

MINUTES OF THE JANUARY 30, 2019
MEETING OF THE
INTERIM FINANCE COMMITTEE
Carson City, Nevada

Chair Joyce Woodhouse called a regular meeting of the Interim Finance Committee (IFC) to order at 1:35 p.m. on January 30, 2019, in Room 4100 of the Nevada Legislative Building, 401 South Carson Street, Carson City, Nevada. The meeting was videoconferenced to Room 4401 of the Grant Sawyer Office Building, 555 East Washington Avenue, Las Vegas, Nevada.

COMMITTEE MEMBERS PRESENT:

Senator Joyce Woodhouse, Chair
Assemblywoman Maggie Carlton, Vice Chair
Senator Kelvin Atkinson
Senator Yvanna Cancela
Senator Moises Denis
Senator Pete Goicoechea
Senator Ben Kieckhefer
Senator David Parks
Senator James Settelmeyer
Assemblywoman Teresa Benitez-Thompson
Assemblyman Jason Frierson
Assemblywoman Sandra Jauregui
Assemblyman Al Kramer
Assemblywoman Daniele Monroe-Moreno
Assemblywoman Dina Neal
Assemblywoman Ellen Spiegel
Assemblyman Michael Sprinkle
Assemblywoman Heidi Swank
Assemblyman Tyrone Thompson
Assemblywoman Robin Titus
Assemblyman Jim Wheeler

COMMITTEE MEMBERS EXCUSED:

Assemblyman John Hambrick

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 – Nevada State Education Association

A. ROLL CALL.

Rick Combs, Director, Legislative Counsel Bureau, and Secretary, Interim Finance Committee, called the roll; all members were present except Assemblyman Hambrick, who was excused.

B. PUBLIC COMMENT.

Chris Daly, Deputy Executive Director of Government Relations, Nevada State Education Association (NSEA), said the NSEA had been the voice of Nevada educators for over 100 years. He said the NSEA was concerned about the significant delay by the Department of Education (NDE) in evaluating the statewide assessment system, as well as its lack of responsiveness to the language and intent of Senate Bill (S.B.) 303 (2017 Legislative Session). The NSEA looked forward to a substantive review of the state's assessment system during the 2019 Legislative Session to ensure that students had adequate time to learn and teachers had adequate time to teach.

Mr. Daly noted that the report on the audit of assessment tools and examinations, pursuant to S.B. 303, was due by December 1, 2017. The NDE was 13 months late in submitting the report, which had prevented work on this important issue from occurring during the 2018-19 Interim. He stated that S.B. 303 also required the NDE to execute a plan that included recommendations to improve and streamline the assessment tools and examinations; however, the report submitted by the NDE for Agenda Item K-9 failed to include that information.

Mr. Daly provided written comments for the record ([Exhibit D](#)).

C. APPROVAL OF MINUTES OF THE OCTOBER 24, 2018, MEETING.

SENATOR PARKS MOVED TO APPROVE THE MINUTES OF THE OCTOBER 24, 2018, MEETING.

ASSEMBLYWOMAN CARLTON SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY. (Assemblywoman Benitez-Thompson and Assemblyman Frierson were not present for the vote.)

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-30; Department of Health and Human Services (DHHS), Division of Health Care Financing and Policy (DHCFP); and D-33, DHHS, DHCFP.

Agenda Item D-14, Department of Administration, State Public Works Division, required a revision by the agency for the record.

The following items involved the allocation of block grant funds, which required a public hearing: Agenda Items D-28, DHHS, Director's Office; D-34, DHHS, Division of Public and Behavioral Health (DPBH); D-50, DHHS, DPBH; D-52, DHHS, DPBH; D-58, DHHS, Division of Welfare and Supportive Services (DWSS); and D-59, DHHS, DWSS.

Assemblywoman Carlton requested further testimony on Agenda Item D-72, Department of Public Safety, Division of Parole and Probation.

Assemblywoman Titus requested further testimony on Agenda Items D-49, DHHS, DPBH; and D-82, Department of Wildlife.

Assemblyman Wheeler requested further testimony on Agenda Items D-2, Office of the Attorney General; D-12, Department of Administration, Purchasing Division; D-17, Department of Education; and D-64, Department of Corrections.

Assemblyman Thompson asked if Agenda Item K-9 would be discussed in response to public testimony. Chair Woodhouse said the matter would be addressed during the 2019 Legislative Session.

ASSEMBLYWOMAN CARLTON MOVED TO APPROVE AGENDA ITEM D-14 AS REVISED ON THE RECORD AND THE REMAINING WORK PROGRAM REVISIONS AND POSITION RECLASSIFICATIONS.

SENATOR DENIS SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY. (Assemblywoman Benitez-Thompson was not present for the vote.)

- 1. Office of the Governor - State Energy Office - Office of Energy - FY 2019** - Addition of \$110,260 in federal State Energy Program (SEP) grant funds and deletion of \$109,968 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 \$75,000. **Work Program #C45746**

Refer to motion for approval under Agenda Item D.

2. **Office of the Attorney General - Grants Unit - FY 2019** - Addition of \$112,500 in U.S. Department of Justice, Improving Criminal Justice Response (ICJR) grant funds to implement services for improved law enforcement response to domestic and sexual violence, stalking and dating violence crimes. Requires Interim Finance approval since the amount added to the ICJR Grant category exceeds \$75,000. **Work Program #C45923**

Assemblyman Kramer thought the \$112,500 requested by the Office of the Attorney General (OAG) was for a worthy cause. He asked if the training would focus on de-escalation methods.

Christian Schonlau, Chief Financial Officer, OAG, said the grant funds would supplement rural grant funding that began in 2010. The federal U.S. Department of Justice, Improving Criminal Justice Response (ICJR) grant funds would support prosecutorial efforts for domestic violence programs in Mineral, Lyon and Churchill Counties. The total grant award was \$450,000; however, the office was requesting authority for \$112,500 to fill the funding gap from the rural grant through the end of FY 2019. Mr. Schonlau said the remainder of the ICJR grant funds were included in the agency's 2019-21 biennium budget.

In response to Assemblyman Kramer, Mr. Schonlau confirmed the funds would be used to ensure that sufficient victim services existed in the rural counties through the prosecutors' offices.

ASSEMBLYWOMAN SPIEGEL MOVED TO APPROVE AGENDA
ITEM D-2.

SENATOR DENIS SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

3. **Office of the Secretary of State - FY 2019** - Transfer of \$4,014,183 from the Reserve category to the Technology Investment Request category in order to fund expenses related to the replacement of the existing Electronic Secretary of State (E-SOS) program software and hardware. Requires Interim Finance approval since the amount added to the Technology Investment Request category exceeds \$75,000. **Work Program #C45839**

Refer to motion for approval under Agenda Item D.

4. **Office of the Secretary of State - FY 2019** - Addition of \$40,000 in donations from the New Venture Fund to offset the cost of ballot stock for the 2018 General Election. Requires Interim Finance approval since the amount added to the Elections category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C45979. WITHDRAWN 1-8-19.**

5. **Department of Administration - Enterprise Information Technology Services - Office of the Chief Information Officer - FY 2019** - Transfer of \$78,518 from the Reserves category to the Insurance Premiums category to fund statewide cyber liability insurance. Requires Interim Finance approval since the amount transferred to the Insurance Premiums category exceeds \$75,000. **Work Program #C45883**

Refer to motion for approval under Agenda Item D.

6. **Department of Administration - Enterprise Information Technology Services - Data Communications and Network Engineering - FY 2019** - Transfer of \$499,723 from the Information Services category to the General Fund Payback category to isolate General Fund loan repayments due for the state's wide area network initiatives. Requires Interim Finance approval since the amount transferred to the General Fund Payback category exceeds \$75,000. **Work Program #C45873**

Refer to motion for approval under Agenda Item D.

7. **Department of Administration - Enterprise Information Technology Services - Network Transport Services - FY 2019** - Transfer of \$165,427 from the Digital Microwave category to the General Fund and Highway Fund Payback category to isolate General Fund and Highway Fund loan repayments due for statewide microwave upgrade initiatives. Requires Interim Finance approval since the amount transferred to the General Fund and Highway Fund Payback category exceeds \$75,000. **Work Program #C45895**

Refer to motion for approval under Agenda Item D.

8. **Department of Administration - Enterprise Information Technology Services - IT Security - FY 2019** - Transfer of \$124,407 from the Information Services category to the General Fund Payback category to isolate General Fund loan repayments due for statewide cyber security initiatives. Requires Interim Finance approval since the amount transferred to the General Fund Payback category exceeds \$75,000. **Work Program #C45905**

Refer to motion for approval under Agenda Item D.

9. **Department of Administration - Victims of Crime - FY 2019** - Addition of \$7,538,450 in Antiterrorism and Emergency Assistance Program for Crime Victim Compensation and/or Assistance federal grant funds transferred from the Department of Health and Human Services - Division of Child and Family Services to reimburse the Victims of Crime program for Fiscal Year 2018 and 2019 administrative costs and aid to victims for the Route 91 Harvest Festival Tragedy. Requires Interim Finance approval since the amount added to the Operating and Victims' Payments categories exceed \$75,000. **RELATES TO AGENDA ITEM D. 60. Work Program #C45920**

Refer to motion for approval under Agenda Item D.

10. **Department of Administration - Purchasing - FY 2019** - Transfer of \$31,893 from the Reserve category to the Operating category to cover stale claims as well as projected bid appeals for the balance of the fiscal year. Requires Interim Finance approval since the cumulative amount added to the Operating category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C45736**

Refer to motion for approval under Agenda Item D.

11. **Department of Administration - Purchasing - FY 2019** - Transfer of \$14,277 from the Reserve category to the Operating category to cover payments to the Department of Agriculture for transporting surplus property. Requires Interim Finance approval since the cumulative amount added to the Operating category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C45737**

Refer to motion for approval under Agenda Item D.

12. **Department of Administration - Purchasing - FY 2019** - Transfer of \$625,958 from the Reserve category to the Information Services category to fund rollout and integration of the Nevada ePro contract management system. Requires Interim Finance approval since the amount added to the Information Services category exceeds \$75,000. **Work Program #C45745**

Assemblyman Kramer said Work Program #C45745 related to the Nevada ePro contract management system and the fee assigned to vendors. He asked if the fee was based on how much business the vendor did with the state. Additionally, he asked if the fee would be reduced based on participation.

Jeff Haag, Division Administrator, Purchasing Division, Department of Administration, said the funds transfer was a continuation of the statewide e-Procurement project. The administrative fee, which was currently assessed at 1 percent on statewide contracts, was passed during the 2017 Legislative Session. Statewide contracts were defined as contracts used across the enterprise by all state agencies. The 1 percent fee was based on the total spend with a respective vendor. Mr. Haag said the division anticipated that exposure to statewide contracts would increase as the ePro system was rolled out and utilization by state agencies increased. Consequently, the spend on those contracts would increase, which would drive the administrative fee revenue. The division planned to continue investing in the ePro system until it met the state's collective needs. At which point, the Purchasing Division would consider reducing the administrative fee or using excess administrative fees to offset agency assessments.

SENATOR DENIS MOVED TO APPROVE AGENDA ITEM D-12.

ASSEMBLYMAN KRAMER SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

13. **Department of Administration - Risk Management Division - Insurance and Loss Prevention - FY 2019** - Transfer of \$198,466 from the Reserve category to the Property/Fidelity Claims category to cover pending property damage claims for the fiscal year. Requires Interim Finance approval since the amount added to the Property Claims category exceeds \$75,000. **Work Program #C45911**

Refer to motion for approval under Agenda Item D.

14. **Department of Administration - State Public Works Division - Buildings and Grounds - FY 2019** - Transfer of \$77,464 from the Reserve category to the Operating category to cover projected expenditures through the end of the fiscal year. Requires Interim Finance approval since the amount transferred to the Operating category exceeds \$75,000. **Work Program #C45752**

Jenni Cartwright, Division Administrator, Administrative Services Division, Department of Administration, noted that Work Program #C45752 was revised to reflect a decrease from \$77,464 to \$61,190 in categories 04 and 86.

