

MINUTES OF THE FEBRUARY 6, 2020
MEETING OF THE
INTERIM FINANCE COMMITTEE
Las Vegas, Nevada

Vice Chair Joyce Woodhouse called a regular meeting of the Interim Finance Committee (IFC) to order at 9:33 a.m. on February 6, 2020, in Room 4412 of the Grant Sawyer Office Building, 555 East Washington Avenue, Las Vegas, Nevada. The meeting was videoconferenced to Room 4100 of the Nevada Legislative Building, 401 South Carson Street, Carson City, Nevada

COMMITTEE MEMBERS PRESENT:

Assemblywoman Maggie Carlton, Chair
Senator Joyce Woodhouse, Vice Chair
Senator Chris Brooks
Senator Yvanna Cancela
Senator Moises Denis
Senator Pete Goicoechea
Senator Ben Kieckhefer
Senator David Parks
Senator James Settelmeyer
Assemblywoman Shea Backus
Assemblywoman Teresa Benitez-Thompson
Assemblyman Jason Frierson
Assemblyman John Hambrick
Assemblywoman Sandra Jauregui
Assemblyman Al Kramer
Assemblyman Glen Leavitt for Assemblyman Wheeler
Assemblywoman Daniele Monroe-Moreno
Assemblywoman Connie Munk
Assemblywoman Ellen Spiegel
Assemblywoman Heidi Swank
Assemblywoman Robin Titus
Assemblyman Howard Watts for Assemblywoman Neal

COMMITTEE MEMBERS EXCUSED:

Assemblywoman Dina Neal
Assemblyman Jim Wheeler

LEGISLATIVE COUNSEL BUREAU STAFF PRESENT:

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

EXHIBITS:

Exhibit A: Meeting Packet – Volume I

Exhibit B: Meeting Packet – Volume II

Exhibit C: Meeting Packet – Volume III

A. ROLL CALL.

Cheryl Harvey, Secretary, Fiscal Analysis Division, Legislative Counsel Bureau, called the roll; all members were present except Assemblywoman Neal and Assemblyman Wheeler, who were excused. Chair Carlton joined the meeting in progress.

B. PUBLIC COMMENT.

Ed Gonzalez, Henderson resident, said he was a member of Break Free CCSD as well as the school organizational team for Hickey Elementary School in northeast Las Vegas; however, he was speaking as a private citizen regarding the roll out of Clark County School District's (CCSD) human resource management information system. The system was funded by the 2017 Legislature to increase transparency and help the CCSD track the funds required for implementation of the reorganization. Mr. Gonzalez noted that the CCSD was required to submit a semiannual progress report to the IFC through FY 2021.

Mr. Gonzalez said it was assumed that the human resource management information system was ready to execute when the existing payroll issues were resolved. He disagreed with that view, noting that the system had many structural problems, especially in the area of budgeting. He indicated that many school staff complained about incorrect data in the budgets and miscalculations of formulas. Additionally, the interface was needlessly complex. Moreover, principals had access to human resource and budget functions on the backend of the system, for which there were no safeguards in place to prevent damage to the system.

Mr. Gonzalez said an email from the CCSD Title I office directed school principals to calculate staffing step/column increases for all Title I staff since the district was uncertain if it was done by the budget office. Some principals were doing the same for S.B. 178 funds; although the human resource management information system did not allow funds to be set aside for that purpose. Therefore, all of the calculations had to be done manually. Additionally, elementary school principals were required to calculate class-size reduction ratios themselves, since it was not included in the new system design. He noted that the class-size reduction ratios were calculated automatically in the old system. Mr. Gonzalez recalled that a principal deleted a special education position and watched as the strategic budget was reduced by more than \$40,000 even though special education positions were funded separately from the strategic budget and the actual average teacher salary is \$88,250.

Mr. Gonzalez said he was bringing these issues to the Committee's attention, because the new system was approved by the 2017 Legislature, and the IFC received progress reports on the system. He urged the Committee to review the matter closely.

C. APPROVAL OF MINUTES OF THE OCTOBER 24, 2019, MEETING.

ASSEMBLYMAN FRIERSON MOVED TO APPROVE THE MINUTES OF THE OCTOBER 24, 2019, MEETING.

SENATOR PARKS SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY. (Chair Carlton and Senator Cancela were not present for the vote.)

D. APPROVAL OF MINUTES OF THE DECEMBER 13, 2019, MEETING.

ASSEMBLYWOMAN BENITEZ-THOMPSON MOVED TO APPROVE THE MINUTES OF THE DECEMBER 13, 2019, MEETING.

SENATOR DENIS SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY. (Chair Carlton and Senator Cancela were not present for the vote.)

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

The Committee expressed interest in hearing further testimony concerning Agenda Items E-10, Department of Education; E-35, Department of Health and Human Services (DHHS), Division of Health Care Financing and Policy; E-52, DHHS, Division of Child and Family Services (DCFS); E-53, DHHS, DCFS; E-74, Department of Administration, Division of Human Resource Management (DHRM); E-75, Department of Administration, DHRM; E-76, Department of Corrections; E-77, Department of Corrections; E-78, Department of Corrections; E-79, Department of Corrections, and position reclassifications for the Department of Public Safety, Position Numbers 0242, 0530 and 0718.

The following items involved the allocation of block grant funds, which required a public hearing: Agenda Items E-31, DHHS, Director's Office; E-32, DHHS, Director's Office; E-45, DHHS, Division of Public and Behavioral Health (DPBH); E-48; DHHS, Division of Welfare and Supportive Services (DWSS); E-49, DHHS, DWSS; and E-50, DHHS, DWSS.

Agenda Item E-37, DHHS, DPBH was a companion work program to Agenda Item E-50, DHHS, DWSS; therefore, both items were discussed together.

Assemblywoman Benitez-Thompson requested further testimony on Agenda Item E-46, DHHS, DPBH.

Assemblywoman Titus requested further testimony on Agenda Items E-42, DHHS, DPBH, and E-69; Department of Conservation and Natural Resources, Division of Environmental Protection.

SENATOR PARKS MOVED TO APPROVE THE REMAINING
WORK PROGRAM REVISIONS AND POSITION
RECLASSIFICATIONS.

ASSEMBLYWOMAN MONROE-MORENO SECONDED THE
MOTION.

THE MOTION PASSED UNANIMOUSLY. (Chair Carlton and
Senator Cancela were not present for the vote.)

1. **Office of the Governor - FY 2020** - Transfer of \$6,695 from the Operating category to the Patient Protection Commission category, \$8,511 from the Equipment category to the Patient Protection Commission category, \$10,874 from the Information Services category to the Patient Protection Commission category, and \$6,375 from the Department Cost Allocation category to the Patient Protection Commission category to provide better tracking of expenses related to the Patient Protection Commission. Requires Interim Finance approval since the amount transferred to the Patient Protection Commission category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C49623**

Refer to motion for approval under Agenda Item E.

2. **Office of the Attorney General - Medicaid Fraud - FY 2020** - Transfer of \$17,205 from the Personnel category to the Information Services category to fund the purchase of equipment needs due to moving the division from its temporary Las Vegas office location to a new permanent office location. Requires Interim Finance approval since the amount transferred to the Information Services category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C49648**

Refer to motion for approval under Agenda Item E.

3. **Office of the Attorney General - Consumer Advocate - FY 2020** - Transfer of \$264,557 from the Reserve category to the Expert Witnesses category to fund ongoing expert witness services related to utility cases. Requires Interim Finance approval since the amount transferred to the Expert Witnesses category exceeds \$75,000. **Work Program #C49624**

Refer to motion for approval under Agenda Item E.

4. **Office of the Attorney General - State Settlements - FY 2020** - Addition of \$5,000,000 in Wells Fargo Settlement Income funds to establish a new grant to provide subgrant funding to law enforcement agencies and local nonprofit organizations that provide mental health crisis response programs and Mobile Outreach Safety Teams (MOST). Requires Interim Finance approval since the amount added to the MOST funding category exceeds \$75,000. **Work Program #C49293. WITHDRAWN 1-17-20.**
5. **Office of the Secretary of State - Help America Vote Act (HAVA) Election Reform - FY 2020** - Addition of \$62,400 in federal Homeland Security Program grant funds transferred from the Division of Emergency Management to continue to provide Netflow Intrusion Detection System monitoring services for 12 Nevada counties. Requires Interim Finance approval since the cumulative amount added to the Homeland Security Grant category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C49316**

Refer to motion for approval under Agenda Item E.

6. **Department of Administration - Enterprise Information Technology Services - Network Transport Services - FY 2020** - Transfer of \$32,291 from the Reserve category to the Training category to support winter survival training for staff that perform remote microwave site operations and maintenance. Requires Interim Finance approval since the amount transferred to the Training category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C49548**

Refer to motion for approval under Agenda Item E.

7. **Department of Administration - State Public Works Division - Marlette Lake - FY 2020** - Transfer of \$56,000 from the Reserve - Debt Services category to the Debt Service category to address a projected shortfall in the Marlette Lake debt payment and fee obligations. Requires Interim Finance approval since the amount transferred to the Debt Service category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C49583**

Refer to motion for approval under Agenda Item E.

8. **Department of Education - School Remediation Trust Fund - FY 2020** - Transfer of \$397,500 from the Transfer Teacher Incentive category to the Continuing Teacher Incentive category and \$458,646 from the New Teacher Incentive category to the Continuing Teacher Incentive category for Teacher Incentives at Title I schools. Requires Interim Finance approval since the amount transferred to the Continuing Teacher Incentive category exceeds \$75,000. **Work Program #C49547**

Refer to motion for approval under Agenda Item E.

9. **Department of Education - GEAR UP - FY 2020** - Addition of \$171,765 in federal Gaining Early Awareness and Readiness for Undergraduate Program (GEAR UP) Scholarship Funds transferred from the GEAR UP Scholarship Trust Account to repay scholarship expenses covered by the federal GEAR UP grant. Requires Interim Finance approval since the amount added to the GEAR UP Aid to Schools category exceeds \$75,000. **Work Program #C49450**

Refer to motion for approval under Agenda Item E.

10. **Department of Education - Safe and Respectful Learning - FY 2020** - Transfer of \$30,016 from the Reserve category to the Personnel category, \$1,490 from the Reserve category to the In-State Travel category, ~~\$2,008~~ **\$511** from the Reserve category to the Operating category, and ~~\$4,529~~ **\$2,383** from the Reserve category to the Equipment category **and \$2,313 from the Reserve category to the Information Services category** to fund a new Education Programs Professional position and related administrative costs to oversee the Medicaid billing program at schools as allowed by the recent Medicaid State Plan Amendment. Requires Interim Finance approval since the amount added to the Personnel category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C49502.**

Heidi Haartz, Deputy Superintendent for Business and Support Services, Nevada Department of Education (NDE), said Work Program #C49502 was a request to transfer funds from the Reserve category into several expenditure categories. She stated that during the 2019 Legislative Session, the NDE requested funding for an Education Programs Professional position to assist in the development of a Medicaid billing program for school districts. The program would allow districts and charter schools to generate revenue to support the addition of health-related staff, such as school nurses and social workers. Ms. Haartz said the funds were placed in reserve pending approval of a Medicaid state plan amendment. She noted that the state plan amendment was approved on October 24, 2019. Upon approval of the work program, the NDE would establish the position and begin the recruitment process. The department would also continue to build out the business processes that would allow the school districts to bill Medicaid for services provided by nurses and social workers for Medicaid-eligible children.

Senator Cancela said some nonprofit organizations, such as the Boys and Girls Club, were trying to institute health-related staff and become eligible for Medicaid reimbursement. She asked if the new Education Programs Professional position would also work with nonprofit organizations. Ms. Haartz replied that nonprofit organizations would need to collaborate with the school districts.

Vice Chair Woodhouse asked the agency to provide a brief overview of the department's activities and associated timelines to implement Medicaid billing in the school districts and charter schools. She said she understood implementation would be difficult. However, she noted that Clark and Washoe County School Districts were already billing Medicaid to a certain extent.

Ms. Haartz replied that the department had been collaborating with Medicaid for several months to arrange public workshops to receive input from stakeholders about how to roll out the new billing process. She said the NDE would continue to collaborate and identify opportunities to provide real-time technical assistance to the school districts in the future. The addition of the Education Programs Professional position would provide a staff member dedicated to the Medicaid billing program, which would allow the department to proceed more quickly in establishing the business practices and implementing them within the school districts. The department was also developing processes and procedures for Medicaid school-based administrative billing and support and related guidelines.

Assemblywoman Titus thought the school districts were already billing for some Medicaid services, such as speech pathology, occupational therapy and physical therapy. She asked if the department was expanding the services for which the districts could bill Medicaid.

Christine McGill, Director of the Office for Safe and Respectful Learning, NDE, confirmed that the school districts currently billed Medicaid for special education services. The revised state plan amendment would allow for billing of Medicaid-eligible children who were not in special education. She said the state plan amendment also expanded the types of mental health services that could be billed. Ms. McGill said the department would work with the school districts' strengths related to the current billing structure.

Assemblywoman Titus noted that she handled all of the individualized education programs for the Lyon County School District. She said it should not be difficult to expand Medicaid-billable services, because the process was already in place.

