MINUTES OF THE DECEMBER 11, 2018
MEETING OF THE
INTERIM FINANCE COMMITTEE
Las Vegas, Nevada

Chair Joyce Woodhouse called a regular meeting of the Interim Finance Committee (IFC) to order at 9:40 a.m. on December 11, 2018, in Room 4401 of the Grant Sawyer Office Building, 555 East Washington Avenue, Las Vegas, Nevada. The meeting was videoconferenced to Room 4100 of the Nevada Legislative Building, 401 South Carson Street, Carson City, Nevada.

COMMITTEE MEMBERS PRESENT:
Senator Joyce Woodhouse, Chair
Assemblywoman Maggie Carlton, Vice Chair
Senator Nicole Cannizzaro for Senator Cancela
Senator Moises Denis
Senator Pete Goicoechea
Senator Ben Kieckhefer
Senator David Parks
Senator James Settelmeyer
Senator Pat Spearman for Senator Atkinson
Assemblywoman Benitez-Thompson
Assemblywoman Shannon Bilbray-Axelrod for Assemblyman Frierson
Assemblywoman Lesley Cohen for Assemblywoman Monroe-Moreno
Assemblywoman Sandra Jauregui
Assemblyman Al Kramer
Assemblyman Glen Leavitt for Assemblyman Hambrick
Assemblywoman Dina Neal
Assemblyman Tom Roberts for Assemblyman Wheeler
Assemblywoman Ellen Spiegel
Assemblyman Michael Sprinkle
Assemblywoman Heidi Swank
Assemblyman Tyrone Thompson
Assemblywoman Robin Titus

COMMITTEE MEMBERS EXCUSED:
Senator Kelvin Atkinson
Senator Yvanna Cancela
Assemblyman Jason Frierson
Assemblyman John Hambrick
Assemblywoman Daniele Monroe-Moreno
Assemblyman Jim Wheeler

LEGISLATIVE COUNSEL BUREAU STAFF PRESENT:
Rick Combs, Director, Legislative Counsel Bureau
Mark Krmpotic, Fiscal Analyst, Senate
Cindy Jones, Fiscal Analyst, Assembly

Sarah Coffman, Principal Deputy Fiscal Analyst
Alex Haartz, Principal Deputy Fiscal Analyst
Brenda Erdoes, Legislative Counsel
Eileen O'Grady, Chief Deputy Legislative Counsel
Cheryl Harvey, Fiscal Analysis Division Secretary
Carla Ulrych, Fiscal Analysis Division Secretary

EXHIBITS:

Exhibit A: Meeting Packet – Volume I
Exhibit B: Meeting Packet – Volume II
Exhibit C: Meeting Packet – Volume III
Exhibit D: Public Testimony – Leigh Berdrow
Exhibit E: Public Testimony – United Way of Southern Nevada
Exhibit F: Public Testimony – Jennece Black
Exhibit G: Public Testimony – Cindy Gonzales
Exhibit H: Public Testimony – Sheila Watson
Exhibit I: Qlarant Independent Monitor's Final Monthly Report for Desert Regional Center
Exhibit J: State Public Charter School Authority – Response to Information Requested by the Interim Finance Committee

A. ROLL CALL.

Rick Combs, Director, Legislative Counsel Bureau and Secretary, Interim Finance Committee, called the roll; all members were present except Senator Atkinson, Senator Cancela, Assemblyman Frierson, Assemblyman Hambrick, Assemblywoman Monroe-Moreno and Assemblyman Wheeler, who were excused.

B. PUBLIC COMMENT.

Leigh Berdrow, Director, Academy for Career Education (ACE) High School, said ACE High School was a career and technical education (CTE) charter school sponsored by Washoe County School District. The school had been in operation for 17 years. ACE High School was unique in that it was the only charter school in Nevada governed by industry; therefore, the school board was fully aware of the education and skillsets required for the workforce. Consequently, the ACE High School curriculum included attainment of industry-recognized credentials and certifications. Students had the opportunity to earn certifications for OSHA10, welding, diesel technology, and advanced machining and manufacturing through dual enrollment programs with Truckee Meadows Community College (TMCC). Students could also take the Armed Services Vocational Aptitude Battery exam and/or earn the National Career Readiness Certificate and CTE-endorsed diplomas.

Ms. Berdrow said ACE High School was one of the few schools with requirements in place for students to earn the College and Career Ready Diploma. The additional funding had been extremely beneficial for the school. She noted that ACE High School was only a few points away from becoming a five-star school, and she anticipated the school would

attain that rating in the current school year. Ms. Berdrow stated that the graduation rate for ACE High School exceeded 90 percent over the last five years, with the most recent graduation rate being 95 percent. She said at least ten employers were lined up for every graduate.

Ms. Berdrow said, by every definition, ACE High School was a success; however, as the school continued to improve, funding had declined. ACE High School was currently one of the lowest funded schools in the state. The reimbursement funds the school received for the certification attainment were vital to the school.

Ms. Berdrow stated that the 41 graduates of ACE High School in 2018 had accomplished the following:

- 18 students earned the College and Career Ready Diploma. Ms. Berdrow noted that the number would have been greater if the required grade point average was 3.0 instead of 3.25.

- 6 students earned the platinum level National Career Readiness Certificate (NCRC), Students earned the NCRC by completing the ACT WorkKeys exam, which was a better measurement of success than the standard ACT exam for schools like ACE High School. Ms. Berdrow noted that in the entire State of Wisconsin, platinum winners were so few that the Governor hosted a dinner in their honor. In addition to the ACE High School students who earned platinum level certificates, 7 students earned gold level and 11 students earned silver level.

- 19 students earned advanced diplomas.

- 15 students earned CTE-endorsed diplomas.

- 2 students earned a certificate of achievement in diesel technology through TMCC.

- 7 students earned a certificate of achievement in advanced machining and manufacturing.

- 1 student earned a certificate of achievement in welding and several students earned a skills certificate in welding through TMCC.

Ms. Berdrow said, overall, the ACE High School graduating class of 2018 earned approximately 860 TMCC college credits, for which those students paid nothing. She encouraged the Committee to continue to support the College and Career Ready Diploma and the reimbursement funding for associated expenses, because it meant a great deal to the school and students.

Ms. Berdrow provided her written testimony for the record (Exhibit D).

Jared Busker, Associate Director and Government Affairs Manager, Children's Advocacy Alliance (CAA), said CAA offered its full support for Agenda Items D-60 and D-89, which would provide continued support for the state Pre-K Development Program. He said the Pre-K Development Program ensured that children entered school ready to learn and provided them with a strong start in life. It was important to continue the funding to help support the numerous children, families and teachers who relied on the funding and the program.

Robyn Casperson, Board of Directors, United Way of Southern Nevada, read the following prepared statement from Kirk Clausen, President and Chief Executive Officer, United Way of Southern Nevada, and Denette Suddeth, Chairwoman, United Way of Southern Nevada Board of Directors (Exhibit E).

> We, the United Way of Southern Nevada Board of Directors, in conjunction with the Children's Advocacy Alliance, are writing to ask for your support to stabilize funding for the Nevada Ready! Program and fulfill the commitment made by the State of Nevada to our most vulnerable families, children and early education teachers. By maintaining the state's commitment to funding quality early education and the infrastructure supporting it, you are enabling our community of Early Childhood providers to continue providing early education for 1,257 children and maintain professional development training for teachers in Southern Nevada. A highly-skilled and educated early childhood workforce is crucial to our region's success.
>
> United Way of Southern Nevada has served our community for over 60 years to promote social mobility, economic growth and generational progress within our great state. One of the roles we have been honored to serve in has been supporting and providing quality early childhood seats in Nevada. With the leadership of the Legislature, we as a state have fostered how a premier early childhood ecosystem should look and function in service of the whole child.
>
> Providing access to and increasing the capacity of early childhood seats is just the beginning. To ensure there is equity in the modernization and quality of early childhood centers without traces of inequity from neighborhood to neighborhood, the seats, which service the most vulnerable in our community, benefit from having access to these highly qualified and effective educators. In addition to providing critical funding for scholarships, the Nevada Ready! Program is committed to assist with the professional development of early education teachers. Without the appropriate funding from the state, many teachers will not be able to obtain the education necessary to move up the Nevada Registry Early Care and Professional Career Ladder, which will negatively impact the amount of highly trained and qualified individuals in this critical profession for the future of our state.
>
> Fully funding early childhood systems is not a luxury, but an imperative to ensuring equity and minimizing the gaps that exist while influencing equality

across the system, to ensure the highest outcomes for those communities who are limited in their resources and whose lives will be inspired towards generational progress. The potential of not providing the full match weakens that potential of quality and impacts those communities which are less resourced.

We at United Way have always strived to serve as great partners and want to share that we are always available in service and recognize the difficult decisions you must often make as leaders and lawmakers. We are also a partner to those in the community who are most vulnerable and are honored to be in a position of service to all.

Whether or not Nevada's most vulnerable children and their families will reach their potential depends in large part on our state investment in these programs, and so, once again, and by maintaining the state's original commitment to early childhood education by approving the full matching request of $4.7 million.

The communities most impacted by not fully funding the match are those who live in poverty and are working their way up and engage in workforce training and seeking employment. Fully funding the infrastructure beyond the seats will help ensure a positive future for Nevada's children, families and our entire community.

Federico Zaragoza, President, College of Southern Nevada (CSN), said CSN had more than 35,000 students, making it the largest higher education institution in the state. As the previous Vice Chancellor of Economic and Workforce Development for Alamo Colleges in San Antonio, Texas, Mr. Zaragoza was very familiar with economic and workforce development programs.

Mr. Zaragoza confirmed that CSN had a very effective partnership with the Office of Workforce Innovation (OWINN) focused on apprenticeship program development and administration. Under the leadership of Manny Lamarre, OWINN had been very transparent with CSN concerning the transfer of the Governor's reserve from the Department of Employment, Training and Rehabilitation (DETR) to OWINN, in part due to OWINN's role as the State Apprenticeship Agency (SAA). While there was initial concern that CSN would lose administrative support funds, OWINN had been instrumental in finding alternative funding for CSN's administrative costs. As a result, CSN had not lost any funding resulting from the realignment of financial resources at the state level.

In closing, Mr. Zaragoza reiterated that CSN was pleased to collaborate with OWINN and other apprenticeship partners to continue promoting high-quality apprenticeship programs that combined job training and college-level instruction. The integrative program model was a national best practice that ensured trainees would benefit from job learning, earnings and college credit. He said it was a true win-win model that met

the demands of students and local workforce, and CSN was committed to expanding the program.

Jennece Black, representative for United Way of Southern Nevada, and Preschool Director for the YMCA of Southern Nevada, noted that the preschool program at the YMCA of Southern Nevada was the first full-day preschool program.

Ms. Black submitted the following written statement in reference to Agenda Items D-60 and D-89 (Exhibit F):

> We, the teachers, directors and administrators of Nevada Ready! classrooms in Southern Nevada, in conjunction with United Way of Southern Nevada and University of Nevada Cooperative Extension, are writing to ask for your support to stabilize funding for the Nevada Ready! Program and fulfill the commitment made by the State of Nevada to our most vulnerable families and children and early education teachers. By maintaining the state's commitment to funding quality early education and the infrastructure supporting it, you are enabling our organizations to continue providing early education for 1,257 children and maintain professional development training for teachers in Southern Nevada.
>
> Providing access to and increasing the capacity of early childhood seats is just the beginning. To ensure there is equity in the modernization and quality of early childhood centers without traces of inequity from neighborhood to neighborhood, the seats, which service the most vulnerable in our community, benefit from having access to these highly qualified and effective educators. In addition to providing critical funding for scholarships, the Nevada Ready! Program is committed to assist with the professional development of early education teachers. A highly skilled and educated early childhood workforce is crucial to our region's success. Without the appropriate funding from the state, many teachers will not be able to obtain the education necessary to move up the Nevada Registry Early Care and Professional Career Ladder, which will negatively impact the amount of highly trained and qualified individuals in this critical profession for the future of our state.
>
> United Way of Southern Nevada has partnered with the University of Nevada Cooperative Extension to provide comprehensive professional development programs and coaching for Pre-K Teachers in Nevada Ready! classrooms throughout the Las Vegas valley. Pre-K Teachers in Nevada Ready! classrooms are engaged in participating in Professional Learning Communities, attend monthly training sessions and receive one-on-one coaching from early childhood specialists through the University of Nevada Cooperative Extension.
>
> Impacts include:

- Increase in teachers scaffolding and prompting children's thought processes which leads to the development of critical thinking skills in students
- Increase in teachers being responsive to children's needs and providing extra supports and assistance which enhances social-emotional development in students
- Increase in teachers providing children with hands-on science and math experiences which develops problem-solving and reasoning skills in students
- Increase in teachers modeling complex vocabulary and encouraging children to communicate their thoughts and ideas which leads to the development of expressive and receptive language skills in students

The first five years are the prime time for impacting the social and emotional well-being of young children. Through intentional, multi-faceted professional development, teachers are learning skills on how to help children self-regulate their emotions, articulate their feelings and build healthy relationships with others. Teachers are setting goals, implementing new strategies, and creating environments and experiences for children that support their social and emotional wellbeing in the classroom.

Whether or not Nevada's most vulnerable children and their families will reach their potential depends in large part on our state investment in these programs, and so, once again, we respectfully ask that you maintain the state's original commitment to early childhood education by approving the full matching request of $4.7 million. The communities most impacted by not fully funding the match are those who live in poverty and are working their way up and engage in workforce training and seeking employment. Fully funding the infrastructure beyond the seats will help ensure a positive future for Nevada's children, families and our entire community.

William Stanley, representing the Southern Nevada Building and Construction Trades Council, spoke in opposition to Agenda Items D-2, D-3 and D-66.

Mr. Stanley expressed his continued support of apprenticeships. He was a product of apprenticeship, as was his father, grandfathers and two brothers. Apprenticeship made him who he was and allowed him to support his family. Thus, any notion that he did not support apprenticeship was untrue. Mr. Stanley also supported the CSN apprenticeship services as well as the memorandum of understanding that had existed between the apprenticeship programs and CSN, in its current and former iteration, for more than two decades.

Mr. Stanley said he was fully supportive of Governor Sandoval's realignment of apprenticeship during the 2017 Legislative Session. Unfortunately, Assembly Bill 68 (2019 Legislative Session) would completely and unilaterally negate negotiations that occurred during the 2017 Legislative Session with the Governor's Chief of Staff,

Mike Willden. Assembly Bill 68 showed OWINN's intention to change the current structure of apprenticeship in Nevada, a change which Mr. Stanley opposed.

Mr. Stanley said the most important takeaway from the comments made by Mr. Zaragoza was that OWINN had found alternative funding to fill the gap. He supported the state's traditional model of funding that flowed from DETR to CSN to support state apprenticeship programs, and he thought the state needed to continue supporting that model.

In closing, Mr. Stanley said the opportunity to determine the direction of workforce development in Nevada should belong to Governor-elect Sisolak, not the individuals within his administration that wanted to make unnecessary changes to apprenticeship.

John Wiles, Director, Unified Construction Industry Council (UCIC), shared Mr. Stanley's concerns. He added that the work programs submitted by OWINN were evidence of a shifting priority. Although money was important, the underlying policy needed to be addressed by the new Governor. The funds were being transferred from one place to another with strings attached. Mr. Wiles said the backup material provided to the Committee for Work Program #C45295 indicated that the money would fund several positions that were consistent with the policy of the current administration; however, UCIC did not necessarily share that view. Even if UCIC shared the view of OWINN, major priority changes should be addressed by the new Governor. Thus, it was not a matter of the dollar amount; it was about the reallocation of funds and shifting priorities and resources, which were important when trying to effectuate change.

Mr. Wiles believed that the tried and true model of apprenticeship was a good one. He thought the current administration was trying to remove power from the apprenticeship council. He noted that being an apprentice and a carpenter were significant events in his life. Apprenticeship enabled him to further his education and become a lawyer, and he was proud of those accomplishments. The UCIC strongly believed in the existing apprenticeship model, because it allowed employers and employees to collaborate on how apprenticeship worked within their existing relationships, each individual trade, and on a state level, which was very important. He said the current model worked well, and the state should continue to support it.

Cindy Gonzales, Senior Manager of Education, Health and Nutrition Services, Sunrise Children's Foundation, provided written testimony concerning Agenda Item D-60 (Exhibit G).

Sheila Watson, Executive Director and Founder, Discovery Gardens Childcare, provided written testimony concerning Agenda Item D-60 (Exhibit H).

C. APPROVAL OF MINUTES OF THE SEPTEMBER 5, 2018, MEETING.

SENATOR PARKS MOVED TO APPROVE THE MINUTES OF THE SEPTEMBER 5, 2018, MEETING.

ASSEMBLYWOMAN SWANK SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

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

The Committee expressed interest in hearing testimony on the following items: Agenda Items D-2, Office of the Governor, Office of Workforce Innovation (OWINN); D-3, Office of the Governor, OWINN; D-5, Department of Administration, Director's Office; D-12, Department of Education (NDE); D-15 through D-17, NDE, Office for a Safe and Respectful Learning Environment; D-34; Department of Health and Human Services (DHHS), Aging and Disability Services Division (ADSD); D-35, DHHS, ADSD; D-39, DHHS, Division of Health Care Financing and Policy (DHCFP); D-60, DHHS, Division of Welfare and Supportive Services (DWSS); D-66, Department of Employment, Training and Rehabilitation; and D-89, NDE, Office of Early Learning and Development.

The following items were withdrawn on December 6, 2018: Agenda Items D-7, Department of Administration, State Public Works Division (SPWD); D-36, DHHS, DHCFP; D-37, DHHS, DHCFP; D-43, DHHS, Division of Public and Behavioral Health (DPBH); D-44, DHHS, DPBH; and D-45, DHHS, DPBH.

The following items involved the allocation of block grant funds, which required a public hearing: Agenda Items D-33, DHHS, ADSD; D-56, DHHS, DPBH; D-57, DHHS, DPBH; and D-61, DHHS, DWSS.

Assemblywoman Neal requested further testimony on Agenda Items D-25, Department of Business and Industry, Housing Division, and D-40, DHHS, DHCFP.

Chair Woodhouse noted that Agenda Items D-40 and D-41 were related; therefore, they would be discussed jointly.

ASSEMBLYWOMAN BENITEZ-THOMPSON MOVED TO APPROVE THE REMAINING WORK PROGRAM REVISIONS AND POSITION RECLASSIFICATIONS.

SENATOR KIECKHEFER SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

1. **Office of the Governor - State Energy Office - Office of Energy - FY 2019 -** Addition of $164,970 in federal State Energy Program (SEP) grant funds and deletion of $151,682 in Renewable Energy Account funds to continue outreach programs which support alternative energy, electric vehicles and energy conservation. Requires Interim Finance approval since the cumulative amount

added to the SEP Formula grant category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C45414**

Refer to motion for approval under Agenda Item D.

2. **Office of the Governor - Office of Workforce Innovation - FY 2019** - Addition of ~~$291,358~~ ***$325,161*** in federal Apprenticeship grant funds transferred from the Department of Employment, Training and Rehabilitation to provide programs to produce highly skilled Nevada workers who can meet the needs of employers in a competitive and global economy. Requires Interim Finance approval since the amount added to the Apprenticeship grant category exceeds $75,000. **RELATES TO AGENDA ITEM D. 66**. **Work Program #C45295. REVISED 11-20-18.**

   This item was discussed in conjunction with Agenda Item E-66. Refer to testimony and motion for approval under Agenda Item E-66.

3. **Office of the Governor - Office of Workforce Innovation - FY 2019** - Addition of $1,647,477 in federal Workforce Innovation and Opportunity Act (WIOA) Governor's Reserves grant funds transferred from the Department of Employment, Training and Rehabilitation to continue workforce development, leadership, strategy and coordination as outlined in Senate Bill 516 of the 2017 Legislative Session. Requires Interim Finance approval since the amount added to the WIOA grant category and the WIOA Innovation grants category exceed $75,000. **Work Program #C45660**

   Manny Lamarre, Executive Director, Office of Workforce Innovation (OWINN), said Agenda Item D-3 related to the use of federal Workforce Innovation and Opportunity Act (WIOA) Governor's Reserves grant funding. The funds would be transferred from DETR to OWINN for apprenticeship and workforce projects, such as incumbent worker training and career pathways.

   Assemblywoman Carlton remarked that the disbursement of the WIOA funds was delayed. She asked what the impact of the delay was, when the amounts would be funded, and the status of the contracts.

   Mr. Lamarre replied that the disbursement delay was partly due to the need to modify the apprenticeship program. He explained that the WIOA grant required states to provide outcome reports, and the state needed a more effective reporting method. OWINN wanted to ensure the funds were being used to support tuition and supportive services for apprentices, as originally intended. As communicated to the community colleges on July 30, 2018, OWINN did not change the purpose of the funds.

   Mr. Lamarre said another reason for the delay was due to the end of the fiscal year and building the 2019-21 biennium agency budget. OWINN collaborated with DETR and the Department of Administration's Administrative Services Division to submit

the appropriate paperwork for approval of the transfer. Mr. Lamarre apologized for any prior confusion.

With regard to when the apprenticeship programs would be funded, Mr. Lamarre said OWINN was working to build the contracts with the colleges, with the intention of submitting them for approval at the February 2019 Board of Examiners meeting. None of the funding for the community colleges changed. Because OWINN was required to report outcomes, the funds were tied more closely to tuition and supportive services for apprentices, whereas in the past, some aspect of the funds were used for administrative purposes.

Mr. Lamarre said OWINN was currently receiving contract applications. OWINN processed the necessary paperwork in advance to expedite the contract process. He said the contracts would be submitted to the Board of Examiners upon approval of the work programs.

Assemblywoman Carlton said, based on Mr. Lamarre's response, the cost of the delay was a full semester without apprenticeship classes at the colleges. An additional semester would also be lost, because the contracts would not go before the Board of Examiners until February 2019. Assemblywoman Carlton thought there was an earlier Board of Examiners meeting that might prevent apprentices from losing another semester.

Mr. Lamarre replied that OWINN would submit the contracts earlier if there was a Board of Examiners meeting in January 2019. OWINN was working with the colleges to extend the contracts to meet whatever timeline was necessary to provide them with funding.

Assemblywoman Carlton asked Mr. Lamarre for a guarantee that funds would be available to the colleges for the upcoming semester so that apprentices did not have to miss two full semesters.

Mr. Lamarre said he would do whatever was necessary to guarantee that the colleges received funding. He reiterated that changes were recently implemented to ensure that funding was applied toward tuition instead of administrative costs. In addition, OWINN provided additional funding for women in an effort to increase the number of female apprentices. Extra funding was also provided for individuals with disabilities and individuals residing in zip codes with double-digit unemployment rates.

Assemblywoman Carlton noted that the next Board of Examiners meeting was scheduled for January 15, 2019. She requested that OWINN extend the current contracts, if necessary, to ensure that apprentices could attend school in the upcoming semester.

Assemblyman Thompson asked if OWINN was collaborating with Workforce Connections to avoid duplicative apprenticeship efforts.

