MINUTES OF THE APRIL 30, 2020
MEETING OF THE
INTERIM FINANCE COMMITTEE

Chair Maggie Carlton called a meeting of the Interim Finance Committee (IFC) to order at 9:05 a.m. on April 30, 2020, via videoconference. There was no physical location for the meeting pursuant to the Governor's Emergency Directive 006.

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
Assemblywoman Daniele Monroe-Moreno
Assemblywoman Connie Munk
Assemblywoman Dina Neal
Assemblywoman Ellen Spiegel
Assemblywoman Heidi Swank
Assemblywoman Robin Titus
Assemblyman Jim Wheeler

LEGISLATIVE COUNSEL BUREAU STAFF PRESENT:
Brenda Erdoes, Director, Legislative Counsel Bureau
Cindy Jones, Fiscal Analyst, Assembly
Mark Krmpotic, Fiscal Analyst, Senate
Sarah Coffman, Principal Deputy Fiscal Analyst
Alex Haartz, Principal Deputy Fiscal Analyst
Eileen O'Grady, Chief Deputy Legislative Counsel
Carla Ulrych, Fiscal Analysis Division Secretary

EXHIBITS:
Exhibit A: Meeting Packet – Volume I
Exhibit B: Meeting Packet – Volume II
Exhibit C: Meeting Packet – Volume III
Exhibit D: Meeting Packet – Volume IV

Exhibit E: Public Comment – Chris Daly, Alexander Marks, Nevada State Education Association
Exhibit F: Public Comment – Maria-Teresa Liebermann, Institute for a Progressive Nevada
Exhibit G: Public Comment – Ashlea Kammann, William Schab and Vasilia Rodriguez
Exhibit H: Public Comment – Alyssa Abbs
Exhibit I: Public Comment – Leo Murrieta, Executive Director, Make the Road Nevada
Exhibit J: Public Comment – Kyla Neese, Brooke Tousley, MacKenzie Rooney and Daniella Bermudez
Exhibit K: Public Comment – Alexi Rayo, Gabriela Rios, Christian Suarez, Maria Jimenez and Melanie Murphy
Exhibit L: Public Comment – Frances L. Matylinsky
Exhibit M: Public Comment – Emily Morgan, Brooke Tomlinson, Katherine Anderson and Vanessa Orellana, University of Nevada, Reno
Exhibit N: Public Comment – Kartika Greene, Maritsa Mora, Rachel Hernandez and Aylin Cardenas
Exhibit O: Public Comment – Mallory Daxon, Emily Grove and Nicole Sunseri
Exhibit P: Public Comment – Suzette Ramirez, Bailee Barber, Alexis McKeand, Heather McDonough and Lauren Shankel
Exhibit Q: Public Comment – Taylor Dixon, Maria Prado-Espinosa and Tanya Castillo Flores
Exhibit R: Public Comment – Laura Martin, Executive Director, Progressive Leadership Alliance of Nevada

A. ROLL CALL.

Cindy Jones, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau (LCB), called the roll; all members were present.

B. PUBLIC COMMENT.

Pursuant to the Governor's Emergency Directive 006, there was no physical location for the April 30, 2020, meeting of the Interim Finance Committee. The meeting was broadcast on the Nevada Legislative website at www.leg.state.nv.us. Public comment was accepted live via telephone. Written comments were accepted by e-mail, facsimile, and mail before, during, and after the meeting.

Chair Carlton thanked the LCB Broadcast and Production Services staff and others who worked diligently to facilitate the meeting. She recognized that it was challenging to manage all the meeting participants.

Chris Daly, Nevada State Education Association (NSEA), stated that the NSEA had been the voice of Nevada educators for over 100 years. He said Nevada had experienced few more challenging times than the global COVID-19 pandemic. On March 16, 2020, Governor Sisolak issued an executive order closing all Nevada schools and subsequently extended the order through the end of the 2019-2020 school year. The NSEA members responded to the shutdown order quickly – from teachers engaging students in distance learning to food service workers on the front lines who were providing meals to families. He remarked that it had been a difficult transition. Mr. Daly informed the Committee that a NSEA member working in food service in Clark County died in April after contracting COVID-19.

Mr. Daly said in addition to school closures, the Governor introduced a risk mitigation initiative, which closed all non-essential businesses and services, and postponed or cancelled all large gatherings. He said it was a bold but necessary action to protect the health and safety of every Nevadan. Mr. Daly stated that the COVID-19 crisis would have a devastating and long-lasting impact on the economy.

Mr. Daly stated that on April 7, 2020, Governor Sisolak asked all state agencies to review their budgets and make recommendations for General Fund reductions of 4 percent in the current fiscal year (FY 2020), and between 6 percent and 14 percent in FY 2021. He indicated that General Fund cuts could mean a reduction of more than $173.0 million for public education in the 2019-21 biennium. He said the operation of Nevada depended on revenues from the Local School Support Tax (LSST) as well as the public schools' operating property tax. Mr. Daly said it was expected that LSST revenues would be devastated in the current quarter and would likely be depressed well into FY 2021. With the likelihood of another state recession, property taxes could take another long-term hit.

Mr. Daly submitted written testimony for the record (Exhibit E).

Maria-Teresa Liebermann, Institute for a Progressive Nevada, said it was important that Nevada communities were well informed about the vote-by-mail process, especially as it related to the upcoming primary election. She said education and resources were especially necessary for marginalized communities, such as the Latino community, where some voters may find the vote-by-mail system difficult to understand. Ms. Liebermann said it was essential that the most vulnerable communities were not disenfranchised and that they trusted the new voting system.

Ms. Liebermann submitted written testimony for the record (Exhibit F).

Emily Persaud-Zamora, Executive Director, Silver State Voices, provided testimony regarding the implementation of a vote-by-mail system for the 2020 election cycle. She commended the Secretary of State for taking action to protect the health and safety of Nevada voters for the June 2020 primary election. Ms. Persaud-Zamora thought it was a significant but necessary change for Nevada. She noted that only 9 percent of ballots were cast by mail in 2018.

Ms. Persaud-Zamora said Silver State Voices had concerns with the vote-by-mail system and the potential to disenfranchise many voters, especially voters in the African-American and Latino communities. She said Silver State Voices also had serious concerns that only active voters would receive ballots, because many communities of color were often overrepresented in active voter lists, and only one vote center per county would be available for in-person voting. Ms. Persaud-Zamora noted that during the recent election in Wisconsin, voters waited in line for hours to cast their ballots. She noted long lines at the polls affected communities of color at a disproportionate level.

Ms. Persaud-Zamora said Silver State Voices was collaborating with multiple non-partisan organizations to educate their respective communities about the vote-by-mail system. She said those organizations represented Latino, African American and LGBTQ communities in addition to others. Ms. Persaud-Zamora emphasized that the state needed to invest adequate resources during the COVID-19 crisis to ensure that all communities were educated about the vote-by-mail process.

Alexander Marks, NSEA, said education funding was a central focus during the 2019 Legislative Session. Elected leaders worked to address the chronic underfunding of public education and deliver a long overdue 3 percent pay increase for Nevada educators. While not transformative on the issue of underfunding, Nevada made significant progress. At the beginning of the 2019 Legislative Session, Nevada ranked 47^{th} in per-pupil funding based on a 2018 Quality Counts Report from Education Week. During the 2019 Legislative Session, legislators redirected money into the K-12 education budget, including $120.0 million in marijuana revenue to the Distributive School Account. Additionally, the Modified Business Tax was extended. He said the efforts of the 2019 Legislature increased education funding by millions of dollars from FY 2019 to FY 2020, which was one of the largest year-over-year increases in the history of Nevada.

Continuing, Mr. Marks said proposed General Fund cuts alongside loss of local revenue would likely eliminate those gains and then some, cutting further into the bone of Nevada's public schools. The NSEA was hopeful that students and educators would be able to return to school campuses in the 2020-2021 school year, because it was evident that distance learning was not suitable for most students, especially at-risk students, English learners and students with disabilities. Returning to school was critical, not just for students, but also for the many families returning to work and resuming normal life. Mr. Marks said strong public schools needed to be a major focus of Nevada's recovery. Sending students back to schools that were compromised by draconian budget cuts, including layoffs and corresponding class size increases, minimal support services, and less individualized and differentiated instruction, was not the answer.

Mr. Marks said the budget decisions faced by the Governor and the Legislature would not be easy; however, those decisions would reflect the state's shared priorities and values. He said the NSEA was asking that decision makers set priorities and work to protect institutions and services that were critical to everyday Nevadans, which included a strong public school system.

Mr. Marks submitted written testimony for the record (Exhibit E).

Marla McDade Williams, Strategies 360, on behalf of the Churchill County Commission, said the commission supported the state's Career and Technical Education and Career and Technical Student organizations. In past legislative sessions, changes were made to the way funding was allocated to centralized state-level organizations. Those changes could have a detrimental impact on networking and enhanced learning opportunities for students. Ms. McDade Williams said she was hopeful there would be an opportunity to address those issues during the 2021 Legislative Session to ensure state-level organizations could continue providing high-quality learning opportunities for students participating in the programs.

Regarding COVID-19 funding, Ms. McDade Williams stated that more than $830.0 million was awarded to the state under the Coronavirus Aid, Relief, and Economic Security (CARES) Act. She said the Churchill County Commission believed those funds were intended to cover costs for local and state government; therefore, the commission was asking the state to consider working with county governments to share in the allocation. Much like the state, counties had also incurred COVID-19 related costs. The counties were eager to partner with the state in responding to the many issues that resulted from the pandemic. Ms. McDade Williams said the nation was enduring challenging times and everyone was doing their part. She stated that the commission would continue to do its part for Churchill County as well as the State of Nevada.

Annette Magnus, Executive Director, Battle Born Progress, expressed concern about the online voter registration system. During the 2019 Legislative Session, the Legislature passed and the Governor approved Assembly Bill (A.B.) 345. Assembly Bill 345 required the Secretary of State to update and maintain the online voter registration system, and the IFC had since approved an allocation for those purposes.

Ms. Magnus said Battle Born Progress raised concerns with the online voter registration website during the hearing for A.B. 345. She said Battle Born Progress testified in favor of Section 11 of the bill, which specifically states that the Secretary of State shall include on the system, in black lettering and not more than 14-point type, the following information:

a) The qualifications to register or preregister to vote;
b) That if the applicant does not meet the qualifications, he or she is prohibited from registering or preregistering to vote; and
c) The penalties for submitting a false application.

Ms. Magnus noted that the online voter registration website still contained warnings and scare tactics in bright red, large lettering on every page. She thought that was a form of disenfranchisement and intimidation during a time when the online registration system was the main source for voter registration outside of the automatic voter registration system.

Ms. Magnus said she found it extremely troubling that the Secretary of State was not observing the law passed during the 2019 Legislative Session. She asked the Committee to take note of that as it considered the Secretary of State’s request. She said it was important that the Secretary of State adhere to the requirements of the law, especially under the current circumstances.

Eric Eakin, Las Vegas resident, spoke on behalf of over 500,000 Nevadans who were not receiving unemployment benefits through the Department of Employment, Training and Rehabilitation (DETR). He said it was a significant problem that needed to be addressed as much as anything else. Mr. Eakin said DETR was essentially unavailable to the public; the offices were closed, e-mails remained unanswered, and the telephone lines were overwhelmed by the volume of calls. He noted he had been waiting over a month for a resolution to his claim.

Mr. Eakin thought the unemployment crisis needed to be brought to the Committee's attention, because Nevadans were suffering. He hoped the Legislative and Executive Branches would take the matter seriously and address the issue. He said it was unacceptable for a public service agency like DETR to be unavailable to the public while people were struggling to buy food and pay bills. He urged elected officials to help the unemployed citizens of the state. Mr. Eakin thanked the Committee for its efforts in addressing the crisis.

Ashlea Kammann, William Schab and Vasilia Rodriguez submitted written testimony for the record (Exhibit G).

Alyssa Abbs submitted written testimony for the record (Exhibit H).

Leo Murrieta, Executive Director, Make the Road Nevada, submitted written testimony for the record (Exhibit I).

Kyla Neese, Brooke Tousley, MacKenzie Rooney and Daniella Bermudez submitted written testimony for the record (Exhibit J).

Alexi Rayo, Gabriela Rios, Christian Suarez, Maria Jimenez and Melanie Murphy submitted written testimony for the record (Exhibit K).

Frances L. Matylinsky submitted written testimony for the record (Exhibit L).

Emily Morgan, Brooke Tomlinson, Katherine Anderson and Vanessa Orellana, University of Nevada, Reno, submitted written testimony for the record (Exhibit M).

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Suzette Ramirez, Bailee Barber, Alexis McKeand, Heather McDonough and Lauren Shankel submitted written testimony for the record (Exhibit P).

Taylor Dixon, Maria Prado-Espinosa and Tanya Castillo Flores submitted written testimony for the record (Exhibit Q).

Laura Martin, Executive Director, Progressive Leadership Alliance of Nevada, submitted written testimony for the record (Exhibit R).

Chair Carlton announced that a roll call vote would be taken on all action items due to the number of items under consideration and the virtual setting. She asked that each Committee member be prepared to vote.

C. WORK PROGRAM REVISIONS IN ACCORDANCE WITH NRS 353.220(5)(a). INFORMATIONAL ONLY – APPROVED BY THE GOVERNOR BECAUSE OF AN EMERGENCY AS DEFINED IN NRS 353.263 OR FOR THE PROTECTION OF LIFE OR PROPERTY.

Cindy Jones, Assembly Fiscal Analyst, Fiscal Analysis Division, LCB, said the work program revisions under Agenda Item C were emergency requests as defined by NRS 353.263; thus, all items had already been approved by the Governor. However, the following items had been identified for further discussion: Agenda Items C-4, Department of Employment, Training and Rehabilitation (DETR), Unemployment Insurance; C-5, Nevada Department of Corrections (NDOC); C-6, NDOC; and C-7, NDOC. Ms. Jones noted that Agenda Items C-5, C-6, and C-7 would be discussed with Agenda Items J-4 and R-10d, which also related to the NDOC.