Ms. McGill replied that the mental health piece and universal billing for students who qualified for Medicaid would build on the existing process. Also, the department needed to assess how the services would complement each other and how that would translate, and then build services and increase ratios within the school districts.

Assemblywoman Titus asked if the family of a child in need of services would be required to apply for Medicaid to ensure eligibility even if the child already had health insurance.

Ms. McGill replied that currently school districts could only bill for services for Medicaid-eligible children; however, services had to be provided to all students. She said, on the front side, the NDE wanted a continuum of services for all students, and on the back side, the department created specific silos to bill for services and increase ratios.

Vice Chair Woodhouse asked how the department would monitor and track the additional Medicaid funding received by school districts and charter schools to

ensure it would be utilized to expand mental health services in schools.

Ms. Haartz replied that the current agreements with the school districts included language in the assurances that indicated that revenue received through Medicaid billing would be used to invest in the provision of additional services to qualifying children within the school district. In the future, as the department and school districts gained more insight into the generated revenue, the NDE would work with the school districts to develop reporting requirements so that the department could capture the amount of funds generated as well as staff that was hired within the school districts.

ASSEMBLYWOMAN BENITEZ-THOMPSON MOVED TO APPROVE
AGENDA ITEM E-10.

SENATOR PARKS SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY. (Chair Carlton was not
present for the vote.)

11. **Department of Education - Student and School Support - FY 2020** - Addition of \$180,569 in federal Migrant Education Program Consortium Incentive grant funds to continue providing financial support to improve the educational opportunities and academic success of migrant children and youth. Requires Interim Finance approval since the amount added to the Migrant Consortium Administrative category exceeds \$75,000. **Work Program #C49563**

Refer to motion for approval under Agenda Item E.

12. **Department of Education - Student and School Support - FY 2020** - Addition of \$120,587 in federal Education for Homeless Children and Youth grant funds to continue providing support to ensure enrollment and education stability for homeless children and youth. Requires Interim Finance approval since the amount added to the Federal Homeless Children Aid-to-Schools category exceeds \$75,000. **Work Program #C49565**

Refer to motion for approval under Agenda Item E.

13. **Department of Education - Student and School Support - FY 2020** - Addition of \$27,667,986 in federal Title I Grants to Local Education Agencies grant funds to continue providing assistance to schools with high percentages of children from low income families. Requires Interim Finance approval since the amount added to the Title I Basic Aid to Schools category exceeds \$75,000. **Work Program #C49559**

Refer to motion for approval under Agenda Item E.

- 14. Department of Education - Student and School Support - FY 2020** - Addition of \$773,388 in federal Neglected and Delinquent Children grant funds, transfer of \$6,466 from the Neglected and Delinquent Administration category to the Neglected and Delinquent Aid category and transfer of \$777 from the Cost Allocation Staffing Services category to the Neglected and Delinquent Aid category to provide support to eligible children and youth enrolled in educational programs at state-operated facilities. Requires Interim Finance approval since the amount added to the Neglected and Delinquent Aid category exceeds \$75,000. **Work Program #C49562**

Refer to motion for approval under Agenda Item E.

- 15. Department of Education - Student and School Support - FY 2020** - Addition of \$1,758,546 in federal English Language Acquisition grant funds to continue support for children and youth with limited English proficiency. Requires Interim Finance approval since the amount added to the English Language Acquisition Aid to Schools category exceeds \$75,000. **Work Program #C49571**

Refer to motion for approval under Agenda Item E.

- 16. Department of Education - Student and School Support - FY 2020** - Addition of \$361,843 in federal Student Support and Academic Enrichment grant funds to continue funding school districts to improve school conditions for student learning, improve the use of technology in order to improve academic achievement and digital literacy, and ensure a high-quality education experience for all students. Requires Interim Finance approval since the amount added to the Title IV-A Admin category exceeds \$75,000. **Work Program #C49586**

Refer to motion for approval under Agenda Item E.

- 17. Department of Education - Student and School Support - FY 2020** - Addition of \$114,258 in federal Nevada Indian Education Enhancement grant funds to continue to improve the education opportunities and achievement of preschool, elementary, and secondary school for Indian children. Requires Interim Finance approval since the amount added to the Indian Education Administration category exceeds \$75,000. **Work Program #C49592**

Refer to motion for approval under Agenda Item E.

- 18. Department of Education - Student and School Support - FY 2020** - Addition of \$2,561,306 in federal School Improvement grant funds to continue improving the achievement of students in the lowest performing schools. Requires Interim Finance approval since the amount added to the School Improvement Grant Aid to Schools category exceeds \$75,000. **Work Program #C49603**

Refer to motion for approval under Agenda Item E.

19. **Department of Education - Student and School Support - FY 2020** - Addition of \$14,898,617 in federal After School Learning Center Formula Award grant funds to continue providing funding to community learning centers to provide academic enrichment opportunities during non-school hours for children. Requires Interim Finance approval since the amount added to the 21st Century Learning Centers category exceeds \$75,000. **Work Program #C49604**

Refer to motion for approval under Agenda Item E.

20. **Department of Education - Continuing Education - FY 2020** - Addition of \$1,952,142 in federal Adult Education grant funds to continue funding educational and community-based organizations that help adults complete post-secondary school and assist adults with children to obtain the necessary educational skills to become full partners in their children's education. Requires Interim Finance approval since the amount added to the Adult Basic Education Aid to Schools category exceeds \$75,000. **Work Program #C49554**

Refer to motion for approval under Agenda Item E.

21. **Department of Education - Individuals with Disabilities Education Act (IDEA) - FY 2020** - Addition of \$21,384,041 in federal IDEA Special Education grant funds to align state and federal authority to provide funding for additional costs and related services for students with disabilities. Requires Interim Finance approval since the amount added to the Special Education Aid to Schools category exceeds \$75,000. **Work Program #C49568**

Refer to motion for approval under Agenda Item E.

22. **Department of Education - Individuals with Disabilities Education Act (IDEA) - FY 2020** - Addition of \$930,092 in federal IDEA Special Education - Preschool grant funds to continue providing support for children with disabilities ages three to five. Requires Interim Finance approval since the amount added to the Early Childhood Aid to Schools category exceeds \$75,000. **Work Program #C49593**

Refer to motion for approval under Agenda Item E.

23. **Department of Agriculture - Registration and Enforcement - FY 2020** - Transfer of \$28,089 from the Reserve category to the Industrial Research Program category to fund temporary labor costs to support increased hemp program activities. Requires Interim Finance approval since the amount transferred to the Industrial Research Program category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C49574**

Refer to motion for approval under Agenda Item E.

24. **Department of Agriculture - Veterinary Medical Services - FY 2020** - Transfer of \$61,056 from the Personnel Services category to the Operating category to fund temporary labor costs to support animal disease prevention, public safety, and data entry activities for the Animal Industry Division. Requires Interim Finance approval since the amount transferred to the Operating category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C49540**

Refer to motion for approval under Agenda Item E.

25. **Department of Agriculture - Commodity Foods Distribution Program - FY 2020** - Addition of \$218,000 in federal Trade Mitigation Food Purchase and Distribution Program grant funds to support food bank partners with operational costs of the receipt, storage and distribution of food. Requires Interim Finance approval since the amount added to the Trade Mitigation Program category exceeds \$75,000. **Work Program #C49668**

Refer to motion for approval under Agenda Item E.

26. **Department of Business and Industry - Administration - FY 2020** - Transfer of \$88,560 from the Reserve category to the Operating category and transfer of \$1,911 from the Information Services category to the Licensing category to properly align funding for office rent and EITS charges. Requires Interim Finance approval since the amount added to the Operating category exceeds \$75,000. **Work Program #C49678**

Refer to motion for approval under Agenda Item E.

27. **Department of Business and Industry - Housing Division - FY 2020** - Addition of \$151,217 in Tax Credit Assistance Program (TCAP) funds, transfer of \$99,963 from the HOME Program Administration category to the American Recovery and Reinvestment Act (ARRA) TCAP category, and transfer of \$11,795 from the Reserve category to the ARRA TCAP category to enable program income from a previous ARRA grant to be utilized for qualified low-income housing projects. Requires Interim Finance approval since the amount added to the ARRA TCAP category exceeds \$75,000. **Work Program #C49359**

Refer to motion for approval under Agenda Item E.

28. **Department of Business and Industry - Housing Division - Weatherization - FY 2020** - Transfer of \$151,641 from the Reserve category to the Universal Energy Charge category to provide additional funding for Weatherization Assistance Program projects. Requires Interim Finance approval since the amount added to the Universal Energy Charge category exceeds \$75,000. **Work Program #C49494**

Refer to motion for approval under Agenda Item E.

29. **Department of Business and Industry - Housing Division - Housing Inspection and Compliance - FY 2020** - Transfer of \$69,383 from the Reserve category to the Operating category to cover anticipated expenditures for the balance 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 #C49516**

Refer to motion for approval under Agenda Item E.

30. **Department of Health and Human Services - Director's Office - Grief Support Trust Account - FY 2020** - Transfer of \$110,272 from the Reserve category to the Grief Support Trust category to fund program enhancements for grief support programs for youth and their families. Requires Interim Finance approval since the amount transferred to the Grief Support Trust category exceeds \$75,000. **Work Program #C49117**

Refer to motion for approval under Agenda Item E.

31. **Department of Health and Human Services - Director's Office - Grants Management Unit - FY 2020** - Addition of \$2,102,014 in federal Title XX Social Services Block Grant funds to continue to provide social services for needy families. **This 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 #C49485**

Agenda Items E-31 and E-32 were discussed jointly. Refer to testimony and motion for approval under Agenda Item E-32.

32. **Department of Health and Human Services - Director's Office - Grants Management Unit - FY 2020** - Addition of \$1,360,844 in federal Community Services Block Grant (CSBG) funds to continue providing subgrants to promote economic self-sufficiency, family stability and community revitalization to needy families. **This 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 CSBG Grant category exceeds \$75,000. Work Program #C49705**

Agenda Items E-31 and E-32 were discussed jointly.

Beth Handler, Deputy Director, Grants Management Unit (GMU), Department of Health and Human Services (DHHS), said Agenda Item E-31 was for the Title XX Social Services Block Grant through the federal Administration for Children and Families. She noted that the work program would align two federal award periods. She said the Title XX block grant was awarded at the rate of approximately \$14.0 million over a two-year period for Nevada. Ms. Handler said the grant served some of the most vulnerable families through services such as community or

home-based care, addressing neglect, abuse or exploitation, and rehabilitation for individuals and families.

Agenda Items E-31 and E-32 involved the allocation of block grant funds, which required a public hearing. Vice Chair Woodhouse opened the public hearing. There being no requests to testify, Vice Chair Woodhouse closed the public hearing.

ASSEMBLYWOMAN BENITEZ-THOMPSON MOVED TO
APPROVE AGENDA ITEMS E-31 AND E-32.

SENATOR DENIS SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY. (Chair Carlton was not
present for the vote.)

- 33. Department of Health and Human Services - Aging and Disability Services - Home and Community-Based Services - FY 2020** - Addition of \$34,000 in Health Resources and Services Administration grant funds transferred from the University of Nevada, Reno, School of Medicine to support onsite Geriatric Workforce Enhancement Program (GWEP) coordinator services. Requires Interim Finance approval since the amount added to the UNR Medical GWEP category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C49253**

Refer to motion for approval under Agenda Item E.

- 34. Department of Health and Human Services - Health Care Financing and Policy - Administration - FY 2020** - Addition of \$1,987,440 in federal Title XIX funds to provide Medicaid Administrative Claiming reimbursements to local government entities. Requires Interim Finance approval since the amount added to the Pass Thru to Local Government category exceeds \$75,000. **Work Program #C49074**

Refer to motion for approval under Agenda Item E.

- 35. Department of Health and Human Services - Health Care Financing and Policy - Administration - FY 2020** - Addition *Transfer* of \$664,125 in federal Title XIX funds and \$664,125 in Healthy Nevada funds transferred from the Treasurer's Office *from the Personnel Services category to the Managed Care RFP category* to support consulting services to assist with the preparation of the managed care request for proposal (RFP). Requires Interim Finance approval since the amount added to the Managed Care RFP category exceeds \$75,000. **Work Program #C49407. REVISED 1-22-20.**

Suzanne Bierman, Division Administrator, Division of Health Care Financing and Policy (DHCFP), DHHS, introduced Phillip Burrell, Fiscal Finance Deputy, DHCFP, DHHS. She stated that Mr. Burrell's position was critical to the division. She said

Mr. Burrell had significant experience in hospital finance in a number of other states, and he would be a valuable asset to the team. Ms. Bierman also introduced Cody Phinney, Deputy Administrator, DHCFP, DHHS, and Melissa Laufer-Lewis, Administrative Services Officer, DHCFP, DHHS.

Ms. Bierman said Work Program #C49407 was a request to transfer funds from the Personnel Services category to a new special use category to hire a contractor to assist with Nevada's managed care contract.

