly Committee on Ways and Means, and legislative leadership supporting the concept of an increased/shared grant writing and management infrastructure for Nevada's community and state colleges for the purpose of obtaining private and federal grant funding.
8. The Committee voted to send a letter to NSHE encouraging its promotion of various student loan forgiveness programs, perhaps coupled with public service for rural and underserved populations.
9. The Committee voted to send a letter to the Governor, Board of Regents, chairs of the Senate Committee on Finance and the Assembly Committee on Ways and Means, and legislative leadership indicating that the Committee sees the need for dedicated, permanent funding for the GGMS Program and supports its continuation.
10. The Committee voted to send a letter to local school districts encouraging them to ensure each district policy on mentoring better coincides with the mentoring provisions required of Nevada Promise Scholarship recipients.
11. The Committee voted to send a letter to the United Way of Northern Nevada and the Sierra and similar service organizations encouraging such institutions to make available for students age-appropriate volunteer opportunities that do not conflict with school schedules.

12. The Committee voted to send a letter to the 2017–2018 Interim Legislative Committee on Education (LCE) noting that at the March 22, 2018, meeting of the Committee to Conduct a Study Concerning the Cost and Affordability of Higher Education, NSHE institution representatives provided detailed testimony related to the Nevada Promise Scholarship. The feedback from the institutions may be helpful if any statutory revisions to the scholarship are contemplated by the LCE for the 2019 Legislature.
13. The Committee voted to send a letter to the Governor, Board of Regents, chairs of the Senate Committee on Finance and the Assembly Committee on Ways and Means, and legislative leadership expressing the Committee’s support for increased funding for the Nevada Regents’ Service Program, which is the only state-supported work study program in NSHE.
14. The Committee voted to include a statement in its final report supporting increased outreach and education to students and parents regarding the value of training for middle skills jobs. Middle skills jobs require more than a high school education but less than a four-year college degree. According to testimony, there is a gap of roughly 28,000 workers in middle skills jobs in the state, and community colleges play a vital role in addressing this gap. Some examples of middle skills jobs include: electrical and electronic engineering technicians, mechanical engineering technicians, medical and clinical laboratory technicians, licensed practical and licensed vocational nurses, web developers, and welders.
15. The Committee voted to include a statement in its final report expressing support for increased development of youth apprenticeship programs for students in Nevada.
16. The Committee voted to include a statement in the Committee’s final report supporting improvements to the health workforce supply in Nevada. Mary Tabor Griswold, Ph.D., Health Services Research Analyst, Office of Statewide Initiatives, University of Nevada, Reno, School of Medicine, suggested the following policy levers for such improvements:
  - a. Introduce students to health career opportunities through associated K–12 pipeline programs and the work of National Area Health Education Centers Organization (developed by the United States Congress in 1971 to recruit, train, and retain a health professions workforce committed to underserved populations);
  - b. Expand awareness of state and federal scholarships and student loan repayment programs to students, especially the National Health Service Corps, Health Resources and Services Administration, United States Department of Health and Human Services (offers loan repayment and scholarships to primary care providers and students); and
  - c. Increase state and federal support for graduate medical education, a targeted residency, and fellowship program development.
17. The Committee voted to include a statement in the Committee’s final report to encourage future legislatures and governors to consider the demands that will be placed on community colleges and other higher education institutions to educate the workforce when providing tax abatements for companies to encourage economic development.

## **COMMITTEE ON HIGH-LEVEL RADIOACTIVE WASTE**

*Nevada Revised Statutes 459.0085*

### **Members**

Assemblyman Edgar Flores, Chair  
Senator David R. Parks, Vice Chair  
Senator Yvanna D. Cancela  
Senator Pete Goicoechea  
Senator Tick Segerblom  
Assemblyman Chris Brooks  
Assemblyman Jim Marchant  
Assemblyman William McCurdy II

### **Staff Contacts**

Research Division:  
Jann Stinnesbeck, Senior Policy Analyst  
Diane C. Thornton, Principal Policy Analyst  
Lisa Gardner, Research Policy Assistant  
(775) 684-6825

Legal Division:  
Darcy Johnson, Principal Deputy Legislative Counsel  
Erin Sturdivant, Senior Deputy Legislative Counsel  
(775) 684-6830



***Nevada Revised Statutes***

**NRS 459.0085 Creation; membership; powers and duties; compensation and expenses of members.**

1. There is hereby created a Committee on High-Level Radioactive Waste. It is a committee of the Legislature composed of:
  - (a) Four members of the Senate, appointed by the Majority Leader of the Senate.
  - (b) Four members of the Assembly, appointed by the Speaker.
2. The Legislative Commission shall review and approve the budget and work program for the Committee and any changes to the budget or work program. The Legislative Commission shall select a Chair and a Vice Chair from the members of the Committee.
3. Except as otherwise ordered by the Legislative Commission, the Committee shall meet not earlier than November 1 of each odd-numbered year and not later than August 31 of the following even-numbered year at the call of the Chair to study and evaluate:
  - (a) Information and policies regarding the location in this State of a facility for the disposal of high-level radioactive waste;
  - (b) Any potentially adverse effects from the construction and operation of a facility and the ways of mitigating those effects; and
  - (c) Any other policies relating to the disposal of high-level radioactive waste.
4. The Committee may conduct investigations and hold hearings in connection with its functions and duties and exercise any of the investigative powers set forth in [NRS 218E.105](#) to [218E.140](#), inclusive.
5. The Committee shall report the results of its studies and evaluations to the Legislative Commission and the Interim Finance Committee at such times as the Legislative Commission or the Interim Finance Committee may require.
6. The Committee may recommend any appropriate legislation to the Legislature and the Legislative Commission.
7. The Director of the Legislative Counsel Bureau shall provide a Secretary for the Committee on High-Level Radioactive Waste.
8. Except during a regular or special session of the Legislature, each member of the Committee is entitled to receive the compensation provided for a majority of the members of the Legislature during the first 60 days of the preceding regular session for each day or portion of a day during which the member attends a Committee meeting or is otherwise engaged in the work of the Committee plus the per diem allowance provided for state officers and employees generally and the travel expenses provided pursuant to [NRS 218A.655](#). Per diem allowances, salary and travel expenses of members of the Committee must be paid from the Legislative Fund.

(Added to NRS by [1985, 685](#); A [1987, 399](#); [1989, 1221](#); [1995, 1454](#); [2009, 1156](#); [2013, 3759](#))



## ABSTRACT

### **LEGISLATIVE COMMITTEE ON HIGH-LEVEL RADIOACTIVE WASTE**

*Nevada Revised Statutes (NRS) 459.0085*

The Committee on High-Level Radioactive Waste is a permanent committee of the Nevada Legislature whose authorization and duties are set forth in Chapter 459 (“Hazardous Materials”) of NRS. Created in 1985, the Committee is responsible for performing legislative oversight responsibilities to study and evaluate the following:

- Information and policies regarding the location of a facility for the disposal of high-level radioactive waste in the State of Nevada;
- Any potential adverse effects from the construction and operation of a facility and the ways of mitigating those effects;
- Any other policies relating to the disposal of high-level radioactive waste; and
- Recommendations concerning appropriate legislation to be presented to the Legislature and the Legislative Commission.

The Committee held two meetings and participated in an informational tour of the Nevada National Security Site during the 2017–2018 Legislative Interim. The Committee also monitored the activities of the United States Nuclear Waste Technical Review Board, Nevada’s Commission on Nuclear Projects, and Nevada’s Agency for Nuclear Projects.

The Committee will continue to monitor: (1) activities related to the U.S. Court of Appeals for the District of Columbia Circuit’s writ of mandamus directing the U.S. Nuclear Regulatory Commission to resume the licensing process for the Yucca Mountain repository; (2) the U.S. Department of Energy’s activities concerning the Yucca Mountain license application and related legal challenges; (3) actions taken by the White House Administration and Congress on the Yucca Mountain repository; and (4) any other pertinent activity in these or related areas.

**SUMMARY OF RECOMMENDATIONS**  
**COMMITTEE ON HIGH-LEVEL RADIOACTIVE WASTE**

*Nevada Revised Statutes 459.0085*

The Committee on High-Level Radioactive Waste did not make any recommendations or propose any legislation for the 2019 Session of the Nevada Legislature.

**LEGISLATIVE COMMITTEE ON SENIOR CITIZENS,  
VETERANS AND ADULTS WITH SPECIAL NEEDS**

*Nevada Revised Statutes 218E.750*

**Members**

Assemblywoman Lesley E. Cohen, Chair  
Senator Patricia (Pat) Spearman, Vice Chair  
Senator Joseph (Joe) P. Hardy, M.D.  
Senator David R. Parks  
Assemblywoman Shannon Bilbray-Axelrod  
Assemblywoman Lisa Krasner

**Staff Contacts**

Research Division:  
Melinda (Mindy) Martini, Principal Policy Analyst  
Megan Comlossy, Principal Policy Analyst  
Deborah (Debbie) Gleason, Research Policy Assistant  
(775) 684-6825

Legal Division:  
Eric Robbins, Principal Deputy Legislative Counsel  
(775) 684-6830



***Nevada Revised Statutes***

**NRS 218E.750 Creation; membership; budget; officers; terms; vacancies.**

1. The Legislative Committee on Senior Citizens, Veterans and Adults With Special Needs, consisting of six members, is hereby created. The membership of the Committee consists of:

(a) Three members of the Senate appointed by the Majority Leader of the Senate, at least one of whom must be a member of the minority political party; and

(b) Three members of the Assembly appointed by the Speaker of the Assembly, at least one of whom must be a member of the minority political party.

2. The Legislative Commission shall review and approve the budget and work program for the Committee and any changes to the budget or work program.

3. The Legislative Commission shall select the Chair and Vice Chair of the Committee from among the members of the Committee. After the initial selection, each Chair and Vice Chair holds office for a term of 2 years commencing on July 1 of each odd-numbered year. The office of Chair of the Committee must alternate each biennium between the Houses. If a vacancy occurs in the office of Chair or Vice Chair, the vacancy must be filled in the same manner as the original selection for the remainder of the unexpired term.

4. A member of the Committee who is not a candidate for reelection or who is defeated for reelection continues to serve after the general election until the next regular or special session convenes.

5. A vacancy on the Committee must be filled in the same manner as the original appointment for the remainder of the unexpired term. (Added to NRS by [2009, 2412](#); A [2011, 3235](#))



## ABSTRACT

### **LEGISLATIVE COMMITTEE ON SENIOR CITIZENS, VETERANS AND ADULTS WITH SPECIAL NEEDS**

*Nevada Revised Statutes 218E.750*

The Legislative Committee on Senior Citizens, Veterans and Adults With Special Needs, in compliance with [Nevada Revised Statutes \(NRS\) 218E.745 through 218E.760](#), is authorized to review, study, and comment on issues including, but not limited to: (1) initiatives to ensure financial and physical wellness; (2) abuse, exploitation, isolation, and neglect; (3) public outreach and advocacy; (4) programs to ensure services are provided in the most appropriate setting; (5) programs that provide services and care in the home; (6) the availability of useful information and data, as needed, for the state to make effective decisions, plan budgets, and monitor costs and outcomes of services; (7) laws relating to the appointment of a guardian, including the improvement of investigations relating to guardianships and systems for monitoring guardianships; and (8) the improvement of facilities for long-term care in Nevada.

In addition to its general powers, [Assembly Bill 299](#) of the 2017 Session requires the Committee to conduct a study during the 2017–2018 Interim concerning standards of training for unlicensed persons who provide care at certain facilities or homes or through certain agencies. Further, the bill requires the Committee to study the creation of a competency evaluation for a person who receives such training concerning the provision of care.

The Committee held four meetings during the 2017–2018 Interim. The following summarizes the main issues considered at each meeting:

1. On February 27, 2018, the Committee discussed the AB 299 study relating to training requirements, training models, and accountability models for unlicensed employees and contractors who provide care at certain facilities or homes; provisions relating to out-of-home placements for adults with special needs; and veterans services.
2. On April 12, 2018, the Committee discussed the AB 299 study and veterans services.
3. On June 19, 2018, the Committee discussed the AB 299 study, services for senior citizens, guardianship programs, and services for adults with special needs.
4. On July 19, 2018, the Committee discussed Medicaid reimbursement rates, veterans services, guardianship programs, and work session recommendations.

The Committee voted to forward ten recommendations as bill draft requests to the 2019 Legislature that address the following topics: (1) state employment, higher education, and dental programs for veterans; (2) sick leave flexibility; (3) provisions relating to out-of-home placements for adults with special needs; (4) the study required by AB 299 relating to the training of unlicensed employees and contractors who provide care at certain facilities or homes; and (5) guardianship programs.

In addition, the Committee voted to send several letters expressing support for a specific issue or encouraging certain action.

## SUMMARY OF RECOMMENDATIONS

### LEGISLATIVE COMMITTEE ON SENIOR CITIZENS, VETERANS AND ADULTS WITH SPECIAL NEEDS

*Nevada Revised Statutes 218E.750*

This summary presents the recommendations approved by the Legislative Committee on Senior Citizens, Veterans and Adults With Special Needs at its July 19, 2018, meeting. The Committee voted to forward ten recommendations as bill draft requests (BDRs) to the 80<sup>th</sup> Session of the Nevada Legislature and send several letters expressing support for a specific issue or encouraging certain action.