Mr. Lamarre said OWINN was collaborating with many organizations, such as the local workforce board, to minimize duplication so that more funds were available for tuition costs. He said OWINN had provided apprentices with a questionnaire to determine the types of supportive services that were needed. For example, if an apprentice was in need of child care or transportation, OWINN could help coordinate and facilitate those services. OWINN also collaborated with Nevada 2-1-1.

Assemblyman Thompson said the timing was ideal, because an $18 million request for proposal was due in January 2019, which would be another opportunity to have great collaboration and leveraging with regard to apprenticeship efforts.

ASSEMBLYWOMAN CARLTON MOVED TO APPROVE AGENDA ITEM D-3.

SENATOR DENIS SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

4. **Office of the Secretary of State - FY 2019** - Addition of $66,575 in Document Preparation Application Fees and $5,065 in Document Preparation Renewal Fees to fund the costs of providing document preparation services. Requires Interim Finance approval since the amount added to the Document Preparation Expenses category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C45610**

Refer to motion for approval under Agenda Item D.

5. **Department of Administration - Director's Office - FY 2019** - Addition of $182,794 in Settlement Funds transferred from the Office of the Attorney General to fund a statewide notification system. Requires Interim Finance approval since the amount added to the Statewide Notification category exceeds $75,000. **Work Program #C45731**

Jenni Cartwright, Administrator, Administrative Services Division (ASD), Department of Administration, noted a revision to Work Program #C45731. The dollar amount was reduced from $182,794 to $26,200 to reflect the amount of money the agency anticipated spending in FY 2019. The remainder of the funds would be included in the agency's budget for the 2019-21 biennium.

SENATOR GOICOECHEA MOVED TO APPROVE AGENDA ITEM D-5 IN THE REVISED AMOUNT OF $26,200.

ASSEMBLYWOMAN CARLTON SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

6. **Department of Administration - State Public Works - Buildings and Grounds - FY 2019 -** Transfer of $52,307 from the Reserve category to the In-State Travel category to cover the cost of additional in-state travel for agency staff. Requires Interim Finance approval since the cumulative amount transferred to the In-State Travel category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C45349**

   Refer to motion for approval under Agenda Item D.

7. **Department of Administration - State Public Works Division - Buildings and Grounds - FY 2019 -** Transfer of $34,470 from the Reserve category to the Equipment category to purchase one replacement pickup truck, one new pickup truck and one new 12-passenger van. Requires Interim Finance approval since the cumulative amount transferred to the Equipment category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C45602**

   This item was withdrawn on December 6, 2018.

8. **Department of Taxation - FY 2019 -** Addition of $43,899 in Cigarette Tax Administration Fees to fund the production of cigarette stamps through the remainder of Fiscal Year 2019. Requires Interim Finance approval since the amount added to the Cigarette Stamps category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C45005**

   Refer to motion for approval under Agenda Item D.

9. **Department of Taxation - Marijuana Regulation and Control Account – FY 2019 -** Transfer of $107,844 from the Reserve category to the Equipment category and transfer of $14,290 from the Reserve category to the Information Services category to fund the purchase and maintenance of video surveillance equipment at the Department of Taxation offices in Carson City, Reno, Las Vegas and Henderson. Requires Interim Finance approval since the amount transferred to the Equipment category exceeds $75,000. **Work Program #C45675**

   Refer to motion for approval under Agenda Item D.

10. **Department of Education - Professional Development Programs - FY 2019 -** Transfer of $53,816 from the Reserve category to the Great Teaching and Leading category to provide professional development for teachers, administrators and other licensed educational personnel. Requires Interim Finance approval since the amount added to the Great Teaching and Leading category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C45648**

    Refer to motion for approval under Agenda Item D.

11. **Department of Education - Teachers' School Supplies Reimbursement – FY 2019 -** Transfer of $41,030 from the Reserve category to the Teacher School Supply Reimbursement category to allow funds to be distributed to teachers requesting reimbursement for classroom supplies. Requires Interim Finance approval since the amount added to the Teacher School Supply Reimbursement category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C45641**

    Refer to motion for approval under Agenda Item D.

12. **Department of Education - Assessments and Accountability - FY 2019 -** Transfer of $1,314,400 from the Reserve category to the Diploma Pathways Aid-to-Schools category and $94,400 from the Reserve category to the Diploma Pathways Marketing category to provide incentive grants to public high schools, public charter schools and school districts for the new College and Career Ready Diploma Pathways Program, as well as pay for the cost of a marketing contract. Requires Interim Finance approval since the amount added to the Diploma Pathways Marketing and Diploma Pathways Aid to Schools categories exceed $75,000. **Work Program #C45649**

    Steve Canavero, Superintendent of Public Instruction, NDE, introduced Kris Nelson, Director, Office of Career Readiness, Adult Learning and Education Options, NDE, and Jonathan Moore, Deputy Superintendent of Student Achievement, NDE. He noted that Mr. Moore was formerly employed with the Arizona Department of Education.

    Kris Nelson, Director, Office of Career Readiness, Adult Learning and Education Options, NDE, said the department was seeking legislative authority in the Assessment and Accountability budget (BA 2697) to transfer funds from reserve (category 86) to Diploma Pathways Marketing and Diploma Pathways Aid to Schools (categories 72 and 73) for the purpose of funding a public marketing campaign and FY 2019 incentive grants and reimbursement costs for the College and Career Ready Diploma as required in Assembly Bill 7, Section 41.5, subsection 7 (2017 Legislative Session).

    Assemblyman Thompson said Nevada communities were diverse. He asked how the department selected the most appropriate and effective marketing firm for the project. Ms. Nelson replied that the department used a robust, formal solicitation process through State Purchasing. The Abbi Agency was selected to conduct the public marketing campaign for the College and Career Ready Diploma as well as the New Skills for Youth Lifeworks Initiative. Beginning in early 2018, the public marketing campaign began identifying student, parent and educator groups as well as other stakeholders. She said the marketing campaign was specifically geared toward opportunities and initiatives for all students in Nevada, including underrepresented groups and populations.

In response to a question from Assemblyman Thompson, Ms. Nelson replied that the Abbi Agency's public marketing campaign was very aggressive. The marketing campaign reached many communities, schools and families in the following manner:

- Five formal marketing videos, which had received more than 60,000 views.
- Six campaign posters demonstrating student success stories and encouraging participation in the initiative were distributed statewide to all schools, school districts and community areas including chambers of commerce.
- Social media and digital advertising, which led to a combined impression of more than 750,000 students and parents within the state.
- Media outreach, which led to more than 24 earned media placements across Nevada.
- Use of LifeWork Strategies to address the growing workforce needs in the state. In November 2018, distribution of LifeWork Strategies initiatives aimed a national campaign to prepare students specifically for in-demand jobs. The press release was picked up by nearly 40 websites nationwide.

Ms. Nelson said the Abbi Agency continued the aggressive nature of their outreach in the campaign.

Assemblyman Thompson asked why the marketing campaign was delayed. Ms. Nelson replied that the delay was due to the length of time it took to complete the RFP process. She said the entire process took approximately six months before authority was granted to hire the Abbi Agency. In combination with that delay, the regulations for the College and Career Ready Diploma took nearly a year to develop, because they were precise and required significant stakeholder engagement. Ms. Nelson said the regulations were approved by the Legislative Commission in February 2018.

Assemblywoman Benitez-Thompson thought it was important that program funding exceed the sum of the funds being used for other costs. She noted that the cost of the audit was $92,000 and the cost of marketing was $94,000. She wanted assurance that the amount of funds spent on the assessments and tests were comparable.

Ms. Nelson replied that the funding requested in the work program was specific to the new College and Career Ready Diploma. It did not pertain to end-of-course assessments. She clarified that it was the department's intent to use the FY 2019 funding solely for the incentive grants piece outlined in A.B. 7 (2017 Legislative Session); therefore, each high school would receive a $200 reimbursement for every College and Career Ready Diploma that was issued. When local education agencies, including school districts, applied for incentive grant funding, they were making assurances to the NDE that the funding would go directly to the schools to help support the programs.

SENATOR PARKS MOVED TO APPROVE AGENDA ITEM D-12.

ASSEMBLYMAN SPRINKLE SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

13. **Department of Education - Educator Effectiveness - FY 2019 -** Addition of ~~$4,865,177~~ ***$4,881,406*** in federal Supporting Effective Instruction grant funds ~~and transfer of $13,344 from the Teacher Quality - Administration to the Teacher Quality - Aid to Schools category~~ to continue funding for improving the number of highly qualified teachers in the classrooms and the number of highly qualified principals and assistant principals in schools. Requires Interim Finance approval since the amount added to the Teacher Quality grant categories exceeds $75,000. **Work Program #C45598. REVISED 11-20-18.**

    Refer to motion for approval under Agenda Item D.

14. **Department of Education - Safe and Respectful Learning - FY 2019 -** Addition of $3,875,364 in federal Now is the Time Initiative grant funds to continue expanding the capacity of state education agencies to increase awareness of mental health issues among school aged youth, providing training for school personnel and other adults, and connecting children, youth and families with the appropriate services for behavioral health issues. Requires Interim Finance approval since the amount added to the Now is the Time Initiative category exceeds $75,000. **Work Program #C45593. WITHDRAWN 11-27-18.**

15. **Department of Education - Safe and Respectful Learning - FY 2019 -** Addition of $146,625 in federal STOP School Violence and Student Threat Assessments Program grant funds to provide statewide threat assessment training to address the need for early intervention with students who are struggling and may pose a potential threat to themselves or others, the need for ongoing support for students identified as a potential threat, and the need to update school infrastructure to improve safety. Requires Interim Finance approval since the amount added to the Stop School Violence and Student Threat Assessments Program category exceeds $75,000. **Work Program #C45735**

    Agenda Items D-15, D-16 and D-17 were discussed jointly. Refer to testimony and motion for approval under Agenda Item D-17.

16. **Department of Education - Safe and Respectful Learning - FY 2019 -** Addition of $165,805 in federal STOP School Violence and Mental Health Training Program grant funding to provide training to school personnel and educate students to prevent student violence, as well as provide training for school officials in responding to related mental health crises that may result in violent attacks on school grounds. Requires Interim Finance approval since the amount added to the Stop School

Violence and Mental Health Training Program category exceeds $75,000. **Work Program #C45740**

Agenda Items D-15, D-16 and D-17 were discussed jointly. Refer to testimony and motion for approval under Agenda Item D-17.

17. **Department of Education - Safe and Respectful Learning - FY 2019 -** Addition of $749,998 in federal School Climate grant funds and $435,107 in federal School Climate Transformation grant funds to implement positive behavior interventions and build capacity to establish, scale-up and sustain a multi-tiered system of support. Requires Interim Finance approval since the amounts added to the School Climate Aid to Schools and New School Climate Aid to Schools categories exceed $75,000. **Work Program #C45741**

Agenda Items D-15, D-16 and D-17 were discussed jointly.

Steve Canavero, State Superintendent of Public Instruction, NDE, introduced Christine McGill, Director, Office for a Safe and Respectful Learning Environment (OSRLE), NDE, to provide background information on the grants and discuss the work of the Governor's Statewide School Safety Task Force.

Christine McGill, Director, OSRLE, NDE, said the grants referenced in Work Programs #C45735, #C45740 and #C45741 were aligned to the Statewide School Safety Task Force recommendations. She said the grants played a foundational role.

Ms. McGill said different districts had different capacities for threat assessment. The STOP School Violence and Student Threat Assessments grant would allow the OSRLE to work with each rural district to assess teams and provide cross training to address school threats. The goal was to embed the training into the districts' current foundation and capacity.

Ms. McGill said one of the components of success was to work with each district's current strengths and determine how to overcome weaknesses. Some of the team members and partners that would be working with the districts included the Department of Public Safety, Nevada Office of Suicide Prevention, Department of Homeland Security and Emergency Medical Services. On the local side, the districts would assess which local area organizations could assist them in the event of a threat. Some of those organizations may include the local juvenile probation office, community health organization or rural health nurse; entities that could cross-train the school districts.

Ms. McGill said the STOP School Violence and Student Threat Assessments grant was the capacity-building piece for the rural districts to intervene. It was a Tier 2, or intervention-level grant.

Ms. McGill said the second grant was a Tier 3 grant, which focused on mental health capacity. After an intervention, it was important to support the mental health of students; therefore, the OSRLE would work with the districts to determine what they needed to successfully provide that support. Training would also be necessary for school officials and organizations that assisted the schools.

Ms. McGill said the third item was the School Climate Transformation grant, which was a foundational piece that focused on multi-tiered systems of support (MTSS). She said the grant was about teamwork - how the teams were reviewing data and ensuring that school safety strategies were effective. She said it was important to develop standard terminology related to MTSS. Ms. McGill said working with the districts to provide school-by-school training required a lot of time and effort.

Ms. McGill said those were just a few of the foundational programs that would help launch the recommendations of the Statewide School Safety Task Force.

Assemblywoman Spiegel asked the agency to provide an overview of the work and recommendations of the Statewide School Safety Task Force.

Mr. Canavero said the final report of the Statewide School Safety Task Force included a number of recommendations focused on prevention, management and recovery from a school violence event. In addition to recommendations related to school safety plans, threat assessments, behavioral threat assessments and some of the nuance that was presented with the STOP grants by Ms. McGill, the task force also had budgetary requests for three areas of support – physical infrastructure, building security and student well-being.

With regard to physical infrastructure, Mr. Canavero said the districts required funding to enhance the infrastructure of school buildings. Many enhancements were low-cost upgrades such as door locks, internal deadbolts and window shade covers. At the request of the task force, the Governor included approximately $25 million in the 2019-21 preliminary budget to support enhancements to school buildings.

Mr. Canavero said funding was also necessary to provide additional school police officers in Washoe and Clark Counties, and allow districts without a school police force to create connections with local law enforcement. Thus, the Governor's 2019-21 biennium preliminary budget included financial support for additional school resource officers as well as statutory clean up related to how school police were framed within the larger public safety infrastructure.

Continuing, Mr. Canavero said the third support area recommended by the Statewide School Safety Task Force focused on the well-being of students. During testimony, the task force learned that oftentimes a student threatening an act of violence did so as a last resort. The student was often disconnected and isolated. Although there was tremendous infrastructure in the state, the Legislature and Governor Sandoval saw a need for social workers in the schools, the addition of the

SafeVoice program for students to reach out in crisis, and multi-disciplinary teams to provide support. The Statewide School Safety Task Force also saw the need to increase mental health support in the schools; therefore, funding was included in the Governor's 2019-21 biennium preliminary budget for 100 new behavioral health professionals. Further, the task force requested additional funding in October 2018 to support a statewide effort around social and emotional academic development (SEAD) that would focus on prevention and provide support to educators and students, similar to the program in Washoe County.

Mr. Canavero said there were also some infrastructure needs at the state level related to staffing. Much of the current staffing support was contractual and funded with temporary grant funds. He said some additional positions were in place to help coordinate work related to the task force recommendations.

Mr. Canavero said, overall, the aforementioned task force recommendations were included in the Governor's recommended budget. As recently as October 2018, the STOP grants and the School Climate grant were taken into consideration in advance of providing that budget. To Ms. McGill's earlier point, the grants before the Committee were foundational and in consideration of the recommendations that were made.

Assemblywoman Spiegel asked if federal funds would be leveraged to address the task force recommendations, thereby reducing the need for state funding.

Mr. Canavero replied that federal funds were taken into consideration with the task force recommendations. He said the three federal grants were essentially part of the budget build.

In answer to a question from Assemblywoman Spiegel, Mr. Canavero said the broader work around student well-being and school safety was the focus on the roll out and support of the districts and charter schools across the state, more so than the particular threat assessment. He said Ms. McGill and her team settled on the MTSS framework, which was already in place in the schools. When a student had academic needs, the team convened to determine how to support that student through specific academic interventions. It was often characterized as a "pyramid" where specific targeted interventions by specialists were added vertically from the base of the pyramid to the top. In terms of the roll out, the ethos was in partnership with the districts, knowing that each district was either leading or in need of additional support; therefore, meeting each district at its current level was critical for the work across the state.

Mr. Canavero said, in relation to the MTSS, having a common view of how to support teachers in their day-to-day demands should be the focus of the conversation. The MTSS could be thought of as a pyramid split in half, with the left side representing academic interventions and the right side representing well-being or behavioral support interventions for students. The MTSS would provide a framework to the

districts. The department could work with the districts, schools and teachers to provide support based on their current level of need. The department would help the schools and teachers understand what was available to them in terms of intervention and assistance, and also communicate the work going forward and how to integrate that into their day-to-day demands.

Ms. McGill said the grants would allow the department to individualize the support that each district required for school safety. One of the important components of the grant work was in response to the needs of the districts and schools. The department, districts and schools worked together to meet those needs and fill gaps. For example, for these particular grants, one of the high pressure points that the OSRLE hoped to reduce immediately was the threat of student suicide, which was brought to light through the SafeVoice program. The agency intended to begin working with local law enforcement agencies and school districts immediately to ensure they had access to the Columbia Suicide Severity Rating Scale and the protocols to follow up with and support students.

Ms. McGill said the piece she was most excited about with the grants was the ability to provide individualized support for each district. When a child died by suicide, it was devastating to a community. Therefore, it was important to have a system in place where a neighboring school district or professionals such as the Mobile Crisis Response Team could help the school through the tragedy so they could grieve without having to manage responses as well.

Assemblywoman Neal recalled discussion about building emotional capacity around the Washoe County model. She asked how the agency determined the needs of urban schools. She asked if the grants directed the department to focus on urban communities, which may have different behavioral issues than in the rural counties.

Ms. McGill replied that the OSRLE ensured there was clear communication and feedback during the creation and implementation of the plan so that the social, emotional and academic development needs of districts were addressed. Clark County School District was interested in the plan and had already begun taking steps to increase the capacity of teachers and other school staff to develop strong social, emotional and academic development skills. Ms. McGill said the grants did not necessarily address urban communities specifically; however, the OSRLE hoped to address it through the upcoming Statewide School Safety Task Force recommendations. She said the OSRLE, Statewide School Safety Task Force, My Brother's Keeper and other entities listened to each of the districts concerning their specific needs.

Senator Spearman said most of the programs were designed to support students, but oftentimes, support for staff and faculty was overlooked. Recently a young man was killed in Senator Spearman's and Assemblyman Thompson's district. Naturally, a lot of attention was focused on helping students cope with the death; however,

those types of incidents also impacted staff. Senator Spearman asked if similar support could be provided to staff and faculty in the future.

Continuing, Senator Spearman asked if faith-based organizations were included as an additional support in terms of training, and if not, why. She said some faith-based community organizations provided outreach to students in the form of mentoring, tutoring programs, etc. Senator Spearman said the current epidemic of teen suicide and school violence was likely due to the lack of coordinated programming in the communities. She said the state needed to provide wraparound services now that would help build layers of support in the future.

Ms. McGill said systems experiencing stress, especially adult stress, did not function well academically, socially or emotionally. The grants focused on teamwork to unite staff and community. She said schools should not have to struggle alone; therefore, the OSRLE needed to select community partners that would help reduce the pressure on school staff. The OSRLE was aware of the demand on school staff to provide social, emotional and behavioral support for students. The grants were aimed at helping adults in the community, not just adults in the schools.

Ms. McGill said she hoped there were faith-based organizations that wanted to partner with existing school and community-based mental health partners to help engage struggling students during times of crisis and beyond. She said it was important for schools and the community to be united.

Senator Goicoechea asked if the Statewide School Safety Task Force evaluated the safety of school campuses. He had received complaints indicating that some schools failed to lock down exterior buildings when main buildings were locked down. He said schools were investing a lot of money into locking down their campuses, even during Christmas break. He asked who provided oversight to the districts, and if the Statewide School Safety Task Force reviewed and approved school security plans.

Mr. Canavero replied that the law required school districts to develop a school safety plan and transmit it to the Department of Homeland Security; however, prior review and approval was not required. He said language was included in an omnibus bill requiring the Department of Homeland Security to review school security plans. The Department of Homeland Security was uniquely situated to render a review of those plans and then follow up with the school districts. He said there was a clearinghouse review of school safety plans in the language of the bill as well as the physical upgrade budget request. The NDE and district superintendents determined a reasonable method of allocating the funds if approved in the budget. At the request of the Statewide School Safety Task Force, the bill also included language requiring a third-party review of school buildings to identify the most emergent threats. The resulting priority list would then be the grounds for the district's funding request for physical upgrades. In many of the rural districts, POOL/PACT, an insurance group,

would perform an independent review of the physical infrastructure of the schools and make suggestions for correcting vulnerabilities.

Senator Goicoechea said many districts, especially the rural districts, did not have the expertise that was needed to develop and implement a school security plan; therefore, oversight was necessary.

In response to a question from Assemblyman Roberts, Ms. McGill replied that the rural districts were the main priority of the STOP School Violence and Student Threat Assessment grant, because school safety plans needed to be implemented quickly; however, some of the schools in the rural areas did not yet have systems in place. Clark and Washoe County School Districts had fairly robust systems in place that other districts could learn from. With that being said, there was always room for improvement and continued training. The OSRLE would work with the urban districts to help identify gaps or areas in need of improvement.

Ms. McGill said the STOP School Violence and Mental Health Training Program and School Climate grants were distributed amongst the urban, rural and frontier school districts. All of the districts were at varying levels. The grants would help provide individualized support based on the current level of each district; build upon the current strengths of each district; and develop necessary improvements for school safety and student mental wellness.

Ms. McGill commended Nevada Medicaid for working with the OSRLE. She also appreciated Medicaid's efforts to match the grant funds for the purposes of sustainability. She said the goal of the OSRLE was to provide an adequate number of behavioral health professionals in Nevada's schools.

ASSEMBLYWOMAN SPIEGEL MOVED TO APPROVE AGENDA ITEMS D-15 THROUGH D-17.

SENATOR SPEARMAN SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

18. **Department of Education - Student and School Support - FY 2019 -** Addition of $162,935 in federal Homeless Children (McKinney Vento) grant funds to enable homeless students to succeed in school by purchasing school supplies, providing tutoring and academic summer camps, and offsetting the cost of transportation. Requires Interim Finance approval since the amount added to the federal Homeless Children Administration category exceeds $75,000. **Work Program #C45616**

Refer to motion for approval under Agenda Item D.

19. **Department of Education - Student and School Support - FY 2019** - Addition of $9,084,985 in Federal Title IV-A Student Support and Academic Enrichment grant funds and transfer of $31,868 from the Operating category to the Title IV-A Administration category to provide funding to provide students with access to a well-rounded education, improve school conditions and improve the use of technology to improve achievement and digital literacy for all students. Requires Interim Finance approval since the amounts added to the Title IV-A Admin and Well-Rounded ATS categories exceed $75,000. **Work Program #C45732**

    Refer to motion for approval under Agenda Item D.