1. **Department of Health and Human Services - Public and Behavioral Health - Health Care Facilities Regulation - FY 2020**
   Transfer of $500,000 from the Reserve category to the COVID-19 category and $69,500 from the Reserve category to the Division Cost Allocation category to address emergency planning and response to the Coronavirus in hospitals and nursing homes. **Work Program #C50399. RECEIVED AFTER SUBMITTAL DEADLINE, 3-30-20.**

   There was no discussion on this item.

2. **Department of Health and Human Services - Director's Office - Grants Management Unit - FY 2020**
   Transfer of $250,000 from the Fund for Healthy Nevada (FHN) Admin category to the Tobacco Wellness Grants category to provide essential services for high-risk and vulnerable populations affected by the Coronavirus. **Work Program #C50400. RECEIVED AFTER SUBMITTAL DEADLINE, 3-30-20.**

   There was no discussion on this item.

3. **Department of Health and Human Services - Public and Behavioral Health - Public Health Preparedness Program - FY 2020**
   Addition of $254,214 in federal Hospital Preparedness Program grant funds to provide the State and local health authorities and health care providers with the

resources for preparedness and response to the Coronavirus. **Work Program #C50440. RECEIVED AFTER SUBMITTAL DEADLINE, 4-9-20.**

There was no discussion on this item.

4. Department of Employment Training and Rehabilitation - Unemployment Insurance - FY 2020
Addition of $10,684,454 in federal Families First Coronavirus Response Act grant funds to cover emergency costs related to the national emergency declaration concerning the COVID-19 pandemic, allowing the Unemployment Office to provide staffing and services in response to an unanticipated increase in unemployment claims. **Work Program #C50459. RECEIVED AFTER SUBMITTAL DEADLINE, 4-10-20.**

Dennis Perea, Deputy Director, DETR, said Work Program #C50459 was a request to accept funds from the Families First Coronavirus Response Act and other components. He said there were two allotments of funds, the first of which was $5.0 million. Mr. Perea noted that the second allotment of funds would be available after the funding requirements were met by the state.

Assemblyman Frierson requested an overview of the department's request.

Heather Korbulic, Executive Director, DETR, said she was excited about joining the DETR team. She said her immediate observation about DETR was that it was comprised of a competent team of civil servants who were professional and extremely committed to every unemployment claim that was submitted. Ms. Korbulic said DETR staff was working tirelessly to address the current situation within the Unemployment Insurance (UI) Division.

Ms. Korbulic discussed the current landscape of UI in Nevada. She noted that prior to the pandemic, the UI Division received an average of 10,000 claims per month, whereas the division now received an average of 10,000 per day. Behind each claim was a Nevadan in need with a compelling story, which did not escape DETR staff. Ms. Korbulic said DETR staff took its responsibilities seriously.

Ms. Korbulic said DETR was working actively and continuously to address the backlog of UI claims. The department's technical and policy teams were working to find large groups of claims that could be processed through an automated process. She noted that a large job was run last night, and the agency would continue to process additional large jobs as quickly as possible. Ms. Korbulic said DETR was looking for the easiest and quickest solutions to connect Nevadans with UI resources.

Continuing, Ms. Korbulic said within her first 24 hours at DETR, the agency executed a contract with a vendor to launch the Pandemic Unemployment

Assistance (PUA) module. The agency was aiming for a go-live date in mid-May 2020, at which time individuals could begin submitting claims.

Ms. Korbulic said DETR was working on a solution to call center bandwidth resource problems. She noted that DETR contracted with a company called Alorica to assist with PUA applications. However, while the PUA module was in development, Alorica staff was answering basic questions that did not require UI claims knowledge.

Finally, Ms. Korbulic said that DETR was working to establish a contract with a vendor to transition the UI call center from the state phone system to a cloud-based system. The cloud-based system would lessen the burden on the state's infrastructure, which was unable to handle the current call volume.

In response to a question from Chair Carlton, Ms. Korbulic replied that the PUA contract had been executed. She said DETR anticipated launching the module in mid-May 2020; however, she could not provide an exact date.

Chair Carlton asked if PUA was the additional $600 in unemployment funds that was made available to UI claimants through the CARES Act. Ms. Korbulic said the additional $600 disbursement related to traditional unemployment claims. She explained that the PUA module would be used for gig and contract employees, such as Lyft and Uber drivers, who were not traditionally eligible for unemployment benefits.

Assemblyman Frierson said approximately $10.7 million in federal assistance was available to the state; however, it appeared that Nevada was only eligible for $5.3 million. He noted that the federal government had provided guidelines concerning the use of those funds. Assemblyman Frierson asked how DETR intended to utilize the $5.3 million.

Kimberly Gaa, Administrator, Employment Security Division (ESD), DETR, said the first tranche of dollars, which was $5.3 million, was expected to provide augmentation for administration costs, mainly salaries. She said many DETR staff from other divisions were assisting with UI. She noted that more than 9,000 hours of overtime was accumulated in one month. Additionally, more than half of the workforce services staff had been allocated to assist the UI Division. Ms. Gaa said DETR was using the federal funds to pay the salaries of those workers, because they were temporarily performing unemployment-related tasks.

Assemblyman Frierson asked if the entire $5.3 million would be used for overtime expenses to process claims. If not, he asked how the remaining funds would be used.

Ms. Gaa replied that based on the burn rate of funds, about $200,000 had been expended in a matter of weeks; therefore, the department predicted the entire $5.3 million would be expended. She said DETR's entire grant for the year would also be expended. Although the department could not predict the total expense, it was important to ensure there was sufficient funding, especially in light of overtime expenditures. Additionally, staff from other DETR programs had to be paid through the UI grant and the additional administration grant, because those employees were performing UI-related duties.

Assemblyman Frierson said he was concerned that DETR was uncertain exactly how the $5.3 million would be spent. He said those funds could not be used for other purposes as long as they were earmarked for overtime. He said it was important to address the backlog of UI claims, but eventually DETR would need to determine how the funds would be expended beyond overtime costs. Assemblyman Frierson said he did not want to oversimplify the reality of the crisis. He understood the state was struggling to obtain much needed resources.

Ms. Gaa replied that DETR had additional administrative expenses, such as increased postage costs. She explained that DETR had to contract with State Mail Services, which then had to subcontract with a company to help process the large volume of mail generated by DETR. She noted that the department had generated several years' worth of mail in a matter of weeks. Ms. Gaa said the entirety of the funds were earmarked for traditional administrative expenses. She said the department had finally reached a point where it could provide the Committee with updated data on current trends.

Assemblyman Frierson asked what actions would be necessary for Nevada to be eligible for the second allotment of administrative funds.

Ms. Gaa replied that there were two requirements to qualify for the second tranche of funds, which was available through September 30, 2020. The first component required the department to exceed a certain level of unemployment, which DETR had done within the first couple weeks. The second component required the department to submit a plan to the U.S. Department of Labor detailing how DETR would address charging relief for employers. Ms. Gaa said the plan had been drafted; however, the agency was awaiting a final determination from legal counsel about whether the plan must be addressed through regulations or a statutory change. She said the plan would be submitted to the Department of Labor as soon as that determination was made.

Assemblyman Frierson asked the agency to keep the Committee apprised of the status of the second allotment of funds. Additionally, he recommended that DETR communicate with the LCB Legal Division to help expedite the process.

Ms. Gaa clarified that she had been referring to DETR's in-house legal counsel.

Assemblyman Frierson said he would follow up offline. He said he was willing to assist with the matter to ensure that Nevada could access the second allotment of funds.

Assemblywoman Jauregui asked if PUA would be available for employees who did not meet traditional UI eligibility requirements, such as wages earned or hours.

Ms. Gaa confirmed there was a provision in the CARES Act for people who had exhausted standard unemployment or were not otherwise eligible. She noted that PUA eligibility involved a qualification process with several components, but establishment of income was vastly different from standard unemployment.

Assemblywoman Jauregui asked if PUA recipients would receive their benefits on the UI debit card. Ms. Gaa replied that the department was considering other modalities, such as direct deposit or electronic disbursements, in addition to the debit card. The department was currently working with the vendor to determine how many modalities of payment could be made available to recipients. However, at a minimum, the UI debit card would be used to disburse PUA payments.

Senator Goicoechea suggested that DETR inform gig and contract workers about the PUA module to reduce the impact on the traditional UI system.

Ms. Korbulic said, now that the PUA contract had been executed, the department was developing outreach materials and connecting with people who would be eligible for PUA.

Senator Cancela said she appreciated that DETR staff was practicing social distancing during the meeting. She hoped department staff wore masks during their workday to keep everyone safe.

Senator Cancela said she had heard from many employers about their willingness to provide DETR with an employee list to bypass the traditional certification process. She thought it was an important time to be open minded about new and innovative processes. Senator Cancela asked if DETR was communicating with employers about alternate processes. She also asked what strategies the department was implementing to minimize administrative costs to free up money for staffing, overtime and direct assistance. Senator Cancela asked how the Committee could assist the agency in implementing more creative solutions to decrease the backlog of UI claims and disburse payments more quickly.

Ms. Gaa replied that the department had multiple conversations with various employers and groups in the community about revising current processes. She said DETR was statutorily required to obtain certification from employers for each individual claimant; however, the agency was working on creative solutions for that process. She said the department was expanding internal technology to enable employers to provide information electronically to DETR. Additionally, DETR was considering ways to accept lists from employers with a letter of certification. Finally, the department was establishing a process that would allow people to upload documents directly to DETR. Ms. Gaa said each of those ideas were at various stages of implementation.

Senator Cancela asked what the timeline was for executing each of the strategies. She asked how the Committee could assist the department in expediting implementation.

Ms. Gaa replied that the department had expanded its technology to enable employers to provide information electronically to DETR, and a backlog of employers was loaded into the system over the past week. Additionally, DETR was currently discussing potential products that would allow documentation to be uploaded directly to the agency.

Referring to page 34 in Volume I of the meeting packet (Exhibit A), Assemblywoman Neal indicated the agency's backup documentation stated that only $1.0 million could be used for administrative costs. She asked when the department decided to utilize the full $5.3 million.

David Schmidt, Acting Deputy Administrator, UI Division, DETR, clarified that the $1.0 billion included in the technical language was the total disbursement amount for all states. The $1.0 billion was divided into two separate disbursements of $500.0 million, of which Nevada received $5.3 million.

Assemblywoman Neal noted the documentation also stated that DETR was required to use a portion of those funds to pay UI claims.

Mr. Schmidt indicated that the $5.3 million was intended entirely for administrative grants to support claims payments; however, he would verify the information and provide an answer to the Committee. He stated that all the additional programs in the CARES Act were federally funded programs, but those programs were not accessing funds from the Families First Coronavirus Response Act grant. The CARES Act also provided funding to support claims payments, such as the first week of benefits for states like Nevada that did not have a waiting week. Mr. Schmidt explained there were various tranches of funds for specific purposes, such as regular claims payments, extended claims programs, and emergency administrative expenses.

Ms. Gaa added that the agency had submitted an attachment with the work program that outlined the state's share of the emergency administrative grant. She said the $5.3 million was identified as the first tranche of funds.

Assemblyman Wheeler said he received dozens of calls each day from people who could not contact DETR via telephone. He said those individuals had been denied unemployment online and were instructed to call the UI Division; however, they could not get through to DETR. Assemblyman Wheeler asked what the agency was doing to alleviate the issue and provide trained UI staff to answer questions.

Ms. Korbulic replied that the call center was reliant on the state phone system; however, the state infrastructure was not equipped to handle the volume of calls DETR was currently receiving. She said people with general questions were advised to contact the call center staffed by Alorica. The department was working to implement a cloud-based phone system that could handle the high call volume and allow individuals with UI-related questions to speak with DETR staff.

In answer to a question from Assemblyman Wheeler, Ms. Korbulic replied that the department's goal was to have the cloud-based phone system implemented within 30 days.

Assemblyman Frierson said it appeared that DETR set up a structure to receive PUA claims before it could process those claims. He asked the agency to explain the reasoning behind that decision.

In response to a question from Ms. Gaa, Assemblyman Frierson asked why DETR had submitted a work program requesting authority to accept funds for which it was not yet eligible.

Ms. Gaa replied that DETR anticipated it would trigger eligibility for the second tranche of funds because of the threshold of claims. She said DETR was hopeful for a decision about the employer charging relief plan so the plan could be submitted to the Department of Labor shortly before or after today's meeting.

Assemblyman Frierson clarified that he was referring to unemployment for gig employees and independent contractors. He said it appeared that the agency's actions were limited by its current statutory authority.

Ms. Gaa said part of the confusion was that the CARES Act funds and the Families First Coronavirus Response Act funds overlapped. CARES Act funds were meant to specifically address three federal programs: PUA, federal Pandemic Unemployment Compensation, and extended unemployment benefits. The current work program pertained specifically to the Families First Coronavirus Response Act funds. She said the other funds were coming through a different modality.

Assemblyman Frierson said he would follow up with the agency offline. He said he would also seek clarification from the LCB Legal and Fiscal Divisions. Assemblyman Frierson said wanted to ensure the state was using existing resources to facilitate programs while taking advantage of federal funds at the same time.

Chair Carlton noted that Fiscal staff had not received information from DETR regarding the necessary actions to qualify for the second allotment of CARES Act UI administrative funds. She instructed DETR to communicate with staff to alleviate confusion. Chair Carlton said communication during the process was crucial, because the Committee needed to be aware of how the funds were expended.

Ms. Korbulic said she appreciated the Committee's feedback. She said DETR would remain in contact with the Committee, LCB staff and the Governor's Finance Office.

Assemblywoman Benitez-Thompson remarked that she had also received many calls from individuals who were working hard to navigate the UI claims process.