During the drafting process, specific details of the following proposals for legislation and letters may be further clarified by staff in consultation with the chair or others, as appropriate.

#### RECOMMENDATIONS FOR LEGISLATION

1. The Committee voted to request legislation to amend subsection 7 of [\*Nevada Revised Statutes \(NRS\) 284.015\*](#) to remove the requirement that the meaning ascribed to “veteran” includes being a resident of Nevada. This proposal relates to [Assembly Bill 309](#) to provide that both in-state and out-of-state veterans who submit an application for state employment will receive ten additional points to the passing grade. This would make the provisions consistent between veterans and the widow or widower of a person killed in the line of duty while on active duty in the Armed Forces of the United States. Currently, only veterans who are residents of Nevada are eligible for the additional points. **(BDR –162)**
2. The Committee voted to request legislation to:
  - a. Create a workforce development program where eligible veterans who have completed an undergraduate degree and have remaining federal benefits would be authorized to use the remaining federal benefits toward a postgraduate degree and have the remaining costs waived. In return for the waiver of fees, the eligible veteran would be required to seek a postgraduate degree in a science, technology, engineering, arts, and mathematics critical need occupation field. Critical need occupation fields would be determined by the Department of Employment, Training and Rehabilitation (DETR); and
  - b. Make appropriations in the amount of \$250,000 from the State General Fund in each fiscal year (FY) of the 2019–2021 Biennium to support the Adopt a Vet Dental Program. **(BDR –168)**
3. The Committee voted to request legislation to require a private employer that provides sick leave benefits to allow the employees to use such accrued leave, in accordance with company policy, for absences due to illness, injury, medical appointment, or other authorized medical need of a member of the employees’ immediate family. This would be a redraft of [AB 394](#) (a failed measure from the 2017 Session). **(BDR 53–169)**

4. The Committee voted to request legislation to:
  - a. Clarify that the provisions of [NRS 449.03005](#) (license to operate employment agency that contracts with persons to provide certain nonmedical services) apply any time contracted services are provided in this state, regardless of where the employer resides.
  - b. Relocate provisions regarding community-based living arrangement (CBLA) services ([NRS 433.605](#)) under [Chapter 449 \(“Medical Facilities and Other Related Entities”\)](#) of [NRS](#). This would provide that the entities would be licensed, regulated, and monitored by the Bureau of Health Care Quality and Compliance, Division of Public and Behavioral Health (DPBH), Department of Health and Human Services (DHHS). The training program would be specified by *Nevada Administrative Code*. The transition would be effective upon approval.
  - c. Require the Nevada 2-1-1 program, established pursuant to [NRS 232.359](#), to specify the licensing status of all licensed or certified facilities or homes under Chapter 449 of NRS. The Nevada 2-1-1 program must be reviewed and updated at least quarterly.
  - d. Require the Committee to continue the study, as required by [AB 299](#), to review and study the training programs implemented by certain homes and facilities. The goal of the study during the 2019–2020 Interim would be to compare and contrast the content of the training programs offered by supported living arrangement (SLA) services ([NRS 435.3315](#)), CBLA services, and programs under Chapter 449 of NRS. The goal of the study would be to determine whether a minimum set of competencies should be mandated in Nevada to be taught, measured, and monitored across all programs. In addition, the number of hours of annual continuing education would be determined. If the study determines that minimum competencies should be mandated, the Committee would determine which employees and contractors should not be subject to learning the competencies. **(BDR –170)**
5. The Committee voted to request legislation to require the Legislative Auditor, Audit Division, Legislative Counsel Bureau (LCB), to conduct an audit of SLAs during the 2019–2020 Interim. The purpose of the audit would be to determine whether all licensed SLAs provide services as described in [NRS 435.3315](#) as:

. . . flexible, individualized services provided in the home, for compensation, to a person with an intellectual disability or a person with a developmental disability who is served by the [Aging and Disability Services] Division that are designed and coordinated to assist the person in maximizing the person’s independence, including, without limitation, training and habilitation services.

The findings of the audit would be presented to the Committee.

Following the work session, the chair of the Committee requested to be included on the agenda of the August 30, 2018, meeting of the Legislative Commission ([NRS 218E.150](#)) to request that the audit of SLAs be completed as soon as practicable by the Legislative Auditor. If the

audit is approved by the Legislative Commission to occur during FY 2018–2019, the BDR approved by the Committee may contain recommendations based upon the findings of an audit of SLAs. **(BDR –178)**

6. The Committee voted to request legislation to:
  - a. Expand the authority of the Office of the State Long-Term Care Ombudsman, Aging and Disability Services Division (ADSD), DHHS, to include advocating for recipients of CBLA services, SLA services, adult day care centers, and rehabilitation centers for acute illnesses. The BDR would require the Ombudsman or an advocate to conduct quarterly inspections of the facilities and investigate or review such facilities, as needed. This would be a redraft of [Senate Bill 97](#) (a failed measure of the 2017 Legislative Session) with the addition of expanding the authority of the Ombudsman to include advocating for recipients of rehabilitation centers for acute illnesses and conducting quarterly inspections of facilities; and
  - b. Require all CBLAs, SLAs, adult day care centers, and rehabilitation centers for acute illnesses to post the Ombudsman’s hotline number for reporting complaints. The Office of the State Long-Term Care Ombudsman would address the complaints. **(BDR 38–171)**
7. The Committee voted to request legislation to implement supported decision-making agreements as a recognized means to support and accommodate adults with disabilities in making life decisions. The BDR would include provisions and direction for nonparties to the agreement, including, but not limited to, medical and financial professionals, to rely on the supported adult’s decisions, not unlike provisions in laws governing powers of attorney. **(BDR –164)**
8. The Committee voted to request legislation to support parental rights for the blind. The legislation would prohibit discrimination against the blind in adoption, custody, guardianship, or visitation proceedings. **(BDR –172)**
9. The Committee voted to request legislation to revise primarily [NRS 159.0805](#) (Nevada guardianship laws relating to the sterilization of a protected person) requiring:
  - a. A burden of proof to establish when sterilization would benefit or prevent serious mental or physical impairments;
  - b. An appointment of either an attorney to represent the ward or a guardian ad litem;
  - c. An evidentiary hearing to take place before the court orders an involuntary sterilization; and
  - d. Consideration of less irrevocable and intrusive means of contraception, other than sterilization. **(BDR –173)**

10. The Committee voted to request legislation to revise, primarily [NRS 427A.896](#) to remove the duties relating to the Nevada ABLE Savings Program required or authorized of the ADSD and to clarify that the State Treasurer is solely responsible for implementing the following duties:
  - a. The State Treasurer may employ personnel and contract for goods and services necessary for the effective and efficient operation of the Program (revise subsection 5 of NRS 427A.896);
  - b. The State Treasurer shall implement an outreach and education program designed to create awareness of and increase participation in the Program. Any marketing plan and materials for the Program would no longer require the ADSD's approval (revise subsection 6 of NRS 427A.896); and
  - c. The State Treasurer may contract with certain qualified entities for certain services (revise subsection 8 of NRS 427A.896). **(BDR –177)**

#### RECOMMENDATIONS FOR COMMITTEE LETTERS

1. The Committee voted to send a letter to the ADSD to request an audit of SLAs during FY 2018–2019. The purpose of the audit would be to determine whether all licensed SLAs provide services as described in [NRS 435.3315](#) as:

... flexible, individualized services provided in the home, for compensation, to a person with an intellectual disability or a person with a developmental disability who is served by the Division that are designed and coordinated to assist the person in maximizing the person's independence, including, without limitation, training and habilitation services.

The findings of the audit would be presented to the Committee.

NOTE: This letter will be placed on hold until it is determined whether the Legislative Auditor will conduct the audit during the same time period (see Recommendation 5 under Recommendations for Legislation).

2. The Committee voted to send a letter to the DPBH expressing the Committee's desire for the Division's webpages to include a user-friendly way for the public to determine the licensing status of a program.
3. The Committee voted to send a letter to the Governor of the State of Nevada to evaluate the adequacy of current Medicaid reimbursement rates and determine whether the rates should be raised during the 2019 Legislative Session. The letter should urge the Governor to increase the rates for Nevada's support specialists so that persons, especially children, will not be required to seek services out of state. The letter should also specify that low Medicaid reimbursement rates lead to high levels of staff turnover, which is a concern when it comes to adequately training staff. Finally, it should be noted in the letter that rate studies indicate the

reimbursement rate for vocational services and SLAs for persons with intellectual and developmental disabilities is up to 25 percent below other similar states.

4. The Committee voted to send a letter to the Office of the State Long Term-Care Ombudsman requesting that when the Office reviews its caseload ratio for submission of the biennial agency budget request, the Office should take into account the acuity and ability level of its consumers and adjust the current 1:60 ratio, as needed, to account for the potential of more challenging cases.
5. The Committee voted to send a letter to the Governor of the State of Nevada and copy the chair of the Interim Finance Committee ([NRS 218E.400](#)) urging an increase in funding to support the independent living needs of visually impaired adults. Increased funding of \$500,000 in each FY of the 2019–2021 Biennium is estimated to be needed to support five key areas:
  - a. Consumer service outreach;
  - b. Orientation and mobility training;
  - c. Assistive technology;
  - d. Paratransit service areas; and
  - e. Driver awareness training regarding the needs of visually impaired pedestrians.
6. The Committee voted to send a letter to the Governor of the State of Nevada urging that the Governor's *Executive Budget* include sufficient state matching funds so that all federal funding allocated to the state for vocational rehabilitation services for visually and/or hearing impaired adults may be drawn.
7. The Committee voted to send a letter to the Director's Office of the LCB; the administrators of the Fiscal Analysis Division, LCB; and the director of the Office of Finance, Office of the Governor, to review and revise the provisions of the measure that authorizes expenditures of state government. The letter would specifically request that consideration be given to revise the measure to authorize the Bureau of Services to Persons Who Are Blind or Visually Impaired and the Bureau of Vocational Rehabilitation, both of the Rehabilitation Division, DETR, to expend appropriations from the State General Fund before all other fund sources in order to meet federal funding matching requirements.



## **SUNSET SUBCOMMITTEE OF THE LEGISLATIVE COMMISSION**

*Nevada Revised Statutes 232B.210*

### **Members**

Assemblywoman Irene Bustamante Adams, Chair  
Senator Kelvin D. Atkinson, Vice Chair  
Senator Moises (Mo) Denis  
Senator James A. Settelmeyer  
Assemblywoman Shannon Bilbray-Axelrod  
Assemblyman Keith Pickard

### **Nonvoting Members**

Carmen Amen  
William (Buzz) Harris  
Teresa P. Froncek Rankin

### **Staff Contacts**

Research Division:  
Carol M. Stonefield, Deputy Research Director  
Jennifer Ruedy, Senior Principal Policy Analyst  
Janet Coons, Manager of Research Policy Assistants  
(775) 684-6825

Legal Division:  
James W. Penrose, Senior Principal Deputy Legislative Counsel  
Jessica F. Dummer, Deputy Legislative Counsel  
(775) 684-6830



***Nevada Revised Statutes***

**NRS 232B.210 Creation; membership; election of Chair and Vice Chair; vacancies; meetings; quorum; compensation; expenses.**

1. The Sunset Subcommittee of the Legislative Commission, consisting of nine members, is hereby created. The membership of the Sunset Subcommittee consists of:

(a) Three voting members of the Legislature appointed by the Majority Leader of the Senate, at least one of whom must be a member of the minority political party;

(b) Three voting members of the Legislature appointed by the Speaker of the Assembly, at least one of whom must be a member of the minority political party; and

(c) Three nonvoting members of the general public appointed by the Chair of the Legislative Commission from among the names of nominees submitted by the Governor pursuant to subsection 2.

2. The Governor shall, at least 30 days before the beginning of the term of any member appointed pursuant to paragraph (c) of subsection 1, or within 30 days after such a position on the Sunset Subcommittee becomes vacant, submit to the Legislative Commission the names of at least three persons qualified for membership on the Sunset Subcommittee. The Chair of the Legislative Commission shall appoint a new member or fill the vacancy from the list, or request a new list. The Chair of the Legislative Commission may appoint any qualified person who is a resident of this State to a position described in paragraph (c) of subsection 1.

3. Each member of the Sunset Subcommittee serves at the pleasure of the appointing authority.

4. The voting members of the Sunset Subcommittee shall elect a Chair from one House of the Legislature and a Vice Chair from the other House. Each Chair and Vice Chair holds office for a term of 2 years commencing on July 1 of each odd-numbered year. If a vacancy occurs in the office of Chair or Vice Chair, the vacancy must be filled in the same manner as the original selection for the remainder of the unexpired term.

5. The membership of any member of the Sunset Subcommittee who is a Legislator and who is not a candidate for reelection or who is defeated for reelection terminates on the day next after the general election.

6. A vacancy on the Sunset Subcommittee must be filled in the same manner as the original appointment.

7. The Sunset Subcommittee shall meet at the times and places specified by a call of the Chair. Four voting members of the Sunset Subcommittee constitute a quorum, and a quorum may exercise any power or authority conferred on the Sunset Subcommittee.

8. For each day or portion of a day during which a member of the Sunset Subcommittee who is a Legislator attends a meeting of the Sunset Subcommittee or is otherwise engaged in the business of the Sunset Subcommittee, except during a regular or special session of the Legislature, the Legislator is entitled to receive the:

(a) Compensation provided for a majority of the members of the Legislature during the first 60 days of the preceding regular session;

(b) Per diem allowance provided for state officers generally; and

(c) Travel expenses provided pursuant to [NRS 218A.655](#).