20. **Department of Agriculture - Pest, Plant Disease, and Noxious Weed Control - FY 2019** - Addition of $177,173 in federal Food and Drug Administration (FDA) grant funds, transfer of $41,693 from the Reserve category to the FDA Produce Safety Program category, and transfer of $7,072 from the Personnel Services category to the FDA Produce Safety Program category to support compliance with the Food Safety Modernization Act, Produce Safety Rule. Requires Interim Finance approval since the amount added to the FDA Produce Safety Program category exceeds $75,000. **Work Program #C45564**

    Refer to motion for approval under Agenda Item D.

21. **Department of Agriculture - Consumer Equitability - FY 2019 -** Transfer of $68,267 from the Reserve category to the Equipment category to fund price increases for budgeted vehicle replacements and additional equipment needs to support consumer equitability inspections. Requires Interim Finance approval since the amount added to the Equipment category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C45450**

    Refer to motion for approval under Agenda Item D.

22. **Department of Agriculture - Nutrition Education Programs - FY 2019 -** Addition of $11,961 in federal School Lunch Program School Equipment grant funds to purchase equipment to serve healthier meals. Requires Interim Finance approval since the cumulative amount added to the Department Cost Allocation category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C44801**

    Refer to motion for approval under Agenda Item D.

23. **Department of Business and Industry - Industrial Relations Division - FY 2019 -** Transfer of $90,000 from the Information Services category to the Claims and Regulatory Data System (CARDS) claims management system category to fund maintenance and ongoing support of the completed claims management system. Requires Interim Finance approval since the amount transferred to the CARDS Claim Management System category exceeds $75,000. **Work Program #C45511**

    Refer to motion for approval under Agenda Item D.

24. **Department of Business and Industry - Industrial Relations Division - Occupational Safety and Health Enforcement - FY 2019 -** Transfer of $71,621 from the Operating category to the Mechanical Section category to cover a projected shortfall due to a change in the allocation of office rent. Requires Interim Finance approval since the amount transferred to the Mechanical Section category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C45525**

Refer to motion for approval under Agenda Item D.

25. **Department of Business and Industry - Housing Division - Account For Low-Income Housing - FY 2019 -** Transfer of $2,437,415 from the Encumbered Reserve category to the Loan Reimbursements category to cover projected Low-Income Housing Trust Fund subgrantee reimbursement requests for the remainder of Fiscal Year 2019. Requires Interim Finance approval since the amount transferred to the Loan Reimbursements category exceeds $75,000. **Work Program #C45631**

Steve Aichroth, Administrator, Housing Division, Department of Business and Industry (B&I), introduced Michael Holliday, Chief Financial Officer (CFO), Housing Division, B&I, and Amber Neff, Grants and Projects Analyst, Housing Division, B&I.

Assemblywoman Neal asked for clarification concerning the housing activities the division intended to fund (page 198, Exhibit A). Mr. Aichroth replied that a large portion of the funding would be used for tenant-based rental assistance. The funds would also be used to develop projects for low-income housing.

In response to a question from Assemblywoman Neal, Amber Neff, Grants and Projects Analyst, Housing Division, B&I, said the projected subgrant requests included completion of three properties located in Clark County - Allegiance Apartments (veteran housing), City Impact Center (senior housing), and Espinosa Terrace (senior housing).

Assemblywoman Neal asked if the agency knew that the three projects were nearing completion when the agency request budget was built. Mr. Aichroth replied that the jurisdictions received funds annually, but they had three years to expend the funds. The Housing Division had to transfer the funds from the encumbered reserve portion as jurisdictions were drawing down the funds for qualifying expenditures.

Senator Kieckhefer stated that the Legislature approved approximately $700,000, but projected disbursements were $2.3 million. He asked if that was formula-based. Mr. Aichroth replied that the formula was population-based.

Michael Holliday, CFO, Housing Division, B&I, further clarified that when the budget was proposed, the agency applied the geographic allocation to the anticipated

revenue, which resulted in the legislatively approved amount for the subgrantees. The Housing Division almost always needed to true-up the funds. For example, if the amount was $700,000 based on a certain percentage of projected revenue, it was possible to have triple the amount of the legislatively approved budget if all the projects finished in one year. The reserves typically contained about two years of funds. The jurisdictions almost always spent the third year of back funds in the current year; however, with large projects like Espinosa Terrace, it always increased above the original projection.

Senator Kieckhefer clarified that he was speaking about rental assistance provided to the Community Services Agency, Urban League, Tahoe Safe Alliance, etc. He said the work program summary for category 15 indicated that the legislatively approved amount for nonprofit disbursements was $702,404; however, the agency was currently projecting $2.3 million in disbursements (page 200, Exhibit A). He asked what caused the increase.

Ms. Neff replied that entities such as Help of Southern NV, Urban League, Nevada Rural Housing Authority and the Rural Nevada Development Corp. received weatherization allocations from the Housing Division. Additionally, the division provided trust funds to other nonprofit organizations for items such as security deposits, rental assistance, mortgage assistance and tenant-based rental assistance. She said the need for those types of assistance had increased.

In answer to a question from Senator Kieckhefer, Ms. Neff confirmed that all of the agencies listed in the backup documentation had applied for additional assistance (page 201, Exhibit A).

Senator Kieckhefer asked what the difference was between encumbered reserve and regular reserve. Mr. Holliday responded that the encumbered reserve was the amount of trust funds distributed to subgrantees via the contract process. The regular reserve included funds for the division's administration and other grant programs that were part of the budget account.

Senator Spearman said the Housing Division provided rental assistance funds for some 501(c)(3) agencies. She recalled that rent for some of those agencies was increasing by $200 per month as a consequence of tax plans voted out of Congress in 2017, which meant their income was reduced by $1 per hour. She asked if there was a correlation between the division's expenditures and the expenditures of low-income and fixed-income individuals.

Mr. Aichroth replied that the division regularly performed housing data studies. He said that component was included in some of the Housing Division's programs as well as funds expended by the division. The funds were used strictly for individuals who were at or below 60 percent of the area median income.

ASSEMBLYWOMAN CARLTON MOVED TO APPROVE AGENDA ITEM D-25.

SENATOR SPEARMAN SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

Chair Woodhouse called a recess at 12:11 p.m. The meeting reconvened at 12:49 p.m.

26. **Department of Business and Industry - Real Estate Division - Recovery Account - FY 2019 -** Addition of $6,864 in Treasurers Interest Distribution and transfer of $66,345 from the Transfer Education/Research category to the Settlement Disbursements category to cover current and anticipated settlements. Requires Interim Finance approval since the amount added to the Settlement Disbursements category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C45611**

    Refer to motion for approval under Agenda Item D.

27. **Department of Health and Human Services - Aging and Disability Services - Federal Programs and Administration - FY 2019 -** Addition of $85,400 in Transit Administration grant funds transferred from the Department of Transportation to continue Mobility Manager services that coordinate transportation providers in Northern Nevada through a website to facilitate the movement of older adults and persons with disabilities for health care appointments and other vital services. Requires Interim Finance approval since the amount added to the Mobility category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C45447**

    Refer to motion for approval under Agenda Item D.

28. **Department of Health and Human Services - Aging and Disability Services - Federal Programs and Administration - FY 2019** - Addition of $244,371 in Money Follows the Person (MFP) Rebalancing Demonstration grant funds transferred from the Division of Health Care Financing and Policy to provide services to Medicaid eligible recipients. Requires Interim Finance approval since the amount added to the MFP category exceeds $75,000. **RELATES TO AGENDA ITEM D. 42**. **Work Program #C45498**

    Refer to motion for approval under Agenda Item D.

29. **Department of Health and Human Services - Aging and Disability Services - Federal Programs and Administration - FY 2019** - Addition of $9,500 in Nevada Governor's Council on Developmental Disabilities (DD) grant funds transferred from the Director's Office to continue to provide transportation services for persons with

developmental disabilities. Requires Interim Finance approval since the amount added to the DD Transportation category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C45488**

Refer to motion for approval under Agenda Item D.

30. **Department of Health and Human Services - Aging and Disability Services - Federal Programs and Administration - FY 2019** - Addition of $87,430 in Supplemental Nutrition Assistance Program Education grant funds transferred from the Division of Welfare and Supportive Services to continue a pilot program for evidence-based strength training designed for seniors. Requires Interim Finance approval since the amount added to the Senior Physical Activity category exceeds $75,000. **Work Program #C45645**

    Refer to motion for approval under Agenda Item D.

31. **Department of Health and Human Services - Aging and Disability Services - Home and Community-Based Services - FY 2019** - Transfer of $304,210 from the Personnel Services category to the Victims of Crime Act category to hire contractors versus state staff in order to fulfill grant obligations. Requires Interim Finance approval since the amount added to the Victims of Crime Act category exceeds $75,000. **Work Program #C45487**

    Refer to motion for approval under Agenda Item D.

32. **Department of Health and Human Services - Aging and Disability Services - Home and Community-Based Services - FY 2019** - Addition of $550,152 in federal Enhance Adult Protective Services (APS) grant funds to provide enhanced data collection capabilities and improve services to seniors in need of protective services. Requires Interim Finance approval since the amount added to the APS Enhancement category exceeds $75,000. **Work Program #C45557**

    Refer to motion for approval under Agenda Item D.

33. **Department of Health and Human Services - Aging and Disability Services - Family Preservation Program - FY 2019** - Addition of $100,000 in Temporary Assistance for Needy Families grant funds transferred from the Division of Welfare and Supportive Services to support an increase in Family Preservation Program recipients. **The work program involves the allocation of block grant funds and the agency is choosing to use the IFC meeting for the required public hearing and the amount added to the Family Preservation Program category exceeds $75,000. Work Program #C44436**

    Dena Schmidt, Administrator, ADSD, DHHS, said Work Program #C44436 was a request for authority to increase the Temporary Assistance for Needy Families (TANF) funding in the amount of $100,000 to eliminate the projected shortfall in the

Family Preservation Program. The Family Preservation Program was established in 1981 to provide monthly financial assistance to low-income families who supported relatives in their home with profound and severe intellectual disabilities and related conditions.

Agenda Item D-33 involved the allocation of block grant funds, which required a public hearing. Chair Woodhouse opened the public hearing. There being no requests to testify, Chair Woodhouse closed the public hearing.

ASSEMBLYWOMAN CARLTON MOVED TO APPROVE AGENDA ITEM D-33.

SENATOR SPEARMAN SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY. (Senator Parks was not present for the vote.)

34. **Department of Health and Human Services - Aging and Disability Services - Desert Regional Center - FY 2019 -** Transfer of $48,635 from the Personnel Services category to the Professional Services category, $122,553 from the Operating category to the Professional Services category and $1,201,795 from the Jobs and Day Training category to the Professional Services category to fund professional staffing to cover vacant positions and consulting services required by the Centers for Medicare and Medicaid Services. Requires Interim Finance approval since the amount transferred to the Professional Services category exceeds $75,000. **Work Program #C44788**

This item was discussed in conjunction with Agenda Item M-8a(2).

Dena Schmidt, Administrator, ADSD, DHHS, said Work Program #C44788 requested authority to transfer funds from three categories to the Professional Services category to fund a shortfall for the remainder of FY 2019. The money would be used to fund professional staff as well as some of the contract positions and oversight related to the intermediate care facility (ICF). Ms. Schmidt introduced Lisa Sherych, Deputy Administrator, ADSD, DHHS, to provide an update of the activities related to the ICF.

Lisa Sherych, Deputy Administrator, ADSD, DHHS, provided an update regarding the Desert Regional Center (DRC). Over the past several months, ICF staff continued to work diligently on systems change, development and implementation of stronger processes, and hiring new core leadership team members to include the Residential Director, Quality Assurance Manager and Director of Nursing. Without the dedication and hard work of staff, the positive changes at DRC would not have occurred. She recognized and thanked the agency manager, Marina Valerio, whose dedication and drive to improve the ICF had not gone unnoticed. Ms. Sherych said

systems change was not easy or quick. A true systems change would take time to implement and sustain, with sustainment being the key.

Ms. Sherych said, on December 10, 2018, the Centers for Medicare and Medicaid Services (CMS), along with the state surveying agency, Health Care Quality and Compliance (HCQC), conducted a follow-up survey to verify whether the facility was in substantial compliance with the conditions of participation (COP) outlined in the systems improvement agreement. The surveyors would remain at the facility through the end of the week. Subsequently, the DRC would receive an exit interview to receive a brief synopsis of the findings. She said the official survey findings were typically received within ten business days. Ms. Sherych said the survey findings would be provided to the Committee.

The final monthly monitoring report was received from the consulting group on December 11, 2018 (Exhibit I). Ms. Sherych read the following statement from the consulting firm's Project Director:

> It is important to capture the activity DRC undertook during the last year. When one reviews the Root Cause Analysis conducted at the end of January 2018, one finds a facility in crisis with few safeguards in place to ensure the safety and well-being of the individuals residing there. Nearly one year later, DRC has made significant progress in establishing systems to capture data important to understand what is working, and what is not yet working. While multiple systems are now in place and data analysis underway for some, others are still in need of implementation and data analyzed. Still, this facility is in a very different place than it was a year ago.
>
> One must also note the commitment by the State of Nevada and of DRC management to do whatever is necessary to move forward. A year ago DRC lacked a knowledgeable Residential Director. Today DRC has not only hired new personnel to carry out its mission, but has invested in intensive technical assistance to educate all of its personnel of the requirements of the Conditions of Participation. The leadership of DRC is significantly improved and, while not yet in full compliance of the CoPs, it is moving in a committed fashion to attain this goal.

Assemblyman Sprinkle thanked the agency for providing an update on the status of DRC. He thought the DRC was still at risk of losing Medicaid funding, because the division had not met all the benchmarks included in the systems improvement agreement. He asked where the division stood with regard to the systems improvement agreement and the potential of Medicaid funding being revoked.

Ms. Sherych confirmed that the DRC was still at risk of losing Medicaid funding. The systems improvement agreement was scheduled to end on December 15, 2018. The division did not anticipate hearing about an extension until the official findings

report was received, because the Medicaid funding was tied to the report; however, significant changes had been implemented at the ICF.

Ms. Sherych said, with regard to the consultant's comments indicating that the facility was not in full compliance with the COP, she noted that the ICF regulations included many COPs. Although the DRC needed to comply with all of them, the systems improvement agreement only included three: governing body, active treatment and client protections. She said the consultant's report was also based on the root cause analysis that was done in January 2018. The root cause analysis evaluated all aspects of the ICF.

In response to a question from Assemblyman Sprinkle, Ms. Schmidt said she was confident the facility would be in compliance. In conversations with the consultant, CMS and HCQC, everyone noted significant improvements at DRC and recognized the commitment to improve the facility and address problems. If there was a finding that still needed to be addressed, Ms. Sherych was confident that CMS would work with the division on an extension as it had in the past. She noted that the initial compliance deadline was approximately six months ago; however, CMS provided an extension due to the division's commitment to become compliant.

Assemblyman Sprinkle asked for the status of the residents transitioning to community-based services. Ms. Sherych replied that the current census for the DRC was 39 residents. To date, 8 individuals had successfully transitioned into the community. Based on discussions with and support from legal guardians, 8 additional residents were identified as appropriate for transition. The division was waiting for coordination with the appropriate residential providers in the community to provide those support services.

Assemblyman Sprinkle asked if the division was comfortable with the current census of the DRC. Ms. Schmidt replied that individuals with high intensive needs still resided at the ICF, so the division would have to continue addressing staffing needs based on those residents; however, the division became more comfortable with the census at the DRC as additional residents transitioned, because a lower census helped reduce overtime and the need for contract staff.

ASSEMBLYMAN SPRINKLE MOVED TO APPROVE AGENDA ITEM D-34.

SENATOR CANNIZZARO SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

35. **Department of Health and Human Services - Aging and Disability Services - Applied Behavior Analysis - FY 2019** - Addition of ~~$208,905~~ ***$204,405*** in Licenses and Fees to operate the Board of Applied Behavioral Analysis pursuant to Senate Bill 286 of the 2017 Legislative Session. Requires Interim Finance

approval since the amount added to the Operating category exceeds $75,000. **Work Program #C45560. REVISED 11-21-2018.**

Dena Schmidt, Administrator, ADSD, DHHS, said Work Program #C45560 established revenue and expenditure authority related to the establishment of the Board of Applied Behavioral Analysis. She introduced Jennifer Frischmann, Quality Assurance Manager, ADSD, DHHS, who was responsible for overseeing the implementation of the board.

Jennifer Frischmann, Quality Assurance Manager, ADSD, DHHS, said Senate Bill (S.B.) 286 (2017 Legislative Session) transferred the responsibility of licensing behavioral analysts and assistant behavioral analysts from the Board of Psychological Examiners to the ADSD. Senate Bill 286 also included the registration of registered behavioral technicians (RBT). Registered behavioral technicians were currently licensed only at the national level; however, effective January 1, 2019, RBTs would also be required to register with the Board of Applied Behavior Analysis.

Ms. Frischmann said, on November 21, 2018, the Governor signed emergency regulations establishing the schedule of fees as well as several other related regulations pertaining to the licensing of behavior analysts and assistant behavior analysts. Regulations were available for public review on the ADSD website under Boards and Commissions (http://adsd.nv.gov/Boards/ABA/ABA/). Further, the ADSD was scheduled to conduct a public hearing on December 12, 2018, to make the industry aware of the temporary regulations and the small business impact study associated with the adoption of the permanent regulations. The ADSD was hopeful the small business impact study would be conducted in late December 2018 or early January 2019 and open for comment for approximately two to three weeks.

Ms. Frischmann said licenses through the Board of Psychological Examiners expired on December 31 of every even-numbered year. It was anticipated that all behavior analyst and assistant behavior analyst licenses would be renewed by January 1, 2019. She said the ADSD anticipated collecting new application fees beginning January 1, 2019; however, if the regulations were not in statute by then, the agency would still be required to issue licenses without collecting fees.

Senator Kieckhefer asked if fees would continue to be paid to the Board of Psychological Examiners for licenses that expired on or before December 31, 2018.

Melissa Laufer-Lewis, Administrative Services Officer, ADSD, DHHS, replied that the Board of Psychological Examiners was currently collecting the fees. The board had collected about $24,000 year to date, and approximately $30,000 remained outstanding. Upon approval of the work program, the Board of Psychological Examiners was prepared to transition the funds to the ADSD.

In answer to a question from Senator Kieckhefer, Ms. Laufer-Lewis said the division projected RBT revenue of $120,000 biannually. Revenue for the Board of Applied Behavior Analysis in FY 2019 was projected to be between $110,000 to $120,000.

ASSEMBLYWOMAN CARLTON MOVED TO APPROVE AGENDA ITEM D-35.

SENATOR KIECKHEFER SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

36. **Department of Health and Human Services - Health Care Financing and Policy - Administration - FY 2019** - Addition of $110,260 in Licensed Health Care Facilities Fees transferred from the Division of Public and Behavioral Health to support the development of a transformed health care delivery system, an integral part of the health information technology (HIT) for Nevada Medicaid. Requires Interim Finance approval since the amount added to the HIT grant category exceeds $75,000. **RELATES TO AGENDA ITEMS D. 43 and 44**. **Work Program #C44580**

    This item was withdrawn on December 6, 2018.

37. **Department of Health and Human Services - Health Care Financing and Policy - Administration - FY 2019** - Addition of $20,316 in federal Title XIX grant funds and $487,316 in Licensed Health Care Facilities Fees and Opioid Strategic Response grant funds transferred from the Division of Public and Behavioral Health to support an application for an 1115(a) Demonstration Waiver for Substance Abuse Disorder Services and associated increased cost reporting for additional Certified Community Behavioral Health Clinics. Requires Interim Finance approval since the amount added to the 1115(a) Demonstration Waiver category exceeds $75,000. **RELATES TO AGENDA ITEM D. 45. Work Program #C44664**

    This item was withdrawn on December 6, 2018.

38. **Department of Health and Human Services - Health Care Financing and Policy - Administration - FY 2019** - Transfer of $92,728 from the Reserve category to the Money Follows the Person Planning Grant category to continue to support community transition programs. Requires Interim Finance approval since the amount transferred to the Money Follows the Person grant category exceeds $75,000. **Work Program #C45469**

    Refer to motion for approval under Agenda Item D.

39. **Department of Health and Human Services - Health Care Financing and Policy - Administration - FY 2019** - Addition of $334,125 in federal Title XIX grant funds and transfer of $37,125 from the Operating category to the Electronic Visit Verification category to implement the Electronic Visit Verification Program as

mandated under the 21st Century Cures Act, Section 12006(a). Requires Interim Finance approval since the amount added to the Electronic Visit Verification category exceeds $75,000. **Work Program #C45682**

Cody Phinney, Acting Administrator, Division of Health Care Financing and Policy (DHCFP), DHHS, said Work Program #C45682 requested funds to implement the Electronic Visit Verification (EVV) system as mandated by the federal government in the 21st Century Cures Act. The division was striving to implement the mandate by the new deadline of January 2020. The federal government extended the deadline due to the number of states behind schedule. Ms. Phinney said the EVV for Medicaid Personal Care Services (PCS) would be implemented by 2020 and in 2023 for Home Health Services (HHS). The mandate was particularly beneficial for PCS recipients, because it would ensure the services were provided in the home or another designated setting as they were designed to be. Additionally, all of the documentation would be automated.

Senator Kieckhefer noted the vendor was already in place in five other states. He asked if the system was implemented in those states in response to the 21st Century Cures Act. He also asked if the vendor had historical data about the impact of transitioning from a trust-based system to a verification system.

Ms. Phinney stated that the system was successfully implemented in five other states, and as a result, it was mandated nationally.

Senator Kieckhefer asked if the other states realized a cost savings after the system was implemented. Ms. Phinney said the division was unable to determine a method of quantifying the savings attributable to the EVV. She stated that the EVV offered protection for recipients to avoid instances of fraud. Additionally, the EVV reduced the likelihood of recipients being overlooked for eligible services.

Senator Kieckhefer asked if recipients were required to verify visits online. Ms. Phinney replied that the system was activated by the service provider. The system verified via telephone or Internet that the personal care attendant was in the designated location. Recipients could also interact with the system as necessary.

Senator Kieckhefer asked why implementation for the HHS EVV was scheduled for 2023. Ms. Phinney replied that the HHS EVV may be implemented earlier if possible; however, the division was confident it would be implemented no later than 2023.

Assemblyman Sprinkle said the Federal Medical Assistance Percentage (FMAP) may decrease by nearly $40 million if the EVV was not implemented by 2020. He asked for the status of the project. Ms. Phinney confirmed that the original act included a reduction in FMAP that would have originally become effective in 2019. She said a new schedule of FMAP reductions was not provided after the extension was granted. The original federal act permitted agencies to request a waiver from

the FMAP reduction based on good faith effort to implement the EVV system. Therefore, if Nevada missed the 2020 deadline due to an unexpected issue, Ms. Phinney was confident the division could request a waiver based on the progress made to date; however, the project timeline and schedule were currently on track to meet the deadline. She said the vendor had significant experience implementing the EVV. In addition, division staff were working to educate approximately 7,900 providers on the system requirements and how to make the best use of the system.

ASSEMBLYMAN SPRINKLE MOVED TO APPROVE AGENDA ITEM D-39.