Ms. Bierman said Nevada Medicaid provided coverage to approximately 675,000, or one-in-five Nevadans. She said 71 percent of those individuals received coverage through a managed care organization (MCO), of which there were three contracted with Nevada Medicaid. Ms. Bierman said the state was at a critical juncture point where those contracts were up for renewal. She believed it was one of the largest procurements in the state with current managed care expenditures of approximately \$2.0 billion per year and a four-year contract term, which was significant. She said the division was seeking outside technical assistance from national experts that had worked with a number of states and were familiar with the best practices used to improve the health policy landscape and address challenges such as network adequacy and access and providing high-quality care. Ms. Bierman said the division was seeking the opportunity to learn from experts in the field that had experience providing this type of assistance for other states and knew the realm of possibility. Those experts would also have experience working with the Centers for Medicare and Medicaid Services (CMS) to provide the best managed care contracts and products for the state, as well as good management and oversight of those products. Additionally, they would ensure that the state held MCO vendors accountable, all while working toward the goal of improving health care and the quality of health care in Nevada.

Assemblywoman Benitez-Thompson said it was important to have a sincere conversation about the topic at hand, because it involved a large sum of money. Referring to page 434 in Volume I of the meeting packet ([Exhibit A](#)), she noted that the division stated that approximately \$4.0 billion was spent over the biennium on payments to MCOs; therefore, the state required good professional advocates to write the request for proposal (RFP). She said negotiations with the MCOs were often unfair, because the companies were usually represented by multiple attorneys, while the state was only represented by state employees.

Assemblywoman Benitez-Thompson discussed concerns with the current MCO vendors, especially related to mental health services. She stated that legislators often heard from providers about the difficulty they experienced receiving payments from MCOs. Assemblywoman Benitez-Thompson said she shared feedback from providers with Chair Carlton, Vice Chair Woodhouse and Fiscal staff regarding the Nevada Adult Mental Health System (NNAMHS). She said NNAMHS notified approximately 1,600 patients that their services would be discontinued and that the MCOs would help them connect with a provider; however, there were not enough providers to manage that volume of new patients. Consequently, severely

mentally ill people may not have access to a provider, which was extremely problematic.

Assemblywoman Benitez-Thompson noted that the contract with Manatt, Phelps and Phillips, LLP indicated that the consulting firm would conduct 20 one-hour interviews over an 18-month period. She recalled that most MCOs found Nevada very different from other states; therefore, boiler plate solutions were not an appropriate option. She did not believe that the amount of time allotted in the contract would provide the consulting firm with an accurate understanding of the state's needs.

Continuing, Assemblywoman Benitez-Thompson said the contract indicated that Manatt, Phelps and Phillips, LLP would be onsite every three to four weeks for one year. She asked which principal officers would be onsite. She recalled similar instances where consulting firms sent staff for onsite visits rather than experts. Assemblywoman Benitez-Thompson said she wanted assurance that principal officers would be onsite working with the state.

Finally, Assemblywoman Benitez-Thompson noted that the most recent adequacy reports were from 2014 and 2015. She hoped that the division would require an updated adequacy report and that it would be provided on a more consistent basis. She said the state could not do justice for the public or recipients' by utilizing data that was out of date. Assemblywoman Benitez-Thompson said the MCOs had access to real-time enrollment data. She said it would be beneficial to discuss the adequacy piece more frequently and challenge the MCOs to do better than the state could do on its own.

Ms. Bierman thanked Assemblywoman Benitez-Thompson for her input. She said the division had heard many of those same concerns. With regard to increasing network adequacy requirements, Ms. Bierman said the division wanted to address that issue during the upcoming procurement process and consider best practices in other states, including the timeliness of reporting and the types of reports that must be provided to the state. She agreed there was room for improvement with regard to adequacy reports.

Ms. Bierman said the time and hours noted in the Manatt, Phelps and Phillips, LLP contract was a valid concern. She agreed that Nevada had unique needs. The goal of the division was to gather best practices nationwide and evaluate which solutions may be effective for the state. Additionally, the DHCFP would supplement the contractor's work with the work being done by division staff. She said the division had been working on the project for the past six months, which included meetings with stakeholders to receive input from providers and consumers. Ms. Bierman acknowledged that 20 hours was not enough time to hear from all stakeholders. She said the division was seeking assistance in synthesizing all of the feedback, evaluating the possibilities based on federal regulations, and managing unintended consequences of the feedback. Ultimately, the division wanted to assess the robust stakeholder engagement and feedback, and determine how to implement the feedback specific to Nevada.

In regard to Manatt, Phelps and Phillips, LLP, Ms. Bierman noted that the proposal was solely for the purposes of bid and cost estimates. She said a competitive procurement was not out for bid and the division was not under contract with Manatt, Phelps and Phillips, LLP. Ms. Bierman said the information was provided to make the Committee aware of the types of services that were under consideration by the division as well as the estimated cost based on the average rate charged by national consultants for this type of work.

Assemblywoman Titus said she had similar concerns as those expressed by Assemblywoman Benitez-Thompson. She said the division was requesting to transfer \$664,125 to help with RFPs and to work with MCO vendors, which she thought was an excessively high cost. Additionally, all of the funds would be used for administrative costs rather than direct patient services. Assemblywoman Titus said during a recent emergency room shift, a patient came in under a legal mental hold. The patient's mental health coverage was through an MCO, which denied the transfer request to a mental health facility, because the MCO was not contracted with that facility. Assemblywoman Titus said the patient was suicidal; therefore, she kept him in the emergency room for 72 hours. She said the patient thought he had the best MCO, yet no one would accept it. She remarked that it was a very frustrating experience. Assemblywoman Titus said she could not support the division's request without assurance that the money would be well spent.

Ms. Bierman replied that the RFP included a model contract, which would outline all of the obligations for the MCOs in terms of the services that must be provided. She said during a recent meeting with one of the MCOs, the vendor stated that only services included in the contract would be approved by the MCO. Thus, the terms of the new contract were critical with regard to allowable services. She said it was also critical for the state to hold the MCOs accountable for the obligations included in the contract.

Assemblyman Frierson thought some of the concerns that were raised seemed to be the result of the state's failure to invest on the front end. The division's request was an attempt to be wiser in the beginning by determining how to address current problems. If the state continued to advance existing policies instead of using modern techniques and best practices of other states then Nevada would continue to struggle with addressing the problem of underserved citizens.

Assemblyman Frierson asked if other states were using contractual services for the RFP process, or if it was unique to Nevada. He said it was frustrating when Nevada was behind the curve and playing catch-up. He asked what other methods states were using and the changes they had experienced as a result.

Ms. Bierman said, at a recent meeting of the National Association of Medicaid Directors, 15 to 20 states polled indicated they had used contractual services with their last RFP and model contract process; therefore, it was definitely not unique to Nevada. She added that it was a common practice in the state where she previously

lived. Ms. Bierman said, during a conversation with the commissioner of New Hampshire, the commissioner said his state found the process very beneficial. She said the commissioner indicated that the contractor helped the State of New Hampshire address some of the same issues that were discussed by the IFC related to behavioral health access and enshrining best practices into the contract to hold MCO vendors accountable.

Assemblyman Leavitt asked if a portion of the funds would be used to draft a better contract. Ms. Bierman replied that a portion of the funds would be used for that purpose. She said it all culminated in the model contract that would be the framework for how the state conducted business with the MCOs, which represented 71 percent of covered lives and a current expenditure of almost \$2.0 billion on the part of the State of Nevada. The funds would help the division create a better contract, which would improve patient care, provider experience, and the state's ability to hold MCO vendors accountable, and ensure the division was a good steward of taxpayer dollars. Ms. Bierman said there were a number of steps that must be taken to establish the best contract for the state, much of which involved stakeholder engagement, and research and analysis of best practices in other states. The division would need to assess how that information corresponded with the unique landscape of Nevada as well as other state-specific factors that would influence which policy solutions would be most beneficial in addressing the state's health care challenges.

Assemblyman Leavitt asked if the MCOs were not fulfilling their contractual obligations, or if the current contract was not written in a way that allowed the state to hold the companies accountable. He asked if liquidated damages were included in the contract to penalize the MCOs for not properly fulfilling their obligation, or if liquidated damages were excluded from the contract, thereby giving the MCOs a loophole to deny certain services.

Ms. Bierman said it was her understanding that the contract included those provisions, but lacked clarity. It was also her understanding that historically there had not been an appetite to impose those types of sanctions and penalties due to the lack of clarity in the current contract. She said many states had robust systems for assessing penalties; however, that was never the first step in gaining compliance. She said the state typically imposed corrective action plans instead of penalties. Ms. Bierman said, to her knowledge the state had never assessed liquidated damages on any of its MCO vendors.

Assemblyman Leavitt remarked that a corrective action plan did not have enough impact, because it did not prevent a private entity from receiving payment.

Senator Denis said as he understood it, the new process would ultimately allow the state to provide better service for patients. He said sometimes it was necessary to spend more to get more; however, occasionally the end result was less than expected.

Ms. Bierman replied that one of the division's goals was to improve the efficiency of the existing contracts and services while also improving care. For example, the division wanted to incentivize increased access to prenatal care services. Consequently, the need for higher-level, more acute neonatal intensive care services would be reduced. Ms. Bierman said the division was interested in exploring and maximizing those things by determining the best opportunities and then including them in the contract to ensure that Nevadans received the best health outcomes, while also ensuring that the division was a good steward of taxpayer dollars.

Vice Chair Woodhouse asked how the division proposed to fund the non-federal portion of the cost in FY 2021.

Ms. Bierman replied that the non-federal portion would be funded with salary savings from the Personnel category for the first six months. She stated that her colleagues had been working closely with the Governor's Finance Office (GFO) and Legislative Counsel Bureau (LCB) Fiscal staff to find a funding stream for FY 2021.

Cody Phinney, Deputy Administrator, DHCFP, DHHS, stated that there were some incredible opportunities with respect to the new MCO contract. During the last two years of working on the current contract, she had come to realize how important it was to get the new contract right. Incentives for the for-profit companies could be handled in a way that would encourage them to behave in the manner required by the state in order to move the dial for the large population that was affected. Ms. Phinney said the state had an opportunity to greatly improve the contract for the next four years, which would make a big difference.

Melissa Laufer-Lewis, Administrative Services Officer, DHCFP, DHHS, said the division was working with the GFO and LCB Fiscal staff on two potential revenue source solutions for FY 2021. The division would seek IFC approval when a final solution was determined.

ASSEMBLYMAN FRIERSON MOVED TO APPROVE AGENDA
ITEM E-35.

SENATOR DENIS SECONDED THE MOTION.

Assemblywoman Titus said Assemblyman Frierson's point regarding the need for better policy was well taken; however, she was not convinced that expenditure of the funds had been fully vetted. She said she required additional information before she could support the motion.

THE MOTION PASSED. (Assemblyman Hambrick and
Assemblywoman Titus opposed the motion. Chair Carlton was not
present for the vote.)

36. **Department of Health and Human Services - Public and Behavioral Health - Radiation Control - FY 2020** - Addition of \$40,000 in U.S. Environmental Protection Agency (EPA) State Indoor Radon grant funds to provide public information and outreach activities regarding radon health hazards. Requires Interim Finance approval since the amount added to the EPA State Indoor Radon grant category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C49374.**

Refer to motion for approval under Agenda Item E.

37. **Department of Health and Human Services - Public and Behavioral Health - Child Care Services - FY 2020** - Addition of \$182,043 in federal Child Care and Development Block Grant funds transferred from the Division of Welfare and Supportive Services (DWSS), transfer of \$2,845 from the Operating category to the Transfer from DWSS category, \$12,922 from the Information Services category to the Transfer from DWSS category and \$6,274 from the Division Cost Allocation category to the Transfer from DWSS category to provide licensing, monitoring, inspections and background checks for child care services. Requires Interim Finance approval since the amount added to the Transfer from DWSS category exceeds \$75,000. **RELATES TO AGENDA ITEM E. 50. Work Program #C49397**

Agenda Items E-37, E-48, E-49 and E-50 were discussed jointly. Refer to testimony and motion for approval under Agenda Item E-50.

38. **Department of Health and Human Services - Public and Behavioral Health - Women, Infants, and Children Food Supplement - FY 2020** - Addition of \$3,710,911 in Women, Infants and Children (WIC) Rebate funds to expend on food for WIC participants. Requires Interim Finance approval since the amount added to the Aid to Indigent-Rebate category exceeds \$75,000. **Work Program #C49283**

Refer to motion for approval under Agenda Item E.

39. **Department of Health and Human Services - Public and Behavioral Health - Communicable Diseases - FY 2020** - Addition of \$80,754 in federal Housing Opportunities for Persons with AIDS (HOPWA) grant funds to continue to provide housing to individuals with AIDS. Requires Interim Finance approval since the amount added to the HOPWA category exceeds \$75,000. **Work Program #C49439**

Refer to motion for approval under Agenda Item E.

40. **Department of Health and Human Services - Public and Behavioral Health - Public Health Preparedness Program - FY 2020** - Addition of \$904,152 in federal Centers for Disease Control and Prevention, Nevada Public Health Emergency Preparedness Program grant funds, transfer of \$65,322 from the Division Cost Allocation category to the Public Health Emergency Preparedness category and

\$3,807 from the NDOT 800MHZ Radio Cost Allocation category to the Public Health Emergency Preparedness category to continue 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 #C49400**

Refer to motion for approval under Agenda Item E.