The compensation, per diem allowances and travel expenses of the members of the Sunset Subcommittee who are Legislators must be paid from the Legislative Fund.

9. While engaged in the business of the Sunset Subcommittee, the members of the Subcommittee who are not Legislators are entitled to receive the per diem allowance and travel expenses provided for state officers and employees generally.

(Added to NRS by [2011, 2992](#); A [2013, 787](#))

## ABSTRACT

### **SUNSET SUBCOMMITTEE OF THE LEGISLATIVE COMMISSION**

*Nevada Revised Statutes (NRS) 232B.210*

Senate Bill 251 of the 2011 Session created the Sunset Subcommittee of the Legislative Commission. The Subcommittee's membership, powers, and duties are codified in NRS 232B.210.

The Subcommittee consists of six legislators appointed by legislative leaders. Three nonvoting members are appointed by the chair of the Legislative Commission from nominations submitted by the Governor.

The primary duties of the Subcommittee are to: (1) conduct reviews of all boards, commissions, and similar entities in Nevada, created by statute, and determine whether each entity should be continued, modified, consolidated with another entity, or terminated; (2) recommend improvements to the entities that are to be continued, modified, or consolidated; and (3) determine whether any tax exemptions, abatements, or money set aside for an entity should be continued, modified, or terminated.

The Subcommittee held seven meetings, including four work sessions, during the course of the interim. All meetings were open to the public and conducted through simultaneous videoconferences between legislative meeting rooms at the Grant Sawyer State Office Building in Las Vegas and the Legislative Building in Carson City. The public hearings afforded an opportunity for each board or commission to present information regarding its operations, including the management of staff and services, revenues and budget processes, the effectiveness of its regulations, and the disciplining of licensees. Further, the hearings offered the public an opportunity to comment on the presentations and raise additional issues relating to the entities.

The members reviewed 25 entities during the 2017–2018 Interim. The Subcommittee took action on each entity and made recommendations to continue, revise, or terminate each board or commission. In addition, the Subcommittee received status reports from several entities that it reviewed during the 2015–2016 Interim.

The Subcommittee's final report will contain an overview of its activities and a discussion of the Subcommittee's recommendations.



## SUMMARY OF RECOMMENDATIONS

### SUNSET SUBCOMMITTEE OF THE LEGISLATIVE COMMISSION

*Nevada Revised Statutes (NRS) 232B.210*

This summary presents the recommendations approved by the Sunset Subcommittee of the Legislative Commission at its meetings on March 21, April 23, May 21, and June 13, 2018. The recommendations will be submitted to the Legislative Commission for its consideration and possible inclusion in bill draft requests (BDRs) to be forwarded to the 80<sup>th</sup> Session of the Nevada Legislature.

### RECOMMENDATIONS FOR LEGISLATION

*Entities Recommended for Continuation With Statutory Revisions*

1. State Board of Landscape Architecture ([NRS 623A.080](#)) (**BDR –**)
2. Board of Registered Environmental Health Specialists ([NRS 625A.030](#)) (**BDR –**)
3. Nevada Physical Therapy Board ([NRS 640.030](#)) (**BDR –**)

*Entity Recommended for Termination With Functions Transferred*

1. Board of Homeopathic Medical Examiners ([NRS 630A.100](#)) (**BDR –**)

*Further Legislation Recommended*

1. Authorize each board or commission, created in Title 54 (“Professions, Occupations and Businesses”) of NRS, to enter into or participate in a contract for the acceptance of credit cards and other electronic transfers of money or to participate in such a contract entered into by the director of the Office of Finance, Office of the Governor. (**BDR –**)
2. Establish an interim study of the operations of the professional and occupational licensing boards during the 2019–2020 Interim. (**BDR –**)

### RECOMMENDATIONS FOR COMMITTEE ACTION

*Entities Recommended for Continuation*

1. State Contractors’ Board ([NRS 624.040](#))
2. State Board of Professional Engineers and Land Surveyors ([NRS 625.100](#))
3. Advisory Committee on Nursing Assistants and Medication Aides ([NRS 632.072](#))

*Entities Recommended for Continuation With Additional Actions and Reporting*

1. Peace Officers' Standards and Training Commission ([NRS 289.500](#))
2. State Board of Architecture, Interior Design and Residential Design ([NRS 623.050](#))
3. Commission on Construction Education ([NRS 624.570](#))
4. Nevada State Board of Accountancy ([NRS 628.035](#))
5. Board of Medical Examiners ([NRS 630.050](#))
6. State Board of Nursing ([NRS 632.020](#))
7. State Board of Osteopathic Medicine ([NRS 633.181](#))
8. Chiropractic Physicians' Board of Nevada ([NRS 634.020](#))
9. State Board of Podiatry ([NRS 635.020](#))
10. State Board of Pharmacy ([NRS 639.020](#))
11. Board of Occupational Therapy ([NRS 640A.080](#))
12. Board of Massage Therapy ([NRS 640C.150](#))
13. Board of Psychological Examiners ([NRS 641.030](#))
14. Board of Examiners for Marriage and Family Therapists and Clinical Professional Counselors ([NRS 641A.090](#))
15. Board of Examiners for Social Workers ([NRS 641B.100](#))
16. Board of Examiners for Alcohol, Drug and Gambling Counselors ([NRS 641C.150](#))
17. Private Investigator's Licensing Board ([NRS 648.020](#))
18. Certified Court Reporters' Board of Nevada ([NRS 656.040](#))

SUMMARY OF QUARTERLY REPORTS ON  
DISCIPLINARY ACTION FROM THE LICENSING  
BOARDS AND STATE AGENCIES

**Occupational Licensing**  
**Quarter 3 of 2018**

Board	Disciplinary Actions	Licenses Added	Licenses Removed
The Board of Dental Examiners of Nevada	Last Report: 2018, qrt 2	Last Report: 2018, qrt 2	Last Report: 2018, qrt 2
The Board of Dispensing Opticians	Last Report: 2018, qrt 2	Last Report: 2018, qrt 2	Last Report: 2018, qrt 2
The Board of Examiners for Alcohol, Drug and Gambling Counselors	Last Report: 2018, qrt 2	Last Report: 2018, qrt 2	Last Report: 2018, qrt 2
The Board of Examiners for Marriage and Family Therapists and Clinical Professional Counselors	Last Report: 2016, qrt 2	Last Report: 2016, qrt 2	Last Report: 2016, qrt 2
The Board of Examiners for Social Workers	Last Report: 2018, qrt 2	Last Report: 2018, qrt 2	Last Report: 2018, qrt 2
The Board of Hearing Aid Specialists (defunct)	Last Report: 2015, qrt 2	Last Report: 2015, qrt 2	Last Report: 2015, qrt 2
The Board of Homeopathic Medical Examiners	Last Report: 2018, qrt 2	Last Report: 2018, qrt 2	Last Report: 2018, qrt 2
The Board of Landscape Architecture	Last Report: 2018, qrt 2	Last Report: 2018, qrt 2	Last Report: 2018, qrt 2
The Board of Medical Examiners	Last Report: 2018, qrt 2	Last Report: 2018, qrt 2	Last Report: 2018, qrt 2
The Board of Occupational Therapy	Last Report: 2018, qrt 2	Last Report: 2018, qrt 2	Last Report: 2018, qrt 2
The Board of Psychological Examiners	Last Report: 2018, qrt 2	Last Report: 2018, qrt 2	Last Report: 2018, qrt 2
The Board of Registered Environmental Health Specialists	Last Report: 2018, qrt 2	Last Report: 2018, qrt 2	Last Report: 2018, qrt 2
The Certified Court Reporters Board of Nevada	Last Report: 2018, qrt 2	Last Report: 2018, qrt 2	Last Report: 2018, qrt 2
The Chiropractic Physicians Board of Nevada	Last Report: 2018, qrt 2	Last Report: 2018, qrt 2	Last Report: 2018, qrt 2
The Commissioner of Financial Institutions	Last Report: 2018, qrt 2	Last Report: 2018, qrt 2	Last Report: 2018, qrt 2
The Division of Mortgage Lending of the Department of Business and Industry	Last Report: 2018, qrt 2	Last Report: 2018, qrt 2	Last Report: 2018, qrt 2
The Health Division of the Department of Health and Human Services	Last Report: 2018, qrt 2	Last Report: 2018, qrt 2	Last Report: 2018, qrt 2
The Nevada State Board of Accountancy	Last Report: 2018, qrt 2	Last Report: 2018, qrt 2	Last Report: 2018, qrt 2
The Nevada State Board of Examiners for Long Term Care Administrators	1	Last Report: 2018, qrt 1	Last Report: 2018, qrt 2
The Nevada State Board of Optometry	1	Last Report: 2018, qrt 2	Last Report: 2018, qrt 2
The Nevada State Board of Veterinary Medical Examiners	Last Report: 2018, qrt 2	Last Report: 2018, qrt 2	Last Report: 2018, qrt 2
The Nevada State Funeral Board	Last Report: 2018, qrt 2	Last Report: 2018, qrt 2	Last Report: 2018, qrt 2
The Private Investigator's Licensing Board	Last Report: 2018, qrt 2	Last Report: 2018, qrt 2	Last Report: 2018, qrt 2
The Real Estate Division of the Department of Business and Industry	1	0	0

**Occupational Licensing**  
**Quarter 3 of 2018**

Board	Disciplinary Actions	Licenses Added	Licenses Removed
The Speech-Language Pathology, Audiology and Hearing Aid Dispensing Board	Last Report: 2018, qrt 2	Last Report: 2018, qrt 2	
The State Barbers Health and Sanitation Board	Last Report: 2018, qrt 2	Last Report: 2018, qrt 2	
The State Board of Architecture, Interior Design and Residential Design	Last Report: 2018, qrt 2	Last Report: 2018, qrt 2	
The State Board of Athletic Trainers	Last Report: 2018, qrt 1	Last Report: 2018, qrt 1	
The State Board of Cosmetology	Last Report: 2018, qrt 2	Last Report: 2018, qrt 2	
The State Board of Massage Therapists	Last Report: 2018, qrt 2	Last Report: 2018, qrt 2	
The State Board of Nursing	Last Report: 2018, qrt 2	Last Report: 2018, qrt 2	
The State Board of Oriental Medicine	Last Report: 2018, qrt 2	Last Report: 2018, qrt 2	
The State Board of Osteopathic Medicine	1	38	58
The State Board of Pharmacy	5	Last Report: 2018, qrt 2	
The State Board of Physical Therapy Examiners	Last Report: 2018, qrt 2	Last Report: 2018, qrt 1	
The State Board of Podiatry	Last Report: 2018, qrt 2	Last Report: 2018, qrt 2	
The State Board of Professional Engineers and Land Surveyors	Last Report: 2018, qrt 2	Last Report: 2018, qrt 2	
The State Contractors Board	Last Report: 2018, qrt 2	Last Report: 2018, qrt 2	

REPORTS ON CONTRACTS FOR PUBLIC WORKS AWARDED TO CONTRACTORS,  
APPLICANTS OR DESIGN-BUILD TEAMS WHO RECEIVE A PREFERENCE IN  
BIDDINGS PURSUANT TO NRS 338.0117(7)

- a. Las Vegas Convention and Visitors Authority
- b. Department of Transportation
- c. Clark County School District
- d. Clark County Water Reclamation District
- e. City of Las Vegas

## Contracts subject to Preference

	Bid Number	Bid Type	Bid Name / Brief Description	Bid Opening Date	# Bids Received	Award Date	Awarded Contractor		City, State	Award Amount	% of Difference	Bidder's Preference Received	Certificates / Affidavits Submitted	Degree of Compliance	Bidder's Preference Received	Subcontractors
							2nd Low Contractor	2nd Bid Amount								
1																
2																
3																
4																

## Contracts not subject to Preference

1	18-4488	Design, Bid, Build	Silver Drive Crack Seal	8/14/2017	2	8/21/2017	J & J Enterprises	Las Vegas, NV	33,696	NA	NA	NA	NA	NA	NA	Yes
							American Pavement Preservation	Las Vegas, NV	46,539	38%	NA	NA	NA	NA	Yes	Yes
2	18-4520	Design, Bid, Build	Chiller #14	4/11/2018	2	5/11/2018	Emcor	Las Vegas, NV	\$128,980.00	14%	NA	NA	NA	NA	Yes	Yes
							Johnson Controls	Las Vegas, NV	\$146,678.00		NA	NA	NA	NA	Yes	Yes





BRIAN SANDOVAL  
Governor

STATE OF NEVADA  
DEPARTMENT OF TRANSPORTATION  
1263 S. Stewart Street  
Carson City, Nevada 89712

RUDY MALFABON, P.E., *Director*  
In Reply Refer to: Admin. Services

July 13, 2018

Rick Combs, Director  
Legislative Counsel Bureau  
401 S. Carson St  
Carson City NV 89701-4747

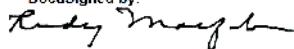
Re: Bidder's Preference Report

Dear Director Combs:

Please find enclosed the Nevada Department of Transportation Bidder's Preference Report for the period from July 1, 2017 to June 30, 2018. This report shows all contracts awarded based on bidder's preference during the reporting period.