SENATOR KIECKHEFER SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

40. Department of Health and Human Services - Health Care Financing and Policy - Increased Quality of Nursing Care - FY 2019 - Addition of ~~$3,841,496~~ ***$2,184,831*** in Long Term Care Provider Tax funds and $91,366 in Treasurer's Interest Distribution funds to allow the receipt of revenues for the non-federal share of nursing facility supplemental payments and administrative costs. Requires Interim Finance approval since the amount added to the Transfer to Medicaid category exceeds $75,000. **RELATES TO AGENDA ITEM D. 41**. **Work Program #C45402. REVISED 11-21-2018.**

Agenda Items D-40 and D-41 were discussed jointly. Refer to testimony and motion for approval under Agenda Item D-41.

41. Department of Health and Human Services - Health Care Financing and Policy - Nevada Medicaid, Title XIX - FY 2019 - Addition of ~~$7,268,448~~ ***$7,186,280*** in federal Title XIX grant funds and ~~$3,898,318~~ ***$3,854,249*** in Long Term Care Provider Tax funds transferred from the Increased Quality of Nursing Care account to support the nursing facility supplemental payments. Requires Interim Finance approval since the amount added to the Offline category exceeds $75,000. **RELATES TO AGENDA ITEM D. 40**. **Work Program #C45433. REVISED 11-21-2018.**

Agenda Items E-40 and E-41 were discussed jointly.

Cody Phinney, Acting Administrator, DHCFP, DHHS, introduced Ellen Crecelius, Administrative Services Officer, DHCFP, DHHS to discuss Work Programs #C45402 and #C45433.

Ellen Crecelius, Administrative Services Officer, DHCFP, DHHS, said the division was requesting an increase in authority for Nursing Facility Provider Fee revenue. She said revenue had increased as the number of facilities in the state increased.

The division also requested to transfer funds that were balanced forward in FY 2018 to disburse supplemental payments.

Assemblywoman Neal asked how much the new facilities paid in fees. She also asked why additional facilities were being asked to pay fees that were not originally included in the legislatively approved budget (page 314, Exhibit A).

Ms. Crecelius replied that the division did not anticipate the large number of new providers when the agency request budget was developed. More providers had come into the state; therefore, the agency had to take into account the additional revenue. In terms of the fees, providers paid 6 percent of net revenues assessed on all non-Medicare bed days.

In answer to a question from Assemblywoman Neal, Ms. Crecelius replied that the tax was based on each nursing facility's revenue. Interest was earned based on the amount of funds in the account. Nursing facilities paid approximately 6 percent of their revenue to the division. Subsequently, those funds were transferred into the Medicaid account and disbursed as supplemental payments to nursing facilities that were Medicaid providers.

Assemblywoman Neal asked how much additional revenue the division expected to receive in interest. Priscilla Colegrove, Administrative Services Officer, DHCFP, DHHS, replied that the anticipated additional interest for FY 2018 was $91,366.

Assemblywoman Neal asked if the interest revenue was only for the three new facilities. Ms. Colegrove replied that the projected interest was based on the amount of funds in the budget account. The Office of the State Treasurer transferred interest revenue on a quarterly basis.

Assemblywoman Neal remarked that the work program indicated the agency was requesting additional authority for long-term provider fees. It was her understanding that provider fees were based on the increase in the number of facilities, of which there were three, and then the Treasurer's Interest distribution was transferred to Medicaid.

SENATOR SPEARMAN MOVED TO APPROVE AGENDA ITEMS D-40 AND D-41.

ASSEMBLYWOMAN SWANK SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

42. **Department of Health and Human Services - Health Care Financing and Policy - Nevada Medicaid, Title XIX - FY 2019** - Transfer of $381,842 from the Money Follows the Person Reserve category to the Money Follows the Person reinvestment category to continue to provide services to Medicaid-eligible

recipients. Requires Interim Finance approval since the amount added to the Money Follows the Person reinvestment category exceeds $75,000. **RELATES TO AGENDA ITEM D. 28**. **Work Program #C45666**

Refer to motion for approval under Agenda Item D.

43. **Department of Health and Human Services - Public and Behavioral Health - Immunization Program - FY 2019** - Addition of $6,929 in Health Facility Licenses and Fees funds transferred from the Health Care Facility Regulation account and $62,361 in Health Information and Technology (HIT) grant funds transferred from the Division of Health Care Financing and Policy to support the Nevada Health Information Exchange (HIE) activities to design, develop and implement statewide data sharing capabilities necessary to transform healthcare and implement a query connection to allow providers to query immunization records (WebIZ). Requires Interim Finance approval since the amount added to HIT/HIE WEBIZ HL7 Project category exceeds 10 percent of the legislatively approved amount for that category. **RELATES TO AGENDA ITEMS D. 36 and 44. Work Program #C45544**

This item was withdrawn on December 6, 2018.

44. **Department of Health and Human Services - Public and Behavioral Health - Health Care Facilities Regulation - FY 2019** - Transfer of $117,189 from the Reserve category to Health Information and Technology (HIT) Transfers category to provide project management for HIT activities and connective service for the Immunization Program. Requires Interim Finance approval since amount transferred to the HIT Transfers category exceeds $75,000. **RELATES TO AGENDA ITEMS D. 36 and 43**. **Work Program #C45479**

This item was withdrawn on December 6, 2018.

45. **Department of Health and Human Services - Public and Behavioral Health - Health Care Facilities Regulation - FY 2019** - Transfer of $245,316 from the Reserve category to the Myers and Stauffer, LC (MSLC) Contract category to plan, design, apply, negotiate and initiate implementation for the Section 1115(a) Demonstration Waiver, which will be used for Certified Community Behavioral Health Clinics. Requires Interim Finance approval since amount added to the MSLC Contract category exceeds $75,000. **RELATES TO AGENDA ITEM D. 37**. **Work Program #C45576**

This item was withdrawn on December 6, 2018.

46. **Department of Health and Human Services - Public and Behavioral Health - Biostatistics and Epidemiology - FY 2019** - Addition of $1,401,765 in federal Prescription Drug Overdose Prevention grant funds to improve safe prescribing practices and prevent prescription drug overuse, misuse, abuse and overdose.

Requires Interim Finance approval since the amount added to the Rx Drug Overdose Prevention category exceeds $75,000. **Work Program #C45517**

Refer to motion for approval under Agenda Item D.

47. **Department of Health and Human Services - Public and Behavioral Health - Biostatistics and Epidemiology - FY 2019** - Addition of $378,345 in Health Information Technology (HIT) funds from the Division of Health Care Financing and Policy (DHCFP) to support the National Electronic Disease Surveillance System cloud migration. Requires Interim Finance approval since amount added to Transfer from DHCFP-HIT category exceeds $75,000. **Work Program #C45554**

    Refer to motion for approval under Agenda Item D.

48. **Department of Health and Human Services - Public and Behavioral Health - Chronic Disease - FY 2019** - Addition of $750,000 in federal Innovative Health Strategies to Prevent and Manage Diabetes, Heart Disease and Stroke grant funds to promote innovative health strategies for the management of diabetes, heart disease and stroke. Requires Interim Finance approval since the amount added to Innovative Health Strategies category exceeds $75,000. **Work Program #C45509**

    Refer to motion for approval under Agenda Item D.

49. **Department of Health and Human Services - Public and Behavioral Health - Chronic Disease - FY 2019** - Addition of $1,690,222 in federal Diabetes, Heart Disease and Stroke Prevention (DM-HSSP) grant funds, deletion of $884,468 in Public Health Actions to Prevent and Control Diabetes, Heart Disease and Obesity grant funds and transfer of $405,161 from the DM-HSSP Obesity SH category to the Diabetes, Heart and Stroke Prevention category to improve the health outcomes of Nevadans with cardiovascular diseases. Requires Interim Finance approval since amount added to Diabetes, Heart and Stroke Prevention category exceeds $75,000. **Work Program #C45539**

    Refer to motion for approval under Agenda Item D.

50. **Department of Health and Human Services - Public and Behavioral Health - Maternal Child and Adolescent Health Services - FY 2019** - Addition of $34,071 in federal Pregnancy Risk Assessment Monitoring System (PRAMS) grant funds for expanded reporting requirements relating to pregnancy, disability and opioid use in pregnancy. Requires Interim Finance approval since the amount added to the Nevada PRAMS category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C45549**

    Refer to motion for approval under Agenda Item D.

51. **Department of Health and Human Services - Public and Behavioral Health - Community Health Services - FY 2019** - Addition of $102,845 in federal Title X Family Planning grant funds, transfer of $7,965 from the Operating category to the Family Planning category, and $290 from the Information Services category to the Family Planning category to provide family planning and reproductive health services to the underserved and low-income population residents at rural and frontier clinics. Requires Interim Finance approval since amount added to the Family Planning category exceeds $75,000. **Work Program #C45470**

    Refer to motion for approval under Agenda Item D.

52. **Department of Health and Human Services - Public and Behavioral Health - Behavioral Health Prevention and Treatment - FY 2019** - Addition of $2,696,868 in federal Opioid Strategic Response grant funds to continue to increase access to treatment and reduce opioid overdose-related deaths. Requires Interim Finance approval since the amount added to the Opioid Strategic Response category exceeds $75,000. **Work Program #C45345**

    Refer to motion for approval under Agenda Item D.

53. **Department of Health and Human Services - Public and Behavioral Health - Behavioral Health Prevention and Treatment - FY 2019** - Addition of $832,642 in federal Strategic Prevention Framework Partnership for Success grants funds to continue to provide substance abuse prevention activities. Requires Interim Finance approval since the amount added to the Federal Strategic Prevention Framework category exceeds $75,000. **Work Program #C45412**

    Refer to motion for approval under Agenda Item D.

54. **Department of Health and Human Services - Public and Behavioral Health - Behavioral Health Prevention and Treatment - FY 2019** - Transfer of $134,836 from the Reserve category to the State Outcomes Measurement and Management System (SOMMS) category to complete the purchase of the Web Infrastructure for Treatment Services (WITS) information system and to hire a Master Service Agreement contractor to provide testing and training of the WITS system. Requires Interim Finance approval since amount transferred to the SOMMS category exceeds $75,000. **Work Program #C45422**

    Refer to motion for approval under Agenda Item D.

55. **Department of Health and Human Services - Public and Behavioral Health - Behavioral Health Prevention and Treatment - FY 2019** - Addition of $189,566 in federal Projects for Assistance in Transition from Homelessness grant funds to continue to support behavioral health treatment and recovery-oriented services, and increase access to disability income benefits for eligible adults who are experiencing

or at risk for homelessness. Requires Interim Finance approval since amount added to Path grant category exceeds $75,000. **Work Program #C45404**

Refer to motion for approval under Agenda Item D.

56. Department of Health and Human Services - Public and Behavioral Health - Behavioral Health Prevention and Treatment - FY 2019 - Addition of $5,604,515 of federal Block Grant for Community Mental Health Services (CMHS) grant funds to continue to provide community-based mental health services. **The work program involves the allocation of block grant funds and the agency is choosing to use the IFC meeting for the required public hearing, and the amount added to the CMHS Block Grant category exceeds $75,000**. **Work Program #C45421**

Agenda Item D-56 was discussed in conjunction with Agenda Item D-57. Refer to testimony and motion for approval under Agenda Item D-57.

57. Department of Health and Human Services - Public and Behavioral Health - Behavioral Health Prevention and Treatment - FY 2019 - Addition of $4,782,887 in federal Substance Abuse Prevention and Treatment (SAPT) block grant funds to continue substance abuse treatment and prevention activities. **The work program involves the allocation of block grant funds and the agency is choosing to use the IFC meeting for the required public hearing, and the amount added to the SAPT Block Grant category exceeds $75,000**. **Work Program #C45403**

Agenda Items D-56 and D-57 were discussed jointly.

Julie Kotchevar, Administrator, DPBH, DHHS, said Work Programs #C45421 and #C45403 were grant realignments to true-up the budget. Work Program #C45421 was for the Community Mental Health Services (CMHS) Block Grant, which provided community-based mental health services. Work Program #C45403 was for the Substance Abuse Prevention and Treatment Block Grant to provide addiction-related services in the community.

Senator Spearman asked if the CMHS Block Grant addressed the increasing teen suicide rate.

Stephanie Woodard, Medical Epidemiologist, DPBH, DHHS, said the CMHS Block Grant was specifically geared toward individuals with serious mental illness and children with severe emotional disturbance. The division sought opportunities to address suicidality and suicide prevention; however, because of the narrow scope of the populations with serious mental illness and severe emotional disturbance, there were some areas where the division did not have an opportunity to focus on generalized suicide prevention. She noted that suicide prevention was woven into much of the work performed by subgrantees.

Senator Spearman recalled that the suicide rate in 2018 increased by approximately 47 to 50 percent, which was concerning. She asked if the division could increase capacity by identifying other agencies that addressed suicide prevention.

Ms. Woodard replied that the division had additional funding streams that may be used to fund a new program in the state called "Zero Suicide." The Zero Suicide program focused on building capacity within health care and other systems in the community to help identify risk factors and recognize individuals at risk for suicidality. Additionally, the program provided evidence-based practices to target individuals with suicidality.

Agenda Items D-56 and D-57 involved the allocation of block grant funds, which required a public hearing. Chair Woodhouse opened the public hearing. There being no requests to testify, Chair Woodhouse closed the public hearing.

> SENATOR SPEARMAN MOVED TO APPROVE AGENDA ITEMS D-56 AND D-57.
>
> ASSEMBLYMAN SPRINKLE SECONDED THE MOTION.
>
> THE MOTION PASSED UNANIMOUSLY. (Senator Parks was not present for the vote.)

58. **Department of Health and Human Services - Public and Behavioral Health - Northern Nevada Adult Mental Health Services - FY 2019** - Transfer of $220,000 from the Personnel Services category to Maintenance of Buildings and Grounds category for the anti-ligature project to minimize suicide risk. Requires Interim Finance approval since amount transferred to the Maintenance of Buildings and Grounds category exceeds $75,000. **Work Program #C45337**

    Refer to motion for approval under Agenda Item D.

59. **Department of Health and Human Services - Public and Behavioral Health - Northern Nevada Adult Mental Health Services - FY 2019** - Addition of $398,020 in federal Assisted Outpatient Treatment (AOT) grant funds to provide court-ordered community-based outpatient treatment services for individuals with severe and persistent mental illness who have a recent and repeated history of treatment non-compliance. Requires Interim Finance approval since amount added to the AOT grant category exceeds $75,000. **Work Program #C45490**

    Refer to motion for approval under Agenda Item D.

60. **Department of Health and Human Services - Welfare and Supportive Services - Temporary Assistance for Needy Families - FY 2019** - Addition of $4,644,463 in Temporary Assistance for Needy Families grant funds to provide support to the Pre-K Development Program. **The work program involves the allocation of**

block grant funds and the agency is choosing to use the IFC meeting for the required public hearing, and the amount added to the Pre-K Development Program category exceeds $75,000. **RELATES TO AGENDA ITEM D. 89. Work Program #C45586**

Agenda Items D-60 and D-89 were discussed jointly. Refer to testimony and motion for approval under Agenda Item D-89.

61. Department of Health and Human Services - Welfare and Supportive Services - Child Assistance and Development - FY 2019 - Addition of $588,925 in federal Child Care and Development grant funds to support program development and the addition of one new full-time position. **The work program involves the allocation of block grant funds and the agency is choosing to use the IFC meeting for the required public hearing, and the amount added to the Child Care Certification category exceeds $75,000**. **Work Program #C45242**

Nova Murray, Deputy Administrator, DWSS, DHHS, said Work Program #C45242 requested the addition of $588,925 in federal Child Care and Development grant funds to support program development and the addition of one new full-time position.

In answer to a question from Assemblywoman Benitez-Thompson, Ms. Murray replied that the position was new and would oversee the increased grant award.

Assemblywoman Benitez-Thompson observed that the position would be funded by grant dollars and would oversee the expenditure of those grant funds. Ms. Murray clarified that the position would oversee the grant funds for the entire grant. In addition, the position would manage the program and some of the program goals.

Agenda Item D-61 involved the allocation of block grant funds, which required a public hearing. Chair Woodhouse opened the public hearing. There being no requests to testify, Chair Woodhouse closed the public hearing.

> ASSEMBLYWOMAN BENITEZ-THOMPSON MOVED TO APPROVE AGENDA ITEM D-61.
>
> SENATOR DENIS SECONDED THE MOTION.
>
> THE MOTION PASSED UNANIMOUSLY. (Senator Parks was not present for the vote.)

62. Department of Health and Human Services - Child and Family Services - Victims of Domestic Violence - FY 2019 - Addition of $137,034 in Marriage License Fees and transfer of $784,711 from the Reserve category to the Domestic Violence Aid grant category to provide support for services to victims of domestic violence. Requires Interim Finance approval since the transfer to the Domestic Violence Aid Grant category exceeds $75,000. **Work Program #C45478**

Refer to motion for approval under Agenda Item D.

63. **Department of Health and Human Services - Child and Family Services - Nevada Youth Training Center - FY 2019** - Transfer of $45,677 from the Personnel Services category to the Contract Services category to cover a shortage within the teaching staff with a temporary contract teacher position. Requires Interim Finance approval since the cumulative amount transferred to the Contract Services category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C45523**

    Refer to motion for approval under Agenda Item D.

64. **Department of Health and Human Services - Child and Family Services - Southern Nevada Child and Adolescent Services - FY 2019** - Transfer of $74,318 from the Mental Health Placements category to the Temporary Contract Staffing category to maintain sufficient staffing levels in the 24-hour facilities and to ensure the health and safety of clients. Requires Interim Finance approval since the amount transferred to the Temporary Contract Staffing category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C45466**

    Refer to motion for approval under Agenda Item D.

65. **Department of Health and Human Services - Child and Family Services - Southern Nevada Child and Adolescent Services - FY 2019** - Addition of $337,169 in Pediatric Mental Health Care Access Program grant funds to promote behavioral health integration in pediatric primary care by supporting the development of new or the improvement of existing statewide pediatric mental health care telehealth access programs. Requires Interim Finance approval since the amount added to the Pediatric Mental Health Access category exceeds $75,000. **Work Program #C45461**

    Refer to motion for approval under Agenda Item D.

66. **Department of Employment, Training and Rehabilitation - Workforce Development - FY 2019** - Addition of ~~$200,943~~ ***$317,617*** in federal Apprenticeship grant funds to provide programs to produce highly skilled Nevada workers who can meet the needs of employers in a competitive and global economy. Requires Interim Finance approval since the amount added to the Apprenticeship grant category exceeds $75,000. **RELATES TO AGENDA ITEM D. 2. Work Program #C45261. REVISED 11-20-18.**

    Agenda Items D-2 and D-66 were discussed jointly.

    Manny Lamarre, Executive Director, OWINN, said Work Program #C45295 pertained to the policy and planning grant from the U.S. Department of Labor

(USDOL) for policy, infrastructure and capacity building of apprenticeships, with a focus on youth apprenticeships, and integrating the workforce system.

Assemblywoman Carlton said the Technical Readiness and Apprenticeship Nevada (TRAIN) program was transferred from the Department of Employment, Training and Rehabilitation (DETR) to OWINN. She asked what progress OWINN had made in meeting the outcomes of the TRAIN program.

Mr. Lamarre said OWINN received a second round of funding for the TRAIN program from the USDOL. In terms of progress, the number of apprentices had increased and new apprenticeship programs had been established in industries such as advanced manufacturing, health care, and hospitality, specifically with MGM Resorts. Additionally, OWINN was working to expand youth apprenticeships. With approval of the work programs, the agency hoped to increase capacity and establish apprenticeship programs in the trades and various industries. In addition, OWINN hoped to make apprenticeship programs available to high school students.

Assemblywoman Carlton said it appeared there was a delay in the round two funds. She asked how OWINN was coordinating with DETR and other stakeholders to ensure the outcomes of the TRAIN program were met. She recalled concerns expressed by stakeholders during public comment.

Continuing, Assemblywoman Carlton said apprenticeship programs were typically intended for individuals 18 years and older. Apprenticeship involved a large work component. She was unsure how a student would manage that workload while attending high school. Assemblywoman Carlton thought high school apprenticeship programs needed to be discussed in greater detail during the 2019 Legislative Session, because she did not want students set up for failure. She said students involved in an apprenticeship program might become more interested in working and drop out of high school as a result.

Mr. Lamarre stated that, according to the USDOL, OWINN was not in compliance with federal statute associated with the Workforce Innovation and Opportunity Act (WIOA) grant funds and apprenticeship funds. He noted that OWINN met with Mr. Stanley and Governor Sandoval's former advisor concerning the matter during the 2017 Legislative Session.

Regarding the coordination between OWINN and DETR, Mr. Lamarre said the two agencies had a strong working relationship. The first round of funds went through DETR as the pass-through agency, because OWINN was not a formal entity at the time. OWINN and DETR continued to collaborate on the coordination of the TRAIN program. Mr. Lamarre said the TRAIN grant was specific to policy, planning and capacity building; therefore, the WIOA Governor's Reserve funds would not be used for those purposes.

Assemblywoman Carlton said DETR typically managed the funds for the TRAIN program. She asked if the funds would be transferred from DETR to OWINN to fund the program.

Mr. Lamarre confirmed that was correct. As the State Apprenticeship Agency (SAA), OWINN was required to report outcomes to the federal government. DETR was not the SAA; therefore, the state risked creating a bifurcated system if DETR continued to oversee the funds.

Denis Perea, Deputy Director, Administrative Services Division, DETR, said the idea of transferring the apprenticeship council to OWINN to connect it more closely to the workforce system was discussed during the 2017 Legislative Session. He said it made sense to also transfer the apprenticeship planning money to OWINN as the agency tasked with developing apprenticeship policies.

Assemblywoman Carlton said the state had not experienced problems with apprenticeship prior to the establishment of OWINN. She said either the current issues were growing pains, or the state had made a mistake in establishing OWINN. She thought a thorough review of apprenticeship in Nevada needed to occur during the 2019 Legislative Session. In the past, apprentices had been able to receive their training and education, which ultimately resulted in a good paying job. Assemblywoman Carlton remarked that there was always a learning curve when a new agency was established.

Assemblyman Sprinkle asked how and why the state was out of compliance. Mr. Lamarre replied, according to Chapter 29 of the United States Code of Federal Regulations, the state apprenticeship council could promulgate statute at the direction of the SAA. Therefore, the final approval of apprenticeship programs should rest with the SAA. Statutory changes during the 2017 Legislative Session brought the state closer to compliance. He said OWINN was appointed as the SAA by the federal government.

Assemblyman Sprinkle said it appeared that a portion of the funds requested in the work programs would be used to support five contract positions, and the need for those positions appeared to be long term. He asked why the positions were not considered during the 2017 Legislative Session.

Mr. Lamarre replied that OWINN did not have the second round of funding during the 2017 Legislative Session. Also, permanent positions required approval by the Legislature; therefore, contract positions were the better option.

Assemblyman Sprinkle said, as he understood it, because OWINN did not have the second round of funding during the 2017 Legislative Session, permanent positions could not be requested, even though the need had been identified. He remarked that the request for contract positions was submitted right before the start of the 2019 Legislative Session.