Assemblywoman Benitez-Thompson said she appreciated that DETR provided helpful and detailed data sets; however, she wanted a better understanding of the current trends. For example, 39,000 claims were filed during the week of April 18, 2020, which was a decrease of approximately 20,000 claims. Knowing that 20,000 people had not returned to work in that time, she asked if those figures reflected attrition. Assemblywoman Benitez-Thompson said it was important to understand where people were in the claims process, and if they were giving up out of frustration. She asked the agency to provide the information to the Committee.

In response to a question from Assemblywoman Titus, Ms. Gaa replied that DETR was working on two different contracts. She said DETR had a call center contract with Alorica. Alorica would begin supporting PUA claims in mid-May when the PUA module was implemented. Ms. Gaa said DETR had also entered into a contract for a cloud-based phone system, which would be implemented in about 30 days. The new system would replace the state phone system currently used by UI staff.

Continuing, Ms. Gaa said DETR was adding more staff to the call center on a weekly basis to manage calls. Additionally, DETR was developing a plan to augment staff. She stated that DETR was keeping the two unemployment programs separate, because the PUA program was scheduled to sunset with the CARES Act at the end of calendar year 2020. She noted that the department was working on both unemployment programs simultaneously.

Assemblywoman Titus said it was important for constituents to see that DETR's efforts to expand call volume had been successful. She asked the agency to provide call volume data to the Committee.

Ms. Gaa replied that DETR would provide call volume data for Alorica as well as the department's in-house call center.

Assemblywoman Titus thanked DETR for its efforts. She understood the agency was overwhelmed by an historic number of unemployment claims. However, she also wanted to provide answers to her unemployed constituents.

With regard to Assemblyman Frierson's concerns about experience ratings for collection of the grant funds, Senator Kieckhefer also thought it was important to consider whether it was appropriate for employers' tax rates to increase because they were forced to lay off employees. He thought it was an issue that needed to be addressed in the future.

Senator Kieckhefer said it appeared that another 45,000 initial claims were filed last week. He asked when the trust fund would be depleted.

Mr. Schmidt said DETR was monitoring the trust fund closely. Based on the current balance and the rate that benefit payments were being paid out, DETR could fund about 20 weeks of benefits. However, he noted that the trust fund continued to receive contributions. The average UI tax rate for FY 2020 was $1.00 in contributions for every $1.00 paid out in benefits, but that ratio no longer existed. He said the department would continue to use incoming contributions to help extend the rate of benefit payout. Mr. Schmidt stated that DETR could sustain the trust fund for approximately four months based on the solvency that had built up between the previous recession and now.

Assemblyman Frierson requested that the DETR Deputy Attorney General (DAG) contact the LCB Legal Division to discuss the department's proposed plan concerning non-charging employer experience ratings. Ms. Korbulic agreed.

Chair Carlton said the topic of unemployment benefits was currently a passionate issue, because most people knew of friends and family who were struggling to make ends meet. It was important for Nevadans to know that the state was actively working to address the UI issue. She stated that communication between state agencies and constituents was vital. Chair Carlton said she had concerns with DETR's contracts and whether constituents would receive the services they needed. She remarked that those services still had not materialized. Chair Carlton said she spoke to people daily who were either unable to connect with DETR by telephone or were disconnected after being on hold for a long time.

Chair Carlton said DETR needed to communicate to the public that the UI issues were actively being addressed. She said it was critical for Nevada families to remain stable, and their stability was threatened if they could not access unemployment benefits. She thanked the agency for its efforts to resolve the issues.

There was no further discussion on this item.

5. **Department of Corrections - Inmate Welfare Account - FY 2020**
Addition of $416,000 in Transfer from Offenders Store funds to be passed through to the Prison Medical Care budget to provide funding for the hiring of temporary medical staff in response to the COVID-19 Pandemic. **RELATES TO ITEMS C.6 and 7. Work Program #C50407. RECEIVED AFTER SUBMITTAL DEADLINE, 4-10-20.**

Agenda Items C-5, C-6, C-7, G-11, J-4 and R-10d were discussed jointly. Refer to testimony under Agenda Item J-4.

6. **Department of Corrections - Prison Medical Care - FY 2020**
Addition of $416,000 in Transfer from the Prison Store funds to provide funding for the hiring of temporary medical staff in response to the COVID-19 pandemic. **RELATES TO ITEMS C.5 and 7. Work Program #C50395. RECEIVED AFTER SUBMITTAL DEADLINE, 4-10-20.**

Agenda Items C-5, C-6, C-7, G-11, J-4 and R-10d were discussed jointly. Refer to testimony under Agenda Item J-4.

7. **Department of Corrections – Offenders' Store Fund**
Transfer of $416,000 from the Retained Earnings category to the Transfer to Inmate Welfare Account category to provide funding to hire temporary medical staff in response to the COVID-19 pandemic. **RELATES TO ITEMS C.5 and 6. Work Program #C50166**. **RECEIVED AFTER SUBMITTAL DEADLINE, 4-10-20.**

Agenda Items C-5, C-6, C-7, G-11, J-4 and R-10d were discussed jointly. Refer to testimony under Agenda Item J-4.

D. WORK PROGRAM REVISIONS IN ACCORDANCE WITH NRS 353.220(5)(b) – INFORMATIONAL ONLY – REQUIRED EXPEDITIOUS ACTION WITHIN 15 DAYS.

The work program revisions under Agenda Item D were informational items submitted for expeditious action within 15 days in accordance with NRS 353.220(5)(b). All items under Agenda Item D were deemed approved 15 days after submission date and prior to today's meeting. Cindy Jones, Assembly Fiscal Analyst, Fiscal Analysis Division, LCB noted that none of the items under Agenda Item D had been identified for further discussion.

1. **Department of Agriculture - Commodity Foods Distribution Program – FY 2020**
   Addition of $3,790,800 in federal Commodity Assistance Program grant funds to support the Emergency Food Assistance Program to provide supplemental allotments to household receiving benefits and issuances to households not already receiving benefits. Requires Interim Finance approval since the amount added to the Families First Coronavirus Act category exceeds $75,000. **Work Program #C50343**

   There was no discussion on this item.

2. **Department of Health and Human Services - Public and Behavioral Health - Public Health Preparedness Program - FY 2020**
   Addition of $6,533,000 in federal Coronavirus grant funds to support local health authorities, health care providers and State entities prepare and respond to the Coronavirus. Requires Interim Finance approval since the amount added to the Coronavirus category exceeds $75,000. **RELATES TO AGENDA ITEM D. 3. Work Program #C50234**

   There was no discussion on this item.

3. **Department of Health and Human Services - Public and Behavioral Health - Biostatistics and Epidemiology - FY 2020**
   Addition of $1,475,374 in federal Coronavirus grant funds transferred from the Public Health Preparedness Program to provide surveillance, testing, contact tracking, infection control, mitigation, and other activities to local health authorities and State entities to prevent, reduce and treat Coronavirus. Requires Interim Finance approval since the amount added to the Coronavirus category exceeds $75,000. **RELATES TO AGENDA ITEM D. 2**. **Work Program #C50235**

   There was no discussion on this item.

E. **WORK PROGRAM REVISIONS IN ACCORDANCE WITH NRS 353.220(5)(b) – REQUIRED EXPEDITIOUS ACTION WITHIN 15 DAYS – Office of the Secretary of State** – Addition of $4,496,720 in federal 2020 HAVA CARES Act grant funds from the U.S. Election Assistance Commission as authorized by the U.S. Congress under the Coronavirus Aid, Relief and Economic Security (CARES) Act, to support the mail-in only ballot system for the 2020 Federal Election Cycle.

Cindy Jones, Assembly Fiscal Analyst, Fiscal Analysis Division, LCB, noted that Agenda Item E was a work program submitted for expeditious action within 15 days by the Office of the Secretary of State and had been identified for further discussion.

Wayne Thorley, Deputy Secretary of State for Elections, Office of the Secretary of State (SOS), testified on behalf of Secretary of State, Barbara Cegavske. He said the agency was requesting authority to accept approximately $4.5 million in federal 2020 HAVA

CARES Act grant funds to pay for election costs related to the COVID-19 pandemic. The federal Coronavirus Aid, Relief and Economic Security (CARES) Act allocated $400.0 million in Help America Vote Act (HAVA) emergency funds to help states prepare for, prevent, and respond to the coronavirus for the 2020 election cycle.

Mr. Thorley said the SOS, in partnership with Nevada's 17 county election officials, called for the 2020 primary election to be a vote-by-mail election. The decision was made due to health and safety concerns surrounding the pandemic, as well as the immediate need to be proactive with preparations for the 2020 primary election on June 9, 2020. He stated that the transition to a vote-by-mail election was expensive, because more than 90 percent of Nevadans typically voted in person. Mr. Thorley said the SOS appreciated the funding that was made available to Nevada by Congress and President Trump.

Mr. Thorley discussed the spending plan for the $4.5 million, which was also included in the work program documentation. He said $565,000 would be used to procure additional voting equipment needed to process the significant increase of mail-in ballots for the primary election. The equipment included additional ballot scanners, printers, and adjudication equipment. He explained that adjudication equipment included computers used to hand count ballots when the scanners could not read them due to a stray mark, over vote, etc. Another $500,000 would be used to procure non-voting equipment, such as mail sorters and commercial letter openers.

Mr. Thorley said the largest portion of funds would be spent on ballot printing and outbound postage, which was estimated at $2.4 million. He noted that the number of ballots printed for the 2020 primary election would increase nine-fold compared to prior elections. The cost of each ballot was approximately $1.10, which included printing, insertion materials and envelopes. All ballots would include a return envelope with prepaid postage to ensure that no voter was precluded from returning their ballot by mail. He noted that the estimated cost was $235,000.

Continuing, Mr. Thorley said $34,000 would be used to obtain an electronic signature cure service. He explained that if a voter failed to sign the ballot return envelope, or if the signature did not match the signature on file, the voter would be given an opportunity to confirm that they had cast their ballot, which was known as a "signature cure." The service would allow voters to cure their signature directly by cell phone or tablet.

Lastly, the SOS believed that a large-scale voter education campaign was needed due to the change to a vote-by-mail election for the 2020 primary election. Mr. Thorley said the SOS contracted with a Reno-based marketing firm to develop a marketing campaign that would alert and educate voters about the vote-by-mail primary election. He stated that the cost of the marketing campaign was $753,000. The campaign included television and radio ads, digital ads for social media, direct mail marketing and a website dedicated specifically for providing information about the primary election.

Mr. Thorley said the grant required a 20 percent state match, which would cost the state approximately $900,000. He said there was bipartisan support among state election officials that the 20 percent match was not appropriate for emergency-based grant funds, particularly when state budgets around the country had taken significant hits. Efforts were underway in Congress to eliminate the match requirement, but currently the requirement remained in effect. Mr. Thorley said the SOS was still working to identify how the state would meet the match if Congress did not remove the requirement; however, the urgency of the upcoming primary election and necessary preparations dictated that the state proceed without knowing exactly how the match would be met. The SOS had identified several options to meet the match, including election-related tasks by staff; county expenditures; in-kind match, budget savings; and an allocation from the IFC Contingency Account.

Assemblywoman Benitez-Thompson said it was likely that the state match would have to be met with General Funds if Congress did not eliminate the requirement. She asked if the match options outlined by the agency were permissible based on current guidelines.

Mr. Thorley replied that the SOS had several conversations with the U.S. Election Assistance Commission (EAC), which was the federal agency administering the grant. The EAC was trying to provide as many options as possible for states to meet the match. He said there were many ways to meet the match without a direct appropriation from the state. For example, staff time spent preparing for the primary election could be applied toward the match if the staff was General Funded and performing tasks specifically related to COVID-19 response. Other expenditures that the state had made or would make in relation to the primary election and the pandemic could also be used toward the match, which was also known as in-kind match. Additionally, the SOS was partnering with the Nevada Broadcasters Association (NBA) for the voter education campaign. The agency would earn a return on investment of $3.00 for every $1.00 spent on advertising with the NBA, which was also permissible as in-kind matching. Mr. Thorley said the state could combine multiple methods to meet the required match.

In answer to a question from Assemblywoman Benitez-Thompson, Mr. Thorley replied that the agency would probably know before December 2020 if the state had met the match requirement. Any funds applied toward the match, whether through a direct match or any of the other methods discussed, must be spent on preparations for the 2020 election cycle. Mr. Thorley said the grant would expire on December 31, 2020; however, there may be some additional expenditures after the end of the calendar year.

Assemblywoman Spiegel asked how a voter signature would be cured if the individual did not have access to a cell phone, tablet or computer. She asked if the vendor would assist with signature cure in those types of situation.

Mr. Thorley replied that the contract with the vendor was specifically for electronic signature cure; however, signature cure could also be done through the traditional paper process.

In answer to a question from Chair Carlton, Mr. Thorley explained that signature cure was the process by which a voter could confirm that the ballot submitted was in fact their ballot. Signature cure was necessary if a signature could not be verified through the traditional signature match process. He explained that every ballot would include a prepaid postage return envelope with a signature line. Upon return, the signature would be verified similar to the process used for in-person voting. The signature cure process would be used if a signature was missing or did not match the signature on file for the voter. Mr. Thorley noted that signature cure was required pursuant to A.B. 345 (2019 Legislative Session).

Chair Carlton remarked that many people did not have access to a cell phone, tablet, or computer; therefore, it was critical that an alternate method of signature cure be made available.

Chair Carlton recalled testimony during public comment about outreach to diverse communities concerning the vote-by-mail system. She said people who were accustomed to voting at a school or voting center may not be aware the state was using the vote-by-mail system for the upcoming primary election. Chair Carlton asked how the marketing campaign would target diverse communities. Additionally, she asked how the marketing firm was selected.