41. **Department of Health and Human Services - Public and Behavioral Health - Public Health Preparedness Program - FY 2020** - Addition of \$778,743 in federal Centers for Disease Control and Prevention, Hospital and Healthcare Preparedness Program grant funds and transfer of \$25,791 from the Division Cost Allocation category to the Assistant Secretary for Preparedness and Response (ASPR) Hospital Preparedness Program category to continue to provide preparedness activities. Requires Interim Finance approval since the amount added to the ASPR Hospital Preparedness Program category exceeds \$75,000. **Work Program #C49403**

Refer to motion for approval under Agenda Item E.

42. **Department of Health and Human Services - Public and Behavioral Health - Chronic Disease - FY 2020** - Addition of \$375,131 in federal Diabetes, Heart Disease and Stroke Prevention grant funds to improve the health outcomes of Nevadans with cardiovascular diseases and diabetes. Requires Interim Finance approval since the amount added to Diabetes, Heart and Stroke Prevention category exceeds \$75,000. **Work Program #C49371**

Assemblywoman Titus said she found it concerning that money was often spent on administrative issues rather than improving patient care and access. She thought the request seemed high considering the division's \$2.0 million fiscal quarter budget. She said the justification provided in the work program stated that the funds would be used to implement and evaluate evidence-based strategies contributing to the prevention and management of cardiovascular disease and diabetes. Assemblywoman Titus asked the division for additional details regarding expenditure of the funds.

Julia Peek, Deputy Administrator, DPBH, DHHS, said the federal Diabetes, Heart Disease and Stroke Prevention grant was awarded from the Centers for Disease Control and Prevention (CDC). She said the CDC outlined very specific uses for the grant funds. Although the funds could not be used for direct services, they could be used for things such as system change. She said system change for the purpose of encouraging population health change was the primary focus of the work program. Ms. Peek said the division established specific metrics and evaluation related to population health change. She said the division would make modifications if the metrics revealed that the program was not progressing as expected. She noted that the Diabetes, Heart Disease and Stroke Prevention grant was one of the most evaluated grants by the division. Ms. Peek said the division would provide the information and metrics to the Committee as it became available.

Candice McDaniel, Health Bureau Chief, DPBH, DHHS, added that the true goal of the grant was health systems intervention, which included access and education versus direct services.

Assemblywoman Titus said she would like to review the data to see whether the grant was making a difference in patient care. She disliked that Nevada was ranked last in the nation in many areas, so she wanted to see that the state was making positive improvements in the area of health care.

ASSEMBLYWOMAN TITUS MOVED TO APPROVE AGENDA
ITEM E-42.

SENATOR DENIS SECONDED THE MOTION.

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

- 43. Department of Health and Human Services - Public and Behavioral Health - Chronic Disease - FY 2020** - Addition of \$48,944 in federal U.S. Department of Agriculture grant funds transferred from the Division of Welfare and Supportive Services to provide nutrition education and awareness. Requires Interim Finance approval since the amount added to the Supplemental Nutrition Assistance Program - Education category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C49370**

Refer to motion for approval under Agenda Item E.

- 44. Department of Health and Human Services - Public and Behavioral Health - Behavioral Health Prevention and Treatment - FY 2020** - Addition of \$512,443 in federal Cooperative Agreements to Benefit Homeless Individuals (CABHI) grant funds to provide behavioral health treatments, permanent supportive housing, and peer support services for veterans, youth, and families experiencing homelessness or chronic homelessness. Requires Interim Finance approval since the amount added to the CABHI grant category exceeds \$75,000. **Work Program #C49418**

Refer to motion for approval under Agenda Item E.

- 45. Department of Health and Human Services - Public and Behavioral Health - Behavioral Health Prevention and Treatment - FY 2020** - Addition of \$4,330,875 of Community Mental Health Service (CMHS) Block Grant funds to provide substance abuse and mental health prevention and treatment activities. **The work program involves the allocation of block grant funds and the agency is choosing to use the IFC meeting for the required public hearing and the amount added to the CMHS Block Grant category exceeds \$75,000. Work Program #C49433**

Brook Adie, Health Bureau Chief for the Bureau of Behavioral Health, Wellness and Prevention, Division of Public and Behavioral Health (DPBH), DHHS, said the

agency was using the IFC meeting as the public hearing for the Community Mental Health Services (CMHS) Block Grant. The CMHS was a block grant through the federal Substance Abuse and Mental Health Services Administration, which provided services for adults with serious mental illness and youth with serious emotional disorders. The objective of the CMHS Block Grant was to support grantees in carrying out plans for providing comprehensive community mental health services.

Agenda Item E-45 involved the allocation of block grant funds, which required a public hearing. Vice Chair Woodhouse opened the public hearing. There being no requests to testify, Vice Chair Woodhouse closed the public hearing.

Assemblywoman Benitez-Thompson said the justification provided by the division was to reconcile state authority. She asked if the funds would be used for existing programming. Ms. Adie confirmed that was correct.

Assemblyman Kramer asked who the major subgrantees were and how many people were served by the grant.

Ms. Adie said funding was provided to the Division of Child and Family Services mental health; Washoe County Human Services case management and senior services programs; the National Alliance on Mental Illness (NAMI); NAMI Warmline; the United Citizens Foundation, which provided school-based mental health services in Las Vegas; and the Carson Tahoe Behavioral Health Services Assertive Community Treatment Program as well as the First Episode Psychosis program. Funding was also used to uplift the certified community behavioral health clinics, crisis services, and additional funding for the University of Nevada, Reno, Board of Regents to support the Early Serious Mental Illness and First Episode Psychosis program.

Ms. Adie said she did not know how many individuals were served by the grant, but she would provide the information to the Committee.

ASSEMBLYWOMAN BENITEZ-THOMPSON MOVED TO APPROVE
AGENDA ITEM E-45.

SENATOR DENIS SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY. (Chair Carlton was not
present for the vote.)

46. **Department of Health and Human Services - Public and Behavioral Health - Northern Nevada Adult Mental Health Services - FY 2020** - Transfer of \$1,280,898 from the Personnel Services category to the Professional Services category to continue services with contracted psychiatric clinical staff and mental health technicians to meet the needs of clients. Requires Interim Finance approval since the amount transferred to the Professional Services category exceeds \$75,000. **Work Program #C48970**

Assemblywoman Benitez-Thompson said Work Program #C48970 was a request to transfer \$1.2 million from the Personnel Services category to the Professional Services category to hire contract psychological clinical staff for mental health services. She recalled that at the end of the 2019 Legislative Session, an audit review revealed problematic contracting processes for professional clinical services compared to the process of hiring state employees. Assemblywoman Benitez-Thompson said the division had expressed difficulty filling those positions and the audit review indicated that the utilization of contract staff should be reevaluated; therefore, she questioned whether continued use of contract services was the best practice for the state and patients.

Assemblywoman Benitez-Thompson said she was trying to reconcile the need for additional contract staff with the recent outcry concerning Northern Nevada Adult Mental Health Services (NNAMHS) patients. She said NNAMHS patients were supposed to transition to community providers; however, community providers did not have the capacity to accommodate them. Assemblywoman Benitez-Thompson asked if the division was contracting additional positions to care for NNAMHS patients.

Lisa Sherych, Division Administrator, DPBH, DHHS, clarified that the contracted positions were for the inpatient hospital and unrelated to the outpatient medication clinic. She said NNAMHS currently had approximately six on-call nurses, two contract doctors and an advanced practice registered nurse. Ms. Sherych said NNAMHS helped patients become established with a community provider. She said a warm handoff approach was used to transition patients from NNAMHS to a community provider. She said the division had confirmed there was capacity in the community for that process.

Assemblywoman Benitez-Thompson said that differed from what she had heard, especially from nonprofit providers. She said patients with health insurance did not necessarily have a provider. She said the conversation remained the same and the state still hoped things would improve when the MCO contracts were revised. Assemblywoman Benitez-Thompson thought it was harmful to terminate mental health services based on the assumption that an individual with health insurance had a provider.

Ms. Sherych clarified that the warm handoff process included assisting the patient in scheduling an appointment with a community provider and supplying the patient

with directions to the provider's office as well as additional resources prior to terminating services. Ms. Sherych said it was never the intent to abruptly terminate services without providing assistance during the transition process.

SENATOR DENIS MOVED TO APPROVE AGENDA ITEM E-46.

ASSEMBLYMAN FRIERSON SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY. (Chair Carlton and Senator Settelmeyer were not present for the vote.)

- 47. Department of Health and Human Services - Public and Behavioral Health - Northern Nevada Adult Mental Health Services - FY 2020** - Transfer of \$285,183 from the Mental Health Courts category to the Medications category and transfer of \$100,000 from the Community Diversion category to the Medications category to cover an unanticipated shortfall due to the increase in prescriptions of long-acting injectable medications. Requires Interim Finance approval since the amount transferred to the Medications category exceeds \$75,000. **Work Program #C49420**

Refer to motion for approval under Agenda Item E.

- 48. Department of Health and Human Services - Welfare and Supportive Services - Temporary Assistance for Needy Families - FY 2020** - Addition of \$7,356,863 in federal Temporary Assistance for Needy Families (TANF) grant funds to fund a projected shortfall with the Employment and Training program. **The work program involves the allocation of block grant funds and the agency is choosing to use the IFC meeting for the required public hearing and since the amount added to the TANF Transfers category exceeds \$75,000. Work Program #C49294**

Agenda Items E-37, E-48, E-49 and E-50 were discussed jointly. Refer to testimony and motion for approval under Agenda Item E-50.

- 49. Department of Health and Human Services - Welfare and Supportive Services - Temporary Assistance for Needy Families - FY 2020** - Addition of \$1,097,657 in federal Temporary Assistance for Needy Families grant funds to fund a projected shortfall with the Employment and Training program. **The work program involves the allocation of block grant funds and the agency is choosing to use the IFC meeting for the required public hearing and since the amount added to the NEON category exceeds \$75,000. Work Program #C49486**

Agenda Items E-37, E-48, E-49 and E-50 were discussed jointly. Refer to testimony and motion for approval under Agenda Item E-50.

- 50. Department of Health and Human Services - Welfare and Supportive Services - Child Care Assistance and Development - FY 2020** - Addition of \$182,043 in federal Child Care and Developmental Discretionary grant funds to support the

roll out of inspections for before and after school programs. **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 Admin/Business License category exceeds \$75,000. RELATES TO AGENDA ITEM E. 37. Work Program #C49431**

Agenda Items E-37, E-48, E-49 and E-50 were discussed jointly.

Steve Fisher, Division Administrator, Division of Welfare and Supportive Services (DWSS), DHHS, said Work Program #C49294 was a request to increase authority by approximately \$7.0 million in federal Temporary Assistance for Needy Families (TANF) grant funds to continue funding various programs within the community.

Continuing, Mr. Fisher said Work Program #C49486 was a request to increase authority by approximately \$1.0 million in TANF grant funds to continue providing work support services, such as vocational training, on-the-job training and vehicle repair, to families within the TANF program.

Lastly, Mr. Fisher said Work Program #C49431 was a request to approve an increase of \$182,043 in Child Care and Developmental Discretionary grant funds to support the roll out of inspections of before and after school programs. He noted that Agenda Item E-50 was a companion work program to Agenda Item E-37.

Agenda Items E-48, E-49 and E-50 involved the allocation of block grant funds, which required a public hearing. Vice Chair Woodhouse opened the public hearing. There being no requests to testify, Vice Chair Woodhouse closed the public hearing.

ASSEMBLYWOMAN BENITEZ-THOMPSON MOVED TO APPROVE
AGENDA ITEMS E-37, E-48, E-49 AND E-50.

SENATOR PARKS SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY. (Chair Carlton was not
present for the vote.)

- 51. Department of Health and Human Services - Child and Family Services - Children, Youth and Family Administration - FY 2020 -** Transfer of \$39,449 from the Personnel Services category to the Confidential Address Program category and \$7,347 from the Reserve category to the Confidential Address Program category to return unexpended settlement funds from the Attorney General's Office pursuant to Senate Bill 25 of the 2017 Legislative Session. Requires Interim Finance approval since the cumulative amount transferred to the Confidential Address Program category exceeds 10 percent of the legislatively approved amount for that category.
Work Program #C49404

Refer to motion for approval under Agenda Item E.

52. Department of Health and Human Services - Child and Family Services - Children, Youth and Family Administration - FY 2020 - Addition of \$849,487 in federal Title IV-E grant funds to provide authority for a pilot program to reimburse attorneys representing children and their parents in child welfare legal proceedings. Requires Interim Finance approval since the amount added to the IV-E Attorney Reimbursement category exceeds \$75,000. **Work Program #C49503**

Ross Armstrong, Division Administrator, Division of Child and Family Services (DCFS), DHHS, said Work Program #C49503 requested the addition of \$849,487 in authority to pull down federal Title IV-E (IV-E) funds. In early 2019, the federal Department of Health and Human Services changed the child welfare policy manual to allow IV-E reimbursement for legal services in cases involving child welfare youth. In late 2019, a number of entities approached the DCFS requesting that the division implement a pilot program that would allow attorneys in child welfare cases to pull down IV-E funds.