Refer to motion for approval under Agenda Item D.

15. **Department of Education - Student and School Support - FY 2019** - Addition of \$809,131 in Neglected and Delinquent Children federal grant funds to provide funding to state agencies responsible for providing a free public education in institutions for neglected or delinquent children and youth. Requires Interim Finance approval since the amount added to the Neglect/Delinquent Aid Category exceeds \$75,000. **Work Program #C45845**

Refer to motion for approval under Agenda Item D.

16. **Department of Education - Student and School Support - FY 2019** - Addition of \$792,363 in Nevada Indian Education Enhancement federal grant funds to continue working with three tribal communities to promote and prepare American Indian students for college and career readiness. Requires Interim Finance approval since the amounts added to the Indian Education Aid-To-Schools and Administration categories exceed \$75,000. **Work Program #C45857**

Refer to motion for approval under Agenda Item D.

17. **Department of Education - Continuing Education - FY 2019** - Addition of \$1,868,525 in Adult Education - State Administered federal grant funds to provide grants to eligible educational and community-based organization and to cover the costs of administering the grant. Requires Interim Finance approval since the amount added to the Adult Basic Education Aid-To-Schools and Operating categories exceeds \$75,000. **Work Program #C45721**

Assemblyman Kramer asked if the prison schools were allowed to apply for federal Adult Education grant funds.

Arianna Florence, Staff Professional Trainee, Nevada Department of Education (NDE), said approximately \$18.0 million in state funding was allocated to the Adult High School Diploma program, which included the prison program. Prison schools could apply for federal Adult Education grant funds; however, more data was involved, so the schools usually accepted the state funding that was appropriated through a funding formula.

ASSEMBLYMAN KRAMER MOVED TO APPROVE AGENDA ITEM D-17.

SENATOR ATKINSON SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

- 18. Department of Agriculture - Veterinary Medical Services - FY 2019** - Deletion of \$4,923 in federal Animal and Plant Health Inspection Services grant funds and transfer of \$31,626 from the Transfer to Agriculture Administration category to the United States Department of Agriculture (USDA) Animal Disease Traceability category to continue investigation and reporting of potential foreign animal diseases. Requires Interim Finance approval since the amount transferred to the USDA Animal Disease Traceability category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C45565**

Refer to motion for approval under Agenda Item D.

- 19. Department of Agriculture - Nutrition Education Programs - FY 2019** - Addition of \$26,952 in federal National School Lunch Program (NSLP) grant funds and transfer of \$17,816 from the Reserve category to the NSLP School Equipment grant category for equipment purchases to support the delivery of healthier meals and improve food safety. Requires Interim Finance Approval since the amount added to the NSLP School Equipment Grant category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C45953**

Refer to motion for approval under Agenda Item D.

- 20. Department of Business and Industry - Housing Division - Account for Low-Income Housing - FY 2019** - Addition of \$49,626 in Mobile Home Park fee revenue to fund lot rent subsidies for the remainder of the fiscal year, as well as the Lot Rent Subsidy program's portion of the cost allocated rent for office space. Requires Interim Finance approval since the amount added to the Mobile Lot Rent Subsidy category exceeds 10 percent of the legislatively approved amount for the category. **Work Program #C45715**

Refer to motion for approval under Agenda Item D.

21. **Department of Business and Industry - Housing Division - Account for Low-Income Housing - FY 2019** - Addition of \$869,410 in federal National Housing Trust Funds grant revenue to pay for operating expenses and subgrantee reimbursements for the remainder of the fiscal year. Requires Interim Finance approval since the amount added to the National Housing Trust Funds category exceeds \$75,000. **Work Program #C45601**

Refer to motion for approval under Agenda Item D.

22. **Department of Business and Industry - Housing Division - Weatherization - FY 2019** - Addition of \$501,218 in federal Low Income Home Energy Assistance (LIHEA) funds transferred from the Welfare Division. Requires Interim Finance approval since the amount added to the LIHEA Subgrants category exceeds \$75,000. **RELATES TO AGENDA ITEMS D. 23 and 24. Work Program #C45964**

Refer to motion for approval under Agenda Item D.

23. **Department of Business and Industry - Housing Division - Weatherization - FY 2019** - Addition of \$162,673 in federal Department of Energy (DOE) grant funds and transfer of \$7,646 from the Personnel category to the DOE Subgrants category in order to support additional weatherization subgrants and realign the funding of certain operating expenses. Requires Interim Finance approval since the amount added to the DOE Subgrants category exceeds \$75,000. **RELATES TO AGENDA ITEMS D. 22 and 24. Work Program #C45963**

Refer to motion for approval under Agenda Item D.

24. **Department of Business and Industry - Housing Division - Weatherization - FY 2019** - Transfer of \$289,954 from the Reserve category to the Universal Energy Charge category, transfer of \$33,171 from the Personnel category to the Universal Energy Charge category, transfer of \$97 from the Operating category to the Universal Energy Charge category, and transfer of \$6 from the Information Services category to the Universal Energy Charge category to realign office rent costs, realign the funding of certain operating expenses, and fund additional weatherization assistance to households. Requires Interim Finance approval since the amount added to the Universal Energy Charge category exceeds \$75,000. **RELATES TO AGENDA ITEMS D. 22 and 23. Work Program #C45900**

Refer to motion for approval under Agenda Item D.

25. **Department of Business and Industry - Housing Division - Housing Inspection and Compliance - FY 2019** - Transfer of \$21,913 from the Reserve category to the Operating category and transfer of \$36,447 from the Reserve category to the Tax Credit Program category in order to allocate office rent costs and to cover projected expenditures for the balance of the fiscal year. Requires Interim Finance approval

since the amount added to the Tax Credit Program category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C45599**

Refer to motion for approval under Agenda Item D.

- 26. Department of Business and Industry - Real Estate Division - Administration - FY 2019** - Addition of \$412,951 in Testing Fees revenue to support payments to the real estate testing vendor. Requires Interim Finance approval since the amount added to the Testing Services category exceeds \$75,000. **Work Program #C45944**

Refer to motion for approval under Agenda Item D.

- 27. Governor's Office of Economic Development - FY 2019** - Addition of \$954,254 in federal National Aeronautics and Space Administration (NASA) Indefinite Delivery/Indefinite Quantity contract funds to continue support of Unmanned Aerial System (UAS) deliverables by the Nevada Institute for Autonomous Systems. Requires Interim Finance approval since the amount added to the NASA UAS Cooperative Agreement category exceeds \$75,000. **Work Program #C46017**

Refer to motion for approval under Agenda Item D.

- 28. Department of Health and Human Services - Director's Office - Grants Management Unit - FY 2019** - Addition of \$2,406,705 in federal Title XX Social Services Block grant funds to continue to provide social services for needy families. **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 Non-State Title XX Subgrants category exceeds \$75,000. Work Program #C45968**

Julia Peek, Deputy Director, Department of Health and Human Services Director's Office, said Work Program #C45968 pertained to the Title XX Social Services Block Grant, which was allocated to all states and territories through the federal Social Security Act. The block grant helped fund efforts related to vulnerable children, adults and families. The work program would align the federal notice of grant award with the state authority.

Assemblywoman Carlton asked which agencies received the block grant funds. Ms. Peek replied that the funds were disbursed to three divisions within DHHS: the Division of Public and Behavioral Health, the Aging and Disability Services Division and the Division of Child and Family Services. In addition, community partners, such as the counties and some nonprofit organizations, received a portion of the funds for child welfare, child abuse and hunger.

Agenda Item D-28 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.

ASSEMBLYMAN FRIERSON MOVED TO APPROVE AGENDA ITEM D-28.

SENATOR KIECKHEFER SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY. (Assemblywoman Benitez-Thompson was not present for the vote.)

29. **Department of Health and Human Services - Health Care Financing and Policy - Intergovernmental Transfer Program - FY 2019** - Transfer of \$26,670,093 from the Reserve category to the Transfer from Medicaid Program and \$323,587 from the Reserve for Inpatient Private Upper Payment Limit category to the Transfer to Medicaid Program category to cover higher than expected Managed Care Organization Safety Net payments and a shortfall due to prior year supplemental payment program payments. Requires Interim Finance approval since the amount transferred to the Transfer to Medicaid Program category exceeds \$75,000. **RELATES TO AGENDA ITEM D. 33. Work Program #C45886. WITHDRAWN 1-23-19**
30. **Department of Health and Human Services - Health Care Financing and Policy - Administration - FY 2019** - Addition of \$87,816 in federal Title XIX grant funds, ***\$242,000 in Transfer from DPBH and transfer of \$87,516 from the Operating category to the 1115(a) Demonstration Waiver category*** to support an application for an 1115(a) Demonstration Waiver for ~~substance abuse disorder services~~ Certified Community Behavioral Health Clinics and associated increased cost reporting for ~~new Certified Community Behavioral Health Clinics~~. Requires Interim Finance approval since the amount added to the 1115(a) Demonstration Waiver category exceeds \$75,000. **Work Program #C44664. REVISED 1-23-19.**

Budd Milazzo, Administrative Services Officer, Division of Health Care Financing and Policy (DHCFP), DHHS, said Work Program #C44664 requested the addition of \$87,816 in Title XIX grant funds, a transfer from the Division of Public and Behavioral Health in the amount of \$242,000, and a transfer of \$87,516 in the Operating category to a special use category to support the application of an 1115(a) Demonstration Waiver for Certified Community Behavioral Health Clinics (CCBHC) and associated increased cost reporting.

In answer to a question from Assemblyman Sprinkle, Cody Phinney, Deputy Division Administrator, DHCFP, DHHS, said the demonstration waiver would allow the continuation of a previous project, which was a collaboration between the DHCFP and the DPBH. The benefit of the demonstration waiver was that it would allow the existing project to continue by expanding from three to ten CCBHCs in the state. It would also allow for the continuation of the robust evaluation that was part of the Centers for Medicare and Medicaid Services (CMS) demonstration waiver process. The evaluation was a five-year assessment of the benefits of CCBHCs. Because

the original project was two years in length, the continuation of the evaluation would be valuable as far as demonstrating the budget and clinical benefits of CCBHCs.

Assemblyman Sprinkle noted that the current waiver expired in June 2019. He asked how long it would take for CMS to approve the new waiver.

Stephanie Woodard, Medical Epidemiologist, DPBH, DHHS, confirmed that the current demonstration waiver was due to expire on June 30, 2019. The division had already engaged CMS in a discussion concerning the timeline. She said the division met with CMS on January 25, 2019, to review a concept paper and discuss the development of the demonstration waiver application. Ms. Woodard said CMS thought the July 1, 2019, timeline was an adequate amount of time to review and approve the waiver application. If not, the waiver would be in place soon thereafter.

In response to a question from Assemblyman Sprinkle, Ms. Woodard replied that the amount of time for CMS to review and approve waivers varied. The division's 1115(a) Demonstration Waiver, or the substance abuse disorder waiver, was on an expedited review. Typically, approval of 1115(a) Demonstration Waivers could take a considerable amount of time; however, CMS thought the new waiver would be approved relatively quickly, because CMS changed the way it engaged states on this type of waiver, and Nevada already had a CCBHC demonstration program in place.

Assemblyman Sprinkle asked the agency to discuss the outcomes of the current CCBHC demonstration project and why the project should be continued.

Ms. Woodard said Nevada currently had three CCBHCs - Vitality Unlimited in Elko, New Frontier Treatment Center in Fallon, and Bridge Counseling in Las Vegas. It was a competitive process, and Nevada was one of only eight states selected to endeavor in the two-year demonstration program. She said CCBHCs were required to meet rigorous criteria set by CMS and the Substance Abuse and Mental Health Services Administration to become certified. Ms. Woodard said the division conducted onsite reviews to ensure CCBHCs were able to provide services at a level of quality required to maintain certification. She said CCBHCs were required to provide 24/7 crisis services in their communities, as well as mobile crisis. The clinics also provided services such as outpatient behavioral health services for children and adults, case management, psychosocial rehabilitation and medication management. The CCBHCs were able to serve more clients and expand services, thereby attracting workers to Nevada. Ms. Woodard thought that spoke volumes related to rural and frontier areas being able to offer a competitive workplace for licensed individuals in other states, but also for individuals employed in the behavioral health field who wanted to relocate to a rural area of Nevada.