Mr. Thorley replied that the SOS contacted the Purchasing Division to determine how to proceed with a contract knowing there was not enough time for the formal request for proposal (RFP) process. The Purchasing Division granted the agency permission to do an emergency contract using an informal bid process. He said the SOS requested bids and proposals from four firms, three in state and one out of state. After reviewing the proposals, the SOS selected KPS3 in Reno as the vendor, because of previous work the firm had done for other state agencies specifically related to COVID-19 response and outreach.

With regard to the marketing campaign, Mr. Thorley agreed that the vote-by-mail process was new for many voters in the state; therefore, the voter education campaign was a critical component of the spending plan. He said it was important for all voters to understand the vote-by-mail process. He stated that the marketing campaign would be statewide with materials in English and Spanish. Additionally, the Clark County Public Relations Office would help translate the materials into Tagalog, a language which the Clark County Election Department also supported. Mr. Thorley said that nearly $500,000 of the $753,000 would be spent on media buys, such as cable television, cable news, network television, NBA, and radio. Additionally, the marketing campaign would include advertisements on social media platforms like Facebook and Twitter. He said the marketing campaign would also include a direct mail component. Lastly, an informational website was scheduled to go live within a couple days. He noted the SOS website would direct voters to the informational website. Mr. Thorley stated that the SOS was seeking to reach all voters in all demographics so that every Nevadan was aware of the vote-by-mail election.

Chair Carlton said she had concerns about aspects of the proposed marketing campaign, because many people no longer subscribed to cable television.

In answer to a question from Senator Denis, Mr. Thorley replied that the SOS was a member of the National Association of Secretaries of State (NASS), which was monitoring the status of the state match requirement in Congress. He noted the NASS sent a letter to Congress urging the body to eliminate the match. Mr. Thorley said the SOS had also been in contact with members of the Nevada's congressional delegation to inform them of the negative effect the match would have on Nevada. He said the state's congressional delegation was striving to have the requirement eliminated by Congress. Mr. Thorley said the SOS was hopeful the match would be removed, but the agency was proceeding as it currently stood.

Assemblywoman Jauregui asked if the vote-by-mail informational website would be available in multiple languages. Mr. Thorley said the website would be available in multiple languages through the browser's translation tool.

Assemblywoman Jauregui remarked that many people forget to update their voter registration after they move. After four years in her home, she said she still received mail for the previous owners, including mail from the Clark County Registrar's Office. Assuming that ballots could not be forwarded, she asked how voters could update their address or receive another copy of their ballot.

Mr. Thorley confirmed that ballots could not be forwarded even if a change of address order was filed with the United States Postal Service; therefore, it was important for individuals to update their voter registration. Individuals could register to vote or update their existing registration online at www.registertovotenv.gov. New ballots would be mailed to voters in response to changes in existing registrations or new registrations submitted through May 21, 2020, after which time individuals would be required to vote in person.

In response to a question from Assemblywoman Jauregui, Mr. Thorley replied that new voter registrations or changes to existing registrations required an affirmation by the voter that the information contained in the application was correct. He said voters without access to the Internet could contact their county election official or the SOS to receive a voter registration form by mail.

Chair Carlton recalled public comment concerning the voter registration website and A.B. 345 from the 2019 Legislative Session. She asked why the language on the website still had not been updated ten months after the legislative session ended. Mr. Thorley apologized for the oversight and stated that the website would be updated as soon as possible.

Chair Carlton said ballots would be mailed out the week of May 4, 2020, and voters were expected to cast their ballots three weeks after that. She said it was important that the voter registration website was accurate so that constituents were not disenfranchised due to the agency's negligence.

Mr. Thorley said the voter registration website functioned as designed. He noted that the updates included some wording changes on the website. However, he understood that language could be a significant barrier.

In answer to a question from Assemblywoman Benitez-Thompson, Mr. Thorley replied that most of the funding would be used for the counties. He clarified that the voting equipment would be leased at a reduced price for the counties rather than purchasing the equipment, especially since the vote-by-mail process was only for the primary election. The SOS, on behalf of the counties, was leasing the voting equipment, printing and mailing ballots, and purchasing the prepaid postage return envelopes, so the counties would not have to expend funds for those resources. He noted that in some cases counties would receive reimbursement for expenses. Mr. Thorley stated that the remainder of the funds would be used for expenditures related to the marketing campaign and signature cure.

Assemblywoman Benitez-Thompson asked if county expenditures could be used as in-kind match. Mr. Thorley confirmed that was correct.

Chair Carlton asked if the outreach materials would be translated to Chinese as well as English, Spanish and Tagalog.

Mr. Thorley replied that the voter education outreach materials would not be translated into Chinese. Pursuant to the Voting Rights Act, the SOS was required to provide voting materials in English, Spanish and Tagalog. He noted that https://www.mailitinnevada.com/ would be available for translation in any language using the browser's translation tool.

In response to a question from Assemblyman Frierson, Mr. Thorley replied that voters could contact their county election official and request a new or replacement ballot through June 2, 2020. If a voter needed to correct an error on their original ballot, the county would void the original ballot and send a replacement.

Mr. Thorley said absentee ballots could not be forwarded; therefore, undeliverable ballots were returned to the county election official. He said voters could update their registration information online; through a voter registration agency, such as the Department of Motor Vehicles or the Department of Health and Human Services; or by completing a traditional paper application. A ballot would be mailed to the voter immediately after the changes were submitted. Mr. Thorley stated that address changes received after May 21, 2020, would require an in-person vote.

Assemblywoman Swank recalled discussions during the 2019 Legislative Session about making state websites compliant with the Americans with Disabilities Act (ADA). She asked if the new website would be ADA compliant.

Mr. Thorley confirmed that the website would be ADA accessible. He stated that ADA accessibility was an important consideration when developing the website. The SOS had done a lot of work in that area to ensure that election information was accessible to all voters. He said the SOS was collaborating with disability advocacy groups to ensure that the vote-by-mail method did not hinder voters with disabilities from participating in the primary election. Mr. Thorley said the online ballot delivery and marking tool available to military and overseas voters would also be made available to voters with disabilities so they could vote privately and independently.

Assemblywoman Titus said, although it was the voter's responsibility to keep their voter registration up to date, she wanted to ensure that everyone who was eligible to vote had an opportunity to do so. She asked if the SOS had done public outreach to inform voters that sample ballots had been mailed before the real ballots were mailed.

Mr. Thorley replied that current outreach efforts had been largely through community organizations and press announcements; however, the voter education campaign would begin in earnest within the next few days. He said it was important to educate the public as quickly as possible, because voters would begin receiving real ballots during the week of May 4, 2020, which commenced the voting period.

Assemblywoman Titus asked if county election officials would process ballots upon receipt. Mr. Thorley replied that voters could return their ballots immediately. Upon receipt, the signature would be verified, and if necessary, the signature cure process would begin. He said ballots would not be opened and counted until closer to election day. Mr. Thorley noted that voters were encouraged to mail their ballot using the prepaid postage envelope; however, ballots could also be hand delivered to the county election office.

> ASSEMBLYWOMAN BENITEZ-THOMPSON MOVED TO APPROVE AGENDA ITEM E.
>
> SENATOR WOODHOUSE SECONDED THE MOTION.
>
> THE MOTION PASSED UNANIMOUSLY. (Assemblywoman Neal was not present for the vote.)

Chair Carlton called a recess at 12:58 p.m. The meeting reconvened at 1:19 p.m.

F. WORK PROGRAM REVISIONS IN ACCORDANCE WITH NRS 353.220(5)(c). INFORMATIONAL ONLY – REQUIRED ACTION WITHIN 45 DAYS.

The work program revisions under Agenda Item F were informational items submitted for expeditious action within 45 days in accordance with NRS 353.220(5)(c). All items under Agenda Item F were deemed approved 45 days after submission date and prior to today's meeting. Cindy Jones, Assembly Fiscal Analyst, Fiscal Analysis Division, LCB, stated that Agenda Item F-69, Department of Conservation and Natural Resources (DCNR), Division of Forestry, had been identified for further discussion. She also noted that Agenda Item F-69 would be discussed with Agenda Items M and N, which also related to the DCNR, Division of Forestry.

Senator Kieckhefer requested additional testimony on Agenda Items F-26, Department of Health and Human Services (DHHS), Director's Office; F-27, DHHS, Aging and Disability Services Division (ADSD); and F-28, DHHS, ADSD.

Assemblywoman Titus requested additional testimony on Agenda Item F-79, Department of Wildlife.

1. **Department of Administration - Enterprise Information Technology Services - Data Communications and Network Engineering - FY 2020**
   Transfer of ~~$144,986~~ ***$206,007*** from the Reserve category to the Information Services category to support the Switch facilities through the remainder of the fiscal year. Requires Interim Finance approval since the amount transferred to the Information Services category exceeds $75,000. **Work Program #C49416. REVISED 3-12-20**

   There was no discussion on this item.

2. **Department of Administration - Nevada State Library, Archives and Public Records - State Library - FY 2020**
   Addition of $118,847 in federal Library Title I grant funds and transfer of $233,010 from the Personnel Services category to the Library Development Title I category to support state and local public libraries. Requires Interim Finance approval since the amount added to the Library Development Title I category exceeds $75,000. **Work Program #C49836**

   There was no discussion on this item.

3. **Department of Education - Data Systems Management - FY 2020**
   Transfer of $145,035 from the MSA Contractors category to the Information Services category to replace failing equipment and to prevent the loss of data. Requires Interim Finance approval since the amount added to the Information Services category exceeds $75,000. **Work Program #C50067**

   There was no discussion on this item.

4. **Department of Education - Career and Technical Education - <u>FY 2021</u>**
   Transfer of $30,351 from the Career and Technical Education Basic Aid to School category to the Cost Allocation Staffing Services category to fund the increase of one position from half-time to full-time in the District Support Services budget account. Requires Interim Finance approval since the amount added to the Cost Allocation Staffing Services category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C49634**

   There was no discussion on this item.

5. **State Public Charter School Authority - FY 2020**
Addition of $303,073 in State English Language Learner Program grant funds transferred from the Nevada Department of Education to continue to support English Language Learner programs. Requires Interim Finance approval since the amount added to the State English Language Learner category exceeds $75,000. **Work Program #C49736**

There was no discussion on this item.

6. **State Public Charter School Authority - FY 2020**
Addition of $1,318,670 in federal Individuals with Disabilities Education Act, Part B grant funds transferred from the Nevada Department of Education to continue special education services in all eligible sponsored charter schools. Requires Interim Finance approval since the amount added to the Federal Special Education category exceeds $75,000. **Work Program #C49737**

There was no discussion on this item.

7. **State Public Charter School Authority - FY 2020**
Addition of $70,630 in federal Title III English Language Acquisition grant funds transferred from the Nevada Department of Education to continue to improve the education of limited English-proficient children and youths to meet challenging state academic content and student academic achievement standards. Requires Interim Finance approval since the amount added to the Federal Title III English Language Learner, Part A category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C49748**

There was no discussion on this item.

8. **State Public Charter School Authority - FY 2020**
Addition of $3,514,478 in federal Title I, Part A Grants to Local Educational Agencies grant funds transferred from the Nevada Department of Education 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 Federal Title I, Part A category exceeds $75,000. **Work Program #C49758**

There was no discussion on this item.

9. **State Public Charter School Authority - FY 2020**
Addition of $1,375,924 in federal Title II, Part A - Improving Teacher Quality grant funds transferred from the Nevada Department of Education to continue programs to increase academic achievement by improving teacher and principal quality. Requires Interim Finance approval since the amount added to the Federal Title IIA Teacher Quality category exceeds $75,000. **Work Program #C49738**

There was no discussion on this item.

10. **Department of Agriculture - Registration and Enforcement - FY 2020**
Deletion of $155,625 in federal Environmental Protection Agency (EPA) Pesticide Enforcement grant funds and transfer of $55,768 from the Personnel Services category to the EPA Pesticide Enforcement category to provide a required training workshop for pesticide regulatory compliance and enforcement. Requires Interim Finance approval since the amount transferred from the Personnel Services category exceeds $75,000. **Work Program #C49816**

There was no discussion on this item.

11. **Department of Agriculture - Pest, Plant Disease, and Noxious Weed Control - FY 2020**
Transfer of $36,321 from the Reserve category to the U.S. Department of Agriculture Animal and Plant Health Inspection Service (APHIS) category and $18,958 from the Reserve category to the Department Cost Allocations category to survey and detect pest and disease concerns to quickly manage or eradicate any outbreaks in the state. Requires Interim Finance approval since the amount transferred to the USDA APHIS category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C50042**

There was no discussion on this item.

12. **Department of Agriculture - Veterinary Medical Services - FY 2020**
Addition of $5,997 in federal U.S. Department of Agriculture (USDA) Animal and Plant Health Inspection Services (APHIS) grant funds and transfer of $23,224 from the Personnel Services category to the USDA APHIS category and transfer of $431 from the Personnel Services category to the Department Cost Allocation category to support the monitoring, investigating and reporting of potential foreign animal diseases in the state. Requires Interim Finance approval since the cumulative amount transferred from the Personnel Services category exceeds $75,000. **Work Program #C49759**

There was no discussion on this item.

13. **Department of Agriculture - Nutrition Education Programs - FY 2020**
Addition of $79,455 in federal National School Lunch Program (NSLP) Equipment grant funds and transfer of $19,459 from the Department Cost Allocation category to the NSLP School Equipment Grant category to purchase food service equipment for high-need schools in underserved areas. Requires Interim Finance approval since the amount added to the NSLP School Equipment Grant category exceeds $75,000. **Work Program #C49817**

There was no discussion on this item.

14. Department of Agriculture - Nutrition Education Programs - FY 2020
Addition of $12,410 in federal Child and Adult Care Food Program (CACFP) Cash-in-Lieu grant funds, $1,523,586 in federal CACFP grant funds and $225,240 in Summer Food Service Program grant funds to reimburse program operators who serve nutritious meals and snacks to eligible children and adults who are enrolled for care at participating centers and day care homes. Requires Interim Finance approval since the amount added to the CACFP category exceeds $75,000. **Work Program #C49805**

There was no discussion on this item.