Mr. Lamarre said the money that OWINN was requesting was the second round of grant funds from the USDOL. If OWINN had requested funding during the 2017 Legislative Session, it would have been a request for General Funds. Also, the agency would not have been able to articulate a comprehensive strategy at that time. Now that OWINN was established, the second round of funding could be obtained from the federal government. He clarified that OWINN was requesting authority to utilize the grant funds.

Assemblyman Sprinkle asked if OWINN was considering converting the contract positions to permanent positions. Mr. Lamarre replied that the grant funds were available for use until 2020.

Assemblywoman Carlton asked Mr. Lamarre to provide documentation from the federal government explaining the reason for non-compliance and, if applicable, the corrective action plan to address the matter.

SENATOR DENIS MOVED TO APPROVE AGENDA ITEMS D-2 AND D-66.

ASSEMBLYMAN SPRINKLE SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

67. Department of Corrections - Correctional Programs - FY 2019 - Addition of $101,524 in federal Title I Part D Youth Offender Program grant funds transferred from the Department of Education to provide continuing education and skills training necessary for inmates to successfully reintegrate into the community upon release. Requires Interim Finance approval since the amount added to the Youthful Offender grant category exceeds $75,000. **Work Program #C45308**

Refer to motion for approval under Agenda Item D.

68. Department of Corrections - Correctional Programs - FY 2019 - Addition of $900,000 in federal Statewide Recidivism Reduction Strategic Plan Implementation grant funds to continue to implement Nevada's strategic plan for the reentry of offenders into society to reduce recidivism. Requires Interim Finance approval since the amount added to the Statewide Recidivism Reduction category exceeds $75,000. **Work Program #C45524**

Refer to motion for approval under Agenda Item D.

69. Department of Corrections - Correctional Programs - FY 2019 - Addition of $154,407 in federal Employment Strategic Planning Program grant funds to develop more effective and evidence-based reentry programs. Requires Interim Finance

approval since the amount added to the Adult Reentry and Employment Strategic Planning category exceeds $75,000. **Work Program #C45556**

Refer to motion for approval under Agenda Item D.

70. **Department of Public Safety – Highway Patrol - Highway Safety Grants Account - FY 2019** - Addition of $425,000 in Federal Motor Carrier Safety Administration (FMCSA) grant funding to support Nevada's Performance Registration Information Systems and Management program. Requires Interim Finance approval since the amount added to the FMCSA High Priority Grant-CMV category exceeds $75,000. **Work Program #C45620**

    Refer to motion for approval under Agenda Item D.

71. **Department of Public Safety - Division of Parole and Probation - FY 2019 -** Transfer of $154,662 from the State Funded House Arrest Program category to the Going Home Prepared category to provide ongoing support services assisting in the placement of eligible paroled inmates into the community. Requires Interim Finance approval since the amount transferred to the Going Home Prepared category exceeds $75,000. **Work Program #C45725**

    Refer to motion for approval under Agenda Item D.

72. **Department of Public Safety - Investigation Division - FY 2019** - Addition of $81,552 in federal Criminal Justice Assistance Grant (JAG) funds transferred from Criminal Justice Assistance Grant Trust to align federal and state budget authority and to support the agency's narcotics task force operations and major crimes investigations. Requires Interim Finance approval since the amount added to the JAG Overtime/Travel category exceeds $75,000. **Work Program #C45655**

    Refer to motion for approval under Agenda Item D.

73. **Department of Public Safety - Investigation Division - FY 2019** - Addition of $1,374,585 in federal Homeland Security Program grant funds transferred from Division of Emergency Management to continue the support of law enforcement and public entities with the collection, analysis and dissemination of relevant and timely criminal and threat information at the Nevada Threat Analysis Center. Requires Interim Finance approval since the amount added to the Department of Emergency Management State Homeland Security Program Grant category exceeds $75,000. **Work Program #C45708**

    Refer to motion for approval under Agenda Item D.

74. **Department of Public Safety - Division of Emergency Management - FY 2019 -** Addition of $258,735 in federal Homeland Security Grant Program (HSGP) funds to align state and federal budget authority and provide ongoing support of the agency's

HSGP resource management activities. Requires Interim Finance approval since the amount added to the HSGP Resource Management category exceeds $75,000. **Work Program #C44225**

Refer to motion for approval under Agenda Item D.

75. Department of Public Safety - Division of Emergency Management - FY 2019 - Addition of $48,349 in Waste Isolation Pilot Plant funds and deletion of $9,235 in Transfer from Emergency Management Performance funds to cover increased expenditures associated with the oversight of transuranic waste shipments. Requires Interim Finance approval since the cumulative amount added to the Waste Isolation Pilot Plant category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C45284**

Refer to motion for approval under Agenda Item D.

76. Department of Public Safety - Division of Emergency Management - FY 2019 - Addition of $464,002 in federal Hazard Mitigation Grant program grant funds, deletion of $40,000 in federal Emergency Management Preparedness grant funds, and deletion of $20,521 in federal Department of Homeland Security - Homeland Security Grant Program funds to align state and federal authority associated with the response to the 2017 Northern Nevada Flood events. Requires Interim Finance approval since the amount added to the Federal Emergency Management Agency 4307 Northern Nevada February Disaster expenditure category exceeds $75,000. **Work Program #C45399**

Refer to motion for approval under Agenda Item D.

77. Department of Public Safety - Fire Marshal - FY 2019 - Addition of $20,858 in United We Stand subgrant funds transferred from State Emergency Response Commission (SERC) and $23,465 in Operational, Planning, Training and Equipment funds transferred from SERC to purchase seven mobile radios and nine portable radios. Requires Interim Finance approval since the cumulative amount added to the SERC grant category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C45624**

Refer to motion for approval under Agenda Item D.

78. Department of Public Safety - Justice Assistance Act - FY 2019 - Addition of $322,176 in federal Residential Substance Abuse Treatment (RSAT) grant funds, $136,695 in federal Support for Adam Walsh Act grant funds, $271,960 in federal Forensic Science Improvement grant funds, $693,073 in National Criminal History Improvement Program grant funds, and $635,009 in federal National Instant Criminal Background Check System Act Record Improvement Program grant funds to continue pass-through funding to subrecipients for new and ongoing federal

projects. Requires Interim Finance approval since the amount added to the RSAT Aftercare-Federal Portion category exceeds $75,000. **Work Program #C45451**

Refer to motion for approval under Agenda Item D.

79. **Department of Public Safety - Justice Assistance Grant Trust Account - FY 2019** - Deletion of $33,975 in federal Justice Assistance Grant funding to align state and federal grant authority. Requires Interim Finance approval since the cumulative amount deleted from the Justice Assistance Grant category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C45553**

    Refer to motion for approval under Agenda Item D.

80. **Department of Conservation and Natural Resources - State Parks - FY 2019 -** Addition of $146,321 in Marina Development Gas Taxes to enhance activities in state parks that include a body of water due to a larger than projected amount of tax revenue. Requires Interim Finance approval since the amount added to the Training category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C45537. WITHDRAWN 11-26-18.**

81. **Department of Conservation and Natural Resources - Water Resources - FY 2019 -** Addition of $160,243 in federal Emergency Management Community Assistance Program grant funds to support floodplain planning and management activities. Requires Interim Finance approval since the amount added to the Flood Management Program category exceeds $75,000. **Work Program #C45411**

    Refer to motion for approval under Agenda Item D.

82. **State Department of Conservation and Natural Resources – Division of Forestry – FY 2019** - Addition of $1,302,446 in federal Forest Service Hazardous Fuels Reduction grant funds to assess, plan and implement fuels treatment projects to create defensible space and improve forest health. Requires Interim Finance approval since the amount added to the Fuels Reduction grant category exceeds $75,000. **Work Program #C45356**

    Refer to motion for approval under Agenda Item D.

83. **State Department of Conservation and Natural Resources – Division of Forestry – FY 2019** - Addition of $1,990,956 in federal Forest Service Consolidated Payment (USFS CPG) grant funds to maintain and improve fire protection efficiency and effectiveness on non-federal lands, as well as promote stewardship on private lands by providing financial, technical and educational support for the establishment, enhancement and health of tree and other natural resources. Requires Interim Finance approval since the amount added to the USFS CPG grants category exceeds $75,000. **Work Program #C45350. WITHDRAWN 11-29-18**

84. **Department of Wildlife - Operations - FY 2019 -** Addition of $1,693,460 in federal Sportfish Boating Access funds to continue boating access improvement projects. Requires Interim Finance approval since the amount added to the Boating Access Improvement category exceeds $75,000. **Work Program #C45406**

    Refer to motion for approval under Agenda Item D.

85. **Department of Transportation - Transportation Administration - FY 2019 -** Addition of $457,308 in transfers from Parole and Probation, $15,276 in Fees transferred from the Taxicab Authority, $11,005 in Livestock Inspection Fee transferred from the Department of Agriculture, and $29,492 in Building Rent transferred from Buildings and Grounds to begin the replacement of the Nevada Shared Radio System. Requires Interim Finance approval since the amount added to the Nevada Shared Radio System Replacement category exceeds $75,000. **Work Program #C45643**

    Refer to motion for approval under Agenda Item D.

86. **Department of Transportation - Transportation Administration - FY 2019 -** Addition of $120,000,000 in Highway Fund authorization and $25,000,000 in federal Highway Administration grant funds for road construction and maintenance projects. Requires Interim Finance approval since the amount added to the Land and Building Improvements category exceeds $75,000. **Work Program #C45667**

    Refer to motion for approval under Agenda Item D.

87. **Office of the Military - FY 2019 -** Addition of $66,365 in federal National Guard Cooperative Agreement funds to align federal and state authority in support of the agency's Electronic Security program. Requires Interim Finance approval since the amount added to the Electronic Security category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C45664**

    Refer to motion for approval under Agenda Item D.

88. **Department of Administration - Victims of Crime - FY 19 -** Transfer of $4,242,889 from the Reserve category to the Victim's Payment category and addition of $10,568 in federal Crime Victim Compensation grant funding to provide authority to cover costs of victim's claims associated with the Vegas Route 91 Harvest Music Festival Tragedy. Requires Interim Finance approval since the amount added to the Victim's Payment category exceeds $75,000. **Work Program #C45770. RECEIVED AFTER SUBMITTAL DEADLINE, 11-20-18**

    Refer to motion for approval under Agenda Item D.

89. Department of Education - Office of Early Learning and Development - FY 2019 - Addition of $5,507,548 in federal Preschool Development grant funds to align federal and state authority to continue programs focused on access for pre-kindergarten, at-risk children and quality improvement of preschools statewide. Requires Interim Finance approval since the amounts added to the Nevada Ready Preschool category exceeds $75,000. **Work Program #C45423. RELATES TO AGENDA ITEM D. 60. RECEIVED AFTER SUBMITTAL DEADLINE, 11-20-18**

Agenda Items D-60 and D-89 were discussed jointly.

Jonathan Moore, Deputy Superintendent of Student Achievement, NDE, introduced Patti Oya, Director, Office of Early Learning and Development, and Andrea Osborne, Director of Fiscal Services, NDE.

Patti Oya, Director, Office of Early Learning and Development, said Work Program #C45423 was a request for additional authority for funds to implement and finalize the Preschool Development grant, which was awarded in 2015. She said the Preschool Development grant was a four-year grant by calendar year. The program was initially delayed, because although the grant was awarded in January 2015, the program was not implemented until July 2015. However, the office had made good progress, and the program was serving nearly 3,000 pre-K children. The grant award was $43.7 million and the state match was $22.7 million. In order to expend the full federal award, the office required permission to carry the funds forward and expend all of the state match.

Assemblywoman Spiegel asked the agency to explain why the program was delayed, and why the office was unable to expend the approved grant funds.

Ms. Oya replied that the grant was awarded in January 2015; however, the office could not implement the program until after the 2015 Legislature granted approval. The majority of the grant funds were subawarded to the school districts or other programs to implement pre-K seats, and those programs were responsible for establishing teacher contracts. Many of the grantees did not have existing pre-K programs, so it took time to hire teachers and establish a new classroom with all the required materials. Ms. Oya said the Preschool Development grant was a calendar-year grant due to expire on December 31, 2018. The office requested an extension through the end of the 2018-19 school year.

Ms. Oya said one of the biggest accomplishments of the grant was working with the United Way of Southern Nevada to establish pre-K seats for low-income families. In addition to the school districts, pre-K seats were also established in child care centers and charter schools.

Assemblywoman Spiegel said she understood the challenges associated with being in the middle of a contract year. She asked how the agency planned to spend the

additional funding by the end of the fiscal year given that the fiscal year was half over.

Ms. Oya said, in order to finish serving out the grant, most of the funding would go to the districts and child care programs to implement pre-K seats. Approximately $19 million in funding would be used to establish additional pre-K seats. In the request for extension that was submitted to the federal project officer, the agency included a few additional activities to be completed by the end of the year. She noted that the office was fairly conservative in the "ask" for the original extension, which included teacher scholarships, the B-3 project, etc. The federal project officer asked the agency to resubmit the no-cost extension asking for the full federal amount so that every federal dollar could be spent; therefore, the office needed every state dollar for the match. The agency had some projects scheduled to be implemented upon approval of the work program, such as new materials for classrooms that were part of the Preschool Development grant program. Additionally, internal coaches would be implemented to sustain quality instead of providing professional development training.

Assemblyman Sprinkle asked the agency to explain the process that would be utilized to ensure payments were correctly allocated between federal and state sources between the NDE and the Division of Welfare and Supportive Services (DWSS).

Andrea Osborne, Director of Fiscal Services, NDE, replied that NDE was working with the Department of Health and Human Services (DHHS) on the Child Care Development Funds grant. The NDE used a particular billing process to request funds monthly. She said the NDE would probably use a similar system for the Preschool Development grant. She clarified that the NDE would only request the state-fund portion of the grant.

Steve Fisher, Administrator, DWSS, DHHS, introduced Robert Thompson, Deputy Administrator, DWSS, DHHS.

Mr. Fisher said Work Program #C45586 was a request for authority to use $4.6 million in Temporary Assistance for Needy Families (TANF) grant funds to provide support for the Preschool Development program.

Senator Kieckhefer noted that the work program referred to new TANF funding. He asked if the funds were an additional allocation of TANF funds. Mr. Fisher replied that the funds were state maintenance of effort (MOE) General Fund dollars.

Senator Kieckhefer asked how the MOE funds would be used if not for the Preschool Development grant. Mr. Fisher replied that the MOE funds were typically used for cash assistance or to support the child care program within the DWSS.

Senator Kieckhefer asked if there was reduced need in those areas that freed up the funds for the Preschool Development grant. Mr. Fisher replied that the division had excess MOE dollars that could be used to backfill the $4.6 million that would be transferred to NDE. In addition, TANF currently had some reserves.

In response to a question from Senator Kieckhefer, Mr. Fisher said benefits would not be cancelled for anyone as a result of the funds transfer to NDE.

Chair Woodhouse asked the agency to elaborate on its concern in meeting the work participation rate (WPR) if TANF MOE dollars were used to match the Preschool Development grant.

Mr. Fisher said certain TANF recipients were required to participate in work requirements. Federal regulations required DWSS to meet two WPRs – the Two-Parent WPR, which was 90 percent, and the All-Family WPR, which was 50 percent. He said the division had not met the Two-Parent WPR since 2007. Additionally, the program had failed to meet the All-Family WPR since 2012. Consequently, the state accumulated approximately $19.4 million in penalties. As of September 30, 2018, the division calculated a caseload reduction credit of 22 percent. The caseload reduction could be applied toward the 2019 All-Family WPR, which meant the division would be required to meet an All-Family WPR of 28 percent rather than 50 percent. On average, the division met a WPR of about 36 to 37 percent annually; therefore, it would not be difficult for the division to meet the All-Family WPR in 2019. Knowing that, the DWSS would enter into corrective compliance with the federal government. By meeting the WPR in 2019, approximately $18 million in penalties would be eliminated, the state's penalty status would be removed and the DWSS would be able to reduce the required MOE from 80 percent to 75 percent. Mr. Fisher thanked Robert Thompson, Deputy Administrator, DWSS, DHHS, and his team for helping the TANF program make the aforementioned improvements.

Robert Thompson, Deputy Administrator, DWSS, DHHS, said all indicators showed that the division would meet the WPR. Upon doing so, the state would gain back $1.3 million in MOE dollars. Additionally, the DWSS had assembled a committee to solicit additional MOE funds from private and governmental entities. In the past, the division had not been able to account for the MOE funds, especially in Clark County. He stated that the committee had already begun reaching out to community partners. Mr. Thompson said the DWSS had many meetings with the Federal Administration for Children and Families, and the division was considering policy changes that should also help increase the WPRs. The division had seen a natural reduction in the TANF caseload due to the economy. He noted that the division did not have to buy down cases that dropped off naturally, and the caseload reduction credit of 22 percent would actually increase. However, if the Committee approved the division's $1.6 million request, the caseload reduction credit would decrease to 18.4 percent. With a reduction to 18.4 percent and a static WPR of 35 percent, the division would exceed 50 percent.

Agenda Item D-60 involved the allocation of block grant funds, which required a public hearing. Chair Woodhouse opened the public hearing. There being no requests to testify, Chair Woodhouse closed the public hearing.

ASSEMBLYWOMAN SPIEGEL MOVED TO APPROVE AGENDA ITEMS D-60 AND D-89.

SENATOR KIECKHEFER SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

RECLASSIFICATIONS

AGENCY	AGENCY/ ACCOUNT NUMBER	POSITION NUMBER	PRESENT CLASS, CODE, GRADE, SALARY	PROPOSED CLASS, CODE, GRADE and SALARY
Department of Business and Industry, Division of Insurance	741/3813	0061	Administrative Assistant 3 Code: 2.211 Grade: 27/01 Employee/Employer Paid Retirement $35,725.68	Compliance/Audit Investigator 2 Code: 11.365 Grade: 33/01 Employee/Employer Paid Retirement $45,810.72
Department of Tourism and Cultural Affairs, Nevada Arts Council	333/2979	0016	Cultural Natural Resource Specialist I Code: 7.858 Grade: 31/01 Employee/Employer Paid Retirement $42,094.08	Administrative Assistant IV Code: 2.210 Grade: 29/01 Employee/Employer Paid Retirement $38,774.16
Department of Employment, Training and Rehabilitation, Rehabilitation Division	901/3265	0065	Rehabilitation Technician II Code: 12.443 Grade: 27/02 Employee/Employer Paid Retirement $37,208.16	Program Officer I Code: 7.649 Grade: 31/02 Employee/Employer Paid Retirement $43,827.12

E. DEPARTMENT OF ADMINISTRATION – STATE PUBLIC WORKS DIVISION.

1. Request to modify the scope of CIP Project 17-M30, Replace Air Handling Units at Building 3, Lovelock Correctional Center, to increase the authority to receive and expend an additional $450,000 to address project shortfalls, pursuant to NRS 341.145(1)(f), and to transfer $450,000 from CIP Project 17-M10, Heating Water and Electrical Distribution System Replacement, Northern Nevada Correctional Center, pursuant to Section 34 of Senate Bill 546 of the 2017 Session, to fund the shortfall for CIP Project 17-M30.

   Ward Patrick, Administrator, State Public Works Division (SPWD), Department of Administration, introduced Kent Lefevre, Deputy Administrator, SPWD, Department of Administration.

Mr. Patrick said Agenda Item E-1 was a request to transfer $450,000 from CIP Project 17-M10, Heating Water and Electrical Distribution System Replacement, Northern Nevada Correctional Center (NNCC) to CIP Project 17-M30, Replace Air Handling Units at Building 3, Lovelock Correctional Center.

Mr. Patrick explained that volatility in steel and aluminum costs was driving the need for additional funding, because the primary components of air handling equipment were steel and aluminum. He noted that the project completion date was estimated for summer 2020.

In response to Assemblywoman Neal, Mr. Patrick replied that the project at NNCC in Carson City was 95 percent complete; however, there would still be adequate funding to complete the project after transferring $450,000 to CIP Project 17-M30 for the air handling unit project at Lovelock Correctional Center. He explained that cost estimates for the project at Lovelock Correctional Center indicated that additional funds were necessary to complete the job.

SENATOR KIECKHEFER MOVED TO APPROVE AGENDA ITEM E-1.

ASSEMBLYWOMAN BENITEZ-THOMPSON SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY. (Assemblywoman Jauregui was not present for the vote.)

2. Request to modify the scope of CIP Project 15-M38, Upgrade Basement Heating and Drainage Improvements, Nevada State Museum, Carson City, to increase the authority to receive and expend an additional $160,000 to replace a roof-mounted air-cooled chiller, pursuant to NRS 341.145(1)(f), and to transfer $80,000 from CIP Project 15-M30, Exterior Finishes, Lost City Museum, and $80,000 from CIP Project 15-M33, Security, Safety and Drainage Improvements, Nevada Historical Society Building, pursuant to Section 34 of Assembly Bill 491 of the 2015 Session, to fund the shortfall for CIP Project 15-M38.

   Mr. Patrick said the SPWD was requesting to modify the scope of CIP Project 15-M38, Upgrade Basement Heating and Drainage Improvements, Nevada State Museum, Carson City, to increase authority to receive and expend an additional $160,000 to replace a roof-mounted air-cooled chiller, and to transfer $80,000 from CIP Project 15-M30, Exterior Finishes, Lost City Museum, and $80,000 from CIP Project 15-M33, Security, Safety and Drainage Improvements, Nevada Historical Society Building, to fund a shortfall for CIP Project 15-M38. He noted that the chiller was 27 years old and had exceeded its useful life.

Assemblywoman Neal asked if there would be adequate funding to complete the exterior finish and drainage improvement projects after transferring the funds to CIP Project 15-M38 for the new chiller. Mr. Patrick replied that the exterior finish and drainage improvement projects were already complete.

Senator Spearman asked if energy efficiency or renewable energy improvements were incorporated into the chiller replacement project. Mr. Patrick said renewable resources would not be used for this particular project; however, the latest and most efficient technology would be used for the equipment installed at the Nevada State Museum in Carson City.

ASSEMBLYWOMAN BENITEZ-THOMPSON MOVED TO APPROVE AGENDA ITEM E-2.

SENATOR GOICOECHEA SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY. (Assemblywoman Carlton and Assemblywoman Jauregui were not present for the vote.)

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

Mr. Patrick noted that 18 items were included on the Project Exception Report. In recent months, the SPWD had been meeting with LCB staff to review the legal requirements of reporting. The division strove to exceed those requirements.

Mr. Patrick said the Project Exception Report included a series of electrical and HVAC projects and one exterior envelope project for the Nevada Youth Training Center (NYTC), which had been on hold. The SPWD anticipated altering the scope and transferring funds for some of the NYTC projects, which would likely be discussed at the January 2019 IFC meeting.