Assemblyman Sprinkle said the division wanted to expand from three to ten CCBHCs with the new demonstration waiver. In FY 2018, the three CCBHCs received \$3.1 million in reimbursements from Medicaid and \$2.4 million in

federal funds for services provided to 1,278 participants. He asked how the division would fund the CCBHCs if the demonstration waiver was not approved as quickly as expected.

Ms. Woodard replied that the division had already begun contingency planning with the CCBHCs to ensure that some services were not interrupted. The division and the clinics were developing a plan for 15, 30 and 60 days out to minimize the impact. If the July 1, 2019, deadline was not met, the CCBHCs would revert to Medicaid provider type 17-215, which are special clinics that operate a substance abuse agency model and would allow most of the services under the CCBHC model to continue. The Medicaid provider type 17-215 model was very different, but the clinics would be able to retain reimbursement for a core of the services that they provided as a CCBHC.

Assemblyman Sprinkle said he was incredibly supportive of the division's proposal to increase the number of CCBHCs in Nevada; however, he was concerned that CMS would not approve the demonstration waiver by July 2019. If the waiver was not approved by then, the state might be responsible for a significant amount of funds, otherwise the clinics would have to cut services.

In answer to a question from Senator Goicoechea, Ms. Woodard replied that approval of the work program would allow the division to contract with a vendor to assist with writing the 1115(a) Demonstration Waiver application. The vendor was currently contracted with the Medicaid office for other activities and had significant experience drafting this type of waiver as well as engaging Medicaid. She said it would be incredibly difficult to meet the aggressive timeline without the assistance of the vendor. Ms. Woodard said the CCBHCs provided outpatient services, so beds would not be closed; however, the clinics might have to reduce staffing and services if approval of the demonstration waiver was delayed.

Senator Kieckhefer said the funds requested through the work program would help the division apply for another five-year demonstration waiver. He said any exposure the state may have would be based on actions of the 2019 Legislature as to whether the division was authorized to proceed.

Ms. Phinney confirmed that was correct. She said the service portions and expansion were included in the Governor's recommended budget. She reiterated that the money requested through the work program was for the waiver application and program evaluation planning for the next five years.

Senator Kieckhefer asked if the reimbursement rate for the next waiver approval would be at the Children's Health Insurance Program rate or the standard Medicaid rate. Ms. Phinney replied that the CCBHC model had a prospective payment rate, but the federal participation rate would not change related to the model. She said the state reimbursement rate would still be based on the services for which each individual qualified.

Assemblywoman Carlton asked if the CCBHCs were aware of the potential funding gap, and if so, would the clinics continue to operate during that time period.

Ms. Woodard replied that discussions with the clinics had been ongoing since the initiation of the demonstration program a year and a half ago. The division was trying to plan for the extension and expansion of the demonstration waiver program through the 1115(a) waiver. She said discussions had already begun within Medicaid concerning the prospective reversion from CCBHC provider to the original provider type.

Assemblywoman Carlton asked if outcome data was available for the CCBHC demonstration project. Ms. Woodard replied that as a CCBHC demonstration state, Nevada was required to collect and report on 21 specific measures. The division was in the process of building the data reports, because often a considerable amount of time had to pass before outcomes could be measured. Ms. Woodard said the division would provide the information to the Committee when it became available.

Assemblyman Sprinkle reiterated that he was supportive of the division's request; therefore, he thought it was worth the risk to the state if CMS did not approve the waiver in a timely manner.

ASSEMBLYMAN SPRINKLE MOVED TO APPROVE AGENDA
ITEM D-30.

SENATOR GOICOCHEA SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

31. **Department of Health and Human Services - Health Care Financing and Policy - Administration - FY 2019** - Transfer of \$430,184 from the Reserve For Resident Protection category to the Civil Monetary Penalty Payment category to fund two projects within the Division of Public and Behavioral Health for skilled nursing facilities authorized by the Centers for Medicare and Medicaid Services. Requires Interim Finance approval since the amount transferred to the Civil Monetary Penalty Payment category exceeds \$75,000. **RELATES TO AGENDA ITEM D. 38. Work Program #C45852**

Refer to motion for approval under Agenda Item D.

32. **Department of Health and Human Services - Health Care Financing and Policy - Nevada Check Up Program - FY 2019** - Addition of \$793,691 in federal Title XXI funds to support a transfer to the Division of Public and Behavioral Health Immunization program to continue to provide immunization services for Nevada Check Up children. Requires Interim Finance approval since the amount added to

the Transfer to Health Immunizations category exceeds \$75,000. **RELATES TO AGENDA ITEM D. 37. Work Program #C45734**

Refer to motion for approval under Agenda Item D.

- 33. Department of Health and Human Services - Health Care Financing and Policy - Nevada Medicaid, Title XIX - FY 2019** - Addition of ~~\$196,510,495~~ **\$110,360,694** in federal Title XIX grant funds ~~\$26,993,680 in Transfer from Intergovernmental Transfer Account funds~~ and transfer of \$34,222,576 from the Child Welfare Services category to the Newly Eligible category to cover **higher than anticipated** projected program expenditures due to increased cost-per-eligible. Requires Interim Finance approval since the amount added to the Newly Eligible category exceeds \$75,000. **Work Program #C45887. REVISED 1-23-19**

Budd Milazzo, Administrative Services Officer, DHCFF, DHHS, said Work Program #C45887 was a request to approve the addition of approximately \$110 million in federal Title XIX grant funds, and a transfer of approximately \$34 million from the Child Welfare Services category to the Newly Eligible category to cover higher than anticipated program costs due to increased cost-per-eligible.

Assemblywoman Carlton asked the division to provide background information about the request and discuss the managed care organizations (MCO) and capitated rates.

Cody Phinney, Deputy Division Administrator, DHCFF, DHHS, said Work Program #C45887 related to ensuring that the MCO capitation rates were in the appropriate categories due to some discrepancies between the budgeted rates and actual rates, particularly for the Newly Eligible population. She explained that the Newly Eligible population experienced a higher than anticipated cost-per-eligible and utilization. During the process of setting the per member, per month rates for the MCOs for each calendar year, the actuarial contractor predicted the rates for the 94 rate cells. The rates were subsequently submitted for review and approval by the CMS actuarial office. Upon CMS approval, the final rate was set. Ms. Phinney said the division experienced some specific challenges in FY 2019 related to the Newly Eligible rate as well as a policy change for "direct enrollment." She explained that, historically, new Medicaid recipients were fee-for-service for the first month, after which they were enrolled in a Medicaid plan if they were in one of the managed care populations. With regard to the direct enrollment policy, the division revised the policy so that new Medicaid recipients were enrolled in the managed care plan at the date of acceptance, which allowed the member and the MCO to establish a relationship immediately.

In response to a question from Assemblyman Sprinkle, Ms. Phinney said she did not perceive that the MCOs were miscategorizing rates. Her earlier reference to the rate discrepancies was in relation to budget categories by population. The division was proposing to resolve the issue by transferring money between two of the

population categories. As children in the child welfare system were increasingly managed without being removed from their homes, the division was noticing a decrease in the cost-per-eligible. At the same time, there was an unexpected increase in the cost-per-eligible for the Newly Eligible population.

Assemblyman Sprinkle asked if the division had implemented other cost saving measures to reduce the likelihood of future shortfalls.

Ms. Phinney confirmed that the division had undertaken a number of initiatives to reduce budgetary shortfalls. Approximately 30 proposed initiatives were meant to ensure that members received medically necessary and appropriate services. Of those 30 initiatives, 22 had been enacted resulting in an estimated savings of approximately \$39 million. For example, the division established a policy whereby members would not receive medication, education and training service unless they had an associated prescription. She said it was a valuable service that was helpful for teaching people how to properly take their prescribed medication.

Senator Kieckhefer said the division's projected capitated rate for FY 2019 was \$535 per member, per month. He asked if the division was comfortable with the rate projections included in the Governor's recommended budget for FY 2020 and FY 2021.

Ellen Crecelius, Actuary, DHCFP, DHHS, said the division budgeted the 2019-21 biennium capitated rate for the Newly Eligible category based on calendar year (CY) 2018 actuals, and grew the rate for CY 2019 based on estimates from the contracted actuaries, which resulted in a rate increase of approximately 2.1 percent. For the years beyond that, the Medical Care Services consumer price index was used to grow the rate, which resulted in a rate increase of approximately 3 percent.

Senator Kieckhefer said the difference between FY 2018 and FY 2019 was approximately 20 percent. He asked if the rates were under budgeted. Ms. Crecelius noted that capitated rates were based on calendar year. In CY 2018, about \$60 million in prior year adjustments were paid out, which made the rate appear artificially high. The division did not anticipate a recurrence of those same one-time payments in the future. Ms. Crecelius thought the capitated rates were appropriate based on the current data.

Assemblywoman Benitez-Thompson said, as she understood it, the 21.6 percent capitated rate increase from \$440 to \$535 would cover the shortfall for FY 2019, thereby reducing the likelihood of a shortfall during the 2020-21 Interim.

Ms. Crecelius said when the capitated rates were set, CMS required the rates to be actuarially sound; therefore, experience data was gathered from the base year. She noted that CY 2017 was used as the base year for CY 2019 rates. The actuaries analyzed the services used and projected growth for cost and changes in client mix.

She said there were unusual circumstances and many changes during the 2017-19 biennium. For example, CMS released new regulations on how the actuarially sound rates should be calculated. Also, as a result of the revision to the direct enrollment policy, the Newly Eligible category experienced a significant increase, because the first few months of enrollment were expensive, especially if a member was enrolled in Medicaid during a hospital stay. Ms. Crecelius said the division thought the budgeted rates were appropriate and as accurate as possible based on the available information.

ASSEMBLYWOMAN CARLTON MOVED TO APPROVE AGENDA ITEM D-33.

SENATOR KIECKHEFER SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY. (Assemblyman Wheeler was not present for the vote.)

- 34. Department of Health and Human Services - Public and Behavioral Health - Child Care Services - FY 2019** - Addition of \$207,891 in federal Child Care block grant funds transferred from the Division of Welfare and Supportive Services (DWSS) to ensure timely investigation of consumer complaints and corrective action when required. **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 Transfer from DWSS category exceeds \$75,000. Work Program #C45744**

Agenda Items D-34, D-50 and D-52 were discussed jointly. Refer to testimony and motion for approval under Agenda Item D-52.

- 35. Department of Health and Human Services - Public and Behavioral Health - Health Statistics and Planning - FY 2019** - Transfer of \$37,616 from the Reserve category to the Transfer to BA 3218 category to cover costs of administrative support personnel. Requires Interim Finance approval since the amount transferred to the Transfer to BA 3218 category exceeds 10 percent of the legislatively approved amount for that category. **RELATES TO AGENDA ITEM D. 41. Work Program #C45854**

Refer to motion for approval under Agenda Item D.

- 36. Department of Health and Human Services - Public and Behavioral Health - Health Statistics and Planning - FY 2019** - Addition of \$99,659 in federal National Center for Health Statistics (NCHS) contract funds to support the electronic death registration system. Requires Interim Finance approval since the amount added to the NCHS Time Project category exceeds \$75,000. **Work Program #C45836**

Refer to motion for approval under Agenda Item D.

- 37. Department of Health and Human Services - Public and Behavioral Health - Immunization Program - FY 2019** - Addition of \$793,691 in federal Title XXI grant funds transferred from the Division of Health Care Financing and Policy to purchase vaccines for Nevada Check Up children. Requires Interim Finance approval since the amount added to the Nevada Check Up category exceeds \$75,000. **RELATES TO AGENDA ITEM D. 32. Work Program #C45743**

Refer to motion for approval under Agenda Item D.