This contract listed on the report has an accompanying Affidavit signed by the contractor certifying that, for the duration of the project, they will meet the requirements defined in paragraphs (a) through (e) of NRS 338.0117 Paragraph 1 (pages 2 – 3 of the attached certification report).

Sincerely,

DocuSigned by:  
  
C1C7CE5CD584445...

Rudy Malfabon, P.E.  
Director

**NEVADA DEPARTMENT OF TRANSPORTATION  
BIDDER'S PREFERENCE REPORT  
July 1, 2017 to June 30, 2018**

1. July 13, 2017 at 01:30 PM the following bids were opened and read related to the Department of Transportation **Contract No. 3681**. The project is on US 95 from CA/NV Stateline to 7.79 miles north of Loran Station Road, in Clark County.

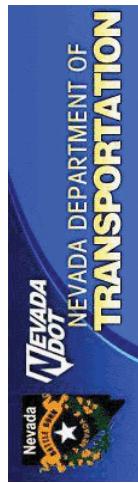
Aggregate Industries SWR, Inc. (with Bidder's Preference).....\$19,800,000.00

Security Paving Company, Inc. (actual bid \$18,967,982.78).....\$19,916,381.92

Engineer's Estimate: \$20,031,885.93

The Transportation Board and Director awarded the contract to Aggregate Industries SWR, Inc. in the amount of \$19,800,000.00 due to Bidder's Preference. The contractor submitted a properly executed Affidavit certifying that for the duration of the project they would meet the following requirements:

- (a) At least 50 percent of the workers employed on the project, including, without limitation, any employees of the Contractor and of any subcontractor engaged on the project, will hold a valid driver's license or identification card issued by the Department of Motor Vehicles of the State of Nevada;
- (b) All vehicles used primarily for the project will be:
  1. Registered and partially apportioned to Nevada pursuant to the International Registration Plan, as adopted by the Department of Motor Vehicles pursuant to NRS 706.826; or
  2. Registered in this State.
- (c) The Contractor and any subcontractor engaged on the project will maintain and make available for inspection within this State his or her records concerning payroll relating to the project.



## Nevada Department of Transportation

### Certification Report

**Contract Number:** 3681

**Bid Opening Date:** July 13, 2017 01:30 PM

**Location:** US 95 from CA/NV Stateline to 7.79 miles north of Loran Station Road

**Description:** Northbound cold-mill with plant-mix bituminous surface with open grade. Southbound roadbed modification with plant-mix bituminous surface with open grade.

**Proposal For:** Aggregate Industries SWR, Inc.

**Project Funding:** STATE

**District:** DISTRICT 1

#### Affidavit Required under Section 112(c) - Suspension or Debarment

**N** Aggregate Industries SWR, Inc. or any person or persons associated therewith in the capacity of owner, partner, director, or office authorized to sign contracts:

- Is any interested party currently under suspension, department, disqualifications, voluntary exclusion, or determination of ineligibility by any state or federal agency? or,
- Has any interested party been suspended, debarred, disqualified, voluntarily excluded or determined ineligible by any state or federal agency within the past three years? or,
- Has any interested party have a debarment pending? or,
- Has any interested party been indicted, convicted, or had a civil judgment rendered against (it) by a court of competent jurisdiction in any matter involving fraud or official misconduct within the past three years?

Applies to Whom	Initiating Agency	Date of Action
-----------------	-------------------	----------------

**Prime Contractor Statement of Performance**

**Y** I affirm I am fully authorized to acknowledge, on behalf of the Prime Contractor listed above, all work, other than that being performed by the subcontractors listed in the Subcontractor Information Reports submitted for this contract, will be performed by the Prime Contractor

Acknowledged by: Jerry Englehart

**Y** I affirm I am fully authorized to acknowledge, on behalf of the Prime Contractor listed above, the Prime shall utilize the specific Enterprise entities listed in the Enterprise Subcontractor and Supplier report to perform the work and supply the materials for which each is listed, unless prior written consent is obtained from the Department; and that unless such consent is given, as provided for under 49 CFR part 26.53 paragraph (f), the Prime shall not be entitled to any payment for work or material unless it is performed or supplied by the listed Enterprise entities.

Acknowledged by: Jerry Englehart

**Enterprise Confirmation Letter(s)**

<b>File Name</b>	<b>Description</b>
BensonTruckingRevised1.pdf	Enterprise Confirmation Letter(s)
NevadaBarricade.pdf	Enterprise Confirmation Letter(s)
MC4Construction.pdf	Enterprise Confirmation Letter(s)

**Good Faith Effort**

<b>File Name</b>	<b>Description</b>
MinorityRequestFormNDOT3681.pdf	Good Faith Effort
FederalSolicitationRecord.docx	Good Faith Effort
63017MinorityAds.pdf	Good Faith Effort
NDOTPost.docx	Good Faith Effort
RequestforquotesNDOT3681.docx	Good Faith Effort
Directory.pdf	Good Faith Effort
CallLog.pdf	Good Faith Effort

**Contract No.: 3681****Uniform Affidavit of Certification  
Preference Bidding Certification**

I, Aggregate Industries SWR, Inc. swear or affirm under penalty of law that: I am fully authorized to submit this Affidavit on behalf of the certifying firm, and that I have read and understood all of the information and statements submitted in this Affidavit and that they are true and correct to the best of my knowledge, and that all responses are full and complete, omitting no

Submission/Upload Date/Time (PST): July 13, 2017 01:25 PM

Aggregate Industries SWR, Inc.  
3681

Page 2 of 3

material information. The responses include all material information necessary to fully and accurately meet the requirements for obtaining a bidder preference for Nevada public works projects pursuant to Chapter 338 of Nevada Revised Statutes (NRS).

I recognize that the information submitted in this affidavit is for the purpose of certifying that the certifying firm will meet the following requirements for the entire duration of the Project:  
(a) At least 50 percent of the workers employed on the project, including, without limitation, any employees of the Contractor and of any subcontractor engaged on the project, will hold a valid driver's license or identification card issued by the Department of Motor Vehicles of the State of Nevada;

(b) All vehicles used primarily for the project will be:  
1. Registered and partially apportioned to Nevada pursuant to the International Registration Plan, as adopted by the Department of Motor Vehicles pursuant to NRS 706.826; or  
2. Registered in this State.  
(c) The Contractor and any subcontractor engaged on the project will maintain and make available for inspection within this State his or her records concerning payroll relating to the project.

I understand that if the certifying firm receives a preference in bidding and is awarded a contract for the Project that such contract will:

(a) Include a provision in the contract that substantially incorporates the requirements of paragraphs (a) to (c), inclusive, above; and  
(b) Provide that a failure to comply with any requirement of paragraphs (a) to (c), inclusive, above at any time during the duration of the Project is a material breach of the contract and entitles the Nevada Department of Transportation (the "Department") to liquidated damages against the party responsible for a failure to comply with a requirement of paragraphs (a) to (c), inclusive above. If a party to the contract causes a material breach of contract between the contractor, applicant or design-build team and the public body as a result of a failure to comply with paragraphs (a) to (c), inclusive, above, the party is liable to the public body for liquidated damages in the amount of one percent (1%) of the cost of the largest contract to which he or she is a party. The public body may recover this amount directly against the party that causes the material breach, and no other party is liable to the public body for liquidated damages.

I understand that the Department may, by means it deems appropriate, determine the accuracy and truth of the records provided by the certifying firm pursuant to NRS 338.070, and I authorize the Department to contact any person or entity named in such records provided for the purpose of verifying the information supplied and determining the named firm's eligibility for a bidder preference.

I agree to submit to government audit, examination and review of books, records, documents and files, in whatever form they exist, of the certifying firm and its affiliates, inspection of its place(s) of business and equipment, and to permit interviews of its principals, agents, and employees. It is understood that refusal to permit such inquiries shall be grounds for denial of future bidder preference certification.

If awarded a contract, I agree to promptly and directly provide the Department, on ongoing basis, current, complete, and accurate information regarding the records required pursuant to NRS 338.070.

I acknowledge and agree that any misrepresentations in this Affidavit or in the records provided pertaining to the Project will be grounds for an award of liquidated damages for breach of contract; denial or revocation of bidder preference certification; and for initiating action under federal and/or state law concerning any false statement, fraud or other applicable offenses.

I declare under penalty of perjury that the information provided in this Affidavit is true and correct.

Acknowledged by: Jerry Englehart

CLARK COUNTY SCHOOL DISTRICT  
 CONTRACT PROCUREMENT AND COMPLIANCE  
 LEGISLATIVE COUNSEL BUREAU REPORT  
 JULY 2018

PROJECT NAME	SCOPE OF WORK	GENERAL CONTRACTOR	CONTRACT AMOUNT	COMPLIANCE NRS 338.017
Shirley Barber Elementary School	New School	APCO Construction	\$24,200,000.00	yes
Chaparral High School	HVAC Component Replacement	Rafael Construction	\$14,170,435.00	yes
Arturo Cambeiro Elementary School	HVAC Component and Roof Replacement	Mountain Vista Development	\$2,195,000.00	yes
Roberta Cartwright Elementary School	HVAC Component and Roof Replacement	Mountain Vista Development	\$2,219,800.00	yes
Harvey Dondero Elementary School	Classroom Addition	Burke Construction	\$10,452,279.00	yes
Laura Dearing Elementary School	Classroom Addition	Pace Contracting	\$7,623,000.00	yes
Palo Verde High School	HVAC System and Roof Replacement	AF Construction	\$6,936,000.00	yes
Robert E. Lake Elementary School	Classroom Addition	Burke Construction	\$7,788,652.00	yes
Lois Craig Elementary School	Classroom Addition	Burke Construction	\$8,017,621.00	yes
Doris Reed Elementary School	Classroom Addition	Martin Harris Construction	\$9,983,206.00	yes
Crestwood Elementary School	Classroom Addition	Cobblestone Construction	\$8,632,000.00	yes
Mary & Zel Lowman Elementary School	Classroom Addition	Cobblestone Construction	\$8,062,000.00	yes
Vegas Verdes Elementary School	Classroom Addition	Cobblestone Construction	\$7,850,000.00	yes
Cynthia Cunningham Elementary School	Classroom Addition	Rafael Construction	\$8,593,487.00	yes
Ollie Detwiler Elementary School	Classroom Addition	Roche Constructors	\$9,893,700.00	yes
Wing & Lilly Fong Elementary School	Classroom Addition	Pace Contracting	\$6,732,000.00	yes
Halle Hewetson Elementary School	Classroom Addition	Martin Harris Construction	\$7,816,916.00	yes
C.P. Squires Elementary School	Classroom Addition	Rafael Construction	\$10,610,605.00	yes
Bonanza High School	HVAC System and Roof Replacement	Burke Construction	\$10,590,000.00	yes
West Sahara Administration Building	Mold Remediation and Roof Replacement	Boyd Martin Construction	\$2,011,279.00	yes
Quannah McCall Elementary School	Boiler, Chiller and HVAC Replacement	Ryan Mechanical	\$1,533,000.00	yes
Green Valley High School	Wrestling Room	Cobblestone Construction	\$774,000.00	yes
Richard Bryan Elementary School	HVAC and Roof Replacement	Mountain Vista Development	\$2,348,800.00	yes
Las Vegas High School	Boiler (2) and Roof Replacement	Rafael Construction	\$719,929.00	yes
Del H. Robison Middle School	HVAC Component Replacement	ACCO Construction	\$4,120,376.00	yes
Unnamed ES located at Tompkins and Conquistador	New Elementary School	Roche Constructors	\$24,395,500.00	yes







July 30, 2018

*Sent this date via email*

Rick Combs, Director  
[director@lcb.state.nv.us](mailto:director@lcb.state.nv.us)  
Legislative Counsel Bureau  
Legislative Building  
401 S. Carson Street  
Carson City, NV 89701-4747

SUBJECT: ANNUAL REPORT ON BIDDER'S PREFERENCE PER NRS 338.0117

Mr. Combs:

The Contractors listed below submitted an affidavit described in NRS 338.0117, subsection 1 to receive a preference in bidding. These Contractors have complied with the requirements of NRS 338.0117, paragraphs (a) to (d), inclusive, of subsection 1 from July 1, 2017 through June 30, 2018.

Proj #	Contractor	Project Cost	Description
640	Central Environmental, Inc.	\$2,788,754	Upgrade wastewater conveyance facilities
713	Las Vegas Paving Corporation	\$8,890,043	Rehabilitate wastewater conveyance infrastructure
720	Las Vegas Paving Corporation	\$10,626,815	Rehabilitate wastewater treatment infrastructure
726	J.A. Tiberti Construction Co., Inc.	\$8,016,048	Rehabilitate wastewater treatment facilities
727	Las Vegas Paving Corporation	\$4,590,000	Repair damaged wastewater conveyance infrastructure
732	Helix Electric	\$3,641,799	Upgrade wastewater treatment electrical systems
733	Las Vegas Paving Corporation	\$4,162,812	Upgrade wastewater conveyance infrastructure
734	Byrd Underground	\$2,563,335	Upgrade wastewater conveyance infrastructure
735	Las Vegas Paving Corporation	\$3,403,700	Upgrade wastewater conveyance infrastructure
741	Harber Company, Inc.	\$1,480,869	Upgrade wastewater conveyance infrastructure
17003	Harber Company, Inc.	\$2,560,261	Upgrade wastewater conveyance infrastructure
17401	Helix Electric	\$2,098,500	Rehabilitate wastewater treatment electrical systems

Should you have any questions, please contact our office. Thank you.