Mr. Patrick said, also within the Project Exception Report was an item for CIP Project 17-C05, the Speedway Readiness Center, Nevada National Guard. A favorable bid for the project was received in the past few months. He reminded the Committee that the division requested to defer a portion of the project scope to the 2019 CIP; however, that deferral was no longer necessary. It was necessary to get permission to defer critical items out of the project, but the division no longer anticipated a need to obtain IFC approval to defer the items to the 2019 CIP. The statutory requirements to expand a project scope were such that the scope needed to increase by 10 percent or more, but the scope for CIP Project 17-C05 was anticipated to increase by only 5 percent. Mr. Patrick said the schedule for CIP Project 17-C05 included contract approval by the Board of Examiners on January 15, 2019, and a notice to proceed with construction on January 21, 2019. The total cost of the project was approximately $37 million, and the completion date was anticipated for May 2020.

F. STATEMENT OF CONTINGENCY ACCOUNT BALANCE.

Mark Krmpotic, Senate Fiscal Analyst, Fiscal Analysis Division, LCB, referred to the Statement of Contingency Account Balance on page 309 in Volume II of the meeting packet (Exhibit B). The balance of the unrestricted portion of the General Fund was approximately $7.7 million prior to actions by the Committee today. If the pending requests in the amount of $5.6 million were approved, the balance would decrease to approximately $2.1 million. The balance of the Highway Fund portion was $1.6 million, and there were no requests before the Committee. The balance of the restricted portion of the General Fund was $16.4 million. There was one request before the Committee from the Department of Veterans Services in the amount of $900,000. If approved, the balance of the restricted portion of the General Fund would decrease to $15.5 million.

G. REQUESTS FOR ALLOCATION FROM THE IFC CONTINGENCY ACCOUNT (GENERAL FUND) PURSUANT TO NRS 353.268.

(Note: IFC may approve a different amount for an allocation than the amount requested).

1. Office of the Governor – Governor's Finance Office – Stale Claims Account – Request for an allocation of ~~$427,929~~ ***$890,000*** to replenish the Stale Claims Account created in NRS 353.097. **REVISED 11-28-18**.

   Paul Nicks, Acting Director, Governor's Finance Office (GFO), Office of the Governor, said the GFO was requesting to replenish the Stale Claims account in the amount of $890,000. The State Claims account was established in *Nevada Revised Statutes* 353.097. He noted that the Board of Examiners approved the original amount of $427,929 due to a potential Open Meeting Law violation that the Board of Examiners' Deputy Attorney General had raised. The Office of the Governor supported the adjustment if the Committee chose to approve the higher amount.

   > ASSEMBLYMAN SPRINKLE MOVED TO APPROVE AGENDA ITEM G-1 IN THE REVISED AMOUNT OF $890,000.
   >
   > SENATOR DENIS SECONDED THE MOTION.
   >
   > THE MOTION PASSED UNANIMOUSLY. (Assemblywoman Jauregui was not present for the vote.)

2. Department of Education – Request for an allocation of $114,425 to replenish the Contingency Account for Special Education Services created in NRS 388.5243. **RECEIVED AFTER SUBMITTAL DEADLINE, 11-21-18.**

   Will Jensen, Director, Office of Special Education, NDE, said Agenda Item G-2 was a request to replenish the legislatively created Contingency Account for Special Education Services to cover extraordinary costs associated with

delivering special education services. The requested amount of $114,425 would raise the balance to the $2 million threshold.

ASSEMBLYWOMAN BENITEZ-THOMPSON MOVED TO APPROVE AGENDA ITEM G-2.

SENATOR SPEARMAN SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY. (Assemblywoman Jauregui was not present for the vote.)

3. Department of Public Safety
   a) Division of Parole and Probation – Request for an allocation of $457,308 to cover costs associated with the Nevada Department of Transportation radio system upgrade.

      Sheri Brueggemann, Administrative Services Officer, DPS Director's Office, said the Division of Parole and Probation was requesting Contingency Account funds in the amount of $457,308 to cover costs associated with the development and implementation of the Nevada Shared Radio System upgrade.

      SENATOR GOICOECHEA MOVED TO APPROVE AGENDA ITEM G-3a.

      ASSEMBLYMAN SPRINKLE SECONDED THE MOTION.

      THE MOTION PASSED UNANIMOUSLY. (Assemblywoman Jauregui was not present for the vote.)

   b) Division of Emergency Management – Request for an allocation of $291,773 to cover projected costs associated with providing security during the upcoming New Year's Eve activities in Clark County.

      Justin Luna, Administrative Services Officer, Division of Emergency Management, DPS, said the division was requesting funds to support efforts to provide public safety and security for the Las Vegas New Year's Eve event.

      Assemblywoman Carlton recalled that the Nevada National Guard had provided security assistance in Clark County for New Year's Eve activities in the past. She asked the division to discuss how the increased involvement by the Nevada Natural Guard affected the security of Clark County during such events.

      Mr. Luna replied that the division coordinated assistance for Southern Nevada's New Year's Eve event for the past several years. In

2017, the division requested Contingency Account funds to support the increased security presence that was requested from Southern Nevada after the October 1, 2017, mass shooting in Las Vegas. Mr. Luna said it was his understanding that the New Year's Eve events in 2017 went smoothly. There was good collaboration, coordination and integration of the Nevada National Guard into the security presence for the event. He said Southern Nevada submitted a similar request for the New Year's Eve activities in 2018. Based on coordination efforts between Clark County, Las Vegas Metropolitan Police Department, the National Guard and other agencies, a certain level of support was requested. The Nevada National Guard created projections to meet that level of support, and the DEM was coordinating the funding request for those services.

Assemblywoman Carlton stated that the cost for those services was $152,000 in FY 2016 and $92,000 in FY 2017, but the cost increased to $310,000 in FY 2018 and decreased slightly to $291,000 in FY 2019. She asked if federal funds were available to assist with the costs.

Mr. Luna said the DEM did not anticipate federal reimbursement or any other type of reimbursement to cover the expenses. The costs were emergency mission-related expenses and not typically covered by a federal grant unless a federal emergency was declared. Mr. Luna said the division received increased Department of Homeland Security grant funding in the past year for the state and the Las Vegas urban area that could be used for preparation efforts, but not for emergency mission-related activities.

Assemblywoman Carlton said the presence of the National Guard was being requested from December 29, 2018, to January 1, 2019. She asked if December 29, 2018, was a travel day.

Mr. Luna replied that December 29, 2018, would be used partially for travel; however, the majority of the day would be spent in pre-event planning meetings. Although the leadership teams from all the various agencies had been meeting for several months to plan the event, it was important that the security personnel from the National Guard were in place for pre-planning efforts onsite where they would be assigned, and also to provide security and assistance for guests arriving a few days before the event.

In response to a question from Senator Spearman, Mr. Luna replied that the Department of Homeland Security grant funds were permitted for use in planning and training; exercising certain organizational elements related to Department of Homeland Security work; and for equipment purchases. He indicated that the grant funds could have been used for the planning and training for the New Year's Eve event as well as new equipment that was purchased to support the event. He said Clark County submitted a request through the DEM to obtain additional security support for the event. The

Department of Homeland Security grant funds could not be used specifically for a mission-related event; therefore, the division was requesting Contingency Account funds to support the activation through the Governor's authority of the Nevada National Guard to support Southern Nevada for the event.

Senator Spearman stated that most of the National Guard units were in heavy rotation. She wondered how long the National Guard personnel assigned to the New Year's Eve event had been back from deployment, and how soon until they were deployed again following the event.

Assemblywoman Benitez-Thompson said the additional security for the New Year's Eve event in Clark County was for the areas around the Tropicana, Flamingo, Harmon, Spring Mountain and Fremont. She noted that a special tax assessment was instituted in those areas for additional police presence. It was a well-populated area with a significant amount of income. The boundaries for the tax assessment were designed to capture that revenue for the specific purpose of providing additional police presence along that corridor. Assemblywoman Benitez-Thompson said she agreed it was necessary to have the National Guard's presence for the New Year's Eve event; however, she wondered if the state could be reimbursed a portion of the costs.

Mr. Luna replied that Clark County indicated that the request was for additional assistance. The county certified that existing financial and/or physical resources were insufficient for providing support to local law enforcement and other emergency responders for the event. He said a multitude of local law enforcement and emergency response agencies were supporting the events. The Nevada National Guard was requested to provide additional support. Mr. Luna said the DEM had not explored the possibility of reimbursement from the local jurisdictions, because of the request for additional assistance and the certification that the costs exceeded the financial abilities of the county.

Assemblywoman Neal said, when the most recent round of funding was approved for increased police presence in Las Vegas, discussion was centered on increased risk, terrorism, etc. She stated that the Legislature would not readdress that particular funding until FY 2025. She asked if Clark County provided the division with its current budget showing a deficiency in funds. Additionally, the division indicated it did not want to request reimbursement from the county or local municipalities; however, the request originated from Clark County.

Continuing, Assemblywoman Neal said Clark County was denied Department of Homeland Security grant funds for the purchase of six armed vehicles. She asked why the funding was denied.

Mr. Luna said he was unfamiliar with the details of the funding for additional police presence in Las Vegas; therefore, he could not speak to the approved uses for funding. He asked for clarification regarding the armed vehicles request.

Assemblywoman Neal said a request form was included in the backup documentation provided by the DEM (page 335, Exhibit B). She said the form specifically requested armed vehicles from December 31, 2017, through January 3, 2019. She said it appeared the vehicles would be used for several New Year's Eve events. Assemblywoman Neal asked why Clark County would not be responsible for the money and the reimbursement.

Mr. Luna thought Assemblywoman Neal was referring to the National Guard personnel that would be assigned to the identified locations. He explained that National Guard personnel would be armed and would have wheeled vehicles as transportation. He said the vehicles were the property of the Nevada National Guard and would be used to transport National Guard personnel for the mission. Mr. Luna clarified that the vehicles would not be provided to Clark County or the Las Vegas Metropolitan Police Department.

Assemblyman Roberts said it was his understanding that the New Year's Eve event in Las Vegas was elevated from a Special Event Assessment Rating (SEAR) 2 to a SEAR 1, which was one of the highest profile events in the country. He asked the division to discuss the threat change in Las Vegas over the last few years, and whether the need for additional security for New Year's Eve was necessary.

Mr. Luna said it was his understanding that the SEAR rating was raised to a SEAR 1 for the 2017 New Year's Eve event, because it was shortly after the October 1, 2017, mass shooting in Las Vegas. He thought the rating was lowered to a SEAR 2 for the 2018 New Year's Eve event. Mr. Luna said he was not qualified to assess the threat level for the event. The threat level was usually left to the tactile and planning elements for the local jurisdictions.

Assemblywoman Carlton said the Committee realized the importance of the New Year's Eve event in Las Vegas. People travelled great distances to celebrate the new year in Southern Nevada. It was important to ensure that residents and visitors were safe and comfortable. Assemblywoman Carlton said she understood the need to partner with different agencies to ensure that well-trained security personnel were available for the event.

Assemblywoman Carlton said it may be necessary to have further discussion about the availability of resources and cost sharing. Although the cost of additional security in Las Vegas was not significant, the state wanted to be fair to all the counties. For example, if Washoe or another county asked for

similar support for a large event, the Committee would have to consider it in the same manner as the Clark County request.

ASSEMBLYMAN ROBERTS MOVED TO APPROVE AGENDA ITEM G-3b.

SENATOR CANNIZZARO SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY. (Assemblywoman Jauregui was not present for the vote.)

4. State Department of Conservation and Natural Resources – Division of Forestry – Request for an allocation of $3,837,742 to fund emergency response expenses.

   Kacey KC, State Forester Firewarden, Division of Forestry (NDF), DCNR, introduced John Christopherson, Deputy Administrator, NDF, DCNR, to provide an update from the October 24, 2018, IFC meeting.

   John Christopherson, Deputy Administrator, NDF, DCNR, said the division was requesting an allocation from the Contingency Account of $3,837,742 to pay for known fire bills to date and to cover projected expenses for emergency responses through April 2019. The projection was based on actual expenses for the same period in 2017, because the fire seasons were similar.

   Mr. Christopherson said the fire activity in the state, particularly that of large fires had diminished greatly since the October 2018 IFC meeting. Approximately nine fires had occurred, none of which grew significantly in size. The extended forecast was for normal fire weather, with continued reduced fire activity; although there was always a chance for increased fire activity if Nevada sustained any dry spells and periods of high winds. Mr. Christopherson said that was contrary to what California experienced recently with two very devastating fires - the Camp Fire and the Woolsey Fire. In response to a Governor-to-Governor request from California, the NDF sent 20 career staff to respond to those two fires. The division sent 16 fire staff, 88 inmate firefighters and 6 Nevada Department of Corrections custody officers to the Camp Fire, and 6 fire staff and a fire engine to the Woolsey Fire. He said the assignments ranged in length from 8 to 14 days. All personnel had since returned to Nevada. Mr. Christopherson said the state transitioned from fighting fires to repairing the damage caused by suppression efforts and rehabilitating landscape in need of attention following the burn.

   Chair Woodhouse said the Committee was aware that the NDF was doing everything possible to receive reimbursements. She said the 2019 Legislature might need to reassess the division's budget to reduce the likelihood of future shortfalls.

ASSEMBLYWOMAN SWANK MOVED TO APPROVE AGENDA ITEM G-4.

SENATOR KIECKHEFER SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY. (Assemblywoman Jauregui was not present for the vote.)

H. REQUEST FOR ALLOCATION FROM THE IFC CONTINGENCY ACCOUNT (GENERAL FUND) PURSUANT TO ASSEMBLY BILL 518, SECTION 50 (1) (2017 Legislature) (Note: IFC may approve a different amount for an allocation than the amount requested). Nevada Department of Veterans Services – Northern Nevada Veterans Home Account – Request for an allocation of $909,984 for vendor services related to contracting with a health management company to operate the home.

Katherine Miller, Director, Department of Veterans Services (NDVS), said the department was requesting an allocation from the Contingency Account for vendor services at the new Northern Nevada State Veterans Home (NNSVH).

Ms. Miller said, during the 2017 Legislative Session, the Governor proposed a $7.4 million appropriation for the NNSVH for FY 2019 operating costs. The NNSVH would eventually operate without General Funds; however, the home would require General Fund support for the first two to three years. Based on the recommendation of the Joint Subcommittee on Public Safety, Natural Resources and Transportation, the 2017 Legislature approved a total appropriation of $7.4 million for FY 2019, of which $5.3 million went directly into the NDVS budget and $2.1 million was placed in the Contingency Account. Ms. Miller said the NDVS was directed to approach the IFC in FY 2019 with a plan for utilizing the funds, if needed.

Continuing, Ms. Miller said the NDVS developed a work program to request funds from the vendor cost set aside. The work program identified $909,984 for the vendor, Avalon Care Center (Avalon), to operate the home, which would reduce the set aside in the Contingency Account to approximately $1.19 million. She said there was the potential for additional vendor costs to be identified during the equipping and certification phase. The completed home would be certified by the Centers for Medicare and Medicaid Services (CMS) and the U.S. Department of Veterans Affairs. Historically, when a new home was built, issues were discovered during the certification process. The department hoped to minimize the number of issues.

Ms. Miller said the SPWD was reviewing all of the furniture, fixtures and equipment (FF&E) required for the NNSVH. As a result, it was possible that some of the items included in the work program qualified as FF&E. If there was funding in the FF&E account, the items may be transferred. However, the department submitted what it believed to be required.

Ms. Miller said there were still some unknowns regarding project costs. She urged the Committee to approve the work program for $909,984 and consider holding the remaining $1.19 million at least through the completion of construction, equipping and certification to allow for margin of error. She emphasized that all of the work program costs were required for the vendor to operate the home. Ms. Miller said there would not be duplication in contracting and procurement between the NDVS and SPWD.

Assemblywoman Titus noted that Avalon would manage and operate the facility. She asked if the cost included nurses, aides and other staff. Ms. Miller confirmed that the cost for management and operation of NNSVH included staffing and other costs, such as supplies, mental health, transportation, etc.

In response to Assemblywoman Titus, Ms. Miller replied that the home would be certified by the end of April 2019. She said 25 veterans would reside in the home between January and April 2019; however, the residents would not pay until the home was certified. She said the department did not anticipate receiving revenue until approximately May 1, 2019. Given the market, all 96 beds could be filled the first day; however, revenue would be delayed until staff was trained and the home was certified.

Continuing, Ms. Miller said the requested funds would be adequate through the end of FY 2019. A large portion of the funds would be used for one-time expenses, such as blood pressure machines; however, staffing costs would remain consistent. Expenses would be less in subsequent years and revenue would start flowing. Avalon believed the home would be independent of General Funds within two years, but the department estimated three years as a precaution. She said the NDVS would request General Fund support for the home during the 2019 Legislative Session, followed by a much smaller funding request, if any, during the 2021 Legislative Session. Ms. Miller said the department considered dozens of management companies prior to selecting Avalon. She said Avalon had a tremendous health care record and great business practices. She noted that all of Avalon's facilities in Utah were rated five-stars.

In answer to a question from Assemblywoman Titus, Ms. Miller confirmed that Avalon was a for-profit entity. She said certain stipulations were included in the four-year contract, one of which was the rate. The rate was at least half the cost of the surrounding areas, which was very good for veterans. The contract also included requirements by the Veterans Administration. She said a four-year contract would allow the Legislature and Governor time to determine if employing a management company to run the veterans homes was the appropriate decision. Hiring Avalon to open the NNSVH quickly and help it become self-sufficient was a good choice. Ms. Miller said it took ten years for the Southern Nevada State Veterans Home to become independent of General Funds, which was too long. She reiterated that NNSVH would be operational and independent of General Funds within three years.

Assemblywoman Carlton said she was concerned that the employees at NNSVH would not be state employees. There were instances in the past when private companies were hired to run various institutions with unfortunate results. She recalled horrific pictures and

terrible incidents that occurred at institutions that were managed by a private company, and no one wanted that to happen at NNSVH. Assemblywoman Carlton requested that the NDVS provide the Committee with regular updates about Avalon and NNSVH. She wanted to ensure that the management company did not cut corners in order to have enough funds to operate. Assemblywoman Carlton reiterated that she had serious concerns about NNSVH being a privatized home and without state employees to monitor the situation.

Ms. Miller noted that a stipulation of the grant funds, per the Veterans Administration, was that a State Officer must be onsite at the NNSVH. The State Officer was responsible for regularly reviewing the business processes and quality of health care in the home. In addition, the NNSVH would be inspected by CMS and the Veterans Administration. Ms. Miller said she shared the concerns expressed by Assemblywoman Carlton, and the home would be under constant watch. Avalon, with 76 homes, was very concerned about its professional reputation. She said Avalon had been on board for about three months, and representatives were in Nevada evaluating the facility every week. Avalon had a wealth of experience and provided recommendations that helped the state avoid future costs. Ms. Miller said she was feeling hopeful, but agreed that the state needed to keep a careful watch on all operations at NNSVH.

Senator Spearman asked how many veterans would be employed at NNSVH, and what recruitment and retention plans were in place to increase that number. Many veterans had skillsets comparable to those required at veterans homes. She wanted to ensure that Avalon was considering local hires, specifically, veterans and National Guard members with appropriate skillsets, even if the work was part-time or seasonal. Senator Spearman said there was concern about the suicide rate among National Guard personnel, which was often directly related to lack of economic and employment support upon returning from deployment. She noted that the most recent suicide was just over a week ago.

Ms. Miller noted that the NNSVH administrator, Mike Ball, was a veteran. She said Avalon had a veteran-first hiring policy; therefore, a veteran would be hired if they were qualified and eligible for the position. The NDVS was in partnership with the UNR School of Medicine and the Veterans Administration Hospital to bring in nurses and doctors on rotation. She said she would speak to General Burke to see how the department could be more supportive of the employment needs of National Guard members and their families.

In terms of recruiting transitioning veterans, Ms. Miller said she intended to post recruitment notices in the Army and Navy nursing journals to encourage veterans to come to Nevada. However, she wanted to ensure that job opportunities for health care providers were made available first to veterans located in Nevada. There was a great need for health care workers in the state so the department was looking to attract veterans to Nevada to work at NNSVH.

Ms. Miller commended the efforts of the DHHS Office of Suicide Prevention and its work with veterans. She noted that even one death by suicide was too many. According to the Veterans Administration, Nevada was the only state in 2017 to experience a slight decrease in veteran suicides. Ms. Miller thought that was due to increased awareness of suicidality throughout the state.

Chair Woodhouse asked the department to discuss the potential for FF&E overlap between the SPWD and NDVS. Ms. Miller replied that the department met daily with Ron Crook, Project Manager, SPWD, and the budget was scrutinized line-by-line. She said she was certain there would be no overlap of FF&E items. As items were discovered, it was immediately determined whether the cost was related to operations or FF&E.

Chair Woodhouse requested that the department notify staff if any FF&E overlap was discovered. Ms. Miller agreed.

Assemblywoman Benitez-Thompson said many state contracts could be renewed by an amendment, without the need for another request for proposal or a hearing. Consequently, many contracts were ongoing without further review. She asked if the Avalon contract could be renewed automatically through an amendment.

Continuing, Assemblywoman Benitez-Thompson said, as a state legislator, it was frustrating to see potential state jobs contracted out. The trend in health care was that the margins were built on the backs of the hardest working people, such as certified nursing assistants, who did not earn a retirement. They generally earned a low wage and had a high deductible health care plan. It was difficult to determine the quality of those jobs, because personnel details were usually proprietary information. Assemblywoman Benitez-Thompson said she would feel more comfortable about the Avalon contract if specifics such as wage information were made available.

Ms. Miller confirmed that the length of the Avalon contract was four years. She did not think the contract included a rider allowing it to continue beyond that timeframe; however, she would confirm the information and provide it to the Committee. Even if there were a rider, the state would reevaluate the contract after four years, because the NNSVH was managed by an outside contractor while the Southern Nevada State Veterans Home (SNSVH) was managed by the state. She said the department employed a contractor for NNSVH to get the home operating quickly; however, the state would have an opportunity to assess the situation in four years to determine which practice was better for the state. Ms. Miller said SNSVH was a five-star facility. She was convinced that both homes would be five-star facilities by the end of the contract period, because all of the homes managed by Avalon were five-star facilities. She said it was not a matter of quality of care, but rather, which management type was best for employees.

Ms. Miller offered to pose questions to Avalon on behalf of the Committee and see what information the company would provide. She thought Avalon would be more amenable to answering questions at the end of the contract term when the contract was at stake, if the company was unwilling to provide information now.

Assemblyman Sprinkle said, keeping in mind the concerns and questions expressed by the Committee, NNSVH was in his district, and he was happy to support it.

ASSEMBLYMAN SPRINKLE MOVED TO APPROVE AGENDA ITEM H.

SENATOR SPEARMAN SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY. (Assemblywoman Jauregui was not present for the vote.)

Ms. Miller noted that the formal ribbon cutting for the home was scheduled for December 17, 2018, at 6:00 p.m. The NNSVH was located at 36 Battle Born Way in Sparks. Tours of the facility would be available beginning at 4:30 p.m. She noted that more than 70 volunteers would be helping with the event. Ms. Miller thought it would be an exciting evening.