- 38. Department of Health and Human Services - Public and Behavioral Health - Health Care Facilities Regulation - FY 2019** - Addition of \$430,184 in Civil Monetary Penalty funds transferred from the Division of Health Care Financing and Policy to support the Comprehensive Resident Safety and Prevention Program project and the Online Antimicrobial Stewardship Toolkit for Nursing Homes project. Requires Interim Finance approval since the amount added to the Civil Monetary Penalty category exceeds \$75,000. **RELATES TO AGENDA ITEM D. 31. Work Program #C45833**

Refer to motion for approval under Agenda Item D.

- 39. Department of Health and Human Services - Public and Behavioral Health - Health Care Facilities Regulation - FY 2019** - Transfer of \$120,000 from the Reserve category to the Commercial-Off-the-Shelf (COT) State Licensing System category and \$15,840 from the Reserve category to the Division Cost Allocation category to provide licensing maintenance for the centralized online one-stop licensing system, known as the Centralized Licensing, Inspections and Complaints System. Requires Interim Finance approval since the amount transferred to COT State Licensing System category exceeds \$75,000. **Work Program #C45863**

Refer to motion for approval under Agenda Item D.

- 40. Department of Health and Human Services - Public and Behavioral Health - Health Care Facilities Regulation - FY 2019** - Transfer of \$122,888 from the Reserve category to the Community Awareness and Education category, and \$16,221 from the Reserve category to the Division Cost Allocation category to support program evaluations, needs assessment, training and the development of a strategic plan to support the Health Care Facilities program in maintaining cultural competency compliance in the programs it regulates. Requires Interim Finance approval since the amount transferred to the Community Awareness and Education category exceeds \$75,000. **Work Program #C45952**

Refer to motion for approval under Agenda Item D.

- 41. Department of Health and Human Services - Public and Behavioral Health - Public Health Preparedness Program - FY 2019** - Addition of \$37,616 in Vital Records fees transferred from the Health Statistics and Planning account to support the cost of administrative support personal. Requires Interim Finance approval since the amount added to the Transfer from Public Health Emergency Preparedness category exceeds 10 percent of the legislatively approved amount for that category. **RELATES TO AGENDA ITEM D. 35. Work Program #C44635**

Refer to motion for approval under Agenda Item D.

- 42. Department of Health and Human Services - Public and Behavioral Health - Public Health Preparedness Program - FY 2019** - Addition of \$533,839 in federal Hospital Preparedness Program grant funds to continue preparation for and management of public health emergencies. Requires Interim Finance approval since the amount added to the Hospital and Health Care Preparedness grant category exceeds \$75,000. **Work Program #C45532**

Refer to motion for approval under Agenda Item D.

- 43. Department of Health and Human Services - Public and Behavioral Health - Public Health Preparedness Program - FY 2019** - Addition of \$623,715 in federal Public Health Emergency Preparedness grant funds to continue preparation for and management of public health emergencies. Requires Interim Finance approval since the amount added to the Public Health Emergency Preparedness category exceeds \$75,000. **Work Program #C45533**

Refer to motion for approval under Agenda Item D.

- 44. Department of Health and Human Services - Public and Behavioral Health - Public Health Preparedness Program - FY 2019** - Addition of \$37,616 in Licenses and Fees transferred from the Marijuana Health Registry account to support the cost of administrative support personal. Requires Interim Finance approval since the amount added to the Transfer from Public Health Emergency Preparedness category exceeds 10 percent of the legislatively approved amount for that category. **RELATES TO AGENDA ITEM D. 55. Work Program #C45608**

Refer to motion for approval under Agenda Item D.

- 45. Department of Health and Human Services - Public and Behavioral Health - Biostatistics and Epidemiology - FY 2019** - Addition of \$267,984 in federal Collecting Violent Death Information using National Violent Death Reporting Systems (NVDRS) grant funds to continue collections and dissemination of violent death data. Requires Interim Finance approval since the amount added to the NVDRS category exceeds \$75,000. **Work Program #C45516**

Refer to motion for approval under Agenda Item D.

- 46. Department of Health and Human Services - Public and Behavioral Health - Biostatistics and Epidemiology - FY 2019** - Addition of \$568,566 in federal Epidemiology and Laboratory Capacity (ELC) for Infectious Diseases grant funds to build and strengthen epidemiology, laboratory and health information system capacity in state and local health departments. Requires Interim Finance approval since the amount added to the ELC category exceeds \$75,000. **Work Program #C45594**

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 \$140,457 in federal Improving Hepatitis B and C Care Cascades grant funds to provide hepatitis program services. Requires Interim Finance approval since the amount added to the Adult Viral Hepatitis Prevention and Control - HEP category exceeds \$75,000. **Work Program #C45929**

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 \$880,439 in federal National Breast and Cervical Cancer Early Detection Program grant funds, deletion of \$5,198 in federal Comprehensive Cancer Prevention and Control grant funds and transfer of \$4,207 from the Cancer Prevention category to the National Cancer Prevention Control category to provide low-income, uninsured and underserved women access to timely breast and cervical cancer screening and diagnostic services. Requires Interim Finance approval since the amount added to the National Cancer Prevention Control category exceeds \$75,000. **Work Program #C45832**

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 \$344,170 in federal Colorectal Cancer Screening grant funds to increase colon cancer screenings. Requires Interim Finance approval since the amount added to the Colorectal Cancer category exceeds \$75,000. **Work Program #C45825**

Assemblywoman Titus asked if the \$344,170 in federal Colorectal Cancer Screening grant funds would be used for screenings. Julie Kotchevar, Division Administrator, DPBH, DHHS, said the funding would pay for 307 additional screenings, 68 of which would be colonoscopies. The remaining screenings would be in the form of Fecal Immunochemical tests. She noted that the FIT test was the most common screening tool. Ms. Kotchevar said the division was contracted with Access to Healthcare Network, which helped people navigate and pay for screening services.

Assemblywoman Titus asked how the program was advertised, and which subpopulation qualified for the program. She said many of her patients were in need of a colorectal cancer screening, but could not afford the cost.

Beth Handler, Deputy Division Administrator, DPBH, DHHS, replied that the screenings could be obtained through Access to Healthcare Network. The division promoted the Access to Healthcare Network telephone number through Nevada 2-1-1 and other state programs. She said Access to Healthcare Network was responsible for triaging and enrolling people who qualified for a colorectal cancer screening. The target population were people typically age 50 to 64 who were at or below 250 percent of the federal poverty level. Ms. Handler said it was also important to target low-income individuals; people with geographic barriers, including those residing in rural areas; the uninsured; and African-American and Hispanic Latino populations that were at high risk for colon cancer.

Assemblywoman Titus said it was great that screenings were made available through the grant. She asked if the funds could be used for patients that required further intervention.

Ms. Handler replied that the grant funds could not be used for follow-up treatment; however, the division could connect people with resources and programs for which they may be eligible. As well, some community health workers, which was a relatively new infrastructure, could assist people in locating resources, clinics or treatment centers in the area in which they resided. She said Access to Healthcare Network had been a great partner for follow-up and treatment connections.

Assemblywoman Titus said she would like to see the program data, such as how many people were identified as at-risk and how many received follow-up care. She wanted to be certain that people were receiving necessary treatment beyond being screened.

In answer to a question from Assemblywoman Carlton, Ms. Handler replied that Access to Healthcare Network was located in Southern and Northern Nevada, and also assisted with outreach in the rural areas.

ASSEMBLYWOMAN TITUS MOVED TO APPROVE AGENDA
ITEM D-49.

SENATOR GOICOECHEA SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY. (Assemblyman Wheeler
was not present for the vote.)

50. **Department of Health and Human Services - Public and Behavioral Health - Chronic Disease - FY 2019** - Addition of \$80,066 in federal Preventive Health and Health Services block grant funds to supplement state resources to address health

promotion and prevention. **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 Preventative Health Services category exceeds \$75,000. Work Program #C45831**

Agenda Items D-34, D-50 and D-52 were discussed jointly. Refer to testimony and motion for approval under Agenda Item D-52.

51. **Department of Health and Human Services - Public and Behavioral Health - Maternal Child and Adolescent Health Services - FY 2019** - Addition of \$506,065 in federal Maternal, Infant and Early Childhood Home Visiting grant funds to provide health education, prevention activities and access to health care services. Requires Interim Finance approval since the amount added to the Home Visiting Program category exceeds \$75,000. **Work Program #C45949**

Refer to motion for approval under Agenda Item D.

52. **Department of Health and Human Services - Public and Behavioral Health - Maternal Child and Adolescent Health Services - FY 2019** - Addition of \$713,997 in federal Maternal and Child Health Services Title V block grant funds to provide services to improve the health of woman of child bearing age, pregnant women and children by providing health education, preventive activities, quality assurance and health care resources. **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/Post Natal Program category exceeds \$75,000. Work Program #C45954**

Agenda Items D-34, D-50 and D-52 were discussed jointly.

Julie Kotchevar, Administrator, DPBH, DHHS, said Work Program #C45744 was for the addition of Child Care Block Grant funds transferred from the Division of Welfare and Supportive Services (DWSS) to the Child Care Licensing program to ensure timely investigation of consumer complaints and implementation of corrective action for child care facilities. Work Program #C45831 was for the federal Preventive Health and Health Services Block Grant, which supplemented state resources to address health promotion and prevention activities. Finally, Work Program #C45954 was for the federal Maternal and Child Health Services Title V Block Grant, which provided services to improve the health of women of child-bearing age, pregnant women, and children by providing health education, preventive activities, quality assurance and health care resources.

In relation to Work Program #C45831, Assemblyman Thompson asked if the chronic disease categories were determined by the federal government. He asked if the categories could be tailored to Nevada.

Beth Handler, Deputy Division Administrator, DPBH, DHHS, said the division used the federal guidelines for direction as well as state assessments. In addition, the Chronic Disease and Wellness Advisory Board made recommendations to the agency regarding priorities and target areas. Among those recommendations, as well as public input provided at meetings of the Chronic Disease and Wellness Advisory Board, the division implemented various programs.

Agenda Items D-34, D-50 and D-52 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 MONROE-MORENO MOVED TO APPROVE
AGENDA ITEMS D-34, D-50 AND D-52.

SENATOR ATKINSON SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

- 53. Department of Health and Human Services - Public and Behavioral Health - Maternal Child and Adolescent Health Services - FY 2019** - Addition of \$123,445 in federal Sexual Violence Prevention and Education grant funds to continue sexual violence prevention and education efforts. Requires Interim Finance approval since the amount added to the Rape Prevention and Education category exceeds \$75,000. **Work Program #C45575**

Refer to motion for approval under Agenda Item D.

- 54. Department of Health and Human Services - Public and Behavioral Health - Office of Health Administration - FY 2019** - Transfer of \$95,524 from the Reserve category to the Data Infrastructure grant category to support software applications. Requires Interim Finance approval since the amount transferred to the Data Infrastructure grant category exceeds \$75,000. **Work Program #C45913**

Refer to motion for approval under Agenda Item D.

- 55. Department of Health and Human Services - Public and Behavioral Health - Marijuana Health Registry - FY 2019** - Transfer of \$37,616 from the Reserve category to the Transfer to BA 3218 Public Health and Preparedness (PHP) category to cover costs of administrative support personnel. Requires Interim Finance approval since the amount transferred to the Transfer to BA 3218 PHP category exceeds 10 percent of the legislatively approved amount for that category. **RELATES TO AGENDA ITEM D. 44. Work Program #C45855**

Refer to motion for approval under Agenda Item D.

56. **Department of Health and Human Services - Public and Behavioral Health - Northern Nevada Adult Mental Health Services - FY 2019** - Transfer of \$1,180,000 from the Personnel Services category to the Professional Services category to continue services with contracted psychiatric clinical staff to meet the needs of clients. Requires Interim Finance approval since the amount transferred to the Professional Services category exceeds \$75,000. **Work Program #C45844**

Refer to motion for approval under Agenda Item D.

57. **Department of Health and Human Services - Public and Behavioral Health - Northern Nevada Adult Mental Health Services - FY 2019** - Transfer of \$256,000 from the Personnel Services category to the Mobile Outreach Safety Team category to cover extended hours pursuant to Senate Bill 192 of the 2017 Legislative Session. Requires Interim Finance approval since the amount transferred to the Mobile Outreach Safety Team category exceeds \$75,000. **Work Program #C45862**

Refer to motion for approval under Agenda Item D.