Sincerely,

Kevin W. Love, P.E., CCM  
Manager Construction Management

KL:ja

BOARD OF TRUSTEES

Lawrence L. Brown III, *Chair*. Steve Sisolak, *Vice Chair*.  
Susan Brager. Chris Giunchigliani. Marilyn Kirkpatrick. James B. Gibson. Lawrence Weekly.  
Thomas A. Minwegen, *General Manager*

5857 East Flamingo Road . Las Vegas, Nevada 89122 . (702) 434-6600 . (800) 782-4324  
[cleanwaterteam.com](http://cleanwaterteam.com)





## LAS VEGAS CITY COUNCIL

CAROLYN G. GOODMAN  
Mayor

LOIS TARKANIAN  
Mayor Pro-Tem

STAVROS S. ANTHONY  
BOB COFFIN  
STEVEN G. SEROKA  
MICHELE FIORE  
CEDRIC CREAR

SCOTT D. ADAMS  
City Manager

July 31, 2018

*Sent this day via email*

Attn: Rick Combs  
Legislative Counsel Bureau  
401 S. Carson Street  
Carson City, NV 89701-4747  
Email: admin@lcb.state.nv.us

RE: FY 2018 City of Las Vegas Report on Construction Projects Awarded

Dear Mr Combs,

In accordance with NRS 338.0117, subsection 7, please find below our report on public works construction projects awarded in fiscal year 2018 by the City.

The following project was awarded to a bidder who submitted an affidavit and received a preference in bidding. The project is in compliance with the applicable statutes.

Contractor Name	Project Cost	Project Description
City Plan Development, Inc. DBA SAVI Construction	\$285,173.00	Water Pollution Control Facility SCADA Room Remodel

Should you have any questions, please feel free to contact me at (702) 229-2315 or [eoneal@lasvegasnevada.gov](mailto:eoneal@lasvegasnevada.gov).

Sincerely,

A handwritten signature in black ink, appearing to read "Edward O'Neal".

Edward O'Neal, Manager  
Purchasing and Contracts  
495 S. Main St., 3rd Floor  
Las Vegas, NV 89101

Cc: File

## CITY HALL

495 S. MAIN ST.  
LAS VEGAS, NV 89101  
702.229.6011 | VOICE  
711 | TTY



cityoflasvegas  
lasvegasnevada.gov



ANNUAL REPORT OF CITY OF SPARKS TOURISM  
IMPROVEMENT DISTRICT (TID) PURSUANT TO  
NRS 271A.105



Richard Combs  
Director  
Nevada Legislative Counsel Bureau  
401 S. Carson Street,  
Carson City, NV 89701-4747

July 13, 2018

RE: City of Sparks Annual TID Report

Dear Mr. Combs,

NRS 271A.105 states that each municipality must annually submit to the Director of Legislative Counsel Bureau a report on the status and financial impact of the Tourism Improvement District (TID) that has been established within the municipality. In accordance to NRS 271A.105, the City of Sparks offers the following in response to the specific requests as mentioned within the statute:

**NRS 271A.105 (1) (a):**

On July 23, 2007, the City of Sparks created the Tourism Improvement District No. 1 (TID) known as the Legends at Sparks Marina, which is located within the Sparks Redevelopment Agency Area No. 2. The City has contracted with RED Development to develop the Legends at Sparks Marina into one of the premier retail destinations in the region. As established by SB 306 from the 2008 Nevada legislative session, a Tourism Improvement District allows Sales Tax Anticipation Revenue (STAR) bonds to be issued that are supported by up to 75 percent of taxable sales generated within the TID. Proceeds from these bonds are used for infrastructure and land improvements for the purpose of enhancing the area as a tourism, entertainment, and retail destination of choice.

In 2008, the City authorized the issuance of two Series A Bonds. The first senior issuance was authorized at \$83.3M and the second subordinate issuance was authorized at \$36.6M (although only \$32.7M of subordinate bonds have been issued to date). These bonds were used in order to finance the acquisition, improvement, equipping, operation and maintenance of real or personal property in accordance to NRS regulations, City ordinances, and applicable bond covenants. Also, reserve fund which currently stands well-funded at about \$7.9M.

These STAR bonds will be paid using 75 percent of sales taxes that are generated within the TID (less Department of Taxation collection fees and excluding optional local sales tax rates). The bond reserve fund was established to pay any shortfall of the debt service payment should sales tax receipts become insufficient to make the required payment. Draws against the bond reserve fund have been needed for past debt service payments, but has subsequently been replenished. As of July 12, 2018 the bond reserve fund stands fully replenished.

Finally, below is a list of all businesses currently operating within the TID (or scheduled to open soon as parenthetically indicated) as provided by representatives from RED Development. It is our intent to provide an updated list as part of our annual report.

Business Name	Square Feet	Business Name	Square Feet
Adidas	8,100	Lowe's	124,076
Ann Taylor Factor Store	6,543	Lucky Nails	1,500
AT&T	4,026	Maurice's	4,405
Banana Republic	8,505	Menchie's Yogurt	1,201
Bath & Body Works	3,000	Motherhood Maternity	2,273
BJ's Restaurant	7,767	Nevada Veterans Memorial	1,756
Best Buy	30,000	Nike	12,064
Book Warehouse	5,331	Off Broadway Shoes	23,105
BonWorth	3,720	Old Navy	12,495
Buffalo Wild Wings	5,525	Olive Garden	7,441
Buckle	5,659	Osh Kosh	4,570
Burlington	40,000	Omega Frog	1,442
Cantina Los Tres Hombres	Opening soon	Pacific Dental	2,809
Carter's	4,487	Payless	7,500
Chick Fil A	4,526	Petco	12,000
Chipotle	2,160	Popeye's	2,664
Converse	3,017	Rue21	4,710
Discount Tire	6,947	Rocket Fizz	Opening Soon
Dunkin Donuts	2,149	Santa Cruz Sushi	Opening Soon
European Wax	1,353	Scheels	240,000
Express Factory	6,040	Skechers	3,040
Famous Footwear	4,803	Sportif dba Bearpaw & Co	3,568
Forever 21	23,170	Sports Clips	1,072
Freshberry	706	Style Brow	527
Fuddruckers	5,852	Taco Bell	2,556
Galaxy Theater	61,998	Target	144,100
Gamestop	1,600	The Fragrance Outlet	1,200
GAP	11,395	The Joint	1,373
GNC	1,028	TJ Maxx	24,647
Grimaldi's Pizza	3,961	Torrid	2,591
Guess? Factory	6,342	Trifecta dba O' Cleary's	23,963
Gymboree	2,532	Trusight VR	1,992
H&M	25,638	Uniform Destination	2,992
Jersey Mike's Subs	Opening soon	Vans Shoes	4,079
Jimmy Johns	1,321	Verizon	1,677
Key and Code	2,115	Volcom	2,735
Lane Bryant	5,181	Zales	1,600
LIDS	1,095	<b>75 Locations Total Sq. Ft.</b>	<b>1,007,315</b>

**NRS 271A.105 (1) (b):**

In all honesty, this section of the statute is rather vague. It's really quite impossible to assess the financial impact of the TID on the provision of services by the City. Specifically mentioned in the statute is a request for a financial impact of providing police and fire services, without excluding an assessment of other City services.

In short, we have not adjusted the level of City services in response to the creation of the TID, nor for the resulting development of the Legends area within the TID. For example, we did not increase our public safety workforce in response to the development activity within the TID. I believe it's a reasonable statement to say that service responses from our public safety departments (i.e., Police and Fire) have increased in the area as a result of the increased development within the TID, but I am unable to provide records proving such a statement.

As the TID lies within the City boundaries, it is the City's responsibility to make available the necessary services that are afforded to all areas within the City's boundaries. This includes all City services such as public safety, public works, sewer service, judicial, etc. The same City services are provided City-wide; however, the corresponding growth of services directly attributable to the creation of the TID and the resulting development within the TID is not reasonably measureable.

Should you have need for further clarification or information, please do not hesitate to contact me at (775) 353-2301 or at the address listed on this letterhead.

Sincerely,



Jeff Cronk, CPA  
City of Sparks  
Financial Services Director



STOREY COUNTY, ANNUAL REPORT REGARDING  
ECONOMIC DIVERSIFICATION DISTRICT  
PURSUANT TO NRS 271B.100



# Storey County Commissioners' Office

Drawer 176  
Virginia City, NV 89440  
(775) 847-0968

Storey County  
Courthouse  
26 South B Street, Virginia City

Commissioners@StoreyCounty.org  
www.StoreyCounty.org  
Fax: (775) 847-0949

Mr. Richard Combs, Director  
Legislative Counsel Bureau  
401 South Carson Street  
Carson City, NV 89701

September 14, 2017

Re: N.R.S. 271B.100 for required annual report (fiscal year 2017)

Dear Sir:

This annual report is submitted pursuant to N.R.S. 271B.100 and due on or before September 1 of this year. The report must contain:

- (1) A statement of the status of the qualified project and any changes in that status from the last annual report, and
- (2) An assessment of the financial impact of the district on the provision of local government services including services for police protection and fire protection.

The attached report is based on information available to Storey County. If you have any questions or if any further information is required please let me know.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Pat Whitten".

Pat Whitten – County Manager  
pwhitten@storeycounty.org

cc: Storey County Board of Commissioners  
Storey County Clerk  
Storey County Comptroller  
Storey County District Attorney  
Governor's Office of Economic Development

## Storey County Annual Report

N.R.S. 271B.100 for required annual report (fiscal year 2017)

### **1. Status.**

The Tesla Gigafactory is an active qualified project in Storey County Economic Diversification District No. 1, (Effective date Oct. 17, 2015). There has been no change in the status beyond the continued structure growth and internal functionality of the project.

### **2. The financial impact of the district on the provision of local governmental services.**

Storey County and Tesla have structured agreements to cover annual revenues and costs incurred by Storey County in the performance of our Local Government responsibilities. Specifically, these documents/agreements are:

- Storey County Ordinance 15-263 (See attached Exhibit A) which abates, in part, permitting fees associated with Fire and Building plan reviews and permitting that the County is authorized to impose or charge pursuant to Chapter 244 of NRS. Fiscal results and impacts on local government services for fiscal year ending June 30, 2017 are:
  - Tesla paid total annual fees of \$620,315 which meets and/or exceeds our estimated costs of provided services. Tesla has also worked concurrently with us in hiring additional 3<sup>rd</sup> Party Independent Inspectors to keep up with project progress. Tesla is paying the cost of these inspectors direct.
- A Government Services Agreement (See Exhibit B) effective October 17, 2014 which provides for revenue from Tesla to Storey County covering costs associated with other Government services not directly addressed in the above referenced Ordinance. These include, but are not limited to Sheriff services, Fire protection and emergency medical services, Assessor and tax appraisal services, road maintenance on County-owned streets adjacent to and /or entering the project site and administrative assistance from the above referenced functions and other General Government services such as fiscal accounting and senior official involvement and oversight. Under this agreement, Tesla paid a total of \$851,224 for FY 2017 which meets and/or exceeds our estimated costs of providing these services.

The same Government Services Agreement also provides for Tesla to pay Storey County an amount annually covering quarterly payments spread over 9 years associated with the purchase of a specific piece of fire apparatus known as a Quint Ladder Truck that is necessary to provide fire protection on structures situated in the project. Annual payments were paid by Tesla in the total amount of \$93,733 which meets our annual costs of acquisition and equipping the apparatus as specified in the amortization payment schedule included in Exhibit B attached.

## Ordinance No. 15-263

Summary

An ordinance providing for a pilot project for granting partial abatements of permitting or licensing fees that the county is authorized to impose or charge pursuant to chapter 244 of NRS to participants in a qualified project in an Economic Diversification District.

Title

An ordinance adding section 3.50.200 to the Storey County Code providing for a pilot project for granting partial abatements of permitting or licensing fees to participants in a qualified project in an Economic Diversification District and providing for other properly related matters.

The Board of County Commissioners of the County of Storey, State of Nevada, does ordain:

SECTION I:**3.50.200 Title.**

This ordinance is known as the "Permitting Fee Abatement Ordinance".

**3.50.210 Determinations of the board.**

The board has determined that it intends to encourage local economic development by granting to any participant in a qualified project in an Economic Diversification District an abatement of all or any percentage of the amount of any permitting fee or licensing fee which the county is authorized to impose or charge pursuant to chapter 244 of NRS.

**3.50.220 Definitions.**

The definitions contained in the Economic Diversification Act and the Economic Diversification District are incorporated into and are adopted for use in this chapter.

**3.50.230 Creation of the pilot project.**

The board, for the purposes of encouraging local economic development, creates this pilot project for granting partial abatements of permits, plan reviews, and inspection fees. The board may determine, to the best of its ability, the amount of the abatement based on the anticipated local economic development that the qualified project would bring to the county.

**3.50.240 Abatement of fees.**

A. The board finds that Tesla Motors, Inc. ("Tesla") is a participant in a qualified project within the county's Economic Diversification District No. 1. The board has determined to grant an abatement of permitting fees it is authorized to impose pursuant to chapter 244 of NRS for a ten year period for building official and fire district permitting, plan reviews, and inspections for

the factory project by fixing the following annual fees for each of the following fiscal years ending June 30th:

Fiscal Year Ending June 30 <sup>th</sup>	Annual Fee
2015	\$556,268
2016	\$587,419
2017	\$620,315
2018	\$655,053
2019	\$230,579
2020	\$243,491
2021	\$257,126
2022	\$271,525
2023	\$286,731
2024	\$302,788

B. These fees are to be assessed on a fiscal year beginning on July 1, 2014.

C. The fees must be paid in advance on a quarterly basis (July 1, October 1, January 1, and April 1).

D. These fee payments do not include payments by Tesla for additional plan reviews and inspections that are performed by outside contractors.