I. REQUEST FOR APPROVAL OF EXPENDITURES FROM THE FUND FOR NEW CONSTRUCTION OF FACILITIES FOR PRISON INDUSTRIES PURSUANT TO NRS 209.192. (Note: IFC may approve a different amount of the expenditure than the amount requested). Department of Corrections – Prison Industries – Request for an allocation of $233,315 to cover the cost of additional equipment and startup expenses for the expansion of the prison ranch operations.

Bill Quenga, Marketing Coordinator, Prison Industries, Department of Corrections (NDOC), introduced Justin Pope, Ranch Manager, NDOC, and Diane Dastal, Chief Financial Officer, Prison Industries, NDOC.

Diane Dastal, Chief Financial Officer, Prison Industries, NDOC, said Prison Industries was required to obtain approval for expenditures from the Prison Industries Capital Improvement Fund from the Committee on Industrial Programs, the Board of Examiners and the IFC per NRS 209.192. She said the new equipment would assist with providing more jobs for offenders, who would be trained on the new equipment. She noted that Prison Industries was completely self-funded. She stated that the Committee on Industrial Programs and the Board of Examiners had already approved the request.

SENATOR PARKS MOVED TO APPROVE AGENDA ITEM I.

ASSEMBLYWOMAN TITUS SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY. (Assemblywoman Jauregui was not present for the vote.)

J. STATE DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES – DIVISION OF STATE LANDS – Request for approval to exchange land between the State Land Registrar and the Board of Regents, Nevada System of Higher

Education on behalf of the University of Nevada, Reno (UNR) pursuant to NRS 323.100.

Charlie Donohue, Administrator, Division of State Lands, DCNR, said he also served as the State Land Registrar. He introduced Peter Barton, Administrator, Division of Museums and History, Department of Tourism and Cultural Affairs.

Mr. Donohue said Agenda Item J was a request to exchange state-owned land with land owned by the University of Nevada, Reno (UNR). The exchange involved what was commonly known as the UNR Warren Nelson Building, located on 2nd Street in downtown Reno, with the Nevada Historical Society Building, which occupied a portion of the UNR campus, as well as bundling some undeveloped portions of state-owned land adjacent to the UNR campus and some cash from the Division of Museums and History.

Assemblywoman Carlton said it was her understanding that the Nevada Historical Society would be relocated to another building, but because the dollar amounts were not equal, two additional pieces of land were included in the exchange. She thought it was a complicated arrangement. She asked how the two agencies decided on the current agreement.

Mr. Donohue said NRS 323 afforded the State Land Registrar the ability to combine multiple parcels of land to reach an equitable, balanced transaction. The Warren Nelson Building was appraised at $4.5 million, and the Historical Society Building was appraised at $2.85 million. Statute required the State Land Registrar not to exceed a balancing with cash in excess of 25 percent. The gift donations secured by the Division of Museums and History, without the undeveloped parcels of land, would have exceeded 25 percent. He said UNR was interested in the state-owned parcels of land for future development needs. The parcels of land had an appraised value of $876,375, with no development plans by the state, so they were bundled with the Historical Society Building to reduce the cash contribution to less than 25 percent. Ultimately, the cash contribution was approximately 17 percent, or $773,625.

Assemblywoman Carlton said the agencies were requesting the transfer shortly before the 2019 Legislative Session. She said the transaction had many layers and should be included in the universal CIP discussion. Assemblywoman Carlton asked why the request could not wait until the 2019 Legislative Session.

Mr. Donohue said he would not characterize the transaction as a rush. He said the Division of Museums and History, the Division of State Lands and UNR had been in discussions since approximately July 2017.

Assemblywoman Carlton said there were a lot of moving parts to the transaction, which may require additional asks during the 2019 Legislative Session and the 2020-21 Interim. She thought it would be better to have a global discussion during the 2019 Legislative Session to determine exactly what the state's commitment would be in the future.

Mr. Donohue noted that the escrow process for the transaction was extended to March 31, 2020. Escrow may close prior to that date, but the extended date acknowledged the agreement had multiple facets. A primary reason for extending escrow to March 2020 was that UNR had to develop a parcel map in conjunction with the Division of State Lands to carve out the undeveloped portions, which was taking a significant amount of time to move through the local jurisdiction's process. The UNR building was currently 25 percent occupied, so heating and cooling needed to remain operational. The Historical Society Building was also occupied. He indicated that some of those costs would translate between UNR and the Division of Museums and History.

Senator Kieckhefer thought the property exchange made sense. The university would be able to consolidate land on its campus, and the state would be able to vacate a building it no longer wanted to occupy. However, he was concerned about the future maintenance needs of the Warren Nelson Building, which was 70 years old. He recalled that the agreement indicated the state would receive a Facility Condition Analysis report prepared by UNR Facility Services. Senator Kieckhefer asked if the Facility Condition Analysis report had been completed. He asked if the building would require a major overhaul to meet the needs of the Division of Museums and History. He said limited CIP funds would be available, and it was unlikely the division would receive CIP funds for the Warren Nelson Building. Senator Kieckhefer asked if the division would be able to occupy the building sufficiently without the need for additional funds from the state.

Peter Barton, Administrator, Division of Museums and History, Department of Tourism and Cultural Affairs, said it would be disingenuous to say that the division had all the answers in terms of future costs to fully realize the benefits of relocating to the Warren Nelson Building. He said the Historical Society would close for six to eight months to pack and relocate to the Warren Nelson Building. The first priority of the Historical Society was to restore the Research Library function, which was the most popular and most utilized public program. Subsequently, exhibit galleries would be restored to their current configuration in phases. As the division developed additional resources, visioning efforts to fully realize the benefits of the Warren Nelson Building would occur followed by a private fundraising capital campaign. Mr. Barton anticipated there would be additional costs to the state, because the Historical Society would be relocating from a 23,000 square foot building to a building that exceeded 56,000 square feet. He said the larger building would allow the division to consolidate collections that were currently stored in three offsite locations, for which the division paid rent. The Division of Museums and History was also exploring potential partnerships with other divisions within the Department of Tourism and Cultural Affairs (DTCA) that had leases expiring within the next year. The Warren Nelson Building would allow some of the DTCA divisions to consolidate and create a constellation of cultural entities within the building, which was good for Reno and the sustainability of the Historical Society.

Mr. Barton said the Warren Nelson Building was constructed in approximately 1960 and served as the production plant for the Reno Gazette-Journal for a number of years before UNR took occupancy. He said both entities were aware of the maintenance needs of the

buildings. The fact that the Warren Nelson Building remained occupied spoke well of its condition. Additionally, the building was used for various child and adult care programs, which indicated that the building met current code requirements.

Senator Kieckhefer said, as he understood it, the earliest the division would request additional funds from the Legislature would be during the 2021 Legislative Session. Mr. Barton replied that escrow would close on or before March 31, 2020. In a separate transition agreement drawn up by the Division of State Lands, the Historical Society would have 12 months to relocate. At the very latest, the Historical Society had until March 2021 to relocate.

Senator Kieckhefer asked if any lease or rental fees were associated with the transition agreement. Mr. Donohue said the agencies still needed to negotiate lease or rental fees. It was not yet determined how much time the Division of Museums and History would need to transition to the new facility. He said UNR staff may still be occupying the building, so storage fees or a lease agreement may be necessary.

Senator Kieckhefer asked if the Division of Museums and History had adequate resources to serve its mission over the next two years if the Committee approved the request.

Mr. Barton thought the division had adequate resources to serve its mission. The division had approximately $1.8 million in private funds available, of which $800,000 would be used for the equalization of cost on the exchange. Currently, additional funds were available within those private sources to execute the move and restore services in the building without further cost to the state.

Assemblywoman Swank asked what would become of the current Historical Society Building. She said it appeared the building was constructed in the 1960s or 1970s, and it was architecturally significant. She noted that UNR indicated the building would be retained and included in the expansion of the campus master plan. Assemblywoman Swank said UNR did not have a good track record for retaining old and historic buildings on campus. She wanted reassurance that the Historical Society Building would be retained. She also asked what the future plans were for the building.

Vic Redding, Vice President of Finance, UNR, confirmed that the university was excited and anxious to use the Historical Society Building in its current state. One of the largest bottlenecks on campus was office space. Over 22,000 square feet of the building could be remodeled to accommodate up to 70 staff. The building could house a fast-growing academic department; however, it would most likely be used for back office functions. By using the building to consolidate back office staff across campus, other office space in the core of campus would become available for academic departments. Ultimately, the current architectural design of the building would be preserved with only minor internal remodeling to accommodate cubicles and offices.

Assemblywoman Swank encouraged UNR to retain the historic homes on campus for office space and academic departments instead of demolishing them. She said she

completed her doctorate at Northwestern University, where many academic departments were housed in historic homes. She said there were many great uses for historic homes, and UNR would do well to look at ways to use them for office space and academic departments.

Assemblywoman Benitez-Thompson said what she liked most about the proposal was the idea of the Historical Society being located in a more populated area. A lot of time and effort had gone into refurbishing the downtown area to a place where families could enjoy spending time. Assemblywoman Benitez-Thompson said she had not been inside the Historical Society Building in years, because it was inaccessible and parking was inconvenient. She liked the idea of the Historical Society relocating to the Warren Nelson Building, because the location was likely to attract more visitors and it was closer to the Nevada State Museum. She also thought the Historical Society would experience more foot traffic during Art Town in July. Assemblywoman Benitez-Thompson said she would like to see the Historical Society participate in Art Town events.

Assemblywoman Benitez-Thompson said it appeared the state could withdraw from the agreement if substantial changes were made. She was not concerned about the division's ability to raise funds for the Historical Society, because museum fundraisers were typically successful. She said it made her happy to see people supporting the arts and museums, especially in Northern Nevada. Overall, the arrangement seemed mutually beneficial for all parties involved.

Chair Woodhouse said she appreciated the division's ability to think outside the box. In time, she thought it would be a good move; however, she was concerned about making such a decision six weeks before the 2019 Legislative Session. She was also concerned about where the project ranked on the CIP list. Chair Woodhouse thought the item should be deferred to the 2019 Legislative Session for further discussion in order to make the best decision possible.

Agenda Item J was deferred to the 2019 Legislative Session.

K. REQUESTS FOR APPROVAL TO ACCEPT GIFTS AND GRANTS PURSUANT TO NRS 353.335.

1. Department of Education – Request for approval to accept the donation of $6,000,000 from Tesla, Inc. to support the initiative for Robotics, STEM and sustainability education programs.

   Steve Canavero, Superintendent of Public Instruction, NDE, said, in July 2018, the State Board of Education (Board) accepted $1.5 million of the total $37.5 million committed by Tesla, which would be received in increments of $7.5 million over the course of five years. At the October 2018 State Board of Education meeting, the Board approved the remaining $6.0 million for FY 2019. The NDE was requesting the Committee's approval to accept the funds on behalf of the Board. Mr. Canavero introduced Chris Reilly, Workforce Development and Education Programs Coordinator, Tesla, to provide an update.

Chris Reilly, Workforce Development and Education Programs Coordinator, Tesla, said Tesla committed to investing $37.5 million into Nevada K-12 education programs beginning in July 2018. Over the past two years, Tesla had been working to determine the best way to collaborate with the schools, districts and NDE to make the investment impactful. It was also an opportunity for Tesla to be uniquely involved from a volunteer infrastructure. The focus on the investment was directed at the acceleration of robotics and sustainability programming across all levels of education in the state, looking through the lens of directly supporting the next generation of engineers in Nevada, and Tesla's direct involvement. Mr. Reilly said Tesla established a variety of ways to measure the success of the investments in partnership with the NDE. In July 2018, Tesla announced nine entities that would receive the initial investment of $1.5 million. Each of those investments had quarterly reviews and continuation of funding. Tesla regularly reassessed how to make the investments more impactful for Nevada communities. He said Tesla would distribute new investments every quarter to ensure a consistent effort. Tesla would continually update the investments based on the changing needs of communities.

Mr. Reilly said the investments were divided into four categories.

- Innovative programming for established Nevada programs, and bringing new programs into the state.
- Teacher development opportunities and empowering teachers in new Nevada industries.
- Working with district and school infrastructure regarding opportunities to support the growth of the programs from the perspective of space and community.
- Pathways to Employment, which focused on new Nevada industries and preparing students for careers in those industries.

Mr. Reilly said Tesla was currently focusing on how to establish a robotics program at every Nevada school. He noted that more than 70 new robotics teams had been established across the state since July 2018, and more than 70 teachers were trained in conjunction with the establishment of those teams. Tesla launched the Girls in STEM Camp for middle school girls across the region and in partnership with Sierra Nevada Journeys and the Girl Scouts of the Sierra Nevada. Tesla was also researching ways to inject more energy and sustainability in the curriculum. Mr. Reilly said Tesla would continue to expand all of those programs.

Mr. Reilly said Tesla would continue investing the initial $7.5 million every quarter through July 2019. Tesla would announce additional investments soon. Any groups interested in collaborating with Tesla were encouraged to provide a short summary to educationprograms@tesla.com. Mr. Reilly said there had been many meetings over the last couple of years as ideas were developed. Programs

were instituted at Legacy High School, and Assemblyman Thompson was considering opportunities at Reed High School. He said Tesla wanted the investments to be a statewide initiative. He said Tesla had more than 1,000 employees in Las Vegas and over 7,000 employees at the Gigafactory in Northern Nevada. By that combination of creating a financial investment and a volunteer infrastructure, Tesla thought it would have a lasting impact on the state.

Assemblywoman Carlton recalled a previous discussion about the programs that began in July 2018. She asked for details regarding how the $6.0 million would be expended. She also asked how the programs would be sustained.

Mr. Reilly said the initial $1.5 million was distributed among nine organizations. The first two investments were FIRST Nevada and the Robotics, Engineering and Competition Foundation for $315,550 and $127,100, respectively. The investments were for the purpose of establishing an infrastructure for robotics programs at every school in Nevada. Tesla approached it from a pipeline perspective, where a small cohort of high schools were selected in conjunction with the districts; every high school chose one or two feeder middle schools; and every feeder middle school chose one or two feeder elementary schools. Either FIRST Robotics or VEX Robotics was selected for each school district based on the comfort level of that district. A matching tool was used to determine the most effective starter program for each district.

Mr. Reilly said the next investments were focused on teacher training and development in partnership with Desert Research Institute. Investments with the University of Nevada, Reno (UNR) and University of Nevada, Las Vegas (UNLV) for the purpose of teacher training and education would be announced by Tesla in the future. He said the second largest investment to which Tesla would contribute was teacher training for the long term.

Tesla also had a series of other programs, but with each of those programs, infrastructure was required; therefore, Tesla grant-funded positions in Washoe County School District and Clark County School District to support the 17-district statewide rollout of the initiative. Both of the positions were funded with $50,000 grants as part of the initial $1.5 million.

With regard to sustainability, Mr. Reilly said Tesla was considering a full energy curriculum. As part of the metrics, Tesla was also considering the long-term viability of each program. Each individual five-year investment had a five-year trail. For example, a FIRST Robotics team may receive a large amount of support in year one, begin a fundraising business plan in year two, and then gradually become independent over the next few years in partnership with the schools. Mr. Reilly said Tesla was being very transparent with NDE concerning each of the investments.

In answer to a question from Assemblywoman Carlton, Mr. Canavero replied that a firm spending plan and a continuation of the investments and grants were in place. There was also room for flexibility as NDE continued to learn and priorities were developed based on feedback received by Tesla. He said Tesla and the other entities helped the Board direct the investments. Mr. Canavero reassured the Committee that there was a firm commitment and plan for expending the funds, but the plan was flexible enough to account for challenges and new ideas.

Assemblywoman Carlton asked the department to keep the Committee apprised of how the funds were allocated. She said the investments would have a different impact on each district, so it would be helpful to know how the funds were being expended.

Chair Woodhouse asked if Tesla was working with the STEM Advisory Council. If not, she recommended doing so, because she thought there should be synergy between the entities.

Mr. Reilly said Tesla had been in contact with Brian Mitchell within the Governor's Office of Science, Innovation and Technology as well as the STEM Advisory Council. One of Tesla's goals was to open source everything the company was doing in regard to education. Tesla's goal was to expand the investments beyond Tesla, because the impact on education was important. He thought it would be exciting for Tesla to share the efforts with other entities, including the STEM Advisory Council. One of Tesla's Nevada foundations recently made an investment in the Office of Science, Innovation and Technology, which aligned with Tesla's investment. He said it was important to make a larger financial commitment across several areas in the community.

ASSEMBLYWOMAN CARLTON MOVED TO APPROVE AGENDA ITEM K-1.

SENATOR DENIS SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

2. Department of Public Safety – Division of Emergency Management – Request for approval to accept of Federal Emergency Management Agency grant funding of $3,815,733 in Fiscal Year 2019 to cover emergency response and recovery costs associated with the February 2017 Northern Nevada flood events.

   Justin Luna, Administrative Services Officer, Division of Emergency Management (DEM), Department of Public Safety (DPS), said the DEM was requesting approval to receive additional Federal Emergency Management Agency (FEMA) grant funds to pass through reimbursements for eligible costs for jurisdictions affected by the February 2017 winter flood events.

ASSEMBLYMAN SPRINKLE MOVED TO APPROVE AGENDA ITEM K-2.

SENATOR PARKS SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

L. COMMITTEE ON INDUSTRIAL PROGRAMS – Semiannual report on the status of current and proposed industrial programs for correctional institutions, pursuant to NRS 209.4818.

Kristina Shea, Program Analyst, Fiscal Analysis Division, LCB, referred to the report on page 391 in Volume II of the meeting packet (Exhibit B). Ms. Shea served as staff for the Committee on Industrial Programs.

Ms. Shea said the Committee on Industrial Programs met on a quarterly basis. The semiannual report was for meetings held through September 21, 2018, and contained the status of current and proposed industrial programs for the correctional institutions.

The Prison Industries financial statements for FYs 2015 through 2018 were located on page 391 in Volume II of the meeting packet (Exhibit B). At the end of FY 2018, Prison Industries had an ending cash balance of $3.8 million and a combined net operating profit of $509,345. Five of the six state-sponsored Prison Industry programs generated net profits. The Auto and Upholstery Shop incurred a net loss due to the sale of two motorcycles for a loss. A summary of the individual state-sponsored programs and their net income was located on page 392 in Volume II of the meeting packet (Exhibit B).

Ms. Shea said in September 2018 the Prison Ranch housed approximately 880 horses with a maximum capacity of 2,000 horses. The agency indicated that the intention was to reach full capacity by the end of calendar year 2018.

With regard to inmate employment, Ms. Shea said the average number of inmates employed in FY 2018 was 494 inmates, which was an increase of roughly 6.2 percent compared to 465 inmates in FY 2017. Wage assessments at the end of FY 2018 generated $456,883. A breakdown of room and board and the other accounts was located at the bottom of page 392 in Volume II of the meeting packet (Exhibit B).

Ms. Shea stated that the IFC and the Committee on Industrial Programs approved a request from the Department of Corrections to purchase $233,315 worth of equipment.

Ms. Shea reported that three new prison industries were approved in December 2017 and another industry was approved at the September 21, 2018, meeting of the Committee on Industrial Programs. The industries included Nevada Organics, which operated at the Prison Ranch and employed 14 offenders; Erickson Framing, which employed 12 offenders at the Stewart Conservation Camp; and Ink 2 Work, which was in the process of gaining approval from the Board of Prison Commissions. She said Ink 2 Work

intended to employ 10 to 15 offenders. Finally, the Sewing Collection was still interested in employing offenders at High Desert State Prison, but it was on hold due to some internal operations with the organization.

ASSEMBLYWOMAN CARLTON MOVED TO ACCEPT THE REPORT.

SENATOR PARKS SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY. (Assemblywoman Jauregui was not present for the vote.)

M. INFORMATIONAL ITEMS.

The Committee expressed interest in hearing testimony on the following items: Agenda Items M-4, State Public Charter School Authority; M-6, Department of Business and Industry, Home Means Nevada, Inc.; M-8a(2), DHHS, ADSD; and M-13, Office of the Secretary of State and the Department of Motor Vehicles.

1. OFFICE OF THE GOVERNOR – Governor's Finance Office – Information Technology Project – Notice to increase one part-time equivalent position to a full-time equivalent position to provide training for state employees on the old and new financial system. This results in an increase from 11.0 FTE to 11.5 FTE.

   There was no discussion on this item.

2. DEPARTMENT OF ADMINISTRATION – Nevada State Library, Archives and Public Records – Notice to eliminate one full-time equivalent (FTE) position. This results in a decrease from 2 FTE to 1 FTE.

   There was no discussion on this item.

3. DEPARTMENT OF EDUCATION
   a) Report on the implementation of the new educator licensure system, the Online Portal for the Application and Licensure (OPAL) system (letter of intent, 2017 Legislature).
   b) Report on the expenditures made by the Clark County Public Education Foundation, Inc. through June 30, 2018, pursuant to Senate Bill 155, Section 3(1) (2017 Legislature).
   c) Quarterly report on Class-Size Reduction Variances for the period ending July 31, 2018, of the 2017-18 school year, pursuant to NRS 388.700(5).
   d) Quarterly report on Class-Size Reduction Variances for the period ending April 30, 2018, of the 2017-18 school year, pursuant to NRS 388.700(5).

   There was no discussion on these items.

4. STATE PUBLIC CHARTER SCHOOL AUTHORITY – Responses to follow-up questions as requested during the October 24, 2018, meeting of the Interim Finance Committee.

Chair Woodhouse noted that the State Public Charter School Authority (SPCSA) submitted a packet of information to the Committee. She asked the agency to provide a concise report addressing the issues that arose after the October 2018 IFC meeting.

Brian Scroggins, Interim Executive Director, SPCSA, thanked the Committee for the opportunity to provide information that was overlooked during testimony at the October 2018 IFC meeting. He said the SPCSA submitted answers to the list of questions generated from that meeting. Mr. Scroggins said he was grateful for the guidance of the Committee and LCB staff during the process. In hindsight, the lack of testimony and list of questions set in motion a chain of events that served in a positive way to allow the SPCSA Board and staff to become more aware of situations and proposed policies within the agency.

Mr. Scroggins noted that SPCSA staff was present to share the positive work that was occurring within the agency. The SPCSA currently served 42,333 children in 30 schools and nearly 60 campuses. In his role as Deputy Director, Mr. Scroggins collaborated with the school support team, which was responsible for special education, title programs and school and community engagement. In the last eight months, the school support team visited every campus in the agency's portfolio, some multiple times, and worked with school leaders, teachers, McKinney Vento homeless liaisons, special education coordinators and many others, to serve children properly. The public charter schools wanted autonomy, but with that came accountability.

Mr. Scroggins introduced the four individuals who were hired to fill the positions that were established during the 2017 Legislative Session: Mark Modrcin, Director of Authorizing; Michael Dang, Management Analyst; Selcuk Ozdemir, Education Programs Supervisor; and Ryan Herrick, General Counsel. He also introduced Jason Guinasso, Chairman, SPCSA Board, to provide some additional information and perspective.