58. **Department of Health and Human Services - Welfare and Supportive Services - Temporary Assistance for Needy Families - FY 2019** - Addition of \$9,665,761 in federal Temporary Assistance for Needy Families (TANF) block grant funds to provide support to the New Employees of Nevada (NEON) program and TANF transfers. **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 NEON Program category exceeds \$75,000. Work Program #C45938**

Agenda Items D-58 and D-59 were discussed jointly. Refer to testimony and motion for approval under Agenda Item D-59.

59. **Department of Health and Human Services - Welfare and Supportive Services - Child Assistance and Development - FY 2019** - Addition of \$8,520,518 in federal Child Care Development Fund - Discretionary block grant funds to support caseload increases and ongoing program development. **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 NEON/TANF Child Care category exceeds \$75,000. Work Program #C45986**

Agenda Items D-58 and D-59 were discussed jointly.

Steve Fisher, Administrator, Division of Welfare and Supportive Services (DWSS), DHHS, said Work Program #C45938 requested an additional \$9.6 million in federal Temporary Assistance for Needy Families (TANF) funds to support the New Employees of Nevada (NEON) program by increasing work support benefits and providing training in high-demand career pathways, such as manufacturing, health care and construction. Work Program #C45986 requested an additional

\$8.5 million in federal Child Care Development Fund - Discretionary Block Grant funds to support caseload increases and ongoing program development funding, including an increase in subsidy payments to reduce out-of-pocket expenses for participating families.

Assemblyman Thompson remarked that \$8.5 million was a significant investment in child care. He asked if data was available showing the effectiveness of the NEON program. Mr. Fisher said he would provide the information to the Committee.

Agenda Items D-58 and D-59 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 ITEMS D-58 AND D-59.

SENATOR DENIS SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

- 60. Department of Health and Human Services - Child and Family Services - Children, Youth and Family Administration - FY 2019** - Addition of \$12,551,790 in federal Antiterrorism and Emergency Assistance Program (AEAP) for Crime Victim Compensation and/or Assistance grant funds to assist the victims of the October 2017 Route 91 Harvest Festival tragedy. Requires Interim Finance approval since the amount added to the AEAP Antiterrorism Assistance category exceeds \$75,000. **RELATES TO AGENDA ITEM D. 9. Work Program #C45906**

Refer to motion for approval under Agenda Item D.

- 61. Department of Health and Human Services - Child and Family Services - Transition from Foster Care - FY 2019** - Transfer of \$186,318 from the Reserve category to the Transition from Foster Care category to provide services to youth in foster care. Requires Interim Finance approval since the amount transferred to the Transition from Foster Care category exceeds \$75,000. **Work Program #C45850**

Refer to motion for approval under Agenda Item D.

- 62. Department of Health and Human Services - Child and Family Services - Caliente Youth Center - FY 2019** - Addition of \$123,077 in federal Title 1 - Part D Educational grant funds transferred from the Department of Education to provide the continuation of quality education for youth. Requires Interim Finance approval since the amount added to the Title 1 grant category exceeds \$75,000. **Work Program #C45787**

Refer to motion for approval under Agenda Item D.

- 63. Department of Employment, Training and Rehabilitation - Administrative Services - Administration - FY 2019** - Transfer of \$41,000 from the Reserve category to the Operating category to support the projected expenditures for the remainder of the fiscal year. Requires Interim Finance approval since the amount added to the Operating category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C45932**

Refer to motion for approval under Agenda Item D.

- 64. Department of Corrections - Director's Office - FY 2019** - Transfer of \$54,339 from the Employee Physicals category to the Inmate Transportation category, transfer of \$30,168 from the Inmate Drug Testing category to the Inmate Transportation category, transfer of \$9,200 from the Beds/Mattresses/Footlockers category to the Inmate Transportation category, and a transfer of \$6,623 from the Uniform Allowance category to the Inmate Transportation category to fund a projected shortfall through the remainder of Fiscal Year 2019. Requires Interim Finance approval since the amount transferred to the Inmate Transportation category exceeds \$75,000. **Work Program #C45637**

Assemblyman Kramer said Work Program #C45637 related to inmate transportation for medical services. He recalled during the department's pre-session budget hearing that the agency discussed the need for additional staff to assist with inmate transportation. He asked the department for further clarification on the issue.

James Dzurenda, Director, Nevada Department of Corrections (NDOC), said although medical transport comprised the largest portion of inmate transportation, there were many other circumstances that required inmate transportation, such as facility relocation due to inmate classification changes, transfers to Ely State Prison for disciplinary segregation; transfers from a conservation camp to an institution for prison release, disciplinary action or medical issues; court hearings; transfer of inmates in protective custody or in need of an ADA-compliant facility; community work; and transfers from the intake facility to the appropriate institution. Mr. Dzurenda said he would provide the Committee with a detailed inmate transportation report for the previous quarter as justification for the department's request for additional hospital guard and transportation personnel. He noted that the 52 additional staff would not cover all transportation needs; therefore, the department would still be required to pull correctional officers from their posts to provide inmate transportation.

Assemblyman Kramer questioned how the staffing enhancement would directly address the need to remove correctional officers from their posts for purposes of inmate transportation.

SENATOR PARKS MOVED TO APPROVE AGENDA ITEM D-64.

ASSEMBLYMAN KRAMER SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

- 65. Department of Corrections - Prison Medical Care - FY 2019** - Transfer of \$599,861 from the Personnel Services category to the Professional Services category to fund contracted services for licensed healthcare professionals as projected through Fiscal Year 2019. Requires Interim Finance approval since the amount added to the Personnel Services category exceeds \$75,000. **Work Program #C45897**

Refer to motion for approval under Agenda Item D.

- 66. Department of Corrections - Correctional Programs - FY 2019** - Addition of \$372,043 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 #C45928**

Refer to motion for approval under Agenda Item D.

- 67. Department of Corrections - Warm Springs Correctional Center - FY 2019** - Addition of \$58,722 in Budgetary Transfers to fund projected expenditure shortfall in the Utilities categories for the remainder of the fiscal year. Requires Interim Finance approval since the amount added to the Utilities category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C45907**

Refer to motion for approval under Agenda Item D.

- 68. Department of Corrections - Prison Industry - FY 2019** - Transfer of \$222,954 from the Reserve category to the Operating category, transfer of \$76,360 from the Reserve category to the Mattress category, transfer of \$87,309 from the Reserve category to the Print/Bindery category, and a transfer of \$313,171 from the Reserve category to the Garment category to fund a projected shortfall through the remainder of Fiscal Year 2019. Requires Interim Finance approval since the amount transferred to the Garment category exceeds \$75,000. **Work Program #C45823**

Refer to motion for approval under Agenda Item D.

- 69. Department of Public Safety - Highway Safety Grants Account - FY 2019** - Addition of \$1,022,807 in federal Motor Carrier Safety Assistance Program (MCSAP) Commercial Vehicle Safety Plan grant funds, deletion of \$171,236 in federal New Entrant Grant Program funds and transfer of \$29,000 from the Equipment category to the Operating category, \$21,941 from the New Entrant Program to the MCSAP Program category and \$1,395 from the Utilities category to the Operating category to support commercial motor vehicle enforcement and inspection activities. Requires Interim Finance approval since the amount added to the Operating category exceeds \$75,000. **Work Program #C45638**

Refer to motion for approval under Agenda Item D.

- 70. Department of Public Safety - Division of Parole and Probation - FY 2019 -** Transfer of \$91,243 from the Personnel Services category to the Training category to fund a necessary Effective Practices in Community Supervision training for probation officers and associated staff. Requires Interim Finance approval since the amount transferred to the Training category exceeds \$75,000. **Work Program #C45699**

Refer to motion for approval under Agenda Item D.

- 71. Department of Public Safety - Division of Parole and Probation - FY 2019 -** Transfer of \$126,697 from the Personnel Services category to the Extraditions category to fund a projected shortfall for the remainder of the fiscal year. Requires Interim Finance approval since the amount transferred to the Extraditions category exceeds \$75,000. **Work Program #C45714**

Refer to motion for approval under Agenda Item D.

- 72. Department of Public Safety - Division of Parole and Probation - FY 2019 -** Transfer of \$171,008 from the Personnel Services category to the Operating category to fund projected costs for temporary staffing positions for the remainder of Fiscal Year 2019 due to the implementation of Marsy's Law, Ballot Question #1 from the November 6, 2018, election. Requires Interim Finance approval since the amount transferred to the Operating category exceeds \$75,000. **Work Program #C45930**

Assemblywoman Carlton said, because the request by the Division of Parole and Probation (P&P) was associated with Marsy's Law, it was important for the Committee and the Legislature to track all changes and related funding streams. She asked the division to discuss the justification section of the work program as well as the implementation details of Marsy's Law. She also asked for clarification concerning the division's request for temporary staff.

Sue Sieber, Administrative Services Officer, P&P, Department of Public Safety (DPS), said Work Program #C45930 was primarily for the implementation of an accounting unit to ensure that all deposits and payments pertaining to Marsy's Law were appropriately processed. The accounting unit would be staffed with contract employees responsible for monitoring daily deposits posted by offenders, thereby assuring that payments were applied to restitution, if restitution was due. In instances of restitution involving multiple offenders, the contract staff would also ensure that the co-offender's account balance was up to date so the counties and courts had the correct balance.

Assemblywoman Carlton remarked that the Offender Tracking Information System (OTIS) did not have the necessary accounting processes to comply with Marsy's Law. She said the updated system must have that capability. She asked how the division would ensure that officers were completing the necessary

paperwork for restitution. Additionally, she asked how restitution was managed in instances where insurance was involved.

Ms. Sieber replied that the contract staff would ensure that restitution payments were posted to the victims' accounts. Staff would verify through court orders and restitution agreements that the payments were sent to the correct victim in the appropriate amount.

ASSEMBLYWOMAN CARLTON MOVED TO APPROVE
AGENDA ITEM D-72.

SENATOR PARKS SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

- 73. Department of Public Safety - Division of Emergency Management - FY 2019 -** Addition of \$166,263 in Federal Emergency Management (FEMA) - Post Fire Mitigation grant management funding to support state and local governmental agencies/entities post-fire mitigation programs. Requires Interim Finance approval since the amount added to the FEMA Post Fire Mitigation category exceeds \$75,000. **RELATES TO AGENDA ITEM D. 75. Work Program #C45781**

Refer to motion for approval under Agenda Item D.

- 74. Department of Public Safety - Division of Emergency Management - FY 2019 -** The addition of \$154,000 from the Hospital Preparedness Program and Public Health Emergency Preparedness Cooperative Agreement grant authority to assist Nevada's Tribal Nations with the development and planning of their public health preparedness plans. Requires Interim Finance approval since the amount added to the Tribal Support category exceeds \$75,000. **Work Program #C45722**

Refer to motion for approval under Agenda Item D.

- 75. Department of Public Safety - Emergency Management Assistance Grants - FY 2019 -** Addition of \$3,566,325 in Federal Emergency Management Agency (FEMA) - Post Fire Mitigation grant authority to provide Hazard Mitigation Grant Program assistance to state and local governmental agencies/entities that had Fire Management Assistance declarations resulting from wildfires. Requires Interim Finance approval since the amount added to the FEMA Post Fire Mitigation category exceeds \$75,000. **RELATES TO AGENDA ITEM D. 73. Work Program #C45784**

Refer to motion for approval under Agenda Item D.

- 76. Department of Public Safety - Fire Marshal - FY 2019 -** Addition of \$56,651 in Plan Review Fee revenue to fund additional contracted plan review services to

address higher than projected plan review workload. Requires Interim Finance approval since the cumulative amount added to the Contracted Plan Reviews category exceeds 10 percent of the legislatively approved amount for that category.

Work Program #C45931

Refer to motion for approval under Agenda Item D.