E. During any year of the term of this abatement, the county may increase the annual fee charged to Tesla during such year, with Tesla's prior consent and approval, upon a showing by the county to Tesla that the permitting, plan review and inspection activities required by Tesla during such year have placed an extraordinary burden on county personnel.

F. Any abatement of fees by the County does not limit in any manner the discretion of the County in the permitting approval process, and does not relieve the participant from the obligation to obtain all necessary permits, entitlements and approvals for the construction of any Project.

#### 3.50.250 Annual report.

The board, if it grants an abatement pursuant to this chapter, must submit an annual report to the governor and to the director of the Legislative Counsel Bureau for transmittal to the legislature that includes for the immediately preceding fiscal year:

A. The number of qualified projects located within the jurisdiction of the board for which a certificate of eligibility for transferable tax credits was approved.

B. The number and dollar amounts of the abatements granted by the board.

C. The number of persons within the jurisdiction of the board that were employed by each participant in a qualified project and the amount of wages paid those persons.

Proposed on March 3<sup>rd</sup>, 2015.

by Commissioner A11

Passed on June 16<sup>th</sup>, 2015.

Vote: Ayes Commissioners

McBride

McGuffey

Abstain

Nays Commissioners

Gilman

Absent Commissioners

Marshall McBride

Marshall McBride, Chair  
Storey County Board of County Commissioners

Attest:

Vanessa Stephens

Vanessa Stephens  
Clerk & Treasurer, Storey County

This ordinance will become effective on 6/26/15

#### CERTIFIED COPY

The document to which this certificate is  
attached is a full, true, and correct copy of the original on  
file and of record in this office.

Date September 2, 2015  
Storey County Clerk and Ex-Officio Clerk of the First  
Judicial District of the State of Nevada.

in and for Storey County  
By Van Stephens, Deputy

## EXECUTION VERSION

**GOVERNMENTAL SERVICES AGREEMENT**  
for Storey County Economic Diversification District No. 1 (Tesla)  
between Storey County, Storey County Fire Protection District, and Tesla

This Governmental Services Agreement (the "Agreement") is made and entered into as of this \_\_\_\_ day of June, 2015, to be retroactive to October 17, 2014 (the "Effective Date") by and among **TESLA MOTORS, INC.**, a Delaware corporation, having offices at Electric Avenue, Sparks, Nevada 89434 ("Tesla" or "Lead Participant"), **STOREY COUNTY, NEVADA** a political subdivision of the State of Nevada (the "County") and the **STOREY COUNTY FIRE PROTECTION DISTRICT**, a political subdivision of the State of Nevada (the "Fire District"). Tesla and the County and the Fire District are referred to as the "Parties."

**R E C I T A L S**

Whereas, pursuant to S.B. 1, 28th (2014) Special Session of the Nevada Legislature, (the "Economic Diversification Act"), the County has the power to create an economic diversification district for the development of property within the jurisdiction of the County for the purpose of acquiring, improving, equipping, and developing a qualified project; and

Whereas, pursuant to the Economic Diversification Act, section 35, the County may enter into an agreement with an owner of any interest in property located within an economic diversification district, pursuant to which that owner would agree to make payments to the County or other local government that provides services within the economic diversification district, to defray in whole or in part the cost of providing governmental services within the district; and

Whereas, pursuant to the Economic Diversification Act, section 31, the Board of County Commissioners of Storey County, Nevada (the "Board") has adopted Ordinance No. 14-260, the Economic Diversification District Creation Ordinance (the "Ordinance") creating Storey County Economic Diversification District No. 1 (Tesla) in Storey County, Nevada (the "District") which becomes effective on approval and execution of this Agreement; and

Whereas the County and the Fire District will provide governmental services within the District including, but not limited to, fire protection, sheriff, assessor and emergency medical; and

Whereas, the Parties all acknowledge that, as a result of the abatement of sales and use tax and property tax that the County would normally receive to pay for governmental services within the district, there is a resulting budgetary difficulty facing the County and the Fire District in providing governmental services within the District; and

Whereas, Tesla, as the Lead Participant in the District, desires to assist the County by making payments to the County intended to enable the County and the Fire District to provide governmental services in the District during this period of budgetary difficulty; and

Whereas, in an effort to address the situation just described and to fulfill the Economic Diversification Act, Section 35, Tesla, together with the County and the Fire District,

all desire to set forth the terms pursuant which Tesla will make payments to the County to defray in whole or in part the cost of providing the governmental services within the District during the term of this Agreement.

Now, therefore, in consideration of the premises set forth above and the mutual covenants set forth in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which is acknowledged, the Parties agree as follows:

**1. Term.** This Agreement will remain in effect (the "Term") from the Effective Date until June 30, 2024, unless sooner terminated under the provisions of this Agreement.

**2. Governmental services to be provided.** The County and Fire District, including, as applicable, such divisions of the County as the sheriff's office, the assessor's office, emergency management and fire protection and emergency medical services units, shall provide the following "Governmental Services" to the standard and in the quantities described in this Agreement, and in any event, at a service level not less than provided by the County to other commercial enterprises located within the County (the "Base Level of Services").

Governmental Services means the following services, as more particularly described on Exhibit A to this Agreement, which will be provided by the County and Fire District, as applicable, within and throughout the District for the benefit of all Participants in the District:

- Sheriff services,
- Fire protection and emergency medical services,
- Assessor and tax appraisal services,
- Road maintenance and clearing services on County-owned roads with public access, and
- Administrative assistance within the recording office, community development office, Sheriff's office, District Attorney's office, and emergency management office.

**3. Compliance with Base Levels of Services.**

(a) In the absence of extenuating circumstances and subject to the factors described elsewhere in this Section 3, the County and Fire District agree to provide the Base Level of Services for each of the Governmental Services throughout the Term of this Agreement.

(b) The Base Level of Services assumes an average level of demand and activity, and the Parties recognize that Governmental Services provided on any particular day or period may vary based upon special circumstances. However, the expectation is that the County and Fire District will perform each of the Governmental Services at no less than the Base Level of Service, except as otherwise provided herein.

(c) The Base Level of Services may be adjusted to reflect new methodologies and policies, provided that the basic intent of this Agreement is maintained in any adjustment.

(d) In the event of extreme emergency, as declared by the Chairman of Board of County Commissioners or the Governor of the State of Nevada, Governmental Services may be temporarily suspended in all or part of the District, to the extent required by such emergency. The Parties acknowledge that such circumstances are likely to be highly unusual and temporary in nature.

**4. Computation of Governmental Services Amount.** Each year during the term of this Agreement, Tesla, as an owner of a property interest within the District, agrees to pay the amount determined pursuant to Section 5 below to defray, in whole or in part, the costs of the Governmental Services provided by the County and Fire District in the District. The Parties agree the amounts to be paid by Tesla will be used primarily by the County and Fire District to provide Governmental Services in the District.

**5. Payment for Governmental Services.**

(a) Tesla agrees to pay the following annual amounts, based upon a June 30<sup>th</sup> fiscal year, to the County to defray, in whole or in part, the cost of the Governmental Services provided in the District by the County and Fire District during the term of this Agreement:

	<u>Annual Fee</u>	<u>Projected Truck P &amp; I</u>
2016	\$ 785,037	\$ 96,166
2017	\$ 851,224	\$ 96,166
2018	\$ 867,838	\$ 96,166
	<u>Projected Annual Fee</u>	<u>Projected Truck P &amp; I</u>
2019	\$ 348,856	\$ 96,166
2020	\$ 381,454	\$ 96,166
2021	\$ 388,166	\$ 96,166
2022	\$ 471,617	\$ 96,166
2023	\$ 479,954	\$ 96,166
2024	\$ 488,458	\$ 96,166

(b) On or about April 1, 2018 and again on or about April 1, 2021, the Parties agree to meet to re-determine Tesla's annual fee payments to the County to defray, in whole or in part, the cost of the Governmental Services provided in the District by the County and the Fire District during the next succeeding three years of the term of this Agreement (County Fiscal Years ending in 2019-2021 and 2022-2024).

The amount of Tesla payments under this Section 5 shall be initially re-determined using the average of two equally weighted factors measured as of February 28, 2018 and again as of February 28, 2021.

(1) The District's proportionate share of the total occupancy, measured through full-time equivalent ("FTE") headcount, of the Tahoe Reno Industrial Center.

(2) The District's proportionate share of the total assessed value of all real and personal property located in the Tahoe Reno Industrial Center.

Factor (1) above shall be determined using FTE employment data obtained by the County from County business license filings.

Factor (2) above shall be determined using the assessed value found on the County property tax rolls.

The Parties will then adjust the amount of the payments determined using the preceding calculation by taking into account such other factors as they consider relevant in determining the Participant's fair share of the costs of providing Governmental Services in the District.

Other factors which the Parties must consider in this re-determination include, without limitation: (i) the Fire District and the County's current budgetary condition and their resulting ability to provide Governmental Services in the District without financial assistance from Tesla; (ii) the incremental development that has occurred in the Tahoe Reno Industrial Center since the Effective Date of this Agreement; (iii) the resulting impact this incremental development has had on County and Fire District revenues; (iv) any increase in the level of Governmental Services provided in the District that is agreed upon by the Parties; (v) Tesla's historical usage of Governmental Services in the District; (vi) Tesla's proportionate share of the total square footage under roof in the Tahoe Reno Industrial Center; and (vii) an assessment of the financial impact of the District on the provision of local governmental services, including, without limitation, services for police protection and fire protection in the County. Tesla understands that if budgetary conditions within the District continue in years beyond 2018, Tesla will be asked to continue making payments at levels above the actual factored amount. The County understands that Tesla is under no obligation to make payments above the factored amount.

Exhibit B to this agreement contains the methodology and calculations for the projected annual fees in this Section 5 and an example illustrating the application of the methodology.

(c) In addition to the annual fees set forth in the chart on the preceding page, Tesla is responsible for reimbursing the County for the principal and interest costs the Fire District incurs by purchasing and equipping a quintuple combination pumper fire service apparatus valued at approximately \$750,000 upon acquisition; provided, however, that the County must receive advance concurrence from Tesla with the financial terms of the truck purchase and that such concurrence may not be unreasonably withheld by Tesla. Anticipated terms of the truck purchase which are presumptively acceptable to Tesla are annual payments in the amount of \$96,166 based on an annual percentage rate of 2.99% amortized over a 9-year term. Actual payments will be determined based on the final acquisition price and loan terms concurred with by Tesla (which concurrence cannot be unreasonably withheld); provided, however, that in no event shall such annual payments be in excess of \$100,000 over a 9-year term.

In the event that, at any time during the term of this Agreement, one or more additional facilities are constructed in the Tahoe-Reno Industrial Center with building heights exceeding 55', the County hereby agrees to proportionately reduce, on a prospective basis, Tesla's obligation to reimburse the County for the principal and interest costs of the truck purchase. Such reduction shall begin with the first month after the end of the quarter in which a certificate of occupancy is issued by the County for the new facility and continue for the remaining term of this Agreement.

For example, suppose a new building exceeding 55' in height is issued a certificate of

occupancy by the County on May 1, 2018. Tesla's obligation to reimburse the County for the remaining principal and interest costs on the truck purchase as of the beginning of the following quarter (in this example, the quarter beginning July 1, 2018) shall be reduced by 50%. Suppose further that on February 1, 2022, another new building exceeding 55' in height is issued a certificate of occupancy by the County. Tesla's obligation to reimburse the County for the remaining principal and interest costs of the truck purchase as of the beginning of the following quarter (in this example, the quarter beginning April 1, 2022) shall be reduced by 66 2/3%.

(d) Tesla shall pay in advance each annual amount provided for in this Section 5. Such payments shall be made to the County on behalf of the Fire District and the County is responsible for the disbursement of funds to the Fire District as appropriate. Such payments shall be made in four equal installments on a quarterly basis (July 1, October 1, January 1, and April 1).

#### **6. Cooperation, non-exclusivity, conflict.**

(a) The County and Fire District agree to cooperate and work together to provide Tesla with the Governmental Services in the District. The Governmental Services provided by the County and Fire District are for health, safety and welfare of the residents and businesses of the County and payments under this agreement do not give Tesla any exclusive rights to the Governmental Services provided.

(b) Conflict. Any conflict between the provisions of this Agreement and any present or future lawful exercise of the County's police powers shall be resolved in favor of the latter.

**7. Public Records Law.** Tesla acknowledges and agrees that, subject to the limitations and protections of the Economic Diversification Act, all records, documents, drawings, plans, specifications and other materials in the County's possession, including materials submitted by Tesla, are subject to the provisions of the Nevada Public Records Law (NRS 239.005 *et seq.*). Tesla shall be solely responsible for all determinations made by it under such law, and for clearly and prominently marking each and every page or sheet of materials with "Trade Secret", "Proprietary" or "Confidential" as it determines to be appropriate.