Vice Chair Woodhouse asked how the agency notified potential subgrant recipients of the availability of the funds.

Mr. Armstrong replied that entities throughout the state initially approached the DCFS. Subsequently, the division contacted the head of each child welfare agency and those providers to determine who should be included in the early discussions in the form of working groups. He said a number of entities that were identified were not ready to execute the program; however, three entities were ready to proceed. Throughout the remainder of FY 2020, the division would resolve any issues with the reimbursement process, review allowable activities, and then roll out an expanded opportunity in FY 2021.

Vice Chair Woodhouse said two of the responding entities appeared to be requesting funds primarily for social work-related services. She asked how this use of funding aligned with the stated intent of the pilot program to expand legal representation.

Mandi Davis, Deputy Administrator, DCFS, DHHS, replied that the initial application received by the division included the preliminary estimates to develop the projected cost that may be required for the remainder of the current fiscal year. If the work program was approved, the division would conduct a thorough evaluation of those expenses to ensure the IV-E funds that were passed through to the entities were permissible under the program. Many of the activities proposed thus far would divert existing funds in those agencies to enhance social worker activities, and then the IV-E dollars would be used for direct legal services. Ms. Davis said some of the agencies proposed a trade-off of their existing funds and agreed to use the allowable funds for legal fees for the IV-E programs.

Assemblyman Frierson asked how many additional families would be served during the proposed pilot period. Ms. Davis said the division did not know the number of additional families that would be served. She said the intent of the program was to

enhance existing services, so attorneys representing families in child welfare cases would receive additional funding to enhance those services, not necessarily to add more families; however, that could be a potential for the program.

Mr. Armstrong added that the DCFS would remain the subgranting authority, because it was the official IV-E funding entity; therefore, the division could begin reporting the number of families served by each subrecipient.

In answer to a question from Assemblyman Frierson, Mr. Armstrong replied that sometimes in child welfare cases it seemed like there were many attorneys, but many individuals were still in need of legal representation. He said it was important for each party to have legal representation, because child welfare hearings had a critical impact on the life of a child and family. Mr. Armstrong said success would be evident when all parties in all child welfare cases had solid legal representation.

Bailey Bortolin, representing the Legal Aid Center of Southern Nevada (Legal Aid Center), noted that the Legal Aid Center was one of the largest subgrantees. She stated that the additional funds that the Legal Aid Center was requesting for child representation in Clark County, would serve 1,000 additional children per year. Ms. Bortolin said the Legal Aid Center represented all children; however, the agency currently had a waitlist, which meant that approximately 70 children per month had to wait a month to receive services. She said the Legal Aid Center could hire another attorney with the additional funds, which would reduce the caseload for each attorney. She noted that the highest caseloads were nearly 165 cases per attorney. Ms. Bortolin said the Legal Aid Center determined it could serve an additional 1,000 children per year based on caseloads at or above 165 children and the average waitlist of 70 children. She said the Legal Aid Center intended to increase support by adding social workers to high-needs cases, such as cases involving non-verbal children or children with disabilities, which required more support than a typical child welfare case. She said social workers were knowledgeable about resources in the community that could provide wraparound services.

Assemblyman Frierson noted that he had worked in the area of child welfare for a long time. He asked what percentage of the Legal Aid Center's new cases would include non-verbal children. He remarked that it was much different representing non-verbal children than children who could voice their wishes.

Ms. Bortolin said she would provide the Committee with the percentage of cases involving non-verbal children. She clarified that her reference to non-verbal children related to older children with autism, not infants and toddlers. She said cases involving non-verbal children required more hands-on resources and time and effort.

Assemblyman Frierson thanked Ms. Bortolin for the clarification. He thought expanding services to accommodate non-verbal autistic children was a good use of the funds.

Assemblyman Frierson stated that the work program was a request to increase authority with additional federal funds, but the request did not involve state funds. Mr. Armstrong confirmed that was correct. He clarified that federal IV-E funding always required a match; however, the pilot program was designed so that the entity receiving the IV-E funds would provide the match. Therefore, neither General Funds nor county funds would be required for the match. For example, the Legal Aid Center was able to provide the match through private donations or other non-federal sources. Mr. Armstrong said Work Program #C49503 would provide the DCFS with authority within its budget to pull down the funds from the federal government and pass it through to community providers.

If the initial pilot program was approved, Vice Chair Woodhouse thought the Committee should consider directing the DCFS to submit additional program details if the division intended to continue the pilot program beyond FY 2021. The details may include, but not be limited to, identification of performance measures, data to be collected, detailed budget proposals from subgrantees, and potential staffing impacts to the agency.

ASSEMBLYWOMAN BENITEZ-THOMPSON MOVED TO APPROVE AGENDA ITEM E-52 AND DIRECT THE DEPARTMENT OF HEALTH AND HUMAN SERVICES, DIVISION OF CHILD AND FAMILY SERVICES TO SUBMIT ADDITIONAL PROGRAM DETAILS IF THE AGENCY INTENDS TO CONTINUE THE PILOT PROGRAM IN FY 2021.

SENATOR KIECKHEFER SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY. (Chair Carlton and Senator Settelmeyer were not present for the vote.)

- 53. Department of Health and Human Services - Child and Family Services - Juvenile Justice Services - FY 2020** - Addition of \$55,000 in federal Edward Byrne Memorial Justice Assistance grant funds transferred from the Department of Public Safety, Office of Criminal Justice Assistance account to purchase body cameras for group supervisors at the three juvenile justice facilities. Requires Interim Finance approval since the amount added to the Edward Byrne Memorial Grant category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C49194**

Ross Armstrong, Division Administrator, DCFS, DHHS, said Work Program #C49194 would allow the division to receive \$55,000 from the Department of Public Safety (DPS) to lease body cameras for use at the three juvenile justice facilities. He reminded the Committee that the item was heard at the IFC meeting in December 2019. He noted that the agency provided follow-up information and documentation in response to questions by the Committee.

Assemblywoman Monroe-Moreno thanked the agency for providing responses to the Committee's questions. She noted that the new use-of-force policy was effective January 10, 2020. She asked what training staff at the juvenile justice facilities had received on the revised policy, including the use of the body cameras.

Mr. Armstrong introduced Kathryn Roose, Deputy Administrator, DCFS, DHHS, to discuss the policy development and implementation of training. He said Susie Miller, Deputy Administrator, DCFS, DHHS, was also available to answer questions regarding day-to-day operations.

Kathryn Roose, Deputy Administrator, DCFS, DHHS, said the updated policy was required to receive the grant funds from the DPS. She said all the requirements were included in the updated policy, including those related to training.

Assemblywoman Monroe-Moreno asked if staff training had begun. Ms. Roose replied that training would begin after the new cameras were received. She noted that all facility staff would receive training before the cameras were used on facility grounds.

Assemblywoman Monroe-Moreno asked why staff would not receive training until after the cameras were received. Mr. Armstrong replied that the training officer at each facility had received the updated policy and was responsible for planning the training. He said it would be difficult to train staff on the features of the new cameras without access to the cameras. He noted that staff had received training on other elements of the use-of-force policy.

In response to a question from Assemblywoman Monroe-Moreno, Mr. Armstrong confirmed that each training officer would be trained by the vendor, and then the training officer would provide training to staff.

Assemblywoman Monroe-Moreno noted that the first year of the lease would be paid through the grant; however, there was no funding source for the remainder of the lease. She asked how the agency would fund the lease beyond FY 2021.

Mandi Davis, Deputy Administrator, DCFS, DHHS, replied that the division would lease the body cameras with the first year of the grant. She said the division intended to apply for the same grant in future fiscal years. If successful, the lease would continue. If the DCFS was not successful in obtaining the grant in future years, the division would cancel the lease and return the cameras.

Assemblywoman Monroe-Moreno asked if the vendor would provide updated equipment as technology changed during the course of the lease.

Ms. Davis said the software would likely be updated; however, it was her understanding that the division would retain the same cameras during the lease period. She said she would verify the information and provide it to the Committee.

Chair Carlton wanted it noted for the record that the lease for the body cameras would be grant-based. Currently, the division did not intend to include the lease costs as a budget enhancement or request that it be part of the budget.

Ms. Davis confirmed that was correct. She said it was the division's intent to reapply for the grant every year to sustain the lease.

Assemblyman Kramer said he presumed the reason for the body cameras was for accountability and training purposes. He asked if the division had performance measures in place to determine if the body cameras were justifiable.

Susie Miller, Deputy Administrator, DCFS, DHHS, replied that the division maintained statistics on all use-of-force situations. She said the main difference with the new cameras was that they could record audio, which was extremely helpful for training purposes. She said the division was striving to minimize use-of-force situations, and audio recordings would help staff understand how a juvenile responded during an event. Consequently, staff could be trained specifically how to handle situations in which a youth was becoming aggressive and then be provided the necessary skills to address similar situations in the future without use of force. Ms. Miller said internal reviews were conducted at the facilities 14 days after a use-of-force situation as well as monthly, and the outcome of those reviews was also tracked.

ASSEMBLYWOMAN MONROE-MORENO MOVED TO APPROVE
AGENDA ITEM E-53.

SENATOR WOODHOUSE SECONDED THE MOTION.

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

- 54. Department of Employment, Training and Rehabilitation - Rehabilitation Division - Vocational Rehabilitation - FY 2020** - Transfer of \$59,883 from the SSA Program Income category to the Strategic Planning category to fund a contract for a comprehensive statewide needs assessment required by the federal Rehabilitation Service Administration. Requires Interim Finance approval since the amount transferred to the Strategic Planning category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C49658**

Refer to motion for approval under Agenda Item E.

- 55. Department of Employment, Training and Rehabilitation - Workforce Development - FY 2020** - Transfer of \$575,818 from the Reserve category to the Phone System category to fund the replacement of the departmentwide Telephone System and the Interactive Voice Response System. Requires Interim Finance approval since the amount transferred to the Phone System category exceeds \$75,000. **RELATES TO AGENDA ITEM E. 57. Work Program #C49518. WITHDRAWN 1-16-20.**

56. **Department of Employment, Training and Rehabilitation - Employment Security - Special Fund - FY 2020** - Transfer of \$668,954 from the Reserve category to the Phone System category to fund the replacement of the departmentwide Telephone System and the Interactive Voice Response System. Requires Interim Finance approval since the amount transferred to the Phone System category exceeds \$75,000. **RELATES TO AGENDA ITEM E. 57. Work Program #C49519. WITHDRAWN 1-16-20.**
57. **Department of Employment, Training and Rehabilitation - Administrative Services - Information Development and Processing - FY 2020** - Addition of \$575,818 transferred from Workforce Development and \$668,954 transferred from Employment Security Special Fund to support the replacement of the departmentwide Telephone System and the Interactive Voice Response System. Requires Interim Finance approval since the amount added to the Phone System category exceeds \$75,000. **RELATES TO AGENDA ITEMS E. 55 and 56. Work Program #C49517. WITHDRAWN 1-16-20.**
58. **Department of Corrections - Prison Medical Care - FY 2020** - Addition of \$59,208 in Reimbursements, \$725,071 in transfer from Inmate Welfare Account, and \$91,384 in Transfer from Prison Store to Inmate Drivens category to fund medical co-pays and qualifying inmate medical claims though the remainder of the fiscal year. Requires Interim Finance approval since the amount added to the Inmate Drivens category exceeds \$75,000. **RELATES TO AGENDA ITEMS E. 60 and 62. Work Program #C49570**

Refer to motion for approval under Agenda Item E.

59. **Department of Corrections - Offenders' Store Fund - FY 2021** - Transfer of \$176,659 from the Retained Earnings category to the Transfer to Inmate Welfare Account (IWA) category to support ongoing e-filing capabilities and operations at Ely State Prison and High Desert State Prison. Requires Interim Finance approval since the amount transferred to the Transfer to IWA category exceeds \$75,000. **RELATES TO AGENDA ITEM E. 61. Work Program #C49472**

Refer to motion for approval under Agenda Item E.

60. **Department of Corrections - Offenders' Store Fund - FY 2020** - Transfer of \$910,635 from the Retained Earnings category to the Transfer to Inmate Welfare Account (IWA) category to fund medical co-pays and qualifying inmate medical claims for the remainder of the fiscal year. Requires Interim Finance approval since the amount added to the Transfer to IWA category exceeds \$75,000. **RELATES TO AGENDA ITEMS E. 58 and 62. Work Program #C49572**

Refer to motion for approval under Agenda Item E.

61. **Department of Corrections - Inmate Welfare Account - FY 2021** - Addition of \$176,659 in Transfer from Offenders' Store revenue authority to support the ongoing e-filing capabilities and operations at Ely State Prison and High Desert State Prison. Requires Interim Finance approval since the amount added to the Personnel Services category exceeds \$75,000. **RELATES TO AGENDA ITEM E. 59. Work Program #C49474**

Refer to motion for approval under Agenda Item E.

62. **Department of Corrections - Inmate Welfare Account - FY 2020** - Addition of \$910,635 in Transfer from the Offenders' Store Fund to support the medical co-pays and qualifying inmate medical claims for the remainder of the fiscal year. Requires Interim Finance approval since the amount added to the Transfer to Medical Co-Pays category exceeds \$75,000. **RELATES TO AGENDA ITEMS E. 58 and 60. Work Program #C49573**

Refer to motion for approval under Agenda Item E.