- 77. Department of Conservation and Natural Resources - Forestry Division - Forestry - FY 2019** - Transfer of \$103,817 from the Reserve Indirect Cost Future Year Funding category to the Indirect Costs category to support two ongoing contract employees and website upgrades. Requires Interim Finance approval since the Indirect Costs category exceeds \$75,000. **Work Program #C45950**

Refer to motion for approval under Agenda Item D.

- 78. Department of Conservation and Natural Resources - Forestry Division - Forest Fire Suppression - FY 2019** - Transfer of \$291,871 from the Federal Emergency Management Agency Fire Assistance grants category to the Fire Suppression Costs category and \$627,973 from the Prior Year Claims category to the Fire Suppression Costs category to cover actual and projected emergency response activities. Requires Interim Finance approval since the amount transferred to the Fire Suppression Costs category exceeds \$75,000. **Work Program #C45924**

Refer to motion for approval under Agenda Item D.

- 79. Department of Conservation and Natural Resources - Environmental Protection - Waste Management and Corrective Action - FY 2019** - Addition of \$780,000 in funds transferred from the Management of Hazardous Waste account to support closure costs at the Anaconda Copper Mine Site. Requires Interim Finance approval since the amount added to the Corrective Actions category exceeds \$75,000. **Work Program #C45885. WITHDRAWN 1-22-19**

- 80. Department of Conservation and Natural Resources - Environmental Protection - Waste Management and Corrective Action - FY 2019** - Addition of \$90,000 in Petroleum Trust funds transferred from the Petroleum Clean-up Trust Fund to support Leaking Underground Storage Tank (LUST) program activities. Requires Interim Finance approval since the amount added to the LUST category exceeds \$75,000. **Work Program #C45894**

Refer to motion for approval under Agenda Item D.

- 81. Department of Wildlife - Conservation Education - FY 2019** - Addition of \$372,393 in federal Wildlife Restoration grant funds to support the shooting range enhancements project. Requires Interim Finance approval since the amount added to the Hunter Education category exceeds \$75,000. **Work Program #C45797**

Refer to motion for approval under Agenda Item D.

- 82. Department of Wildlife - Game Management - FY 2019** - Addition of \$314,500 in Predator fees transferred from the Wildlife Fund Account to support predator management activities. Requires Interim Finance approval since the amount added to the Predation Management Nevada Department of Wildlife Projects category exceeds \$75,000. **Work Program #C45829**

Assemblywoman Titus said, as she understood it, the \$314,500 the department was requesting to transfer from the Wildlife Fund Account was comprised of the \$3 Predator fee charged to individuals when applying for a license.

Tony Wasley, Director, Department of Wildlife (NDOW), confirmed that was correct. The \$3 Predator fee generated approximately \$700,000 annually. State law required that a minimum of 80 percent be directed toward lethal control activities, and the current authority fell short of the generated revenue. Mr. Wasley said the department was seeking authority for two projects – mountain lion management and a black bear population study through Michigan State University. The authority that NDOW was seeking for mountain lion management would allow the department to hire private contractors, as it had in past years, to supplement the capacity to fulfill the 80 percent mandate. He said the department may not expend the total amount, but NDOW would have the authority to cover multiple geographies through multiple vendors in the contract.

Assemblywoman Titus said the department had already received authority to spend \$14,000 on mountain lion predator management. The 2017 Legislature also approved a number of other things in the NDOW budget, for a total of approximately \$7.4 million, most of which had not been encumbered or spent. She asked for clarification regarding how the department's funds were expended.

Mr. Wasley replied that the \$3 Predator fee was controlled by statute and must be used for specific purposes. He said NDOW was committed to the expenditure of the department's other fees. Sportsmen Revenue fees were considered non-federal fees; therefore, the department was allowed to use them as match to garner federal dollars at three federal dollars for every one state dollar. Mr. Wasley said the department historically expended the budgeted amounts. The department regularly requested authority to expend funds in restricted reserve accounts. He noted that several of the work programs in the consent agenda were for restricted reserve accounts. Mr. Wasley said it had more to do with specific funds having specific uses, and an inability to move those funds freely between accounts, than the total budgetary amount.

Assemblywoman Titus said, during the 2019 Legislative Session, she would like to see exactly how the department's funds were allocated. Mr. Wasley agreed.

Assemblyman Sprinkle said, as he understood it, the agency was requesting to use the funds for mountain lion predator management simply to meet the 80 percent lethal mandate.

Mr. Wasley replied that state law required NDOW to spend a minimum of 80 percent of the revenue generated by the Predator fee account. There were instances where the department had to be creative in looking for the most effective and efficient way to spend that revenue. One of the ways NDOW used the funds was through contract services with the U.S. Fish and Wildlife Service, the federal agency that provided predator management service. The service was provided through individual contractors, and in complement with U.S. Geological Survey and research projects.

Assemblyman Kramer said he did not understand how a black bear population study fell under predator control.

Mr. Wasley replied that previously approved authority included significant control activities and mountain lion management activities. The remaining 20 percent of the Predator fee that was not required to be spent on lethal control could be used to garner a three-to-one match if used on activities that qualified for the match. For example, using \$109,000 in non-federal money to passively estimate the black bear population in the State of Nevada generated three times that amount, or \$327,000 in federal funds for the state. He said it was incumbent upon the state to leverage those dollars. The U.S. Fish and Wildlife Service permitted the state to take a project without a lethal component and use it in a research design to receive federal dollars. Although the black bear population study did not fall under the lethal requirement, it provided a better understanding of predators and where the state could be most effective and strategic, while expanding the state investment and multiplying it.

In response to a question from Assemblyman Kramer, Mr. Wasley replied that one of the work programs approved on the consent agenda was a request for \$2.5 million specific to Pinion Juniper removal. He said programs that focused on important issues, such as ravens and junipers, were not neglected by the department. Mr. Wasley agreed with Assemblywoman Titus in that it would be beneficial for NDOW to share some of the finer points of the department's budget during the 2019 Legislative Session.

Assemblywoman Swank said there had been many discussions regarding the Predator fee. She said she was hesitant to apply hard figures, such as 80 percent, in statute. She was interested in pursuing how to make the Predator fee work for the state based on science rather than micromanaging projects.

Senator Goicoechea asked if the Diamond Mountain project was still active. He said the project had proven valuable over the last three to four years, especially based on the doe-to-fawn ratio and the young bucks that were reestablished on that mountain range. He said approximately \$500,000 was expended each year for predatory projects, and a large portion of the Predator fee funded those projects. Senator Goicoechea said additional information would help clarify how the department's funds were spent.

ASSEMBLYWOMAN SWANK MOVED TO APPROVE AGENDA ITEM D-82.

SENATOR PARKS SECONDED THE MOTION.

THE MOTION PASSED. (Assemblyman Sprinkle opposed the motion.)

- 83. Department of Wildlife - Fisheries Management - FY 2019** - Addition of \$175,000 in Trout Stamp fees transferred from the Wildlife Fund Account to support the Mason Valley Fish Hatchery well replacement project. Requires Interim Finance approval since the amount added to the Hatchery Refurbishment category exceeds \$75,000. **Work Program #C45774**

Refer to motion for approval under Agenda Item D.

- 84. Department of Wildlife - Fisheries Management - FY 2019** - Addition of \$273,730 in federal Aquatic Invasive Species (AIS) Watercraft Inspection and Decontamination grant funds and \$91,244 in Transfer of AIS fees to continue inspection station activities. Requires Interim Finance approval since the amount added to the AIS Outreach and Inspection category exceeds \$75,000. **Work Program #C45820**

Refer to motion for approval under Agenda Item D.

- 85. Department of Wildlife - Habitat - FY 2019** - Addition of \$332,331 in Upland Game Stamp fees transferred from the Wildlife Fund Account to support upland game bird projects. Requires Interim Finance approval since the amount added to the Upland Game category exceeds \$75,000. **Work Program #C44437**

Refer to motion for approval under Agenda Item D.

- 86. Department of Wildlife - Habitat - FY 2019** - Addition of \$1,063,197 in federal Wildlife and Habitat Restoration grant funds, \$1,142,403 in federal Vegetation Management and Habitat Improvement grant funds, and \$354,400 in Sportsmen Revenue fees transferred from the Wildlife Fund Account to support the Nevada Partners for Conservation and Development (C&D) program activities. Requires Interim Finance approval since the amount added to the Nevada Partners for C&D program category exceeds \$75,000. **Work Program #C45941**

Refer to motion for approval under Agenda Item D.

- 87. Office of the Military - FY 2019** - Addition of \$41,813 in federal Cooperative Agreement authority funds to align state and federal budgetary authority in support of the agency's Administrative Services activities/functions. Requires Interim Finance approval since the amount added to the Administrative Services Activities

category exceeds 10 percent of the legislatively approved amount for that category.
Work Program #C45945

Refer to motion for approval under Agenda Item D.

- 88. Office of the Military - FY 2019** - Addition of ~~\$625,475~~ **\$639,901** in federal Cooperative Agreement funds to align state and federal budgetary authority and support the agency's Communications/Information Management Services and Distributed Learning programs. Requires Interim Finance approval since the amount added to the Communications category exceeds \$75,000. **Work Program #C45974. REVISED 1-15-19**

Refer to motion for approval under Agenda Item D.

RECLASSIFICATION

Refer to motion for approval under Agenda Item D.

AGENCY	AGENCY/ ACCOUNT NUMBER	POSITION NUMBER	PRESENT CLASS, CODE, GRADE, SALARY	PROPOSED CLASS, CODE, GRADE AND SALARY
Department of Transportation/ Traffic Operations	800/4660	016-039	Administrative Assistant 3 Code: 2.211 Grade 27/01 Employee/Employer Paid Retirement \$35,725.68	Management Analyst 3 Code: 7.624 Grade 37/01 Employee/Employer Paid Retirement \$54,329.76

E. STATEMENT OF CONTINGENCY ACCOUNT BALANCE.

Mark Krmpotic, Senate Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau (LCB), referenced the Statement of Contingency Account Balance located on page 159 in Volume II of the meeting packet ([Exhibit B](#)). The balance of the unrestricted General Fund portion of the Contingency Account was approximately \$2.0 million. If the requests before the Committee were approved, the balance would decrease to \$1.7 million. The balance of the unrestricted Highway Fund portion of the Contingency Account was approximately \$1.6 million, and there were no requests before the Committee. The balance of the restricted portion of the Contingency Account was approximately \$15.5 million, and there were no requests before the Committee.

F. 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 Secretary of State – Request for an allocation of \$234,320 to cover projected costs related to the passage of the Automatic Voter Registration initiative.

Agenda Items F-1 and F-2 were discussed jointly. Refer to Agenda Item F-2 for testimony and motion for approval.

2. Department of Motor Vehicles – Request for an allocation of \$84,000 to cover projected costs related to the passage of the Automatic Voter Registration initiative.

Barbara Cegavske, Secretary of State, said Scott Anderson, Chief Deputy Secretary of State, Office of the Secretary of State (SOS), would provide a detailed explanation of the request.

Secretary Cegavske thanked Julie Butler, the new Director of the Department of Motor Vehicles (DMV), and her staff. The SOS, DMV and the 17 counties formed a committee to discuss potential solutions concerning the Automatic Voter Registration (AVR) initiative.

Scott Anderson, Chief Deputy Secretary of State, SOS, introduced Wayne Thorley, Deputy Secretary for Elections, SOS; Craig Kozeniesky, Deputy Secretary for Operations, SOS; and Sheri Hudder, Administrative Services Officer, SOS.

Mr. Anderson said Nevada voters approved Question 5, also known as the AVR initiative, at the November 2018 General Election. He said Question 5 amended Chapter 293 of the *Nevada Revised Statutes* (NRS) to require the SOS, DMV and each county to collaboratively establish a system whereby voter registration information obtained by the DMV would be automatically transmitted to the counties and updated to the statewide voter registration list. Mr. Anderson said Question 5 passed without a funding mechanism, and the SOS did not currently have the funding or personnel to properly scope, research and begin development of the project. The request before the Committee was for an allocation from the IFC Contingency Account to establish a project management team to oversee the implementation of the AVR initiative and coordinate efforts between the SOS, DMV and the counties. Mr. Anderson said the Board of Examiners approved the request at its meeting on January 15, 2019.