## **8. Defaults and remedies.**

The following shall constitute an Event of Default by Tesla under this Agreement:

- (a) Any representation, covenant or warranty contained in this Agreement which proves to have been incorrect in any material and adverse respect when made and continues to be materially adverse to the County after expiration of the cure period set forth below; or
- (b) A court having jurisdiction has made or entered any decree or order (1) adjudging Tesla to be bankrupt or insolvent, (2) approving as properly filed a petition seeking reorganization of Tesla or seeking any arrangement for Tesla under the bankruptcy law or any other applicable debtor's relief law or statute of the United States or any state or other jurisdiction, (3) appointing a receiver, trustee, liquidator, or assignee of the Tesla in bankruptcy or insolvency or for any of its properties, or (4) directing the winding up or liquidation of Tesla; or
- (c) Tesla shall have assigned its assets for the benefit of its creditors (other than pursuant to a security instrument) or suffered a sequestration or attachment of or execution on any substantial part of its property, unless the property so assigned, sequestered, attached or executed upon shall have been returned or released within sixty (60) days after such event; or
- (d) Any violation of a material provision of this Agreement, which remains uncured within the time set forth below.

Upon the occurrence of an Event of Default hereunder, the County shall first notify Tesla in writing of its purported breach or failure, giving Tesla sixty (60) days from receipt of such notice to cure or, if cure cannot be accomplished within sixty (60) days, to commence to cure such breach, failure or act. In the event Tesla does not then so cure, or commence to cure, within sixty (60) days, the County shall have the right to terminate this Agreement and pursue all rights and remedies available in law and in equity.

**9. Remedies Cumulative.** The rights and remedies of the Parties under this Agreement are cumulative, and the exercise or failure to exercise one or more of these rights or remedies by either Party will not preclude the exercise by it, at the same time or different times, of any right or remedy for the same default or any other default.

**10. No Waiver.** No failure or delay by either Party in asserting any of its rights or remedies hereunder shall operate as a waiver of any default or of any such right or remedy, nor deprive such Party of its right to institute and maintain any action or proceeding which it may deem necessary to protect, assert or enforce any such rights or remedies. Without limiting the generality of the foregoing, the failure or delay by either Party in providing a notice of default shall not constitute a waiver of any default.

**11. Prohibition on Assignment or Transfer.** Except as provided below, Tesla shall not directly or indirectly, voluntarily, involuntarily or by operation of law make or attempt any total or partial sale, transfer, conveyance, assignment or hypothecation (collectively "Transfer") of the whole or any part of this Agreement without the prior written approval of the County, which will not be unreasonably withheld or delayed. Any such attempt to Transfer this Agreement without the County's consent will be null and void and will confer no rights or privileges upon the purported assignee and will constitute an Event of Default. Notwithstanding the foregoing, Tesla's rights hereunder with respect to the Governmental Services may be transferred to (i) any affiliate of Tesla; or (ii) any person or entity to whom the Tesla's rights with respect to the

Gigafactory Project are transferred in compliance with the transfer/assignment provisions of any applicable agreement between Tesla and the County.

**12. No Third-party Rights.** The Parties expressly disclaim the creation of any right in any third party whatsoever under this Agreement, except those third parties that are also Participants in the District. There are no third-party beneficiaries other than the Participants in the District. Each participant in the District is deemed to be a third party beneficiary of this Agreement.

**13. Notices.** All notices and other communications to be given by either Party may be given in writing, depositing the same in the United States mail, postage prepaid and addressed to the appropriate Party as follows:

To Tesla: Tesla Motors, Inc.  
3500 Deer Creek Road  
Palo Alto, California 94304  
Attn: Deepak Ahuja  
Phone: (650) 681-5100

With Copy to: Alex B. Leath  
Bradley Arant Boult Cummings LLP  
1819 Fifth Avenue North  
Birmingham, Alabama 35203  
Phone: (205) 521-8899

To the County: Attn: County Manager, Storey County  
P.O. Box 176  
Virginia City, Nevada 89440  
Phone: (775) 847-0968

Any Party may change its address for notice by written notice to the other Party at any time.

**14. Counterparts.** This Agreement may be executed on one or more counterparts, each of which shall be regarded as an original and all of which shall constitute the same Agreement.

**15. Severability.** If any section, subsection, clause, phrase, or word of this Agreement is for any reason held invalid, unenforceable or unconstitutional by any court of competent jurisdiction, such section, subsection, clause, phrase, or word shall be deemed a separate, distinct and independent provision and such holding shall not negatively affect the validity of the remaining portions of this Agreement.

**16. Applicable law.** This Agreement shall be interpreted and enforced under the laws of the State of Nevada. Jurisdiction for all matters triable before a state court shall be in the First Judicial District Court of the State of Nevada.

**17. Amendment.** Tesla, the County and the Fire District agree to mutually consider reasonable requests for amendments to this Agreement (including any of the Exhibits hereto) that may be made by any of the Parties hereto, provided the requests are consistent with this Agreement and would not substantially alter the basic business terms included herein. Only the Board is authorized to execute any amendments to this Agreement on behalf of the County. Any

alteration, change or modification of or to this Agreement, in order to become effective, will be made in writing and in each instance signed on behalf of each Party. No purported oral amendment to this Agreement shall be valid.

**18. Miscellaneous.** Paragraph headings are for convenience only and do not effect, limit or modify the content of the provisions of this Agreement. Use of the masculine, feminine, or neuter shall not limit the application of any provision of this Agreement, but each such gender is deemed to include all other gender cases, just as the singular includes the plural, and the plural the singular.

**19. Challenge to District.** The County and Fire District hereby covenant not to provide any challenge to the existence, organization or validity of the District, and further agree not to amend the Ordinance without the prior written consent of Tesla, and hereby agree to provide reasonable assistance to Tesla in defense of any such challenge by a third party.

**20. Dispute Resolution.** In the event that any dispute arises between the Parties for any reason under or arising out of this Agreement, the Parties shall promptly meet to discuss the dispute and work in good faith through fair dealing to seek a resolution. In the event that the dispute is not resolved within the earlier of (i) thirty days from the date of such meeting or (ii) sixty (60) days from the date of a Party's request for such meeting to discuss the dispute, the Parties will attempt to mediate the dispute using a professional mediator agreeable to both Parties with business representatives present for at least one session. In the event the dispute is not resolved through mediation, either Party may request to have the matter submitted to arbitration by giving written notice to the other Party to such effect. Immediately upon the giving of such notice, the Parties will attempt to select an arbitrator agreeable to both Parties. If the Parties agree upon an arbitrator, the dispute shall be arbitrated and the proceedings shall be governed by the rules and regulations established by the arbitrator. The location of the arbitration shall be in the County unless otherwise agreed by the Parties, and shall be governed by the laws of the State of Nevada. All decisions by the arbitrator(s) so chosen shall be final and binding upon both Parties and may be enforced by either Party in a court of competent jurisdiction. To the extent possible, the Party found to be at fault shall pay the cost of any such mediation or arbitration. If the Parties cannot agree upon an arbitrator, the dispute shall be submitted to the First District Court of the State of Nevada. The procedures specified herein shall be the sole and exclusive procedures for the resolution of disputes between the Parties arising out of or relating to this Agreement; however, either Party may at any time seek a preliminary injunction or other preliminary judicial relief from the appropriate court or other jurisdictions as the circumstances require to prevent irreparable or immediate damage. Nothing contained herein, shall restrict either Party's right to seek monetary damages in addition to or independent of injunctive relief. Despite such action, the Parties will continue to participate in good faith in the procedures specified herein, which shall survive any termination of this Agreement.

**21. Entire agreement.** This Agreement is the entire Agreement of the Parties and supersedes all prior negotiations whether written or oral.

**[THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]**

In witness whereof, the Parties have executed this Agreement the day and year first above written.

TESLA:

TESLA MOTORS, INC.

By: 

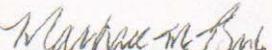
Attest:



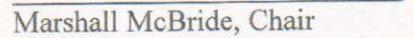
Name:

THE COUNTY AND FIRE DISTRICT

STOREY COUNTY, NEVADA

By: 

Attest:

  
Marshall McBride, Chair  
Board of County Commissioners  
Board of Fire Commissioners

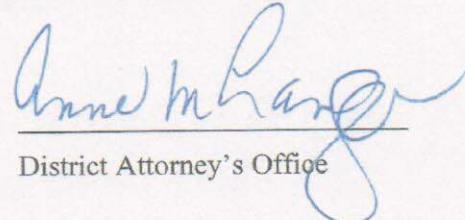
ATTEST:

By: 

Attest:

  
Vanessa Stephens  
County Clerk

APPROVED AS TO FORM

By:   
District Attorney's Office

**EXHIBIT A**  
**Governmental Services**

In consideration of the annual payment by Tesla for governmental services set out in this Agreement the County and the Fire District will provide the following services:

1. The Fire District will staff and operate a fire department at Storey County Fire Station No. 75 during the term of this Agreement to the following minimum standards:
  - a. Provide 6 full-time firefighter/paramedic (minimum) staffing level, with 2 personnel working 48 hours on duty followed by 96 hours off duty;
  - b. Maintain a minimum of 3 of the 6 personnel at a paramedic level certification, which equates to at least 1 paramedic working for 48 hours on duty followed by 96 hours off duty;
  - c. Fire District will maintain this level of staffing unless an emergency exists as declared by the Board of Fire Commissioners;
  - d. Fire District is responsible for providing adequate and appropriate training for all fire fighter, EMS and paramedic personnel at their own expense;
  - e. Fire District will maintain one ALS equipped ambulance;
  - f. Fire District will maintain a Type I and/or Type II engine at this fire station;
  - g. Fire District will be responsible to purchase and maintain all customary and usual EMS gear as is provided in comparable fire departments/districts; and,
  - h. Fire District will strive to maintain at all times an ISO Public Protection Classification Rating of 3 or less for fire suppression services.
2. Storey County will provide sheriff services for the District.
3. Storey County will provide emergency management services on an as-needed basis for the District.
4. Storey County will provide the following administrative functions for the District:
  - a. Recording, assessor and appraiser services for real and personal property.

## EXHIBIT B

### Re-determination of Annual Fee Payments

The Projected Annual Payments in Section 5 were determined utilizing the following assumptions and methodologies. Assume the following facts all as of February 28, 2018: The total occupancy in the District is 1,500 people. The total occupancy in the Tahoe Reno Industrial Center is 7,000 people. The total assessed value of all real and personal property located in the District is \$350 Million. The total assessed value of all real and personal property located in the Tahoe Reno Industrial Center is \$639.8 Million. Assume the following facts all as of February 28, 2021: The total occupancy in the District is 2,500 people. The total occupancy in the Tahoe Reno Industrial Center is 10,000 people. The total assessed value of all real and personal property located in the District is \$700 Million. The total assessed value of all real and personal property located in the Tahoe Reno Industrial Center is \$1.062 Billion.

The projected budgets for providing Governmental Services in the District by the County and the Fire District are:

Fiscal Year ending in 2019:	\$ 916,437
Fiscal Year ending in 2020:	\$1,002,071
Fiscal Year ending in 2021:	\$1,019,702
Fiscal Year ending in 2022:	\$1,037,686
Fiscal Year ending in 2023:	\$1,056,030
Fiscal Year ending in 2024:	\$1,074,740

Factor calculations are as follows:

<u>2018</u>		
Occupancy factor	–	21.43% (1,500/7,000)
Property factor	–	54.70% (\$350 Million/\$639.8 Million)
Payment factor	–	38.07% (76.13/2)
<u>2021</u>		
Occupancy factor	–	25% (2,500/10,000)
Property factor	–	65.9% (\$700 Million/\$1.062 Billion)
Payment factor	–	45.45% (90.9/2)

The initial calculation of Tesla's payments to the County under this Section 5 would be as follows:

For the Fiscal Year ending in 2019:	\$348,856 (38.07% of \$ 916,437)
For the Fiscal Year ending in 2020:	\$381,454 (38.07% of \$1,002,071)
For the Fiscal Year ending in 2021:	\$388,166 (38.07% of \$1,019,702)
For the Fiscal Year ending in 2022:	\$471,617 (45.45% of \$1,037,686)
For the Fiscal Year ending in 2023:	\$479,954 (45.45% of \$1,056,030)
For the Fiscal Year ending in 2024:	\$488,458 (45.45% of \$1,074,740)

The initial amounts above will then be adjusted by the Parties by taking into account other factors in determining the Participant's fair share of the costs of providing Governmental Services in the District.

For example, suppose that subsequent development in the Tahoe Reno Industrial Center has generated significant additional revenue to the County by Fiscal year 2019. Suppose further that this additional revenue has improved the County's financial position to the point that the County can fund \$700,000 of the \$916,437 budget for Fiscal Year 2019. Assuming no other factors suggest otherwise, Tesla's payment to the County for Fiscal Year 2019 would be reduced from \$348,856 to \$216,437.