63. **Department of Corrections - Prison Industry - FY 2020** - Transfer of \$111,869 from the Retained Earnings category to the Northern Nevada Correctional Center (NNCC) Mattress category, transfer of \$78,546 from the Retained Earnings category to the NNCC Printing/Bindery shop category, and transfer of \$116,195 from the Retained Earnings category to the Lovelock Correctional Center (LCC) Garment Factory category to cover anticipated shortfalls for the remainder of the fiscal year. Requires Interim Finance approval since the amounts added to the LCC Garment Factory category exceeds \$75,000. **Work Program #C49481**

Refer to motion for approval under Agenda Item E.

64. **Department of Corrections - Prison Ranch - FY 2020** - Transfer of \$240,515 from the Retained Earnings category to the Operating category to cover a projected shortfall and fund expenditures for the remainder of the fiscal year. Requires Interim Finance approval since the amount added to the Operating category exceeds \$75,000. **Work Program #C49484**

Refer to motion for approval under Agenda Item E.

65. **Department of Public Safety - Investigation Division - FY 2020** - Addition of \$86,222 in federal Community Oriented Policing (COPS) Anti-Heroin Task Force grant funds transferred from the Department of Public Safety's (DPS) Criminal Justice Assistance to support overtime reimbursement for various DPS task forces conducting targeted heroin and opioid investigations. Requires Interim Finance approval since the amount added to the COPS grant category exceeds \$75,000. **Work Program #C49607**

Refer to motion for approval under Agenda Item E.

66. **Department of Public Safety - Central Repository for Nevada Records of Criminal History - FY 2020** - Addition of \$394,000 in federal Criminal Justice - Sex Offender Sentencing, Monitoring, Apprehending, Registering and Tracking Office (SMART) grant funds transferred from the Department of Public Safety's Criminal Justice Assistance to continue support for the temporary staffing and for the procurement of Livescan equipment. Requires Interim Finance approval since the amount added to the SMART grant category exceeds \$75,000. **Work Program #C49455**

Refer to motion for approval under Agenda Item E.

67. **Department of Public Safety - Central Repository for Nevada Records of Criminal History - FY 2020** - Addition of \$30,555 in federal Criminal Justice Assistance - National Instant Criminal Background Check System Act/Record Improvement Program (NARIP) grant funds to support the outreach activities to the criminal justice community and assist those communities with the reporting of criminal records and dispositions to the Nevada Criminal History Repository. Requires Interim Finance approval since the cumulative amount added to the NARIP grant category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C49458**

Refer to motion for approval under Agenda Item E.

68. **Department of Conservation and Natural Resources - Forestry Division - Administration - FY 2020** - Addition of \$45,101 in federal Hazard Mitigation grant funds transferred from the Division of Emergency Management to purchase two mobile weather stations for post-wildfire monitoring. Requires Interim Finance approval since the amount added to the Mobile Weather Stations category exceeds 10 percent of the legislatively approved amount for the category. **Work Program #C47984**

Refer to motion for approval under Agenda Item E.

69. **Department of Conservation and Natural Resources - Environmental Protection - Materials Management and Corrective Action - FY 2020** - Addition of \$109,733 in federal Environmental Protection Agency Superfund grant funds to provide support for management activities associated with historic mining impacts on the Carson River Mercury Site. Requires Interim Finance approval since the amount added to the Superfund category exceeds \$75,000. **Work Program #C49289**

Assemblywoman Titus noted that she lived near the Carson River Mercury Superfund site. She asked if the funds were being drawn down from a previously awarded federal grant.

Jeff Kinder, Deputy Administrator, Division of Environmental Protection (DEP), Department of Conservation and Natural Resources (DCNR), confirmed that was correct. He said the division was matching state authority to federal funding.

Assemblywoman Titus said it appeared the money would be used to support property owners and developers. She asked if the soil would be tested to determine if there were unhealthy levels of mercury, lead, or other heavy metals.

Mr. Kinder confirmed that was correct. He said the division collaborated with the owner as well as an environmental consultant to take samples when a property owner was ready to develop a piece of property. If the samples showed elevated levels of heavy metals then the DEP worked with the developer to clean up the site prior to development.

Assemblywoman Titus asked if the developer was responsible for the cost of mitigation, or if the grant funds were used for that purpose. Mr. Kinder replied that the developer generally paid for the sampling and site cleanup, and the DEP provided oversight. In some instances, the division could support landowners in the cleanup process if no other options were available.

In response to a question from Assemblywoman Titus, Mr. Kinder replied that the grant money funded the activities and oversight of the DEP, which included meeting with the property owner or developer to oversee the sampling, review the reports, and assist with mitigation, if applicable.

Assemblywoman Titus asked if the division received payment from the developer in addition to the federal funds it received to support personnel costs.

Mr. Kinder replied that the division did not receive funds from the property developer. He said the federal funds were used to have DEP staff onsite to review the sampling plan and results, as well as the mitigation plan, if necessary.

In answer to a question from Assemblywoman Titus, Mr. Kinder replied that the DEP was the oversight agency on behalf of the U.S. Environmental Protection Agency.

Assemblywoman Titus requested soil data, including a general overview, how many sites were still contaminated, and how the division was managing the situation.

Assemblywoman Swank said the involvement of property developers was for financial gain. The division's oversight ensured that an entity was present to protect the state's best interests.

Mr. Kinder confirmed that was correct. He said the division was focused on public health; therefore, it was important to ensure it was safe to develop the land.

ASSEMBLYWOMAN TITUS MOVED TO APPROVE AGENDA
ITEM E-69.

SENATOR PARKS SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY. (Chair Carlton and
Senator Cancela were not present for the vote.)

- 70. Department of Conservation and Natural Resources - Environmental Protection - Materials Management and Corrective Action - FY 2020** - Addition of \$175,000 in federal Environmental Protection Agency Superfund Preliminary Assessment/Site Inspection grant funds to provide support for assessing and prioritizing abandoned mine sites for potential clean-up. Requires Interim Finance approval since the amount added to the Superfund Preliminary Assessment and Site Inspection category exceeds \$75,000. **Work Program #C49436**

Refer to motion for approval under Agenda Item E.

- 71. Department of Wildlife - Director's Office - FY 2020** - Addition of \$667,896 in federal Wildlife Restoration grant funds to support the public boating access improvements. Requires Interim Finance approval since the amount added to the Boating Access Improvement category exceeds \$75,000. **Work Program #C49495**

Refer to motion for approval under Agenda Item E.

- 72. Department of Wildlife - Conservation Education - FY 2020** - Addition of \$357,968 in federal Wildlife Restoration Program grant funds to support construction improvements of public shooting ranges. Requires Interim Finance approval since the amount added to the Hunter Education category exceeds \$75,000. **Work Program #C49465**

Refer to motion for approval under Agenda Item E.

- 73. Office of the Military - FY 2021** - Addition of \$501,305 in Department of Defense funds to provide support for seven new Family Support Services positions and the transfer of the National Guard Bureau's Family Support Services Program from the federal level of administration to the state level of administration. Requires Interim Finance approval since the amount added to the Personnel Services category exceeds \$75,000. **Work Program #C49440**

Refer to motion for approval under Agenda Item E.

- 74. Department of Administration - Human Resource Management - FY 2020 -** Transfer of \$95,510 from Reserves to the Personnel category and \$190,836 from Reserves to Collective Bargaining category to fund six new positions and contract costs to operate the Labor Relations Unit to support collective bargaining. Requires Interim Finance approval since the amounts added to the Collective Bargaining category exceeds \$75,000. **RELATES TO AGENDA ITEM E. 75. Work Program #C49557. RECEIVED AFTER SUBMITTAL DEADLINE, 1-14-20.**

Agenda Items E-74 and E-75 were discussed jointly. Refer to testimony and motion for approval under Agenda Item E-75.

- 75. Department of Administration - Human Resource Management - FY 2021 -** Transfer of \$660,489 from Reserves to the Personnel category and \$546,203 from Reserve to Collective Bargaining to fund seven new positions and contract costs to operate the Labor Relations Unit to support collective bargaining. Requires Interim Finance approval since the amounts added to the Collective Bargaining category exceeds \$75,000. **RELATES TO AGENDA ITEM E. 74. Work Program #C49581. RECEIVED AFTER SUBMITTAL DEADLINE, 1-14-20.**

Agenda Items E-74 and E-75 were discussed jointly.

Laura Freed, Director, Department of Administration, introduced Peter Long, Administrator, Division of Human Resource Management (DHRM), Department of Administration; Frank Richardson, Deputy Administrator, DHRM, Department of Administration; and Julie Kidd, Administrative Services Officer, Administrative Services Division, Department of Administration.

Ms. Freed said Work Programs #C49557 and #C49581 requested the addition of six new classified staff for the DHRM for a total of seven full-time equivalent (FTE) positions dedicated to the collective bargaining effort for the state as outlined in S.B. 135 of the 2019 Legislative Session. Additionally, the work programs would provide funding for a contracted Collective Bargaining Negotiator position and a contracted Actuary position to work with the DHRM Labor Relations Unit (LRU).

Chair Carlton asked how the division determined the need for a Collective Bargaining Negotiator and Actuary. She noted that both positions were contract positions, but the Collective Bargaining Negotiator would be used once, while the Actuary would be ongoing. She thought the Committee would have additional questions related to the actuary position and why the division did not choose a high-level fiscal analyst position that would be more familiar with state functions.

Ms. Freed stated that the original fiscal note for S.B. 135 projected the LRU would require eight staff. Although the work programs requested less staff, the classifications were not dissimilar. She said, in addition to Mr. Richardson's position as the Deputy Administrator and Chief Negotiator, the LRU consisted of one Supervisory Personnel Analyst position, four Personnel Analyst 3 positions,

and one Personnel Technician position. The department's thought process was to establish a skilled unit that could provide guidance, training and technical assistance to state agencies on collective bargaining processes and agreements, as well as compile wage data and labor law information, and promulgate regulations relative to collective bargaining agreements.

Chair Carlton said the Committee wanted to ensure the division had the necessary resources to negotiate contracts. It was a new process for the state as well as a complicated process; therefore, it was important to have the appropriate staff.

Chair Carlton expressed concern about the Actuary position. She said an actuary position was usually involved with insurance or a more complicated funding stream that required risk management and cost projections. Chair Carlton asked why the division chose an Actuary position rather than another type of fiscal-related position.

Continuing, Chair Carlton said actuaries were in demand and expensive, which could make it a difficult position to fill. She said there were several position titles in the state that were perpetually difficult to fill.

Peter Long, Administrator, DHRM, Department of Administration, said the division originally considered a Budget Analyst 3 position. As the work program was developed, it was determined that a Budget Analyst 4 position might be more appropriate; however, the Governor's Finance Office (GFO) was the only agency permitted to employ a Budget Analyst 4. In discussions with the GFO, the DHRM settled on the Actuary title in an effort to acquire a high-level fiscal analyst that could determine the cost of a proposal during collective bargaining as well as forecast costs.

Chair Carlton asked if the DHRM had considered an Administrative Services Officer (ASO). Mr. Long replied that the division had not considered an ASO, because the position had a broader range of responsibilities compared to a budget-specific position, and the minimum qualifications may not include budget forecasting and cost projections; however, the division was not opposed to the idea of an ASO position.

Chair Carlton noted that some bargaining units had already been delineated. She asked the status of the timeline for the full implementation of the bill.

Ms. Freed replied that based on the timeline for bill implementation as it was understood during the 2019 Legislative Session, each bargaining unit was to begin bargaining with the state by November 1, 2020; however, of the 11 units specified in S.B. 135, 5 units had exclusive representation. Per the division's understanding of Section 38 of S.B. 135, there was nothing preventing those 5 bargaining units from providing the state a 60-day notice to begin bargaining; therefore, the state needed to be prepared earlier than November 1, 2020, which was probably counter to the understanding that was had late in the 2019 Legislative Session.

Assemblywoman Benitez-Thompson said it appeared the division would have an ending reserve of seven days of operating expenses for FY 2021, which was an uncomfortable position to be in.

Ms. Freed replied that the budgets were closed by the time the bill was processed, so there was not an opportunity to increase the personnel assessment to pay for the fiscal note on the bill. She said the bill was passed with the understanding that an increase to the personnel assessment in FY 2020 or FY 2021 was possible. The division had hoped to avoid an increase, because it was disruptive to agency budgets; therefore, the work programs relied on reserves only. Ms. Freed said she agreed with the Committee's concern about the reserve level being too low in FY 2021. The agency was working with the GFO to address the issue, and it was a strong possibility that the DHRM would approach the IFC in early FY 2021 to request an increase in the personnel assessment rate to avoid depleting reserves to that degree. Ms. Freed noted that pursuant to NRS 284.115, any change to the personnel assessment could be implemented with the approval of the Governor and the IFC. If the DHRM were to request an increase in the personnel assessment, that would come in the form of an action item to the Committee separate and apart from any work programs that various agencies might need to submit to accommodate the increase. Ms. Freed reiterated that the division hoped to avoid an increase in the personnel assessment, but it would likely be necessary.