Mr. Anderson said the project management team would consist of a Project Manager and two Business Process Analysts. The funding would be utilized through the end of FY 2019 to enable the project team to scope and study the requirements, and develop and recommend possible solutions. The team would work in conjunction with the DMV under the guidance and direction of the AVR governance structure. He said Secretary Cegavske previously briefed the IFC on the project and the need for additional resourcing. Mr. Anderson said the SOS worked closely with the Governor's Finance Office to develop the work program currently before the Committee.

Assemblyman Thompson referred to page 166 in Volume II of the meeting packet ([Exhibit B](#)). He noted that the SOS estimated \$110 per hour for the Project Manager and \$90 per hour for the Business Process Analysts for a total of 808 hours. He asked if those costs were for contract staff.

Mr. Anderson confirmed that the employees would be master service agreement (MSA) contractors. The estimated job hours and costs were for the remainder of FY 2019. The funding to continue the MSA contractors was included in the Governor's recommended budget.

In answer to a question from Assemblyman Thompson, Mr. Anderson said the contract staff would be responsible for scoping the project, establishing all the requirements and processes, and developing the timeline and recommendations for implementation of the AVR. He said the project would require a significant amount of work.

Assemblywoman Jauregui recalled during the December 2018 IFC meeting, the SOS discussed the creation of a working group that would include community-based organizations. She asked if the working group had finalized the names of the community-based organizations, and if so, which organizations had been selected.

Secretary Cegavske said the working group had finalized the recommendations and SOS staff could provide the names that were approved. She said prospective nonprofit organizations were still being researched; however, the office could not provide specific details until the scope of the project was developed.

Wayne Thorley, Deputy Secretary for Elections, SOS, said several nonprofit organizations had reached out to the SOS to offer advice and help in developing the scope of the project. Those particular organizations had a great deal of experience assisting other states with the implementation of AVR. He said the situation had been discussed by the steering committee, and with the amount of interest from community organizations, it would be difficult to allow all of them to participate in the working group. Alternatively, it was proposed to conduct special meetings for community organizations to receive updates on the project. The nonprofit organizations would not necessarily be part of the working group, but the meetings would provide them an opportunity to submit feedback and advice.

Assemblyman Thompson said community organizations had a lot to offer to the project. He understood many nonprofit organizations were interested in participating; however, he thought it would be more efficient to include them on the front end. Assemblyman Thompson said he would like to know which organizations had expressed an interest in participating in the AVR project.

Chair Woodhouse asked if the SOS intended to modify existing systems, or implement a new system, in order to automate the AVR process.

Secretary Cegavske said the contract staff would help determine answers to those questions. The office was also discussing how the DMV would be impacted by their new process.

Mr. Anderson added that the contract staff would determine whether the current systems or a new system would be best for communicating with all the counties as well as DMV.

Mr. Thorley said it was helpful to think of Question 5 in two parts. The AVR part stated that individuals obtaining certain licensing services at the DMV would be automatically registered to vote unless they affirmatively opted out. The other part was the electronic data transfer from the DMV to election officials. When an individual was registered to vote at the DMV, the information would be captured electronically and securely submitted to election officials. He noted that the electronic data transfer system did not currently exist.

Assemblywoman Neal asked how voter registration information was currently provided to election officials. Mr. Thorley replied that individuals could register to vote in person, online or via mail; however, the majority of voter registration information was transmitted by hard copy.

Julie Butler, Director, DMV, introduced Jude Hurin, Administrator, Division of Management Services and Programs, DMV, and April Sanborn, DMV Services Manager, Division of Management Services and Programs, DMV.

Ms. Butler reiterated that the DMV was collaborating with the SOS, county election officials, the Office of the Governor and representatives from the Division of Enterprise Information Technology Services to standup the executive and steering committees to establish governance models and make key decisions regarding the project scope, schedule and budget. Additionally, the parties formed a working group to identify all the operational gaps, determine the best system to transmit the information in a secure and accurate manner, and to create a projected timeline for the steering and executive committees review and approval. The DMV also created an internal committee to ensure successful implementation on the DMV's end. Ms. Butler reiterated that the system for transmitting the voter registration data had not yet been developed; therefore, it was important to have the executive and steering committees and the working group to ensure the scope of the project was fleshed out, and the requirements and design were established in order to accurately provide budget estimates.

Ms. Butler said the DMV was requesting \$84,000 in General Fund Contingency Account funds to hire a contracted programmer for the period of February 1, 2019, through June 30, 2019, to learn the department's information technology environment and begin the anticipated programming changes necessary to transmit the required information to the SOS and county election officials. She said the Board of Examiners approved the DMV's request for

Contingency Account funds at its meeting on January 22, 2019. Funding for FY 2020 was requested as a one-shot appropriation in the amount of \$87,000 to continue the contracted programming effort. Those funds would be used to incorporate any additional agreed upon changes through the working group and steering committee process for defining the interface requirements and transmitting data for internal and external testing with stakeholders, and to address any post-deployment issues that may arise.

Assemblywoman Carlton stated that the AVR had to be implemented by January 2020. Ms. Butler said it was her understanding that a timeframe was not identified with the initiative petition.

Assemblywoman Carlton said she must have been misinformed; however, the AVR was the will of Nevadans. She asked if the AVR would be implemented in time for the 2020 election.

Ms. Butler said the AVR was a priority of Governor Sisolak, and consequently, it was a priority of the DMV. She said the DMV would do everything possible to implement the AVR as expeditiously as possible. The department was aware of the upcoming election and would do everything possible to begin implementation.

Secretary Cegavske reiterated that the SOS was not provided a plan, funds or staff to implement the AVR; therefore, a date could not be projected until a team was established to analyze the requirements. As the Committee was aware, the DMV was making significant changes, and the SOS had to determine how the SOS would be impacted by those changes. She thought the DMV would have a vendor in July 2019.

Assemblywoman Carlton remarked that the Committee was clear about its expected timeline for the AVR.

Assemblyman Frierson said the AVR was important to the Committee. He said the information technology team needed to establish a timeline and the agencies needed to be ready for the election in 2020. Assemblyman Frierson said the Committee did not want to discover in May 2020 that the AVR could not be implemented. He recalled a similar discussion during the 2017 Legislative Session. He stated that when a project was a high priority, planning should begin six months in advance to allow adequate time to request resources. Assemblyman Frierson requested that the agencies develop and present a timeline to the IFC so the Committee would know in advance whether progress was being made.

Assemblywoman Monroe-Moreno clarified that the AVR was not just the Governor's priority; it was also a priority of the voters, by an overwhelming majority. She recalled discussion regarding the AVR during the 2017 Legislative

Session, and it disappointed her that the agencies had not put more forethought into the project leading up to the passage of Question 5.

Senator Settlelmeyer said he hoped Nevada could learn from the mistakes made by other states to ensure the integrity of elections in the future.

Chair Woodhouse recalled that in the fiscal note for Question 5, it was projected that computer programming would require 1,000 hours; however, the current estimate was 1,700 hours. She asked why there was a disparity in the numbers.

Jude Hurin, Administrator, Division of Management Services and Programs, DMV, replied that in September 2018, the DMV received changes to the registration application forms from the SOS. Those changes required the DMV to implement software changes on the back end. As well, the AVR initiative required the department to make every effort to ensure the process was paperless, which required further programming as well.

Assemblywoman Neal said the information required to register a vehicle was very similar to the information required to register to vote. She asked why the programming was affected. Mr. Hurin replied that the AVR initiative required an opt-out, so the majority of the programming involved updating the system to allow customers that option. There were also other programming changes, but the opt-out option was the cornerstone of the programming hours.

In response to a question from Assemblywoman Spiegel, Mr. Hurin replied that the current background system used COBOL.Net and PowerBuilder, which were antiquated systems. The AVR also included other requirements. As well, testing by the DMV, SOS and the counties required hours of programming, all of which were incorporated into the total projected hours.

ASSEMBLYWOMAN CARLTON MOVED TO APPROVE AGENDA
ITEMS F-1 AND F-2.

SENATOR DENIS SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

- G. STATE DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES – DIVISION OF STATE PARKS** – Request for approval to expend \$100,000 from the Account for Maintenance of State Parks to cover higher than anticipated costs related to the construction of pull-through campsites and full hook-ups at the Washoe Lake State Park campground, pursuant to NRS 407.0762.

Robert Mergell, Administrator, Division of State Parks, DCNR, said the division was remodeling the Washoe Lake State Park campground. The infrastructure was aging and in worse shape than expected, and the current bid climate was poor; therefore, the

division anticipated the project would exceed the budgeted amount. The division was requesting to use User Fee Overage to fund the additional costs.

ASSEMBLYMAN SPRINKLE MOVED TO APPROVE AGENDA ITEM G.

SENATOR GOICOECHEA SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

- H. REQUEST FOR APPROVAL OF TRANSFER FROM THE INTERIM FINANCE COMMITTEE'S ACCOUNT FOR FORECLOSURE MEDIATION ASSISTANCE PURSUANT TO NRS 107.080** – Request for the transfer of \$141,000 from the Account to Home Means Nevada, Inc, for support of the program for foreclosure mediation.

Shannon Chambers, President, Home Means Nevada, Inc., said Senate Bill 490 (2017 Legislative Session) transferred certain functions of the Foreclosure Mediation Assistance Program to Home Means Nevada, Inc. The intent of the request was to continue to fund Home Means Nevada to perform those operations. Ms. Chambers noted that the requested amount was revised from \$141,000 to \$124,643.50.

Assemblywoman Jauregui asked how many requests for mediation were received in FY 2018. Ms. Chambers said, based on the number of notices of default for FY 2018, the participation rate in the mediation program was 3 percent. She said she would provide the Committee with the exact details.

ASSEMBLYWOMAN CARLTON MOVED TO APPROVE AGENDA ITEM J.

SENATOR DENIS SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

- I. REQUEST FOR APPROVAL TO ACCEPT GIFTS AND GRANTS PURSUANT TO NRS 353.335 – Office of the Secretary of State** – Request for approval to accept a donation of \$40,000 from the New Venture Fund to offset the cost of ballot stock for the 2018 General Election.

Wayne Thorley, Deputy Secretary for Elections, SOS, said the purpose of Agenda Item I was to establish budget authority to accept a one-time grant from the New Venture Fund totaling \$40,000. The New Venture Fund was a 501(c)(3) public charity based in Washington, D.C. The grant was provided from the New Venture Fund's Center for Secure and Modern Elections Project. The funds would be used to offset the cost of ballot stock for the 2018 General Election pursuant to NAC 293.200. Mr. Thorley explained that the SOS was required to reimburse counties for the cost of ballot stock for all primary and general elections. He stated that the language of one of the statewide ballot questions

for the 2018 General Election was revised after Clark County and Carson City had already begun printing ballots. The grant funds would be used to reimburse those counties for the cost of the ballots that had to be destroyed.

ASSEMBLYWOMAN CARLTON MOVED TO APPROVE AGENDA ITEM I.

SENATOR PARKS SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

J. REQUEST FOR APPROVAL OF A CONTINGENT FEE CONTRACT PURSUANT TO NRS 228.1111 – Office of the Attorney General – Request to enter into a contingent fee contract with outside counsel for litigating matters relating to the opioid epidemic.

Ernest Figueroa, Executive Head of the Bureau of Consumer Protection (BCP) and Nevada's Consumer Advocate, Office of the Attorney General (OAG), introduced Mark Krueger, Chief Deputy Attorney General, OAG, and Christian Schonlau, Chief Financial Officer, OAG.

Mr. Figueroa said the OAG was requesting IFC approval, per NRS, to hire contingent fee counsel. On January 24, 2019, the Governor declared that the OAG required additional resources to combat the opioid crisis and initiated the process for contingent fee counsel by issuing a declaration. Pursuant to NRS 228.1112, the subsequent step was to obtain IFC approval before the BCP could commence the request for proposal (RFP) process.

Assemblywoman Titus said she was concerned about the impact that opioids had on the health and welfare of Nevada citizens. However, it appeared that the OAG was requesting approval for unspecified litigation. She asked for further clarification of the request.