15. Department of Agriculture - Commodity Foods Distribution Program – FY 2020
Addition of $70,326 in federal Senior Farmers Market Nutrition Program grant funds to support farmers' participation in providing produce to Nevada seniors at farmers markets. Requires Interim Finance approval since the amount transferred to the Senior Farmers Market Nutrition category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C49867**

There was no discussion on this item.

16. Department of Agriculture - Commodity Foods Distribution Program – FY 2020
Addition of $40,136 in federal Food Distribution Program on Indian Reservations (FDPIR) grant funds to distribute food to income-eligible households living on Indian reservations and to Native American households. Requires Interim Finance approval since the amount added to the FDPIR category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C49893**

There was no discussion on this item.

17. Department of Agriculture - Commodity Foods Distribution Program – FY 2020
Addition of $142,066 in federal Commodity Supplemental Food Program (CSFP) grant funds to provide reimbursements to community partners who distribute CSFP food to food-insecure seniors. Requires Interim Finance approval since the amount added to the CSFP category exceeds $75,000. **Work Program #C49999**

There was no discussion on this item.

18. Department of Agriculture - Commodity Foods Distribution Program – FY 2020

Addition of $1,563,877 in Direct Sales Processing fees to meet obligations in commodity food orders from school districts for the remainder of the fiscal year. Requires Interim Finance approval since the amount added to the Food Processing Program category exceeds $75,000. **Work Program #C50003**

There was no discussion on this item.

19. Department of Agriculture - Commodity Foods Distribution Program – FY 2020

Addition of $260,000 in federal Trade Mitigation Food Purchase and Distribution Program grant funds to support food bank partners in the storage and disbursement of food. Requires Interim Finance approval since the amount added to Trade Mitigation Program category exceeds $75,000. **Work Program #C50250**

There was no discussion on this item.

20. Division of Mineral Resources - FY 2020

Transfer of $46,876 from the Reserve category to the Abandoned Mine Land Support category and $246,268 from the Reserve category to the Abandoned Mine Land Enhancement category to continue efforts in the inventory and secure physical safety hazards at abandoned mines throughout the state. Requires Interim Finance approval since the amount transferred to the Abandoned Mine Land Enhancements category exceeds $75,000. **Work Program #C49935**

There was no discussion on this item.

21. Department of Business and Industry - Industrial Relations - Occupational Safety and Health Enforcement - FY 2020

Transfer of $27,116 from the Personnel Services category to the Operating category, $12,197 from the Personnel Services category to the Mechanical Section category, and $1,061 from the Personnel Services category to the Bureau of Labor Statistics category to support contracted security services at the Las Vegas office. Requires Interim Finance approval since the cumulative amount transferred from the Personnel Services category exceeds $75,000. **Work Program #C49527**

There was no discussion on this item.

22. Department of Business and Industry - Employee Management Relations Board – <u>FY 2021</u>

Addition of $110,334 in State Employee Assessment revenue to reflect Senate Bill 135 of the 2019 Legislature and to fund the continuation of one new Administrative Assistant position to support implementation of the bill. Requires Interim Finance approval since the amount added to the Personnel Services category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C49487**

There was no discussion on this item.

23. Department of Tourism and Cultural Affairs - Tourism Development Fund - FY 2020

Transfer of $20,000 from Outside Postage category to Information Services category and transfer of $17,533 from Promotion and Advertising category to the Information Services category to fund security and efficiency costs including equipment replacement. Requires Interim Finance approval since the amount added to the Information Services category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C50143**

There was no discussion on this item.

24. Department of Health and Human Services - Director's Office - Indigent Hospital Care - FY 2020

Transfer of $3,952,178 from the Reserve category to the Current Claims category and $2,974,621 from the Reserve category to the County Reimbursements category to ~~make~~ *align with projected Indigent Accident Fund* supplemental payments, and pay approved ~~hospital~~ claims ~~and counties' long-term care obligations~~. Requires Interim Finance approval since the amount added to the Current Claims category exceeds $75,000. **RELATES TO AGENDA ITEMS F. 29 and 31**. **Work Program #C50055**

There was no discussion on this item.

25. Department of Health and Human Services - Director's Office - Indigent Hospital Care - <u>FY 2021</u>

Transfer of $5,862,331 from the Current Claims category to the County Reimbursements category and $3,637,669 from the Reserve category to the County Reimbursements category to pay approved hospital claims and counties' long-term care obligations. Requires Interim Finance approval since the amount added to the Current Claims category exceeds $75,000. **RELATES TO AGENDA ITEMS F. 30 and 32**. **Work Program #C50014. WITHDRAWN 4-9-20 prior to being deemed approved under the 45-day time limit for Committee consideration pursuant to NRS 353.220 (5)(c).**

26. Department of Health and Human Services - Director's Office - Individuals with Disabilities Education Act Part C Compliance - FY 2020

Addition of $196,436 in federal Infants and Toddlers with Disabilities grant funds to provide oversight of the facilitation of a statewide, family-centered, community-based service delivery system for families, infants and toddlers with disabilities. Requires Interim Finance approval since the amount added to the

Early Intervention Services category exceeds $75,000. **RELATES TO AGENDA ITEM F. 27**. **Work Program #C49480**

Agenda Items F-26, F-27 and F-28 were discussed jointly. Refer to testimony under Agenda Item F-28.

27. Department of Health and Human Services - Aging and Disability Services - Early Intervention Services - FY 2020
Addition of $192,155 in federal Infants and Toddlers with Disabilities grant funds transferred from the Director of Health and Human Services account and transfer of $11,354 from the Operating category to the Private/Community Sector category to provide a statewide, family-centered, community-based service delivery system for families, infants and toddlers with disabilities. Requires Interim Finance approval since the amount added to the Private/Community Sector category exceeds $75,000. **RELATES TO AGENDA ITEM F. 26**. **Work Program #C49663**

Agenda Items F-26, F-27 and F-28 were discussed jointly. Refer to testimony under Agenda Item F-28.

28. Department of Health and Human Services - Aging and Disability Services - Early Intervention Services - FY 2020
Transfer of ~~$202,300~~ ***$801,119*** from the Personnel Services category to the ~~Medical Contract Payments~~ ***Private/Community Sector category*** to support the Early Intervention program caseload increase through the remainder of the fiscal year. Requires Interim Finance approval since the amount transferred to the ~~Medical Contract Payments~~ ***Private/Community Sector category*** exceeds $75,000. **Work Program #C50231. REVISED 3-26-20.**

Agenda Items F-26, F-27 and F-28 were discussed jointly.

Dena Schmidt, Administrator, Aging and Disability Services Division (ADSD), Department of Health and Human Services (DHHS), said Work Program #C49480 was a request to draw down funds from the ongoing Individuals with Disabilities Education Act Part C federal grant. Work Programs #C49663 and #C50231 requested a transfer of funds from the Personnel and Operating categories to the Community Provider category. The funds would be used to cover costs associated with increased caseloads, especially within the Community Provider category.

Ms. Schmidt said the division collaborated with the data analytics team to make caseload projections based on historical data. She said caseload projections were underprojected during the 2019 Legislative Session; thus, the division was working diligently to assess the factors included in those projections to improve the accuracy of future caseload projections.

Ms. Schmidt said the Early Intervention Program experienced a higher than projected caseload growth prior to COVID-19. She explained that some programs were taken out of rotation for a temporary period, which increased caseloads for community providers. Ms. Schmidt noted that pediatricians had placed a moratorium on all in-person services; however, services were provided through a virtual platform using telephonic case management systems as well as telehealth to provide ongoing services to children.

Ms. Schmidt said there was a slight decrease in referrals since COVID-19, which was to be expected; however, projections had not been reduced.

Senator Kieckhefer noted that he objected to some of the caseload-related items approved by the 2019 Legislature. He recalled that four Development Specialist positions were reclassified as Management Analyst positions, which eliminated positions that provided direct service.

Senator Kieckhefer noted that the division withdrew a Contingency Account request for $1.0 million. He remarked that several factors contributed to the revenue shortfall, such as increased caseloads. Additionally, the agency was having difficulty collecting Medicaid billings, or Medicaid was not being billed at the expected level. Senator Kieckhefer also noted the justification for Work Program #C49480 indicated that funding was not provided for the cost of living adjustments (COLA) approved by the 2019 Legislature. He said he took exception to that, because the 2019 Legislature did in fact fund the COLAs; therefore, it was not an accurate justification for the revenue shortfall.

Senator Kieckhefer said it was important to understand what was happening with the program and ensure it was on a path to stability in FY 2021.

Ms. Schmidt confirmed that several vacant positions were converted to Management Analyst positions during the 2019 Legislative Session. However, she noted that lots of the funds transfers in the work programs were due to salary and vacancy savings. She explained that quite a few positions remained vacant, because they were not needed for the caseload at the state level.

Ms. Schmidt said she did not think that eliminating the Development Specialist positions and creating Management Analyst positions caused a negative impact. She said one of the responsibilities of the Management Analysts was to address Medicaid billing. The Management Analysts were scrutinizing every service to determine if it was rejected and why, and whether that service was billable. Ms. Schmidt said the Management Analysts were working to ensure the division was maximizing every dollar in relation to Medicaid billing.

Continuing, Ms. Schmidt explained that the division withdrew the Contingency Account request, because the agency froze the associated positions, which created a savings.

Ms. Schmidt confirmed that the caseload had continued to increase.

With regard to the COLAs approved by the 2019 Legislature, Robin Hager, Administrative Services Officer, ADSD, DHHS, said the funding for the COLAs was not included in the division's budget. Before requesting the COLA funding from the Board of Examiners, the agency sought internal funding. Ms. Hager said it was true that the division was trying to cover the cost of the COLAs, because the funding was not physically in the agency's budget; however, she agreed that the division could have requested the funds from the Board of Examiners.

Senator Kieckhefer said it seemed like an odd justification considering the money was available if the division was in need of those funds.

Senator Kieckhefer asked if more parents were choosing a community provider rather than accessing services through the state, thereby causing the caseload shift.

Rique Robb, Deputy Administrator, ADSD, DHHS, replied that one of the division's state programs was taken out of rotation for a short time. During that time, there was not a 50/50 split, because the program was not accepting new children. She said the current split was about 46/54, which had thrown off the budget. Ms. Robb said that was part of the reason the division needed to transfer funds to category 16 instead of category 14, which would have balanced the split at 50 percent. She said the increase in caseload made it more difficult, because the projected numbers were not accurate.

Senator Kieckhefer asked why the program was taken out of rotation. Ms. Robb replied that a program was taken out of rotation if the program was not compliant with Part C or working to become fully compliant. She said the division had taken programs out of rotation in the past to ensure that the program did not accept new children while addressing compliance-related issues. She said the program in Las Vegas was receiving medically fragile children and captive children, but the program was not accepting new children. Instead, those children were seeing a community provider in the area. Ms. Robb noted the program was now in full compliance and taking full rotation.

Senator Kieckhefer thought it was important to watch the program closely in the next fiscal year to ensure that things were aligned for the increasing caseload.

There was no further discussion on this item.

29. Department of Health and Human Services - Health Care Financing and Policy - Intergovernmental Transfer Program - FY 2020

Deletion of $1,970,350 in the 1.5 Cent Ad Valorem Tax transferred from the Indigent Hospital Care account funds to ~~reduce the~~ *align with projected* Indigent Accident Fund supplemental payments. Requires Interim Finance approval since the amount deleted from the Transfer to BA 3243 - Medicaid category exceeds $75,000. **RELATES TO AGENDA ITEMS F. 24 and 31**. **Work Program #C50068**

There was no discussion on this item.

30. **Department of Health and Human Services - Health Care Financing and Policy - Intergovernmental Transfer Program - FY 2021**
Deletion of $14,220,626 in the 1.5 Cent Ad Valorem Tax funds transferred from the Indigent Hospital Care account to reduce the Indigent Accident fund supplemental payment. Requires Interim Finance approval since the amount deleted from the Transfer to BA 3243 - Medicaid category exceeds $75,000. **RELATES TO AGENDA ITEMS F. 25 and 32**. **Work Program #C50070. WITHDRAWN 4-9-20 prior to being deemed approved under the 45-day time limit for Committee consideration pursuant to NRS 353.220 (5)(c).**

31. **Department of Health and Human Services - Health Care Financing and Policy - Nevada Medicaid, Title XIX - FY 2020**
Addition of $4,923,523 in Indigent Hospital Care funds transferred from the Director's Office, deletion of $3,492,223 in federal Title XIX funds and deletion of $1,970,350 in Transfer from Intergovernmental Transfer Account funds to pay ~~for board~~ approved ~~hospital and county match obligations~~ claims and ~~reduce the~~ *align with projected* Indigent Accident Fund supplemental payments. Requires Interim Finance approval since the amount added to the County Indigent Program category exceeds $75,000. **RELATES TO AGENDA ITEMS F. 24 and 29**. **Work Program #C50087**

There was no discussion on this item.

32. **Department of Health and Human Services - Health Care Financing and Policy - Nevada Medicaid, Title XIX - FY 2021**
Addition of $9,500,000 in Indigent Hospital Care funds transferred from the Director's Office, deletion of $25,204,453 in federal Title XIX funds and deletion of $14,220,626 in Transfer from Intergovernmental Transfer Account funds to pay for board-approved hospital and county match obligations and reduce the Indigent Accident Fund supplemental payment. Requires Interim Finance approval since the amount added to the County Indigent Program category exceeds $75,000. **RELATES TO AGENDA ITEMS F. 25 and 30**. **Work Program #C50078. WITHDRAWN 4-9-20 prior to being deemed approved under the 45-day time limit for Committee consideration pursuant to NRS 353.220 (5)(c).**

33. **Department of Health and Human Services - Health Care Financing and Policy - Medicaid, Title XIX - FY 2020**
Addition of $2,699,486 in federal Title XIX funds to provide reimbursements to state agencies and local government providers and transfer of $9,351,372 from the Parents and Children category to the Waiver category to cover higher than expected program increases due to increased cost-per-eligible. Requires

Interim Finance approval since the amount added to the Waiver category exceeds $75,000. **Work Program #C50091**

There was no discussion on this item.