Assemblywoman Benitez-Thompson said the Committee would have to address the matter when the request to increase the personnel assessment was submitted for IFC approval.

Senator Woodhouse suggested that if the request was approved, the Committee should direct the DHRM to provide updated projections on its reserve balance utilizing known expenditure savings, and if necessary, a plan to address funding operating expenditures in FY 2021 and FY 2022.

Assemblyman Frierson said he appreciated the agency bringing the issue forward for discussion. He thought it would be necessary to accelerate the timeline from what was outlined in statute in order to be prepared for negotiations. Assemblyman Frierson said today's discussion demonstrated that the matter was being taken seriously and that the state wanted it to be managed effectively.

Chair Carlton said the positions would be reassessed during the 2021 Legislative Session. She said the Committee would be willing to discuss the possibility of a new position classification in the future, if necessary. Chair Carlton reiterated that collective bargaining was new territory for the state; therefore, both sides needed to be well prepared for a discussion to determine what was best for the state as well as state employees, who were also constituents.

ASSEMBLYMAN FRIERSON MOVED TO APPROVE AGENDA ITEMS E-74 AND E-75 AND DIRECT THE DEPARTMENT OF ADMINISTRATION, DIVISION OF HUMAN RESOURCE MANAGEMENT TO PROVIDE UPDATED PROJECTIONS ON THE RESERVE BALANCE UTILIZING KNOWN EXPENDITURE SAVINGS AND, IF NECESSARY, A PLAN TO ADDRESS FUNDING OPERATING EXPENDITURES IN FY 2021 AND FY 2022.

SENATOR PARKS SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

- 76. Department of Corrections - Director's Office - FY 2020** - Deletion of \$295,000 in Budgetary Transfers to fund projected shortfalls within the department. Requires Interim Finance approval since the amount deleted from the Employees Physicals category exceeds \$75,000. **Work Program #C49751. RELATES TO AGENDA ITEMS E. 77, 78 and 79. RECEIVED AFTER SUBMITTAL DEADLINE, 1-14-20.**

Agenda Items E-76, E-77, E-78 and E-79 were discussed jointly. Refer to testimony and motion for approval under Agenda Item E-79.

- 77. Department of Corrections - Ely State Prison - FY 2020** - Addition of \$119,000 in Budgetary Transfers to fund a projected shortfall in the Inmate Drivens category. Requires Interim Finance approval since the amount added to the Inmate Drivens category exceeds \$75,000. **Work Program #C49617. RELATES TO AGENDA ITEMS E. 76, 78 and 79. RECEIVED AFTER SUBMITTAL DEADLINE, 1-14-20.**

Agenda Items E-76, E-77, E-78 and E-79 were discussed jointly. Refer to testimony and motion for approval under Agenda Item E-79.

- 78. Department of Corrections - High Desert State Prison - FY 2020** - Addition of \$353,517 in Budgetary Transfers and a transfer of \$190,000 from the Utilities category to the Inmate Drivens category to fund a projected shortfall in the Inmate Drivens category. Requires Interim Finance approval since the amount added to the Inmate Drivens category exceeds \$75,000. **Work Program #C49618. RELATES TO AGENDA ITEMS E. 76, 77 and 79. RECEIVED AFTER SUBMITTAL DEADLINE, 1-14-20.**

Agenda Items E-76, E-77, E-78 and E-79 were discussed jointly. Refer to testimony and motion for approval under Agenda Item E-79.

- 79. Department of Corrections - Northern Nevada Correctional Center - FY 2020 -** Deletion of \$125,000 in Budgetary Transfers to fund projected shortfalls within the department. Requires Interim Finance approval since the amount deleted from the Utilities category exceeds \$75,000. **Work Program #C49771. RELATES TO AGENDA ITEMS E. 76, 77 and 78. RECEIVED AFTER SUBMITTAL DEADLINE, 1-14-20.**

Agenda Items E-76, E-77, E-78 and E-79 were discussed jointly.

Charles Daniels, Director, Nevada Department of Corrections (NDOC), introduced John Borrowman, Deputy Director, NDOC; Scott Ewart, Chief of Fiscal Services, NDOC; and Venus Fajota, Chief of Purchasing and Inmate Services, NDOC. He thanked Committee members for extending a warm welcome as well as guidance concerning the IFC rules and procedures.

Mr. Daniels said the four work programs before the Committee were part of a collection of budgetary transfers to partially resolve FY 2020 projected shortfalls in the Inmate Driven category. The primary contributing factor to the projected shortfall was the cost of food as a result of the new nutritional standards for inmate meals. Mr. Daniels said the work programs represented only a partial solution for budget accounts with an immediate fiscal need. The work programs were made possible by using projected category funding surpluses from non-personnel service categories with transfers to the Inmate Driven expenditure category. He said the NDOC Fiscal Services Division continuously monitored the fiscal health of the department; developed and recommended funding solutions where General Fund shortfalls caused by dynamic and ever changing departmental needs existed; and considered all allowable fiscal recommendations. Mr. Daniels said the NDOC regularly explored cost savings measures to further reduce inmate food costs by identifying less expensive menu alternatives while maintaining nutritional requirements; working with state-approved vendors to secure bulk pricing; and exploring options of warehousing food where large quantity food purchases were possible.

Chair Carlton understood that the inmate nutritional standards arose out of a court case. She asked if those nutritional standards had already been implemented at the institutions.

John Borrowman, Deputy Director, NDOC, said the nutritional standards were released in the spring of 2019. The Chief Medical Officer for the Department of Health and Human Services was required to establish a nutritional standard, evaluate deficiencies on the NDOC menu based on those standards, and report the information to the Board of Prison Commissioners. He said the department was required to present corrective actions to the Board of Prison Commissioners.

Mr. Borrowman said the new menu based on the revised nutritional standards was implemented at the institutions in August 2019. The Chief Medical Officer continued

to evaluate the department for compliance, and the department continued to revise the menu as necessary. For example, the most recent adjustment reduced the amount of cholesterol in the inmate diet. He said the department also modified the menu as cost effective solutions were implemented. Mr. Borrowman noted that the third quarter menu reflected some of those modifications. He said it was an ongoing process as vendors had substantial changes in their product selection. Mr. Borrowman said the department would continue to seek more cost effective methods of providing the inmate menu.

Chair Carlton asked the agency to expand on the medical costs included in the shortfall.

Mr. Borrowman replied that part of the shortfall for the department was a deficit in the medical budget; however, the medical shortfall was not included in the current work programs. He said the work programs only addressed an immediate, critical deficit that needed to be resolved in order to maintain operations. Mr. Borrowman said the department intended to come before the Committee at the April 2020 IFC meeting to discuss the greater deficit, which included the medical shortfall as well as shortfalls in the Inmate Driven category in many budget accounts due to the menu changes.

Mr. Borrowman said the request before the Committee was a limited dollar amount and scope, but also part of the larger shortfall that the department was experiencing. He said the NDOC had a medical directive change to address a new hepatitis c testing policy. The department was also facing substantial open liability due to cancer patients that required treatment. He said that particular issue was still being evaluated and had not yet come to fruition. Mr. Borrowman said, overall, the department was implementing cost savings measures wherever possible, but there was still a net medical shortfall.

In response to a statement by Chair Carlton, Mr. Daniels replied that during his tenure, he would work with the IFC well in advance concerning budgetary shortfalls. The department would discuss its plans with the Committee and seek recommendations. Mr. Daniels said he had a strong background in organizational management, and he understood the prison system well. However, some fiscal challenges impacted all governmental entities. He said the department would not serve as a rock unto itself during his tenure. The NDOC served the citizens of Nevada, and part of that required the department to be fiscally responsible. Mr. Daniels said he believed in being inclusionary and receiving input. He wanted to be able to explain the reasoning behind each new process. In addition, he wanted to share with the Committee the department's priorities, areas in need of improvement, and where the department was failing. Mr. Daniels said the department could not do anything without the support of the Committee; however, the Committee would not provide that support unless the department could demonstrate it was fiscally responsible, which was how he intended to operate the NDOC during his tenure.

Chair Carlton said the Committee could appreciate the fact that it took time to implement changes, and it did not expect significant issues to be resolved quickly; however, the Committee wanted to see consistent progress. Chair Carlton said medical expenses were difficult to control, but the overtime issue was definitely within the department's control. She said the Committee wanted to know how the department planned to address those issues in the 2021-23 biennium budget cycle, and as that evolved, the Committee wanted to receive status updates.

SENATOR PARKS MOVED TO APPROVE AGENDA ITEMS E-76, E-77, E-78 AND E-79.

ASSEMBLYMAN FRIERSON SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

RECLASSIFICATIONS

All position reclassifications were included in the motion for approval under Agenda Item E except the following:

Department of Public Safety - Reclassification of DPS Officer 2 positions to Background Investigator/Polygraph Examiner positions.

Chair Carlton reminded the Committee that during the 2019 Legislative Session, the DPS requested a number of positions as the result of a study. The 2019 Legislature funded a portion of those positions, but they had not yet been filled. Chair Carlton noted that the department was now requesting to reclassify several other vacant positions.

Sheri Brueggemann, Deputy Director, DPS, confirmed that the department received two positions during the 2019 Legislative Session; however, those two positions had to be classified by the DHRM, because they were new titles. She said she was just notified today that the positions were available for recruitment. Ms. Brueggemann said the positions the department wanted to reclassify were Nevada Highway Patrol (NHP) Officer positions. If approved by the Committee, the position control numbers (PCNs) would be reclassified as Background Investigator/Polygraph Examiner positions. She said the positions would conduct background checks as well as polygraph exams.

Ms. Brueggemann said a polygraph training course was scheduled for June 2020. She said the training was essential, because it was difficult for the department to hire staff that had already acquired the skill. If the training was conducted locally, it would cost \$5,000 per student for 13 weeks of training. She noted that the training would be cost prohibitive if it was conducted out of state. Ms. Brueggemann said the goal was to provide training for all the positions in June so the newly trained staff could conduct polygraph exams beginning in the next fiscal year. If the department began to fill all the NHP Officer positions, it would have to consider transferring the two positions into the Director's Office and replacing them with NHP Officer positions.

Assemblyman Frierson asked why the department was requesting additional positions when the two positions that were funded during the 2019 Legislative Session had not been filled. He thought it would be prudent to fill those positions first and then reassess the need after the department determined what those two positions could accomplish.

Ms. Brueggemann said when the DPS evaluated the need for positions two years ago, the department initially determined that ten positions were necessary. The request was then reduced to five positions, and ultimately two positions were funded by the 2019 Legislature. She said the department was currently utilizing approximately ten officers to perform background checks, which interfered with their normal duties; however, the DPS still could not fill the vacant positions. Ms. Brueggemann said Lieutenant Chris LaPrairie, who supervised the Background Unit, was available to answer questions related to the backlog of background investigations, including how many staff were conducting investigations and the benefit of frontloading the polygraph examiner positions.

Assemblyman Frierson clarified that he was not questioning whether the polygraph examiner positions were needed; however, he wanted to know how the department determined that three additional positions were necessary when the first two had not been filled.

Ms. Brueggemann replied that the two positions would also conduct background checks. She noted that all of the positions requested by the DPS would perform polygraph exams and background checks, although never for the same candidate. Additionally, a major hiring event was underway by the DPS in Northern and Southern Nevada. Ms. Brueggemann noted that polygraph exams were currently conducted during the second phase of the hiring process.

Ms. Brueggemann said the Division of Parole and Probation (P&P) had one polygrapher whose primary duty was to conduct polygraph exams for sex offenders; however, the department had to temporarily reassign that employee to conduct polygraph exams for new hires. She added that the Division of Investigations was also in need of polygraph examiners.

Ms. Brueggemann said the department was aware of the number of outstanding applications and how long it took to conduct a background check. She said a number of officers were performing temporary duty assignments to assist with background investigations. The new positions would be hired specifically for background investigation and polygraph duties, which would allow officers to return to their regular duties.

Assemblyman Frierson said he did not think the state would continue to have an influx of new hires every year. He asked if those officers would resume their regular duties after the temporary backlog was addressed.

Ms. Brueggemann replied that the department was struggling to fill more than 120 vacant officer positions due to the wages and benefits offered by local law enforcement agencies. She said local law enforcement officers earned significantly more than state officers;

therefore, it was difficult to fill vacant positions. The applications that were received by the department took longer to vet, and as a consequence, it was likely the backlog would be ongoing. Turnover was such that for approximately every 10 positions that were filled, 11 more positions became vacant. Ms. Brueggemann said she did not foresee a change until the benefit and pay structure was addressed for sworn officers. If at some time the state became competitive with local law enforcement agencies, the backlog would be greatly reduced.

Assemblyman Frierson thought Ms. Brueggemann made a valid point. He said the state had been struggling to be competitive with local law enforcement agencies for many years.

Assemblyman Frierson asked how the practice of temporarily assigning officers to perform background investigations impacted operations for the NHP and P&P.

Chris LaPrairie, DPS Lieutenant and Background Supervisor, stated that currently three NHP officers and four P&P staff (three sworn and one civilian) were performing background investigations in Southern Nevada, and one NHP officer and one P&P civilian were performing background investigations in Northern Nevada.