Mr. Figueroa said it was difficult to answer, because the agency was still in the beginning stages of seeking the use of contingent fee counsel to assist the OAG in steps the office may take in combating the opioid crisis, which may result in litigation against one or numerous defendants. He said the project scope was still undetermined.

Assemblywoman Titus said she was not certain she could support the agency's request due to the lack of information available. She did not agree with the idea of giving counsel open-ended authority to litigate.

Senator Kieckhefer agreed with the concerns expressed by Assemblywoman Titus. He said the contingent amount was negotiable. He recalled a bill during the 2017 Legislative Session to increase contingent fee caps from 10 percent to 25 percent, but that was negotiable based on the contract. He asked what the proposed contingent fee cap would be in an executed contract.

Mr. Figueroa said it was his intention to coordinate with the Administrator of the Purchasing Division to construct an RFP, utilizing his own experience in working with outside counsel, to negotiate all of the issues in the best interest of the State of Nevada.

Senator Kieckhefer remarked that various cities and counties in Nevada had filed opioid-related litigation against pharmaceutical companies. He asked if the OAG intended to join those lawsuits or initiate new litigation. Mr. Figueroa replied that the OAG was requesting authority to obtain and utilize contingent fee counsel as outlined pursuant to the procedure that was first enacted in 2015 and amended in 2017. Upon IFC approval, the OAG would construct an appropriate RFP.

Senator Kieckhefer said he was concerned that the OAG was requesting to hire counsel on a contingent fee basis so that counsel could identify claims from which it would profit. He thought it was a perverse incentive to find justice for a claim that was currently unknown. Senator Kieckhefer said the OAG had not presented the Committee with justification for contingent fee counsel. He took issue with contingent fee counsel executing justice on behalf of the government. Although there were times that contingent fee counsel was necessary, nothing had been presented indicating it was necessary now.

Assemblyman Frierson said S.B. 240 (2015 Legislative Session) established the authority. As he understood it, the OAG did not have the necessary resources in its legislatively approved budget to address the opioid crisis in Nevada; therefore, the agency was seeking authority to obtain direction from outside counsel which was better able to assess the state's opioid crisis. Mr. Figueroa confirmed that was correct.

ASSEMBLYMAN FRIERSON MOVED TO APPROVE AGENDA ITEM J.

SENATOR PARKS SECONDED THE MOTION.

Senator Kieckhefer agreed there was an opioid crisis, and the state had been trying to address it for years. However, he reiterated that the OAG had not provided justification for hiring outside counsel, and doing so would take the state down a litigious pathway that had not been demonstrated as effective or necessary. Senator Kieckhefer did not think the government should do business in that manner; therefore, he opposed the motion.

Senator Goicoechea said everyone was in agreement about the opioid crisis. He agreed with Senator Kieckhefer in that a cap should be in place for outside counsel. He was concerned about giving the OAG full authority to hire outside counsel and join any lawsuit in the United States in the name of the opioid crisis.

Assemblyman Frierson noted that he was a lawyer by profession, thus, he felt compelled to correct the record. He stated that lawyers were paid to investigate and assess situations, not just file lawsuits. In addition, the State of Nevada had joined lawsuits of other states in the past without complaint.

Assemblywoman Titus said the state had not found a solution to the opioid crisis in Nevada. She said more research needed to be conducted. However, she could not support spending money for litigation rather than providing intervention for people with opioid addiction.

Assemblywoman Carlton clarified that the OAG's request would not affect health care dollars intended for the prevention, abuse, treatment and recognition of opioid addiction. She said it was erroneous to insinuate that the funds requested by the OAG would have a negative impact on funds intended to address opioid addiction.

THE MOTION PASSED. (Senator Goicoechea, Senator Kieckhefer, Senator Settlemeyer, Assemblyman Kramer, Assemblywoman Titus and Assemblyman Wheeler opposed the motion.)

K. INFORMATIONAL ITEMS.

Chair Woodhouse requested further testimony on Agenda Item K-7.

1. GOVERNOR'S FINANCE OFFICE – Special Appropriations

- a) Nevada Alliance of Boys and Girls Clubs, Inc. – Report on expenditures for the period ending November 30, 2018, pursuant to Senate Bill 550, Section 3(7) (2017 Legislature).
- b) Lou Ruvo Center for Brain Health – Report on expenditures made from the money appropriated for research, clinical studies, operations and educational programs at the Lou Ruvo Center for Brain Health for the period ending November 30, 2018, pursuant to Senate Bill 543, Section 1(2)(a)(2017 Legislature).

There was no discussion on these items.

2. DEPARTMENT OF ADMINISTRATION -- State Public Works Division – Information regarding the Project Status Exception Report pursuant to NRS. 341.100(8)(g).

There was no discussion on this item.

3. DEPARTMENT OF HEALTH AND HUMAN SERVICES

- a) Division of Health Care Financing and Policy – Quarterly report on the Disproportionate Share Hospital Supplemental Payment Program for the period ending December 30, 2018, pursuant to NRS 422.390(2).
- b) Division of Welfare and Supportive Services – Annual report concerning the allocation of funds in the Fund for Energy Assistance and Conservation in FY 2018, pursuant to NRS 702.275.

There was no discussion on these items.

4. DEPARTMENT OF CORRECTIONS

- a) Quarterly report on department-wide overtime for the period ending September 30, 2018, as requested during the August 24, 2017, meeting of the Interim Finance Committee.
- b) Quarterly report of the agency activity relating to contracting with current or former employees of the state, for the period ending December 31, 2018, pursuant to NRS 333.705(5).

There was no discussion on these items.

5. DEPARTMENT OF TRANSPORTATION – Report on the activities of the Advisory Committee on Transportational Storm Water Management and the implementation and efficacy of the department’s storm water program pursuant to NRS 408.439 (11).

There was no discussion on this item.

6. SILVER STATE HEALTH INSURANCE EXCHANGE – Semiannual report on how applicable new or modified federal laws would impact the Silver State Health Insurance Exchange operations for the period ending December 31, 2018 (letter of intent, 2017 Legislature).

There was no discussion on this item.

7. NEVADA MUSEUM OF ART – Report describing each expenditure made with the \$1.0 million appropriation from the date received through December 1, 2018, pursuant to Senate Bill 187 (2) (2017 Legislature).

Kathleen Conaboy, Senior Vice President, Museum Advancement, Nevada Museum of Art, said the Nevada Museum of Art submitted a report describing the expenditures paid for using the \$1.0 million appropriation from the date received through December 1, 2018, pursuant to S.B. 187 (2017 Legislative Session). She appreciated the opportunity to provide the Committee with a progress report.

Ms. Conaboy said \$250,000 of the \$1.0 million approved by the Committee in August 2018 was used to purchase land immediately adjacent to the Reno museum. She said the Museum of Art in Reno was able to protect the line of sight from the sky room, where many events were held. Ms. Conaboy said the \$250,000 allowed the museum the flexibility to raise funds and expand the facility. To that end, the selection process was underway for an architect to help with the expansion. In addition, the Museum of Art was seeking partners for the Reno location.

Ms. Conaboy stated that a large Science, Technology, Engineering, Art and Math (STEAM) conference would be held on February 2, 2019, in Reno and on February 23, 2019, in Las Vegas. She said the Museum of Art was working very

closely with the Desert Research Institute (DRI), Tesla, Washoe County School District and a number of significant donors that funded the museum's education activities, which would be expanded to the new building in Reno.

Continuing, Ms. Conaboy said a blockbuster exhibition called *Anne Brigman: A Visionary in Modern Photography* was recently held at the Museum of Art in Reno. To the museum's surprise, Jamie Lee Curtis attended the exhibition. Ms. Conaboy noted that Ms. Curtis also granted permission for the museum to announce her attendance on social media, which drew national attention to the museum.

Ms. Conaboy said there had been multiple attempts to establish a fine arts museum in Las Vegas. All of those attempts came to fruition through Senate Bill 187. In May 2018, the Nevada Museum of Art merged with the Art Museum at Symphony Park. The City of Las Vegas had provided the Art Museum at Symphony Park with land in Symphony Park, the promise of money for construction of the building, and access to parking. The city graciously transferred those assets to the Nevada Museum of Art. Ms. Conaboy said the current challenge was the two-to-one match required by the City of Las Vegas. The city gifted \$5.33 million for the new Las Vegas museum, and the Museum of Art was required to double that to \$11.0 million before October 4, 2019. She said the Nevada Museum of Art and the City of Las Vegas were in the process of finalizing legal agreements, which would make the Museum of Art a stakeholder in the Symphony Park association.

Ms. Conaboy reported that the Museum of Art had established a temporary office location in Las Vegas. In addition, Heather Harmon was recently hired as the Deputy Director. She noted that Ms. Harmon's paternal great grandfather became the first county clerk in Clark County in 1909; her paternal grandfather was a state legislator and county commissioner, and worked very hard to develop the infrastructure in Clark County; her father was a three-term state legislator; and her maternal grandfather was a member of the Board of Regents. Ms. Harmon earned a Bachelor of Fine Arts degree from the University of Nevada, Las Vegas (UNLV), but moved out of state for about ten years to pursue her dream of a career in art. Ms. Conaboy said Ms. Harmon was happy to come home and help make the Museum of Art in Las Vegas a reality.

Ms. Conaboy stated that an international architecture competition would be held to attract up and coming talent to Las Vegas to help design a cutting edge museum befitting of the Las Vegas skyline. The Museum of Art was working diligently to establish collaborations in Las Vegas. As mentioned previously, the STEAM conference would be held at the UNLV Barrick Museum of Art on February 23, 2019, in conjunction with DRI and Tesla. The Museum of Art was collaborating with UNLV's Black Mountain Institute to participate in the Believer Festival in April 2019. In addition, the Museum of Art had ongoing programs with the Clark County School District, the Springs Preserve, the Smith Center for the Performing Arts, and the DISCOVERY Children's Museum.

Ms. Conaboy said it was very important for the Nevada Museum of Art to integrate itself into the Las Vegas community.

Ms. Conaboy stated that a one-time appropriation of \$5.0 million was listed on page 68 of the Governor's recommended budget for the 2019-21 biennium, which would help continue the expansion projects for the museum. She hoped the Legislature would invite her back to provide additional details of the Museum of Art's progress. She noted that the Museum of Art was not attempting to replicate the Reno museum in Las Vegas. The goal of the Las Vegas museum was to be sensitive to the community. The museum model in Northern Nevada was tremendously successful, with many strong partnerships and significant donor support year after year. Ms. Conaboy said the artist community in Southern Nevada would join with the Museum of Art as collaborators. She reassured the Committee that the Nevada Museum of Art would continue outreach efforts to ensure that the museum in Las Vegas accurately represented the community.

8. LEGISLATIVE AUDITOR – Six-month reports on agencies' implementation of recommendations made by the Legislative Auditor pursuant to NRS 218G.270.
 - a) Department of Administration
 - 1) Hearings Division
 - 2) Victims of Crime Program
 - b) Department of Business and Industry – Housing Division
 - c) Department of Health and Human Services – Public and Behavioral Health – Adult Mental Health Services Community
 - d) Department of Public Safety – Records, Communications and Compliance Division

There was no discussion on these items.

9. DEPARTMENT OF EDUCATION - Report on the audit of assessment tools and examinations used to monitor the performance of pupils, pursuant to Senate Bill 303 (3) (2017 Legislature). **RECEIVED AFTER SUBMITTAL DEADLINE, 1-16-19.**

There was no discussion on this item.

10. INTERIM COMMITTEE TO STUDY THE SALARIES OF CERTAIN POSITIONS IN THE UNCLASSIFIED AND NONCLASSIFIED SERVICE OF THE STATE (S.C.R. 6, 2017) - Report on the activities and resulting market salary analysis from the S.C.R. 6 Committee.

There was no discussion on this item.

L. PUBLIC COMMENT.

There was no public comment.

M. ADJOURNMENT.

The meeting was adjourned at 3:53 p.m.

Senator Joyce Woodhouse, Chair
Interim Finance Committee

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