## ATTACHMENT 2 PAYMENT SCHEDULE

RE: Schedule of Equipment No. 01 between Republic First National Corporation as Lessor and Storey County as Lessee dated as of 7/14/2015 to Master Equipment Lease Purchase Agreement dated as of 7/14/2015

Lease Number: 0714OSTO

Cost of Equipment: \$725,000.00



### AMORTIZATION SCHEDULE - Normal Amortization, 360 Day Year

Payment Number	Payment Date	Payment Amount	Interest Portion	Principal Portion	Early Termination Purchase Option
1	9/15/2015	\$23,433.13	\$4,352.45	\$19,080.68	Not Available
2	12/15/2015	\$23,433.13	\$6,054.15	\$17,378.98	Not Available
3	3/15/2016	\$23,433.13	\$5,905.10	\$17,528.03	Not Available
4	6/15/2016	\$23,433.13	\$5,754.77	\$17,678.36	Not Available
5	9/15/2016	\$23,433.13	\$5,803.16	\$17,829.97	\$647,498.81
6	12/15/2016	\$23,433.13	\$5,450.25	\$17,982.88	\$628,821.77
7	3/15/2017	\$23,433.13	\$5,296.02	\$18,137.11	\$610,010.48
8	6/15/2017	\$23,433.13	\$5,140.47	\$18,292.66	\$591,060.93
9	9/15/2017	\$23,433.13	\$4,983.59	\$18,449.54	\$571,972.10
10	12/15/2017	\$23,433.13	\$4,825.36	\$18,807.77	\$552,742.96
11	3/15/2018	\$23,433.13	\$4,665.78	\$18,767.35	\$533,372.49
12	6/15/2018	\$23,433.13	\$4,504.82	\$18,928.31	\$513,859.65
13	9/15/2018	\$23,433.13	\$4,342.49	\$19,090.64	\$494,203.39
14	12/15/2018	\$23,433.13	\$4,178.76	\$19,254.37	\$474,402.65
15	3/15/2019	\$23,433.13	\$4,013.63	\$19,419.50	\$454,456.38
16	6/15/2019	\$23,433.13	\$3,847.08	\$19,586.05	\$434,363.50
17	9/15/2019	\$23,433.13	\$3,679.11	\$19,754.02	\$414,122.94
18	12/15/2019	\$23,433.13	\$3,509.69	\$19,923.44	\$393,733.61
19	3/15/2020	\$23,433.13	\$3,338.83	\$20,094.30	\$373,194.42
20	6/15/2020	\$23,433.13	\$3,166.49	\$20,266.64	\$352,504.27
21	9/15/2020	\$23,433.13	\$2,992.68	\$20,440.45	\$331,662.05
22	12/15/2020	\$23,433.13	\$2,817.38	\$20,815.75	\$310,666.64
23	3/15/2021	\$23,433.13	\$2,640.57	\$20,792.56	\$289,516.91
24	6/15/2021	\$23,433.13	\$2,462.25	\$20,970.88	\$268,211.73
25	9/15/2021	\$23,433.13	\$2,282.40	\$21,150.73	\$246,749.96
26	12/15/2021	\$23,433.13	\$2,101.00	\$21,332.13	\$225,130.44
27	3/15/2022	\$23,433.13	\$1,918.05	\$21,515.08	\$203,352.02
28	6/15/2022	\$23,433.13	\$1,733.53	\$21,699.60	\$181,413.53
29	9/15/2022	\$23,433.13	\$1,547.43	\$21,885.70	\$159,313.79
30	12/15/2022	\$23,433.13	\$1,359.74	\$22,073.39	\$137,051.62
31	3/15/2023	\$23,433.13	\$1,170.43	\$22,262.70	\$114,625.82
32	6/15/2023	\$23,433.13	\$979.50	\$22,453.63	\$92,035.19
33	9/15/2023	\$23,433.13	\$786.93	\$22,646.20	\$69,278.52
34	12/15/2023	\$23,433.13	\$592.71	\$22,840.42	\$46,354.59
35	3/15/2024	\$23,433.13	\$396.82	\$23,036.31	\$23,262.17
36	6/15/2024	\$23,433.13	\$199.26	\$23,233.87	\$0.00
<b>Grand Totals</b>		<b>\$843,592.68</b>	<b>\$118,592.68</b>	<b>\$725,000.00</b>	

LESSEE: Storey County

By Pat Whitten

Title Pat Whitten, County Manager

Date X 12 AUG 2015

NEVADA DEPARTMENT OF EDUCATION, NEVADA  
EDUCATOR CODE OF ETHICS ADVISORY GROUP'S  
JULY 2018 PROGRESS REPORT, DATED JUNE 20, 2018,  
PURSUANT TO AB 124 (2017)

*July 2018  
Progress Report  
Dated  
June 20, 2018*

# **NEVADA EDUCATOR CODE OF ETHICS ADVISORY GROUP**

Progress report on the work of the Advisory Group as required by Assembly Bill  
124 in the 79th Legislative Session

*This report was  
completed by NDE staff  
on behalf of the  
Advisory Group*

**NEVADA DEPARTMENT OF EDUCATION**  
**NEVADA EDUCATOR CODE OF ETHICS ADVISORY GROUP**  
**AUTHORITY AND FACTS**

**Authority:**

The Nevada Educator Code of Ethics Advisory Group was created by the 2017 Legislature. (Assembly Bill 124, 79<sup>th</sup> Legislative Session). The Advisory Group's authority expires on June 30, 2019.

**Facts about the Nevada Educator Code of Ethics Advisory Group:**

Membership: Pursuant to Assembly Bill 124, the makeup of the Advisory Group is as follows:

- The Superintendent of Public Instruction, or his or her designee, who serves as an ex officio member of the Advisory Group. Jason Dietrich, Director of Educator Licensure, serves in this capacity on behalf of the Superintendent.
- One member appointed by the Chancellor of the Nevada System of Higher Education who is a dean of one of the Colleges of Education within the System or a person nominated by such a dean for appointment by the Chancellor. This seat is held by Dr. Diane Barone.
- Three teachers appointed by the Governor from a list of two nominees submitted by the Speaker of the Assembly and two nominees submitted by the Majority Leader of the Senate. The members must be recommended by the Nevada State Education Association or its successor organization, and the Association shall consider for recommendation teachers who are certified by a national board. Rachel Croft, Susan Kaiser, and Robert Cowles hold these seats.
- Two members who are parents of pupils who attend a public school in this State, appointed by the Governor from a list of nominees submitted by the Speaker of the Assembly and the Majority Leader of the Senate. Amanda McWilliams and Samantha Bivins are the two parent members.
- One member who is a member of student government or the Nevada Youth Legislature, appointed by the Superintendent of Public Instruction. This seat is held by Caramia Phillips.
- Two members who are school-level administrators, one of whom is employed by a school district in a county whose population is 100,000 or more and one of whom is employed by a school district in a county whose population is less than 100,000, appointed by the Governor from a list of nominees submitted by the Nevada Association of School Administrators or its successor organization. These positions are filled by Lou Markouzis and Sean Moyle.
- One member who is an employee of a school district with expertise in labor-management relations, appointed by the Governor. Dr. Jeffrey Paul holds this position.
- One member who is licensed by a board in this State, other than the State Board of Education, that has a code of ethics and requires compliance as a condition to continued licensure, appointed by the Governor. Casey Stiteler is in this seat.
- One member who is a superintendent of schools of a school district, appointed by the Governor from a list of nominees submitted by the Nevada Association of School Superintendents. Dan Wold holds this position.

Officers: The Advisory Group shall, at its first meeting, elect a Chair from among its members, pursuant to Assembly Bill 124.

Meetings: Assembly Bill 124 requires the Advisory Group to meet at least quarterly. The group may meet at other times upon the call of the Chair. While attending meetings of the Advisory Group or otherwise engaged in the business of the Advisory Group, members are entitled to receive the per diem allowances and travel expenses provided by law for state officers and employees generally.

Support: The Nevada Department of Education provides the necessary personnel and administrative support to allow the Advisory Group to carry out its responsibilities.

Responsibilities and Scope of Work: Pursuant to Assembly Bill 124, the Advisory Group shall:

- Study codes of ethics and best practices that have been established in other states.
- Make recommendations to the Commission for the adoption of a code of ethics for educators in this State. Such a code of ethics must address, without limitation, responsibility to the profession of education, professional competence, responsibility to pupils, responsibility to the school community and the ethical use of technology.
- Develop strategies to carry out a code of ethics which may include, without limitation, recommending the adoption of regulations by the State Board of Education or the Commission on Professional Standards in Education, or recommending legislation to revise provisions of law.
- Review courses offered by the Nevada System of Higher Education and by other approved educational institutions and qualified providers which provide training to teachers on ethical responsibilities; determine whether the material is adequate to inform teachers of the requirements included in any proposed code of ethics that is established; and provide any recommendations deemed necessary and appropriate for improvement of such courses to the Board of Regents of the University of Nevada, other approved educational institutions and qualified providers. A copy of any such recommendations made by the Advisory Group must also be provided to the Governor, the State Board of Education, the Commission on Professional Standards in Education, and the Director of the Legislative Counsel Bureau for transmittal to the 80<sup>th</sup> Session of the Nevada Legislature.
- Study the cost of professional development for teachers, administrators, paraprofessionals, and other educational personnel, and the use and availability of regional training programs and any federal funding available for such professional development.
- On or before July 1, 2018, and December 1, 2018, prepare a report concerning the status of the Advisory Group in carrying out its duties as listed above, including any recommendations made by the Advisory Group, and submit it to the Governor, the State Board of Education, the Commission on Professional Standards in Education, and the Director of the Legislative Counsel Bureau for transmittal to the Legislative Commission and the 80<sup>th</sup> Session of the Nevada Legislature.

**NEVADA DEPARTMENT OF EDUCATION**  
**NEVADA EDUCATOR CODE OF ETHICS ADVISORY GROUP**  
**WORK ACCOMPLISHED TO DATE**

**Meetings held to date:**

January 24, 2018: The Advisory Group met and elected two Co-Chairs, Rachel Croft and Caramia Phillips, and reviewed the scope of work contained within the language of AB 124. The group then heard a presentation from Dr. Troy Hutchings, a subject matter expert in the area of professional ethics for educators. Based on Dr. Hutchings' presentation the group came to a clear understanding that while educator ethics and educator conduct are distinct from one another, they are also interrelated, and the application of standards of conduct must be informed by a clear understanding of ethical standards. Dr. Hutchings introduced the Model Code of Ethics for Educators, and recommended it to the group for review along with existing codes of educator ethics from several other states.

February 27, 2018: The Advisory Group elected a Vice Chair, Susan Kaiser, and continued to review the Model Code of Ethics for Educators and existing codes of conduct from Georgia, Idaho, Iowa and Texas. After some discussion it was agreed to focus on the Model Code for possible adoption, and the Texas Educators' Code of Ethics as a potential model for Nevada should the group decide not to recommend adoption of the Model Code.

April 13, 2018: The Advisory Group heard testimony from a number of invited stakeholders, including representatives of Nevada institutions of higher education, school districts, educator associations, and school district superintendents. They then voted to recommend that the Commission on Professional Standards in Education adopt the Model Code of Ethics for Educators for use in Nevada. This recommendation will be presented to the Commission at their June meeting, and a public workshop will be scheduled for suggested regulatory language to implement the Model Code.

May 22, 2018: The Advisory Group heard additional contextual information about the drafting of Assembly Bill 124 from Dr. Troy Hutchings, who served as a subject matter expert during that process. Representatives of Nevada educator and paraprofessional associations presented additional testimony regarding the adoption of a code of ethics for educators. The Advisory Group approved recommended regulatory language to adopt the Model Code of Ethics for Educators, and asked Department staff to convey that language to the Commission for a public workshop at their June meeting.

**Recommendations Made by the Advisory Group:**

Pursuant to its statutory mandate in Assembly Bill 124, the Advisory Group is making the following recommendations:

- The Advisory Group recommends that the Commission on Professional Standards in Education adopt the Model Code of Ethics for Educators for use in Nevada, along with any future updates or revisions to the code which may occur. The Model Code aligns with the requirement set forth in AB 124 that any code of ethics adopted by the Commission must address responsibility to the profession of education, professional competence, responsibility to pupils, responsibility to the school community, and ethical use of technology. The Model Code was developed by a national

panel which included practicing educators and administrators, paraprofessionals, state-level education agency representatives, members of the National Council for the Advancement of Educator Ethics, and content experts in the area of professional ethics.

- The Advisory Group will present proposed regulatory language to the Commission at their June 20, 2018 meeting to facilitate the adoption of the Model Code.

**NEVADA DEPARTMENT OF EDUCATION**  
**NEVADA EDUCATOR CODE OF ETHICS ADVISORY GROUP**  
**FY 2019 WORK PLAN**

1. The Advisory Group will address the training requirements contained within Section 3, paragraph 2 of Assembly Bill 124, and will work with school districts, charter schools, educational employee organizations, and training providers to determine how this training might best be administered without creating an undue financial hardship for school districts and charter schools.
2. The Advisory Group will review educator ethics coursework currently offered by the Nevada System of Higher Education and by other Nevada institutions of higher education who offer educator preparation programs, and will make such recommendations as it deems necessary and appropriate to align these courses with the Model Code of Ethics for Educators.
3. Given the interrelated nature of educator ethics and educator conduct, which has been made clear to the group by subject matter experts, the Advisory Group will review existing statutes and regulations regarding educator misconduct, and will propose any changes it deems necessary in order to:
  - (a) Ensure Nevada's schoolchildren have a safe and respectful environment conducive to a positive educational experience; and
  - (b) Align educator conduct expectations with the areas of responsibility delineated within the Model Code of Ethics for Educators.
4. The Advisory Group will work with the Department of Education's Office of Educator Licensure and with the Department's testing vendor, the Educational Testing Service (ETS), to explore the possibility of incorporating an ethics examination into educator preparation programs within this State.