34. Department of Health and Human Services - Public and Behavioral Health - Health Statistics and Planning - FY 2020
Transfer of $42,323 from the Reserve category to the Operating category and $32,596 from the Reserve category to the Cost Allocation category to cover a projected shortfall for the remainder of the fiscal year. Requires Interim Finance approval since the amount added to the Cost Allocation category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C49366**

There was no discussion on this item.

35. Department of Health and Human Services - Public and Behavioral Health - Biostatistics and Epidemiology - FY 2020
Addition of $296,149 in federal Center for Disease Control and Prevention - Nevada Behavioral Risk Factor Surveillance System grant funds to continue gathering data on health-risk behaviors, preventive practices, and health care access, primarily related to chronic disease and injury health risks. Requires Interim Finance approval since the amount added to the Behavioral Risk Factor Surveillance system category exceeds $75,000. **Work Program #C49715**

There was no discussion on this item.

36. Department of Health and Human Services - Public and Behavioral Health - Chronic Disease - FY 2020
Addition of $116,960 in federal Cancer Prevention and Control grant funds to provide early cancer prevention, early detection and survivorship services. Requires Interim Finance approval since the amount added to Comprehensive Cancer category exceeds $75,000. **Work Program #C49702**

There was no discussion on this item.

37. Department of Health and Human Services - Public and Behavioral Health - Chronic Disease - FY 2020
Addition of $110,531 in federal National Breast and Cervical Cancer Early Detection Program grant funds to provide low-income, uninsured and underserved women access to timely breast and cervical cancer screening and diagnostic services. Requires Interim Finance approval since the amount added to the National Cancer Prevention Control category exceeds $75,000. **Work Program #C49763**

There was no discussion on this item.

38. Department of Health and Human Services - Public and Behavioral Health - Chronic Disease - FY 2020

Addition of $49,796 in federal National State-Based Tobacco Control Programs grant funds and transfer of $11,974 from the Oral Health category to the Tobacco grant category to continue providing activities to reduce tobacco use by youth, promote quitting, eliminate exposure to second-hand smoke, and identifying and eliminating tobacco-related health disparities. Requires Interim Finance approval since the amount added to the Tobacco grant category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C49780**

There was no discussion on this item.

39. Department of Health and Human Services - Public and Behavioral Health - Maternal Child and Adolescent Health Services - FY 2020

Addition of $832,057 in federal Maternal, Infant and Early Childhood Home Visiting grant funds to provide health education, prevention activities and access to health care services. Requires Interim Finance approval since the amount added to the Home Visiting Program category exceeds $75,000. **Work Program #C49986**

There was no discussion on this item.

40. Department of Health and Human Services - Public and Behavioral Health - Behavioral Health Prevention and Treatment - FY 2020

Addition of $178,295 in federal Substance Abuse and Mental Health Services Administration - Projects for Assistance in Transition from Homelessness (PATH) grant funds to continue to reduce homelessness of individuals with mental health and/or substance use disorders. Requires Interim Finance approval since the amount added to the PATH Grant category exceeds $75,000. **Work Program #C49427**

There was no discussion on this item.

41. Department of Health and Human Services - Public and Behavioral Health - Behavioral Health Prevention and Treatment - FY 2020

Addition of $1,645,808 in federal Substance Abuse and Mental Health Services Administration - Nevada Strategic Prevention Framework (SPF) Partnership for Success (PFS) grant funds to reduce underage drinking and marijuana use by youth by changing the behaviors of adults. Requires Interim Finance approval since the amount added to the SPF-PFS grant category exceeds $75,000. **Work Program #C49432**

There was no discussion on this item.

42. **Department of Health and Human Services - Public and Behavioral Health - Rural Clinics - FY 2020**
Transfer of $111,540 from Professional Services category to the Information Services category to fund an unbudgeted cost for the remainder of the fiscal year. Requires Interim Finance approval since the amount added to the Information Services category exceeds $75,000. **Work Program #C49799**

There was no discussion on this item.

43. **Department of Health and Human Services - Public and Behavioral Health - Northern Nevada Adult Mental Health Services - FY 2020**
Transfer of $185,583 from the Transitional Living category to the Operating category and $60,161 from the Transitional Living category to the Maintenance of Buildings and Grounds category to fund a projected shortfall for the remainder of the fiscal year. Requires Interim Finance approval since the amount added to the Operations category exceeds $75,000. **Work Program #C49810**

There was no discussion on this item.

44. **Department of Health and Human Services - Public and Behavioral Health - Southern Nevada Adult Mental Health Services - FY 2020**
Transfer of $500,000 from the Personnel Service category to the Professional Services category to continue services with contracted psychiatric clinical staff and occupational therapists to meet the needs of clients. Requires Interim Finance approval since the amount transferred to the Professional Services category exceeds $75,000. **Work Program #C50065**

There was no discussion on this item.

45. **Department of Health and Human Services - Welfare and Supportive Services - Welfare Field Services - FY 2020**
Addition of $104,638 in federal Supplemental Nutrition Assistance Program Employment and Training (SNAPET) grant funds to provide clients with supportive services to gain skills which may improve their employment prospects. Requires Interim Finance approval since the amount added to the SNAPET Expansion category exceeds $75,000. **Work Program #C49739**

There was no discussion on this item.

46. **Department of Health and Human Services - Welfare and Supportive Services - Child Support Enforcement Program - FY 2020**
Transfer of $370,166 from the Personnel Services category to the Operating category to fund a projected shortfall to the Operating category for the remainder of the year. Requires Interim Finance approval since the amount added to the Operating category exceeds $75,000. **Work Program #C49405**

There was no discussion on this item.

47. Department of Health and Human Services - Welfare and Supportive Services - Child Assistance and Development - FY 2020
Addition of $43,216 in federal Child Care and Development grant funds to support a new Management Analyst and Social Services Program Specialist position to assist with increased federal requirements, responsibilities and activities. Requires Interim Finance approval since the amount added in the Equipment category exceeds 10 percent of the legislatively approved amount for that category. **RELATES TO AGENDA ITEM F. 48. Work Program #C49730.**

There was no discussion on this item.

48. Department of Health and Human Services - Welfare and Supportive Services - Child Assistance and Development - <u>FY 2021</u>
Addition of $188,057 in federal Child Care and Development grant funds to support new Management Analyst and Social Services Program Specialist positions to assist with increased federal requirements, responsibilities and activities. Requires Interim Finance approval since the amount added to the Personnel Services category exceeds $75,000. **RELATES TO AGENDA ITEM F. 47. Work Program #C49784.**

There was no discussion on this item.

49. Department of Health and Human Services - Welfare and Supportive Services - Child Assistance and Development - FY 2020
Addition of $10,937,031 in federal Child Care and Development grant funds to continue funding child care activities caseload increases. Requires Interim Finance approval since the amount added to the Child Care Clients Benefits category exceeds $75,000. **Work Program #C49839**

There was no discussion on this item.

50. Department of Health and Human Services - Welfare and Supportive Services - Child Assistance and Development - FY 2020
Addition of $217,421 in federal Child Care and Development grant funds to fund a projected shortfall in the Operating category for the remainder of the fiscal year. Requires Interim Finance approval since the amount added to the Operating category exceeds $75,000. **Work Program #C49997**

There was no discussion on this item.

51. Department of Health and Human Services - Welfare and Supportive Services - Energy Assistance Program - FY 2020
Addition of $5,405,016 in Universal Energy Charge funds and $2,327,403 in federal Low-Income Home Energy Assistance (LIHEA) grant funds to provide energy assistance benefits for needy households. Requires Interim Finance

approval since the amount added to the LIHEA Payments category exceeds $75,000. **Work Program #C49295**

There was no discussion on this item.

52. **Department of Health and Human Services - Child and Family Services - Children, Youth and Family Administration - FY 2020**
Addition of $685,950 in federal Promoting Safe and Stable Families Program, Title IV B, Subpart II grant funds to provide services that address family support, family preservation, time-limited reunification and support. Requires Interim Finance approval since the amount added to the Title IV-B Subpart II category exceeds $75,000. **Work Program #C49415**

There was no discussion on this item.

53. **Department of Health and Human Services - Child and Family Services - Children, Youth and Family Administration - FY 2020**
Addition of $3,637,016 in federal Victims of Crime Assistance grant funds to provide services to victims of crime with a measure of safety and security. Requires Interim Finance approval since the amount added to the U.S. Crime Victims category exceeds $75,000. **Work Program #C49451**

There was no discussion on this item.

54. **Department of Health and Human Services - Child and Family Services - Washoe County Child Welfare - FY 2020**
Addition of $696,323 in federal Title IV-E grant funds to continue to provide foster care, adoption assistance and guardianship assistance to children and families. Requires Interim Finance approval since the amount added to the Subsidized Adoptions category exceeds $75,000. **Work Program #C49872**

There was no discussion on this item.

55. **Department of Health and Human Services - Child and Family Services - Rural Child Welfare - FY 2020**
Transfer of $216,980 from the Personnel Services category to the Non-XIX Medical category to fund a projected shortfall for the remainder of the fiscal year. Requires Interim Finance approval since the amount added to the Non-XIX Medical category exceeds $75,000. **Work Program #C49834**

There was no discussion on this item.

56. **Department of Health and Human Services - Child and Family Services - Summit View Youth Center - FY 2020**
Transfer of $99,378 from the Personnel Services category to the Temporary Contract Staffing category to fund an increased need for temporary

contracted employees. Requires Interim Finance approval since the amount added to the Temporary Contract Staffing category exceeds $75,000. **Work Program #C49971**

There was no discussion on this item.

57. Department of Health and Human Services - Child and Family Services - Northern Nevada Child and Adolescent Services - FY 2020
Transfer of $157,446 from the Personnel Services category to the Professional Contract Services category to fund an increased need for temporary contracted employees. Requires Interim Finance approval since the amount added to the Professional Contract Services category exceeds $75,000. **Work Program #C49987**

There was no discussion on this item.

58. Department of Employment, Training and Rehabilitation - Rehabilitation Division - Disability Adjudication - FY 2020
Addition of $371,276 in federal Social Security Administration grant funds to replace equipment, upgrade security and remodel an existing training and meeting room. Requires Interim Finance approval since the amount added to the Operating category exceeds $75,000. **Work Program #C49030**

There was no discussion on this item.

59. Department of Corrections - Prison Ranch - FY 2020
Transfer of $8,511 from the Operating category to the Equipment category to fund the purchase of two replacement vehicles from the Department of Administration, Purchasing Division surplus vehicle inventory. Requires Interim Finance approval since the amount transferred to the Operating category exceeds $75,000. **Work Program #C49844**

There was no discussion on this item.

60. Department of Public Safety - Division of Parole and Probation - FY 2020
Addition of $73,655 in federal Criminal Justice Assistance grant funds transferred from state Criminal Justice Assistance Account to support the operations of the Safer Streets program. Requires Interim Finance approval since the cumulative amount added to the Office of Criminal Justice Assistance grants category exceeds $75,000. **Work Program #C49552**

There was no discussion on this item.

61. Department of Public Safety - Division of Parole and Probation - FY 2020
Transfer of ~~$175,432~~ ***$15,000*** from the Personnel Services category to the Going Home Prepared category to cover anticipated expenditures for the

remainder of the fiscal year. Requires Interim Finance approval since the amount transferred to the Going Home Prepared category exceeds $75,000. **Work Program #C49694. REVISED 4-13-20.**

There was no discussion on this item.

62. Department of Public Safety - Investigation Division - FY 2020
Addition of $101,653 in federal Drug Enforcement Agency (DEA) Marijuana grant funds to reimburse expenses related to eradication and suppression of illicit outdoor marijuana grows occurring on public lands in Nevada. Requires Interim Finance approval since the amount added to the DEA Marijuana grant category exceeds $75,000. **Work Program #C50033**

There was no discussion on this item.

63. Department of Public Safety - Highway Safety Plan and Administration - FY 2020
Addition of $483,680 in federal Traffic Safety funds, $56,503 in federal Traffic Safety-Motorcycle Program funds, $14,661 in federal Traffic Safety-Distracted Driver/Pedestrian Safety funds, $46,345 in federal Traffic Safety Impaired Driver funds, $67,060 in federal Traffic Safety-Occupant Protection/Community Protection Services funds and $149,256 in federal Traffic Safety-Traffic Records funds, transferred from the Traffic Safety account, to align state and federal budget authority in support of the ongoing traffic safety grant programs. Requires Interim Finance approval since the amount added to the Traffic Safety category exceeds $75,000. **Work Program #C49134**

There was no discussion on this item.

64. Department of Public Safety - Traffic Safety - FY 2020
Addition of $783,542 in federal Highway Safety grant funds, $215,650 in federal Alcohol Incentive grant funds, $56,973 in federal Motorcycle Incentive grant funds, $123,260 in federal Occupant Protection Incentive grant funds, $237,660 in federal Traffic Records Incentive grant funds, and $14,799 in federal Pedestrian Safety Incentive grant funds to align federal and state budget authority in support of the agency's ongoing traffic safety programs. Requires Interim Finance approval since the amount added to the Aid to State Agencies category exceeds $75,000. **Work Program #C49239**

There was no discussion on this item.

65. Colorado River Commission - Power Delivery Project - FY 2020
Addition of $3,268,750 in Power Sales funds to meet the increased electric resource needs of the customers. Requires Interim Finance approval since the amount added to the Power Operations category exceeds $75,000. **Work Program #C50060**

There was no discussion on this item.