Mark Modrcin, Director of Authorizing, SPCSA, said he had worked in charter school authorizing for approximately 5 years and had been with the SPCSA for approximately 13 months. His position was one of four positions created during the 2017 Legislative Session.

As the Director of Authorizing, Mr. Modrcin oversaw the Authorizing Division, which focused on several work streams. First, the Authorizing Division reviewed and provided recommendations to the SPCSA on new charter applications as well as charter school renewals, non-renewals, closures and amendments. Second, the division upheld key principals of the public charter school bargain, which included

autonomy, accessibility and accountability. Examples of that included establishing, updating and maintaining effective performance frameworks; honoring the work and obligations of charter boards; and ensuring that the charter schools were also public schools in that they were accessible to all students. Lastly, the Authorizing Division had been working for a number of months to establish and implement an informative site evaluation process. On November 30, 2018, the SPCSA Board approved the division's protocols and site evaluation schedule.

Michael Dang, Management Analyst, SPCSA, said as a Management Analyst 4, he managed the financial and organizational frameworks. He noted that his position was also established during the 2017 Legislative Session. Mr. Dang said he was the second person to serve in the Management Analyst role since January 2018. Managing the financial and organizational health of the schools was very important. He said one state found that financial issues were most often the reason that schools struggled. He said charter school financial performance management responsibilities included developing and implementing financial health measurement tools and preparing evidence-based analytic reports for school leadership, the SPCSA and other stakeholders regarding the financial performance of the schools. In his current role, Mr. Dang also developed tools to evaluate potential schools as they developed their application budgets and to assess their financial management capacity to open a new charter school. The financial performance framework helped the SPCSA and the public verify that schools were in sound financial health and managing funds according to best practices. He said managing charter school organizational performance included monitoring and evaluating schools to ensure they were operating in compliance with federal and state laws and regulations, according to their SPCSA contract, with policies and best practices for charter schools.

Selcuk Ozdemir, Education Programs Supervisor, SPCSA, said he had been the Education Programs Supervisor in the Authorizing Division of the SPCSA since March 2018. Prior to joining the SPCSA, he worked for the Nevada Department of Education (NDE). Since 2006, Mr. Ozdemir had been involved in statistical analysis, research and evaluation. He conducted several research projects for the Washoe County School District and helped implement key accountability tools from 2008 to 2012. He worked for NDE as an Education Programs Professional for two years prior to joining the SPCSA and helped develop and implement the Nevada School Performance Framework (NSPF). Mr. Ozdemir said academic performance was one of the critical components of the Authorizing Division. During his tenure at the SPCSA, he focused on analysis and interpretation of academic performance data. He provided NSPF-related technical assistance and made recommendations to leadership and the SPCSA Board. Academic performance was a key part of an authorizer's function. Ensuring that Nevada students were being well served academically was the most important part of the agency's work. In his capacity as an Education Programs Supervisor, Mr. Ozdemir was also an integral part of the review process of new charter applicants as well as charter amendment applications.

Ryan Herrick, General Counsel, SPCSA, noted that his position was also established by the 2017 Legislature. He began working with the SPCSA in October 2017. In his role, Mr. Herrick managed all litigation for the SPCSA, and was the primary contact between the SPCSA and the Office of the Attorney General. He was also responsible for the oversight of court-appointed receiverships over charter schools. Mr. Herrick said one of his primary functions was oversight and accountability. In that capacity, the efforts of the SPCSA, through his assistance, led to the closure of one low-performing elementary school as well the initiation of several performance contracts. If targets and benchmarks were not met, it would result in the elimination of grade levels or the closure of a portion of those schools.

Jason Guinasso, Chairman, SPCSA Board, thanked the Committee for allowing the SPCSA to provide testimony. He thought it was important for the Committee to hear directly from the four positions that were funded by the 2017 Legislature, because the testimony that was provided during the October 2018 IFC meeting was misleading. The agency had an opportunity to reset the conversation to demonstrate that the SPCSA was transparent, clarify the agency's responsibilities, and provide accurate information so the Committee could feel confident about the work that the SPCSA was doing on behalf of Nevada families. He wanted the Committee to feel confident that students and their families were being well served, and that the charter schools were overseen with fidelity to the purposes for which the SPCSA was created.

Chair Woodhouse said the main concern expressed during the October 24, 2018, IFC meeting pertained to the evaluative site visits. She asked if the SPCSA had begun the site visits, and when they would be complete. The intent of the four new positions established during the 2017 Legislative Session was to assist with the evaluative site visits; however, the agency had not begun conducting the evaluations, which was concerning to the Committee.

Mr. Modrcin said SPCSA staff had been working diligently on the evaluative site visit protocol and handbook, both of which were approved at the November 30, 2018, SPCSA Board meeting. Agency staff had undergone nearly ten hours of training. The site visits had been scheduled and would begin in January 2019. Mr. Modrcin said nearly half the charter schools would be evaluated by the end of the 2018-19 school year.

Mr. Guinasso noted that the Committee was provided a site evaluation handbook as well as the schedule of visits.

Senator Spearman asked the agency to elaborate on the metrics used to determine school and teacher performance.

Mr. Herrick replied that the agency primarily used the SPCSA performance framework; however, the agency also utilized the star ratings and index scores that

were part of the NSPF. The SPCSA evaluated schools based on their star ratings and index scores. The performance contracts typically included one, two or three-year benchmarks that were set by the index scores as well as other metrics set forth in the NSPF.

Mr. Modrcin noted that the index scores included a variety of metrics, such as student growth, student proficiency and high school graduation rates.

Senator Spearman said, in 2018 the Legislative Committee on Health Care heard from the Southern Nevada Department of Health about some of the climate and environmental situations that impacted students, such as food deserts, adverse childhood events, and a number of other things that were not usually considered. She asked if consideration was given to those matters. She thought it was unfair to blame a teacher if a child had difficulty learning due to circumstances such as hunger.

Mr. Modrcin said the NSPF was a mechanism and framework released by the NDE. He was unsure if the NSPF took into account environmental factors; however, as the SPCSA assessed its current framework and proposed changes in academic areas, the agency would closely evaluate those risk factors to determine how they could be mitigated.

Mr. Guinasso said questions regarding socioeconomic factors were included in accountability proceedings for under-performing schools. The SPCSA Board was concerned about student performance, but the board was also concerned for the well-being of students, their families and the circumstances they faced.

Senator Spearman thought socioeconomic factors were a key piece of the evaluation matrix that had not been considered. Teachers and students were held accountable for environmental factors over which they had little control. She said children across the socioeconomic spectrum had to attend school while overcoming difficulties in their lives. Teachers were vilified and schools berated due to environmental factors that were not taken into consideration.

Assemblywoman Neal said the evaluative performance framework indicated that staff would receive training. She said a charter school that bordered her district had some strong teachers; however, they did not always have the necessary tools to be successful with at-risk students. She asked what type of training teachers would receive, and why it was being done during the school year.

Mr. Modrcin clarified that the training was for SPCSA staff to evaluate the schools. The SPCSA would assess outputs and the methods used to achieve those outputs. He noted that public charter schools were entitled to a great degree of autonomy. The school evaluations would review processes, English language learning, special education, governance, student focus and family focus groups to ensure a thorough assessment of the school. Combined with outputs, the SPCSA would have

a full context of each school. Mr. Modrcin noted that a sample one-day site evaluation schedule was included on page 12 of the SPCSA Site Evaluation Handbook (Exhibit J).

In answer to a question from Assemblywoman Neal, Mr. Modrcin replied that site evaluations were a new process for the SPCSA. He said the agency was required to perform two different types of visits. Site support visits were required of the SPCSA as the local education agency (LEA). Site evaluative visits and associated staff were established by the 2017 Legislature. Mr. Modrcin said the SPCSA hired individuals with financial expertise for compliance, as well as academic expertise. He said staff received training and would soon begin the evaluative site visits.

Mr. Scroggins added that the school support team, which he oversaw as Deputy Director, had visited every campus since February 2018. He said the SPCSA provided statewide McKinney Vento training, and held a weeklong training conference at Democracy Prep devoted to special education. As Mr. Modrcin noted, the site evaluation visits were new to the SPCSA, and individuals performing those duties had only been with the SPCSA for a short period of time. Mr. Scroggins said the SPCSA tried to establish a firewall between site evaluation visits and site support visits, because the agency provided support to the schools, but also evaluated them for areas in need of improvement.

Assemblywoman Carlton quoted the following excerpt from the response letter provided by the SPCSA (Exhibit J):

> *With regard to the academic performance framework, there is no requirement for site visits despite what was represented to the IFC. Moreover, the SPCSA academic performance framework has been defunct for quite some time.*

Assemblywoman Carlton said she found that statement concerning, because the framework was cited in NRS 388A.040, and the site visits fell within the academic performance framework. Those comments combined with the agency's testimony at the October 2018 IFC meeting caused her concern that the SPCSA did not have a full understanding of its duties as a regulator.

Mr. Guinasso said, in the letter to the Committee, the SPCSA was trying to assert that the academic performance framework had not been utilized to rate charter schools in four or five years. Updating the academic performance framework had been a topic of discussion between Mr. Guinasso and SPCSA staff for more than a year, and the process was currently underway.

Assemblywoman Carlton remarked that the SPCSA had failed to utilize the academic performance framework as directed in statute. Mr. Guinasso confirmed that was correct. He said it was problematic to him as a SPCSA board member, and he had tried to address the issue with limited success. Mr. Guinasso noted that he

and the former Executive Director were not in agreement on the matter. With the guidance of Mr. Modrcin, the SPCSA was updating the academic performance framework to become fully compliant with the statute relative to the agency's oversight of charter schools.

Assemblywoman Carlton said there was no debate about enforcing the law. She said it should not be a stress point between the Executive Director and the SPCSA Board, because the board was responsible for hiring the Executive Director. Ultimately, the SPCSA Board was responsible for enforcing the law. Assemblywoman Carlton found it concerning that the SPCSA submitted documentation for the record that gave the false impression that the academic performance framework was no longer in effect. She thought the agency should clarify the statement for the record.

Mr. Guinasso noted that the SPCSA Board was responsible for selecting three Executive Director candidates; however, the Governor made the final selection. That being said, the SPCSA Board was fully accountable for the actions or inactions of the agency. He said the board would ensure the evaluative site visits were addressed.

Assemblywoman Carlton asked if the SPCSA was in agreement that state law required the agency to perform site visits and that the agency would comply with that law. Mr. Guinasso agreed that state law required the agency to maintain academic performance framework; however, he was unsure whether statute required site visits.

Assemblywoman Carlton stated that site visits were built into the performance framework. Mr. Guinasso said the SPCSA understood that academic performance framework was required in statute, and within that framework, the agency was required to evaluate the charter schools it regulated. He said the SPCSA was committed to updating the academic performance framework and ensuring that the evaluative site visits were conducted. Mr. Guinasso said Mr. Modrcin could explain the relationship between the academic performance framework and site visits to provide clarity on the issue.

Assemblywoman Carlton said the details of the performance framework would be clarified during the 2019 Legislative Session. The Legislature did not want to micromanage agencies; however, it would be done, if necessary, to ensure the site visits were conducted.

Mr. Modrcin referred to page 5 of 11 concerning the NSPF (Exhibit J). The SPCSA was reviewing three components of the performance framework: academics, organizational and financial. Combined with that, the SPCSA would use the findings from evaluative site visits to provide a full picture of each school. One of the main goals in revising the performance framework was to ensure that it was informative and not duplicative of the NSPF.

Mr. Modrcin echoed Mr. Guinasso's comment. He said SPCSA staff was aware of the urgency of the evaluative site visits, and the agency had made them a priority, as a quality authorizer should. He requested that Mr. Ozdemir provide a brief overview of the ideas the SPCSA was considering for the academic section of the performance framework.

Mr. Ozdemir said the NSPF included proficiency, growth and graduation rates. In addition, the updated academic performance framework would include geographic comparison, which would compare the student performance of SPCSA-sponsored charter schools on the state examination in math and reading. The agency was also considering reviewing diverse data, such as English-language learners, special education students, and free and reduced-price lunch students. As well, the SPCSA wanted to review the suspension/expulsion rate within the updated academic performance framework.

Mr. Scroggins said, the prior Executive Director, by his own expression, "held many things to the vest." Mr. Scroggins said, as Deputy Directory, he had been unaware of some of the issues, as were the SPCSA Board and staff. The SPCSA as a whole had spent the past six weeks getting up to speed. The agency and the board were committed to upholding the law and performing the duties required of the SPCSA. Mr. Scroggins thanked the Committee for its patience and understanding.

5. NEVADA SYSTEM OF HIGHER EDUCATION – Quarterly report on the progress made by the University of Nevada, Reno School of Medicine in obtaining federal approval for the research program on the medical use of marijuana, as well as the status of activities and information received through the program, for the period ending September 30,2018, pursuant to NRS 453A.600.

   There was no discussion on this item.

6. DEPARTMENT OF BUSINESS AND INDUSTRY – Home Means Nevada, Inc. – Quarterly report concerning the status of the Foreclosure Mediation Assistance Program for the period ending September 30, 2018, pursuant to Senate Bill 490, Section 2(16) (2017 Legislature).

   Shannon Chambers, President, Home Means Nevada, Inc., provided details concerning the quarterly report for the Foreclosure Mediation Assistance Program from July 1, 2018, through September 30, 2018. She said the Foreclosure Mediation Assistance Program was managed, in part, by Home Means Nevada.

   Between July 1, 2018, and September 30, 2018, 1,044 notices of default were filed in Nevada. She said 790 notices of default were filed within Clark County, and 116 were filed in Washoe County with the remaining notices of default filed in various counties throughout the state. In addition, 1,250 certificates to proceed with foreclosure were issued by Home Means Nevada, and 140 mediations in which

Home Means Nevada received a court order were completed. Of those mediations, Home Means Nevada received a court order not to issue a certificate of foreclosure in 78 cases, which meant an agreement was reached to allow the homeowners to keep their homes. On the other side of that, through the mediation process, the mediator and the court ordered Home Means Nevada to issue a foreclosure certificate in 62 cases.

Ms. Chambers said the number of notices of default was declining, which was good for the housing market across the state; however, it affected the fiscal future of the Foreclosure Mediation Assistance Program. She said Home Means Nevada was working with the Governor's Finance Office and LCB Fiscal staff to forecast the future of the program, which would provide a trend of approximately six months to one year for the Foreclosure Mediation Assistance Program. She said the information would be included in the agency's next quarterly report.

Ms. Chambers said Home Means Nevada implemented a portal as required in S.B. 490 (2017 Legislative Session). Portal training was provided on a weekly basis. In addition, a training course was scheduled for mediators and the district courts on December 14, 2018.

Assemblywoman Carlton asked what the projected operating budget was for Home Means Nevada to operate the Foreclosure Mediation Assistance Program in FY 2019 and the 2019-21 biennium.

Ms. Chambers said the 2017 legislatively approved budget was over $800,000, which included $385,000 for the portal. The portal was implemented for $120,000, which provided a budget savings. She said budget projections would be based on the reduction in the defaults. The first year was an artificial year, because the portal and staff were not in place. Going into FY 2019, everything was in place, and Home Means Nevada would have a more accurate projection to present to the Committee with the next quarterly report.

Assemblywoman Carlton asked how Home Means Nevada measured the effectiveness of the Foreclosure Mediation Assistance Program. Ms. Chambers replied that Home Means Nevada received customer survey responses about the program and performed internal monitoring in terms of the certificate issuance process. She noted that the mediation process was managed by the district courts, not Home Means Nevada, so she could not speak to how satisfied people were with the Foreclosure Mediation Assistance Program.

7. DEPARTMENT OF TOURISM AND CULTURAL AFFAIRS – Division of Museums and History - Museum Dedicated Trust Funds – Semiannual report regarding the investment and expenditure of private funds, for the period ending June 30, 2018, pursuant to NRS 381.0033(1)(b).

There was no discussion on this item.

8. DEPARTMENT OF HEALTH AND HUMAN SERVICES
   a) Aging and Disability Services Division
      1) Quarterly report for the Senior Rx and Disability Rx Prescription Caseload Data for the period ending September 30, 2018, pursuant to NRS 439.630(1)(c).

         There was no discussion on this item.

      2) Desert Regional Center -- Report on the Desert Regional Center Intermediate Care Facility, as requested during the April 11, 2018, meeting of the Interim Finance Committee. **RECEIVED AFTER SUBMITTAL DEADLINE, 11-21-18**.

         Agenda Item M-8a(2) was discussed in conjunction with Agenda Item D-34. Refer to testimony under Agenda Item D-34.

   b) Division of Welfare and Supportive Services – Assistance to the Aged and Blind – Information on implementation of the federal Supplemental Security Income (SSI) payment increases scheduled for January 2019 (letter of intent, 2017 Legislature).

      There was no discussion on this item.

   c) Division of Child and Family Services – Northern Nevada Child and Adolescent Services – Notice to increase a Psychiatric Nurse position from a part-time equivalent position to a full-time equivalent position to provide additional assistance to the Senior Psychiatrist.

      There was no discussion on this item.

9. DEPARTMENT OF CORRECTIONS – Director's Office – Quarterly report on the capacity issues and transfer of inmates out-of-state for the period ending September 30, 2018 (letter of intent, 2017 Legislature).

   There was no discussion on this item.

10. DEPARTMENT OF PUBLIC SAFETY
    a) Director's Office – Quarterly report regarding the operations and effectiveness of the Nevada Office of Cyber Defense for the period ending June 30, 2018 (letter of intent, 2017 Legislature).
    b) Division of Parole and Probation – Quarterly report on the status of the agency's pre-sentence investigations backlog for the period ending September 30, 2018 (letter of intent, 2017 Legislature).
    c) Investigations Division – Follow-up response regarding the SafeVoice program, as requested during the June 20, 2018, meeting of the Interim Finance Committee.

    There was no discussion on these items.

11. DEPARTMENT OF WILDLIFE – Wildlife Trust Fund – Semiannual report concerning the investment and expenditure of the money in the Wildlife Trust Fund for the period ending June 30, 2018, pursuant to NRS 501.3585.

    There was no discussion on this item.

12. PUBLIC UTILITIES COMMISSION – Report on the process and status of hiring seven approved positions pursuant to legislation passed during the 2017 Legislative Session, as requested during the August 24, 2017, meeting of the Interim Finance Committee. **RECEIVED AFTER SUBMITTAL DEADLINE, 11-21-18**.

    There was no discussion on this item.

13. Status on the implementation of State Ballot Question No. 5 approved by Nevada voters on November 6, 2018, Office of the Secretary of State and the Department of Motor Vehicles.

    Barbara Cegavske, Secretary of State (SOS), provided information regarding Question 5, also known as the Automatic Voter Registration Initiative (AVRI), which was approved at the November 2018 General Election. She said the AVRI required individuals obtaining a driver license or identification card to be automatically registered to vote unless the individual affirmatively declined. The AVRI also required the SOS, the Department of Motor Vehicles (DMV) and county election officials to establish a system whereby voter registration information obtained by the DMV was electronically transmitted to county election officials for processing. Currently, the SOS was working with the DMV and county election officials to establish governance structures to oversee the implementation the AVRI. As currently envisioned, the governance structure would include a 7-member steering committee and a 13-member working group. The steering committee would include representatives from the SOS, DMV, county election offices, the Office of the Governor and the Department of Administration, and would be responsible for project direction and decision-making. The working group would include representatives from the SOS, DMV, county election offices, the Division of Enterprise Information Technology Services (EITS) and advocacy groups.

    Secretary Cegavske noted that no funding was allocated to the SOS, DMV or the counties for the implementation of the automatic voter registration in Nevada. Initial plans included establishing a project management office with a contract project manager and a business process analyst who would manage the project and coordinate the work between the SOS, DMV and county election officials. She said the SOS would not submit a work program for the project office. Additionally, the SOS would not request IFC Contingency Account funds, because it required approval by the Board of Examiners (BOE), and the deadline had passed. In addition, IFC Contingency Account requests were not approved during legislative sessions. Thus, the SOS would submit a supplemental appropriation request

through the Governor's Finance Office for $234,000 to fund three master service agreement (MSA) contractors for the project office to include a Project Manager and two Business Process Analyst positions. Approval timelines were still unknown as it was dependent on when the request was heard by the 2019 Legislature. Secretary Cegavske said the SOS could fund an MSA in the near term through existing excess funds in the Information Technology category. The office would need to determine the best approach, but the SOS could begin the process soon, while incrementally filling the contract positions. The supplemental appropriation would be used to reimburse the Information Technology category.

Cyndie Munoz, Acting Director, DMV, said the DMV was working with the SOS to develop committees and establish an action plan. The DMV would also have an additional internal comprehensive working group to ensure the department was able to fulfill its requirements of the AVRI. She said the DMV would provide an internal co-project manager to work alongside the SOS to ensure everything was completed.

Ms. Munoz said the DMV submitted a work program for contract programming costs for the remainder of FY 2019. A budget request had been submitted for the remainder of the required contract programming costs as well as additional postage needs.

Assemblyman Thompson thought it was a good idea to include advocacy groups as part of the working group. He said many groups would probably want to participate. He asked if there was a process for people to inquire about becoming part of the working group.

Secretary Cegavske replied that the Brennan Center for Justice at New York University Law School, which encompassed many advocacy groups, had reached out to the SOS. She noted that the SOS had worked with the Brennan Center for Justice in the past. She said the group worked with other states to implement the automatic voting registration process, which made it a good partner for the state.

Wayne Thorley, Deputy Secretary for Elections, SOS, said in addition to the Brennan Center for Justice, the SOS also had good working relationships with other advocacy groups. The office wanted to ensure an open process. The SOS encouraged Committee members to provide the names of any groups interested in working on the initiative.

In response to a question from Assemblyman Thompson, Secretary Cegavske said the SOS would be more than happy to reach out to any group interested in the initiative. To date, the only group to express interest and offer guidance was the Brennan Center for Justice. She said Mr. Thorley and the steering committee would discuss the matter further during a meeting of the steering committee.

Senator Kieckhefer asked the DMV what the dollar amounts would be for the work program and the budget amendment. Ms. Munoz replied that the approximate

amount of the work program for the remainder of FY 2019 was $84,000. She said $87,000 would be added to the agency request budget for FY 2020.

Senator Kieckhefer asked if the funds would be used to amend the current system, or if the new costs would be incorporated into the DMV's current technology project.

Ms. Munoz replied that the funds would be used to modify the existing system to accommodate the requirements of the initiative. She said the scope of work in the contract with the new vendor would not have to be revised.

N. PUBLIC COMMENT.

There was no public comment.

Chair Woodhouse noted that Governor-elect Sisolak's State of the State address was scheduled for January 16, 2019, at 6:00 p.m. in the Assembly Chambers at the Legislative Building in Carson City, Nevada. Pre-session budget hearings were scheduled from January 22, 2019, through January 31, 2019. The next IFC meeting was scheduled for January 30, 2019, at 1:30 p.m. following the pre-session budget hearings.

O. ADJOURNMENT.

Chair Woodhouse adjourned the meeting at 3:45 p.m.

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Senator Joyce Woodhouse, Chair
Interim Finance Committee

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