Ms. Brueggemann added that the consequences of those officers performing temporary duty assignments was that there were less NHP officers on the road and higher caseloads within the P&P. She said it was difficult to use staff from one area to help another area that was understaffed, but the problem could not be resolved until positions could be filled. Ms. Brueggemann said the department would continue to recruit officers and improve the pace at which the backlog was addressed in order to contact applicants in a more timely manner.

Chair Carlton asked how the position reclassifications would impact Highway Funds. She said all of the positions would require training and equipment, which was not included in the department's request. She asked if the purpose of the reclassifications was to conduct training in a single session.

Ms. Brueggemann replied that NHP officers that were temporarily assigned to the Background Unit only conducted investigations for Highway Funded-positions, and the opposite was true of P&P officers. She said, if the Committee approved the department's request, the positions would remain in the NHP budget until the 2021 Legislative Session, at which time the department would probably request to transfer the positions to the Background Unit.

Ms. Brueggemann added that the department intended to request funding from the Forfeitures account to pay for equipment and training costs.

Chair Carlton recalled that polygraph exams were not always performed for P&P applicants. She thought the change occurred around 2007 when the NHP and P&P were joined together. Chair Carlton asked if the *Nevada Revised Statutes* (NRS) required polygraph exams.

Ms. Brueggemann replied that NRS required a polygraph exam or stress voice analyzation for Category I officers, and P&P officers were considered Category I officers. She noted that the department and the state traditionally used the polygraph exam for applicants.

Chair Carlton found it concerning that although the department had not filled the two positions approved during the 2019 Legislative Session, it was requesting to reclassify three DPS Officer positions despite the shortage of DPS officers. She said she would prefer that the DPS fill the two new positions and then reassess the situation at a later date. Chair Carlton said the state needed more NHP officers and the backlog of background checks had to be addressed, but she was not confident that completing background checks more quickly would help fill the vacant positions due to the issue with pay and benefits. She was also concerned that the costs associated with new staff had not been addressed. Chair Carlton said she would prefer to postpone the reclassifications and resume the discussion at the April 2020 IFC meeting.

Ms. Brueggemann replied that if the Committee were to approve the reclassified positions, the department could return the NHP officers that were currently on temporary duty assignment in the Background Unit to their regular duties. Therefore, the department would not be increasing staff, just the ability of staff to perform more than one function.

Senator Goicoechea said he had heard that trooper duty stations in the rural areas that had been vacant for 18 months would be closed down. He asked if there was any truth to that rumor.

Ms. Brueggemann said that was not true; however, she noted it was very difficult to fill those positions. She said NHP Chief, Dan Solo, was considering a temporary plan in which officers would be temporarily assigned to trooper duty stations on a rotating basis. She said the department was still researching costs such as travel and per diem. Ms. Brueggemann said the DPS would not be closing the trooper duty stations.

Assemblyman Leavitt asked if the DPS could contract with a third-party vendor to manage administrative duties such as background investigations and polygraph exams so that officers could perform the job for which they were trained.

Ms. Brueggemann replied that the department did contract with third-party vendors to perform background checks; however, the cost ranged from \$500 to \$600 per background check. Additionally, the department conducted several hundred background investigations per year and the vendors could not handle that volume. She said the department had done request for proposals over the years in an effort to apportion the workload among multiple third-party vendors, but that had resulted in some negative experiences. For example, one of the vendors lost a USB flash drive containing all of the personal data that had been collected for background checks. She said the other vendors were much smaller and could only handle three or four investigations per month. Ms. Brueggemann said the department was interested in contracting with a vendor that was capable of processing the department's large volume of background investigations.

Assemblywoman Monroe-Moreno said she had experience in law enforcement. Specifically, she had conducted background investigations in the internal affairs unit for over four years. She said a background check could not be completed quickly; it often took several months to conduct a thorough investigation. She understood the idea of hiring an outside vendor to conduct background investigations, but it was important to ensure the safety of the information provided by applicants. Assemblywoman Monroe-Moreno said she would prefer to have background investigations performed by trusted state employees.

Assemblywoman Monroe-Moreno said many state agencies struggled to fill staff vacancies due to the state's salary package. She said the Legislature may need to reexamine the wages of state law enforcement officers. Although salary increases may reduce the number of people the state could hire, the wages would be livable and more competitive with local law enforcement agencies.

Chair Carlton said she would prefer to postpone the department's request until the Committee received detailed information regarding the cost to support the three reclassified positions. She encouraged the DPS to proceed with the recruitment of the two positions that were approved by the 2019 Legislature. She also directed the agency to return to the April 2020 IFC meeting with the total cost of the other three positions, so that the Committee and the department could have a comprehensive discussion. Chair Carlton said, although it was important for NHP officers to return to their regular duties, the Committee needed to make an informed decision.

Senator Goicoechea said there was a shortage of officers in the rural areas, so he supported all efforts to fill vacant DPS Officer positions. He encouraged the department to fill the two new positions by April 2020 so that the Committee could authorize more positions.

No further action was taken by the Committee.

AGENCY	AGENCY/ ACCOUNT NUMBER	POSITION NUMBER	PRESENT CLASS, CODE, GRADE & SALARY	PROPOSED CLASS, CODE, GRADE & SALARY
DETR/ Rehabilitation Division/Bureau of Disability Adjudication WITHDRAWN 1-27-20	901/3269	0023	Administrative Assistant I Code: 2.213 Grade: 23 Employee/Employer Paid Retirement \$31,403.52	Rehabilitation Technician III Code: 12.442 Grade: 29 Employee/Employer Paid Retirement \$39,943.44
DETR/ Rehabilitation Division/Bureau of Vocational Rehabilitation WITHDRAWN 1-27-20	901/3265	0240	Administrative Assistant I Code: 2.213 Grade: 23 Employee/Employer Paid Retirement \$31,403.52	Rehabilitation Technician III Code: 12.442 Grade: 29 Employee/Employer Paid Retirement \$39,943.44
Commission on POST	230/3774	0014	Program Officer I Code: 7.649 Grade: 31/01 Employee/Employer Paid Retirement \$43,346.88	Facility Supervisor I Code: 9.612 Grade: 31/01 Employee Employer Paid Retirement \$43,346.88

Department of Corrections	440/3762	1186	Electrician II Code: 9.447 Grade: 32/01 Employee/Employer Paid Retirement \$45,142.56	Electronic Technician II Code: 6.981 Grade: 31/01 Employee/Employer Paid Retirement \$43,346.88
Department of Public Safety	651/4713	0139	Communications Systems Specialist II Code: 6.977 Grade: 35/06 Employer Paid Retirement \$55,603.44	IT Professional III Code: 7.925 Grade: 40/03 Employer Paid Retirement \$60,844.32
Department of Public Safety	651/4713	0242, 0530 & 0718	DPS Officer II Code: 13.206 Grade: 39 Employee/Employer Paid Retirement \$61,011.36	Background Investigator/Polygraph Examiner Code: 11.299 Grade: 35 Employee/Employer Paid Retirement \$51,281.28
Department of Transportation	800/4660	028015	Engineering Technician V Code: 6.305 Grade: 35/01 Employee Employer Paid Retirement \$51,281.28	Accountant II Code: 7.136 Grade: 36/01 Employee Employer Paid Retirement \$53,598.96

F. STATEMENT OF CONTINGENCY ACCOUNT BALANCE.

Cindy Jones, Assembly Fiscal Analyst, Fiscal Analysis Division, LCB, referred to the Statement of Contingency Account Balance beginning on page 147 in Volume III of the meeting packet ([Exhibit C](#)). She said the current balance of the unrestricted General Fund was approximately \$26.83 million. There was one request before the Committee for \$15,500, which would decrease the balance of the unrestricted General Fund to \$26.82 million if the item was approved. Ms. Jones said the subsequent pages indicated the balances of various restricted amounts approved by the 2019 Legislature; however, there were no requests before the Committee. There were also no requests from the Highway Fund.

G. REQUEST FOR ALLOCATION FROM THE IFC CONTINGENCY ACCOUNT (GENERAL FUND) PURSUANT TO NRS 353.268 (Note: IFC may approve a different amount for an allocation than the amount requested) – Department of Public Safety – Dignitary Protection – Request for an allocation of \$15,500 to cover costs of providing dignitary protection services to the Governor and first family for FY 2020.

Sheri Brueggemann, Deputy Director, DPS, said the agency was requesting \$15,500 to supplement the travel budget for dignitary protection services.

Assemblyman Hambrick asked if dignitary protection would be provided for the Governor's adult children while attending a function with the Governor. Ms. Brueggeman confirmed that Governor Sisolak's children would receive dignitary protection while attending an event with the Governor; however, dignitary protection for the children had not been required to date.

Assemblywoman Titus agreed it was the state's responsibility to protect the Governor and his family. She noted that the cost of dignitary protection increased by nearly 200 percent. She asked what caused the significant increase.

Ms. Brueggemann replied that the dignitary protection budget was based on the travel budget of the previous Governor. She said the DPS was becoming more familiar with Governor Sisolak and his priorities. Ms. Brueggemann said the department revised the dignitary protection budget accordingly, and now the department would be able to consistently budget for the Governor's travel.

Chair Carlton noted that Governor Sisolak was from Southern Nevada, which added to the budget.

SENATOR WOODHOUSE MOVED TO APPROVE AGENDA ITEM G.

ASSEMBLYMAN FRIERSON SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

H. REQUEST FOR APPROVAL OF A DETAILED PLAN FOR THE ESTABLISHMENT OF A CLOSED-LOOP PAYMENT PROCESSING SYSTEM PURSUANT TO NRS 226.300 (7) – Office of the Treasurer – Request for approval of a detailed plan for the establishment of a closed-loop payment processing system for financial transactions relating to marijuana. **WITHDRAWN 1-24-20**

I. INFORMATIONAL ITEMS.

1. OFFICE OF THE GOVERNOR – Governor's Finance Office
 - a) Budget Division – Report of the agency activity relating to contracting with current or former employees of the state, for the period ending December 31 2019, pursuant to NRS 333.705(5).
 - b) Office of Project Management – Silver State Modernization Approach for Resources and Technology in the 21st Century (SMART 21) – Semiannual report on the efforts to replace the state's existing financial and human resource information systems for the period ending December 31, 2019 (letter of intent, 2019 Legislature).

There was no discussion on these items.

2. OFFICE OF THE SECRETARY OF STATE – Progress report on implementation of the Automatic Voter Registration initiative petition that was approved by the voters during the November 2018 General Election for the period December 1, 2019, through January 23, 2020 (letter of intent, 2019 Legislature).

There was no discussion on this item.

3. 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.

4. DEPARTMENT OF EDUCATION – Quarterly report on Class-Size Reduction variances for the period ending June 30, 2019, of the 2018-2019 school year, pursuant to NRS 388.700(5).

There was no discussion on this item.

5. OFFICE OF ECONOMIC DEVELOPMENT – Annual report regarding the Catalyst Account and transferable tax credits to promote economic development pursuant to NRS 231.0535, Section 1 (b)(1).

There was no discussion on this item.

6. DEPARTMENT OF TOURISM AND CULTURAL AFFAIRS – Division of Museums and History – Museum Dedicated Trust Funds – Semiannual report regarding the investment and expenditure of private funds for the period ending June 30, 2019, pursuant to NRS 381.0033(1)(b).

There was no discussion on this item.

7. 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 31, 2019, pursuant to NRS 422.390(2).
- b) Division of Welfare and Supportive Services
 - 1) Semiannual report on the progress in meeting Temporary Assistance for Needy Families Work Participation Rate (TANF WPR), for the period ending December 31, 2019 (letter of intent, 2019 Legislature).
 - 2) Annual report concerning the allocation of funds in the Fund for Energy Assistance and Conservation in FY 2019, pursuant to NRS 702.275.

There was no discussion on these items.

8. DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES – Forestry Division – Notice to eliminate two seasonal positions and replace them with one full-time equivalent (FTE) position within the Nursery Program to meet production contract workloads. This results in an increase from 2.0 FTE to 3.0 FTE.

There was no discussion on this item.

9. DEPARTMENT OF TRANSPORTATION – Annual report on the plan for measuring performance of the Department of Transportation for the period ending December 31, 2019, pursuant to NRS 408.133 Section 2(b)(2) and, as required by NRS 244A.638, Section 2(b), an annual report on all projects undertaken with the money deposited in the State Highway Fund pursuant to NRS 244A.637.

There was no discussion on this item.

10. Reports on the use of consultants for the July 1, 2019, through December 31, 2019, reporting period:
 - a) Reports from school districts pursuant to NRS 391.155.
 - b) Reports from boards and commissions pursuant to NRS 333.705(7).
 - 1) Nevada Board of Psychological Examiners – Various reports for the periods of July 1, 2015 through June 30, 2019.
 - c) Reports from the Nevada System of Higher Education, pursuant to NRS 333.705(7).

There was no discussion on these items.

J. PUBLIC COMMENT.

There was no public comment.

K. ADJOURNMENT.

Chair Carlton adjourned the meeting at 12:10 p.m.

Assemblywoman Maggie Carlton, Chair
Interim Finance Committee

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