66. Department of Conservation and Natural Resources - Forestry Division - Administration - FY 2020

Addition of $724,360 in U.S. Forest Service (USFS) Consolidated Payment Grant (CPG) funds to continue to support fire protection and efficiency programs for the remainder of the fiscal year. Requires Interim Finance approval since the amount added to the USFS CPG grant category exceeds $75,000. **Work Program #C49925**

There was no discussion on this item.

67. Department of Conservation and Natural Resources - Forestry Division - Administration - FY 2020

Addition of $74,576 in Incident Business Unit (IBU) funds transferred from the Fire Suppression account to support an increased cost for the implementation of the new fire billing system. Requires Interim Finance approval since the amount added to the IBU Expenditures category exceeds 10 percent of the legislatively approved amount for that category. **RELATES TO AGENDA ITEM F. 70**. **Work Program #C49904**

There was no discussion on this item.

68. Department of Conservation and Natural Resources - Forestry Division - Administration - FY 2020

~~**Addition of $83,253 in Seed Bank Sales and Forest Product funds transferred from the Forestry Nurseries**~~ ~~Account to support the facilitation of~~ ***Transfer of $104,066 from the Personnel Services category to the U.S. Forest Service Consolidated Payment Grants category to facilitate the transfer of a Forester 3 position to the Forestry Nurseries Account to support the*** nursery seed and forest products programs. Requires Interim Finance approval since the amount ~~added~~ ***transferred*** to the U.S. Forest Service Consolidated Payment grant category exceeds $75,000. **RELATES TO AGENDA ITEM F. 74**. **Work Program #C50027. REVISED 4-1-20.**

There was no discussion on this item.

69. **Department of Conservation and Natural Resources - Forestry Division - Administration - FY 2020**
Addition of ~~$200,067~~ ***$210,067*** in U.S. Forest Service Ruby Lake Estates Wildland Urban Interface Hazardous Fuel Reduction and Healthy Forest Restoration Project funds to support wildfire protection and prevention activities. Requires Interim Finance approval since the amount added to the Wildfire Prevention Senate Bill 508 category exceeds $75,000. **Work Program #C50221. REVISED 4-3-20.**

Agenda Item F-69, Agenda Item M and Agenda Item N were discussed jointly. Refer to testimony under Agenda Item N.

70. **Department of Conservation and Natural Resources - Forestry Division – Fire Suppression - FY 2020**
Transfer of $74,576 from the Reserve for Incident Business Unit (IBU) Future Year Funding category to the Transfer to IBU in 4195 category to support an increased cost for the implementation of the new fire billing system. Requires Interim Finance approval since the amount transferred to the Transfer to IBU in 4195 category exceeds 10 percent of the legislatively approved amount for that category. **RELATES TO AGENDA ITEM F. 67**. **Work Program #C49913**

There was no discussion on this item.

71. **Department of Conservation and Natural Resources - Forestry Division - Fire Suppression - FY 2020**
Transfer of ***$462,224 from the Personnel Services category to the Prior Year Claims category, $854,496 from the Fire Suppression Costs category to the Prior Year Claims category, $49,594 from the FEMA Fire Assistance Grants category to the Prior Year Claims category and*** $453,286 from the Reserve for Incident Business Unit Future Year Funding category to the Prior Year Claims category to pay the amount of known fire bills for wildfires from previous years. Requires Interim Finance approval since the amount transferred to the Prior Year Claims category exceeds $75,000. **Work Program #C50225. REVISED 4-2-20.**

There was no discussion on this item.

72. **Department of Conservation and Natural Resources - Forestry Division - Conservation Camps - FY 2020**
Transfer of $18,872 from the Stewart Conservation Camp category to the Ely Conservation Camp category and $18,872 from the Tonopah Conservation Camp category to the Ely Conservation Camp category to support expenditures for the remainder of the fiscal year. Requires Interim Finance approval since the amount transferred to the Ely Conservation Camp category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C50069**

There was no discussion on this item.

73. Department of Conservation and Natural Resources - Forestry Division - Nurseries - FY 2020

Transfer of $86,760 from the Reserve category to the Nursery Operating category to support anticipated operating and growing costs. Requires Interim Finance approval since the amount added to the Nursery Operating category exceeds $75,000. **Work Program #C50074**

There was no discussion on this item.

74. Department of Conservation and Natural Resources - Forestry Division - Nurseries - FY 2020

~~Transfer of $57,468 from the Reserve category to the Forest Products Program category and $25,808 from the Reserve category to the Seed Bank category~~ ***Addition of $20,813 in U.S. Forest Service Consolidated Payment grant funds transferred from the Forestry Account and transfer of $83,253 from the Reserve category to the Personnel Services category for a Forester 3 position*** to continue the facilitation of the nursery programs. Requires Interim Finance approval since the amount transferred to the ~~Forest Products Program~~ ***Personnel Services*** category exceeds ***$75,000***. ~~10 percent of the legislatively approved amount for that category~~. **RELATES TO AGENDA ITEM F. 68**. **Work Program #C50034. REVISED 4-1-20.**

There was no discussion on this item.

75. Department of Conservation and Natural Resources - Nevada Natural Heritage - FY 2020

Addition of $46,612 in Environmental Protection Agency (EPA) Multipurpose (MP) funds transferred from the Division of Environmental Protection (NDEP) to develop an updated version of the Nevada Priority Wetlands Inventory. Requires Interim Finance approval since the amount added to the Federal NDEP EPA MP grant category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C49812**

There was no discussion on this item.

76. Department of Conservation and Natural Resources - Environmental Protection - State Revolving Fund - Administration - FY 2020

Addition of $101,104 in federal Safe Drinking Water State Revolving Fund grant funds to support technical assistance efforts for local drinking water systems. Requires Interim Finance approval since the amount added to the Small System Tech Assistance 2 Percent Set Aside category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C49845. WITHDRAWN 3-31-20 prior to being deemed approved under the 45-day time limit for Committee consideration pursuant to NRS 353.220 (5)(c).**

77. Department of Conservation and Natural Resources - Environmental Protection - Water Quality Planning - FY 2020
Addition of $35,000 in Environmental Protection Agency (EPA) Multipurpose (MP) grant funds transferred from the Division of Environmental Protection (NDEP) to investigate water pollution problems and reduce nonpoint source pollution. Requires Interim Finance approval since the amount added to the Federal NDEP EPA MP grant category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C49725**

There was no discussion on this item.

78. Department of Conservation and Natural Resources - Division of Outdoor Recreation - FY 2020
Transfer of $43,842 from the Personnel Services category to the Operating category, $10,648 from the Personnel Services category to the Equipment category, and $2,505 from the Personnel Services category to the Information Services category to support the necessary costs to house the new Division of Outdoor Recreation. Requires Interim Finance approval since the amount transferred from the Personnel Services category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C50220. WITHDRAWN 4-6-20 prior to being deemed approved under the 45-day time limit for Committee consideration pursuant to NRS 353.220 (5)(c).**

79. Department of Wildlife - Habitat - FY 2020
Addition of $707,419 in federal Bi-State Sage Grouse Habitat Restoration and Monitoring grant funds to support habitat restoration projects protecting Nevada's biological ecosystem. Requires Interim Finance approval since the amount added to the Nevada Partners for Conservation and Development Program category exceeds $75,000. **Work Program #C50035**

Assemblywoman Titus said the department was awarded $1.3 million for the federal Bi-State Sage Grouse Habitat Restoration and Monitoring program, which had been an ongoing program since 2016. She noted the additional $707,419 was to be used for pinion and juniper thinning, habitat restoration and reseeding. Assemblywoman Titus asked if seed availability was adequate.

Tony Wasley, Director, Nevada Department of Wildlife (NDOW), replied that Work Program #C50035 was a request to obtain authority to acquire an additional $707,419 from the Bureau of Land Management (BLM). The funding would benefit the Bi-State Sage Grouse, which was a unique bird species that only lives between Nevada and California. He noted that the Bi-State Sage Grouse was different from the rangewide sage grouse, which lives in 11 different states. Mr. Wasley said the funds would be used primarily to remove pinion and juniper that encroached and rendered the habitat less suitable. The funds would also be used for reseeding efforts in those areas.

Regarding seed availability, Mr. Wasley said since the establishment of the Ely seed warehouse, which was part of the BLM, the state had been able to leverage the BLM's purchasing power to make purchases earlier in the year at lower prices and in larger quantities. He said the department had not experienced problems with seed availability to date; however, disparity of the fire seasons would dictate availability.

Mr. Wasley said the $1.3 million in funding referred to by Assemblywoman Titus was only a portion of the total costs for conservation of the Bi-State Sage Grouse. He said there was a commitment in excess of $45.0 million from all NDOW's federal, state, county and local partners for conservation related to the Bi-State Sage Grouse. He said the conservation effort went back almost 20 years. It was determined that the Bi-State Sage Grouse species was not warranted for listing under the Endangered Species Act in 2015. That decision was vacated by a judge a couple years after that. Mr. Wasley said the U.S. Fish and Wildlife Service recently arrived at the same conclusion. He said there was a detailed action plan, which was essentially a road map to effective conservation that chronicled specific actions and captured all the expenditures and commitments by partners at the federal, state, county, tribal and private levels.

In response to a question from Assemblywoman Titus, Mr. Wasley replied that the action plan was available on the NDOW website; however, he would provide the Committee with a link.

Assemblywoman Titus asked about the efficacy of the program. She remarked that she lived near the project area and had observed new pinion growth. She thought it was sad that trees were being cut down. Assemblywoman Titus asked how long the project would continue and when the department expected to see results. She also noted that she had not seen any sage grouse hen in that area.

Mr. Wasley replied that the results were twofold. He noted that results were initially seen in the vegetation, and significant monitoring demonstrated those results in achieving the desired vegetative conditions in that area. Secondarily, results were seen in the bird species' response to the vegetative conditions that resulted from the removal of pinions and junipers.

Mr. Wasley said the U.S. Geological Survey partnered with NDOW in monitoring the vegetation and birds. He said the monitoring data was a key part of the analysis recently conducted by the U.S. Fish and Wildlife Service to determine whether to list the Bi-State Sage Grouse on the Endangered Species Act. The U.S. Fish and Wildlife Service carefully assessed the monitoring data to determine if the desired results were being achieved through the vegetative manipulation, and if the birds were responding to the resulting vegetative conditions. Ultimately, the U.S. Fish and Wildlife Service concluded that the vegetation and birds were responding to the habitat restoration efforts. Mr. Wasley said habitat restoration was an ongoing effort without a specific end date.

Mr. Wasley said the pinion and juniper woodlands were more than three times the size that it was prior to European man settling in the Great Basin. The trees were not being removed at the rate they were encroaching. He said pinion and juniper woodlands thrived in an environment with elevated CO_2. He stated that pinions and junipers were carbon sequesters, which explained some of the catastrophic wildfires and woody fuels amassing.

Mr. Wasley said although encroachment was occurring more rapidly than removal, the thinning project was being done strategically and surgically in areas that would benefit. He said the habitat was benefitting the species that had repeatedly been a candidate for listing on the Endangered Species Act, which would remove the state's management authority and impact a number of industries reliant on those lands.

Senator Goicoechea asked if the trees were masticated during the removal process. Mr. Wasley said he was uncertain what technique was utilized for the thinning process; however, he would obtain an answer and provide it to the Committee.

Senator Goicoechea remarked that masticating the trees would help reduce the fire threat.

There was no further discussion on this item.

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

Cindy Jones, Assembly Fiscal Analyst, Fiscal Analysis Division, LCB, noted that none of the work program revisions or position reclassifications under Agenda Item G had been identified for further discussion.

Senator Goicoechea requested additional testimony on Agenda Item G-11, NDOC.

Assemblyman Kramer requested additional testimony on Agenda Items G-1, Office of the Attorney General (OAG); G-4, Department of Administration, Purchasing Division; and G-25, Department of Public Safety, Nevada Highway Patrol Division.

SENATOR WOODHOUSE MOVED TO APPROVE THE REMAINING WORK PROGRAM REVISIONS AND POSITION RECLASSIFICATIONS UNDER AGENDA ITEM G.

ASSEMBLYWOMAN TITUS SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

1. **Office of the Attorney General - State Settlements - FY 2020**
Addition of $225,000 in Fiat Settlement funds to support a feasibility study for affordable health care insurance for Nevadans. Requires Interim Finance approval since the amount added to the Health Care Research category exceeds $75,000. **Work Program #C50346**

Assemblyman Kramer said the state would need additional funding in the near future. He asked if the settlement funds could be used for purposes other than the feasibility study.

Chair Carlton noted that the 2019 Legislature funded the feasibility study; therefore, it was incumbent upon the Committee to proceed. The Committee did not know what the future would hold for Nevada, but health care data was vital information.

Jessica Adair, Chief of Staff, Office of the Attorney General, said she did not want to be presumptive in how the 2021 Legislature would address the budget. However, the 2019 Legislature passed Senate Concurrent Resolution (SCR) 10, which directed the Legislative Commission to study the feasibility, viability and design of a public health insurance plan that may be offered to all Nevadans.

Ms. Adair said Work Program #C50346 was the request of Senate Majority Leader Nicole Cannizzaro in her capacity as the Chair of the Legislative Commission, which had the authority to direct consultants to perform a study pursuant to SCR 10. The 2019 Legislature did not appropriate funds for the study, but allowed the Legislative Commission to accept grants, gifts or funds to effectuate the feasibility study.

Ms. Adair said Work Program #C50346 would fund the work of Manatt, Phelps, and Phillips, LLC (Manatt). She stated that Manatt had performed work of similar scope in other states, notably Colorado and New Mexico. Manatt was the preeminent expert in working with states to analyze and design public health care delivery models. Ms. Adair noted the Robert Wood Johnson Foundation offered to underwrite the actuarial analysis associated with the study at no cost to the state. The value of the analysis was estimated at $150,000 and was reflected in the net cost of the study in the proposal.

Ms. Adair said the timing of the study was critical. The COVID-19 crisis highlighted gaps in the health care system and demonstrated that Nevada was only as strong as its most vulnerable citizens. By approving the work program, the study could be completed, and a report issued to the Legislature in time for the 2021 Legislative Session.

Continuing, Ms. Adair said it did not take a pandemic for policymakers to understand the consequences of the lack of affordable health care, such as higher morbidity rates; higher cost of treatment for chronic conditions when a person avoided care due to lack of insurance; loss of productivity and economic growth; and uncompensated care costs borne by hospitals and all levels of government. These systemic issues not only exacerbated crises like COVID-19, but would persist long after the pandemic ended. Ms. Adair said the 2019 Legislature recognized that the lack of affordable health care options should be addressed by the state when it passed SCR 10. The Office of the Attorney General now sought to assist the Legislature in that mission by providing the funding to find solutions for Nevada families.

Assemblyman Kramer proposed that the feasibility study be postponed so the settlement funds could be used to fund services facing potential budget cuts. He said Nevada was experiencing changes in health care, and many providers were leaving the state due to the COVID-19 shutdown. In six months, Nevada's health care would be different than it was six months ago. Assemblyman Kramer said analyzing the state's health care system was a justifiable expense; however, the settlement funds would be critical when the Legislature had to cut budgets.

Senator Woodhouse agreed with Ms. Adair's comments. Over the last six weeks, it had become obvious how unprepared the state and the nation were for health care loopholes and issues that needed to be addressed. By pursuing SCR 10, Nevada could be more prepared in the future. Senator Woodhouse thought the feasibility study would provide a better pathway in making decisions for the future, and she urged the Committee's support.

Ms. Adair said she agreed with Assemblyman Kramer's concerns about the impending budget cuts. She said the Office of the Attorney General was facing those same cuts. However, as a Nevadan and a state employee, she was interested in learning how a change in the health care system could allow state dollars to be used more effectively. Ms. Adair said, while researching the issue, she found a study from the Guinn Center that noted the largest portion of the uninsured population was young adults. She was curious to learn how adding young adults to the risk pool may draw down the cost per participant within the Public Employees' Benefits Program (PEBP), if the state considered adding buy-in to PEBP for people who were currently uninsured or living in a county with limited options on the state exchange.

Ms. Adair said she agreed that all state agencies were facing drastic budget cuts; however, the feasibility study might be an opportunity to rethink how health care was delivered in the state, and potentially save money or spend that money more effectively.

SENATOR WOODHOUSE MOVED TO APPROVE AGENDA ITEM G-1.

ASSEMBLYWOMAN SWANK SECONDED THE MOTION.

THE MOTION PASSED. (Assemblyman Kramer, Assemblywoman Titus and Assemblyman Wheeler opposed the motion. Assemblywoman Neal was not present for the vote.)

2. **Department of Administration - Enterprise Information Technology Services - Network Transport Services - FY 2021**
Transfer of $43,219 from the Reserve category to the Land and Building Improvements category to cover tower site leases for the remainder of the fiscal year. Requires Interim Finance approval since the amount transferred to the Land and Building Improvements category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C49337**

Refer to motion for approval under Agenda Item G.

3. **Department of Administration - Enterprise Information Technology Services - Network Transport Services - FY 2020**
Transfer of $281,128 from the Reserve category to the Digital Microwave category to cover the costs of change orders for the microwave replacement project. Requires Interim Finance approval since the amount transferred to the Digital Microwave category exceeds $75,000. **Work Program #C49846**

Refer to motion for approval under Agenda Item G.

4. **Department of Administration - Purchasing - FY 2020**
Transfer of $424,637 from the Reserve category to the Information Services category to fund contract payments for the NevadaEPro procurement system. Requires Interim Finance approval since the amount added to the Information Services category exceeds $75,000. **Work Program #C49584**

Assemblyman Kramer said it appeared that expenditure authority was not established prior to spending the funds. He asked the agency for clarification.

Kevin Doty, Administrator, Purchasing Division, Department of Administration, said the contract authority approved at the February 2020 IFC meeting did not match the authority approved at the February 2020 Board of Examiners meeting; therefore, the division was requesting to transfer funds from reserves to category 26 to pay contract costs. Mr. Doty explained that an administrative fee was charged on statewide contracts to pay for the NevadaEPro procurement system, and the money in reserves reflected the administrative fees approved by the 2017 Legislature.

Mr. Doty noted that the Purchasing Division had not spent all the approved contract authority for the project. He said the division was grateful that the 2017 Legislature approved the NevadaEPro system, because having an internet-based procurement system allowed the Purchasing Division to continue to purchase goods and services on behalf of the state during the COVID-19 pandemic, which would have been difficult if the agency was still operating in a paper environment.

Assemblyman Kramer restated his question regarding whether the division had the authority to spend the funds. Mr. Doty replied that the administrative fees in the Reserve category was for the e-procurement system. He explained that the contract amendment approved by the IFC in February 2020 differed from the amount approved by the Board of Examiners in February 2020. Consequently, the division needed to transfer funds from reserves to cover the contract costs.

ASSEMBLYMAN KRAMER MOVED TO APPROVE AGENDA ITEM G-4.

SENATOR WOODHOUSE SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

5. **Department of Education - Office of the Superintendent - FY 2020**
Transfer of $14,826 from the Personnel Services category to the In-State Travel category to cover travel for the remainder of the fiscal year. Requires Interim Finance approval since the cumulative amount transferred from the Personnel Services category exceeds $75,000. **Work Program #C50125. WITHDRAWN 4-3-20.**

6. **Governor's Office of Economic Development - FY 2020**
Addition of $158,985 in State Trade Expansion Program grant funds to continue to provide financial assistance awards to the Eligible Small Business Concerns program to enter or expand into export markets. Requires Interim Finance approval since the amount added to the State Trade and Export Program category exceeds $75,000. **Work Program #C50092**

Refer to motion for approval under Agenda Item G.

7. **Department of Employment, Training and Rehabilitation - Rehabilitation Division - Blind Business Enterprise Program - FY 2020**
Transfer of $392,643 from the Reserve category to the Business Enterprise category to establish a new vending facility in the Las Vegas Symphony Park. Requires Interim Finance approval since the amount added to the Business Enterprise category exceeds $75,000. **Work Program #C49993**

Refer to motion for approval under Agenda Item G.

8. **Department of Corrections - Prison Medical Care - FY 2020**
Addition of $3,932,079 in Transfer from Prison Store revenue authority to fund medical copays and qualifying inmate medical claims. Requires Interim Finance approval since the amount added to the Inmate Drivens category exceeds $75,000. **RELATES TO AGENDA ITEMS G. 19 and 20**. **Work Program #C49899. WITHDRAWN 4-8-20.**

9. **Department of Corrections - Correctional Programs - FY 2020**
Deletion of $700,000 in Budgetary Transfers to fund a projected shortfall within the department. Requires Interim Finance approval since the amount deleted from the Personnel Services category exceeds $75,000. **Work Program #C49892**

Refer to motion for approval under Agenda Item G.

10. **Department of Corrections - Ely State Prison - FY 2020**
Addition of ~~$592,809~~ ***$241,250*** in Budgetary Transfers to fund a projected shortfall in the Personnel Services category and transfer of $45,000 from the Agency Issue Uniform category to the Operating category to fund a projected shortfall for the remainder of the fiscal year. Requires Interim Finance approval since the amount added to the Personnel Services category exceeds $75,000. **Work Program #C49901. REVISED 4-8-20.**

Refer to motion for approval under Agenda Item G.

11. **Department of Corrections - High Desert State Prison - FY 2020**
Addition of $906,976 in Budgetary Transfers and transfer of $12,223 from the Staff Physicals category to the Operating Expenses category and the addition of $120,212 to the Utilities category to fund projected shortfalls within the budget account for the remainder of the fiscal year. Requires Interim Finance approval since the amount added to the Personnel Services category exceeds $75,000. **Work Program #C49949**

Agenda Items C-5, C-6, C-7, G-11, J-4 and R-10d were discussed jointly. Refer to testimony and motion for approval under Agenda Item J-4.

12. **Department of Corrections - Northern Nevada Correctional Center - FY 2020**
Deletion of ~~$600,000~~ ***$19,631*** in Budgetary Transfers from the Personnel Services category to partially fund projected shortfalls within the department for the remainder of the state fiscal year; ***transfer of $580,369 from the Personnel Services category to the Inmate Drivens category*****;** transfer of $9,843 from the Utilities category to the Operating category and transfer of $6,867 from the Utilities category to the Maintenance Contracts category to fund projected shortfalls within those categories for the remainder of the fiscal year. Requires Interim Finance approval since the amount deleted from the Personnel Services category exceeds $75,000. **Work Program #C49900. REVISED 4-8-20.**

Refer to motion for approval under Agenda Item G.

13. **Department of Corrections - Southern Desert Correctional Center - FY 2020**
Addition of $621,675 in Budgetary Transfers, transfer of $6,582 from the Staff Physicals category to the Operating category and $4,294 from the Utilities category to the Operating category to fund a projected shortfall in the

budget account for the remainder of the fiscal year. Requires Interim Finance approval since the amount added to the Personnel Services category exceeds $75,000. **Work Program #C49956. WITHDRAWN 4-8-20.**

14. Department of Corrections - Lovelock Correctional Center - FY 2020
Deletion of ~~$1,200,000~~ ***$907,065*** in Budgetary Transfers to fund projected shortfalls within the department for the remainder of the fiscal year; ***transfer of $144,268 from the Personnel Services category to the Inmate Drivens category; transfer of $148,667 from the Personnel Services category to the Utilities category to fund a projected shortfall for the remainder of the fiscal year***. Requires Interim Finance approval since the amount deleted from the Personnel Services category exceeds $75,000. **Work Program #C49933. REVISED 4-8-20.**

Refer to motion for approval under Agenda Item G.

15. Department of Corrections - Florence McClure Women's Correctional Center - FY 2020
Addition of $300,000 in Budgetary Transfers, transfer of $6,228 from the Maintenance Contracts category and $4,308 from the Staff Physicals category to the Operating category to fund expected shortfalls for the remainder of the fiscal year. Requires Interim Finance approval since the amount added to the Personnel category exceeds $75,000. **Work Program #C49916**

Refer to motion for approval under Agenda Item G.

16. Department of Corrections - Stewart Conservation Camp - FY 2020
Addition of $91,686 in Budgetary Transfers to fund a projected shortfall of $87,449 in the Personnel Services category and a projected shortfall of $4,187 in the Utilities category for the remainder of the fiscal year. Requires Interim Finance approval since the amount added to the Personnel Services category exceeds $75,000. **Work Program #C49884**

Refer to motion for approval under Agenda Item G.

17. Department of Corrections - Wells Conservation Camp - FY 2020
Deletion of ~~$100,000~~ ***$53,289*** in Budgetary Transfers authority to fund projected shortfalls within the department for the remainder of the fiscal year***; transfer of $46,711 from the Personnel Services category to the Inmate Drivens category to fund projected shortfalls within those categories*** *for the remainder of the fiscal year*. Requires Interim Finance approval since the amount deleted from the Personnel Services category exceeds $75,000. **Work Program #C49920. REVISED 4-8-20.**

Refer to motion for approval under Agenda Item G.

18. **Department of Corrections - Ely Conservation Camp - FY 2020**
Deletion of ~~$90,000~~ *$**66,939*** in Budgetary Transfers ***from the Personnel Services category*** to fund projected shortfalls within the department for the remainder of the fiscal year; **transfer *of $23,061 from the Personnel Services category to the Inmate Drivens category to fund a projected shortfall through the remainder of the fiscal year.*** Requires Interim Finance approval since the amount deleted from the Personnel Services category exceeds $75,000. **Work Program #C49921. REVISED 4-8-20.**

Refer to motion for approval under Agenda Item G.

19. **Department of Corrections - Offenders' Store Fund - FY 2020**
Transfer of $3,932,079 from the Retained Earnings category to the Transfer to Inmate Welfare Account (IWA) category to fund medical copays 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 G. 8 and 20**. **Work Program #C49882. WITHDRAWN 4-8-20.**

20. **Department of Corrections - Inmate Welfare Account - FY 2020**
Addition of $3,932,079 in Transfer from the Offenders' Store Fund to fund payments of medical copays 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 G. 8 and 19. Work Program #C49873. WITHDRAWN 4-8-20.**

21. **Department of Corrections - Prison Industry - <u>FY 2021</u>**
Addition of $388,747 in Miscellaneous Sales, $880,086 in Reimbursement Revenue and $60,000 in Rental Income to provide funding for three Correctional Officer positions and associated contract costs in support of the agency's cooperative venture with Allwyre Wyo, Inc. providing on-the-job training and skills development opportunities for inmates. Requires Interim Finance approval since the amount added to the Personnel Services category exceeds $75,000. **Work Program #C49829. WITHDRAWN 3-25-20.**

22. **Department of Motor Vehicles - Field Services - FY 2020**
Transfer of $110,500 from the salary’s category to the Operating category to fund a projected shortfall for the remainder of the fiscal year for the contracted Uniformed Security Guards. Requires Interim Finance approval since the amount transferred to the Operating category exceeds $75,000. **Work Program #C50046**

Refer to motion for approval under Agenda Item G.

23. **Department of Public Safety - Forfeitures - Law Enforcement - FY 2020**
Transfer of $171,493 from Reserve category to the Polygraph Training category to equip, train, and certify additional polygraph examiners. Requires Interim Finance approval since the amount added to the Polygraph Training category exceeds $75,000. **Work Program #C49768. WITHDRAWN 3-25-20.**

24. Department of Public Safety - Nevada Highway Patrol Division - FY 2020
Transfer of $75,263 from the Personnel category to the Operating category to support the purchase of ammunition for the remainder of the fiscal year. Requires Interim Finance approval since the cumulative amount transferred from the Personnel category exceeds $75,000. **Work Program #C49905**

Refer to motion for approval under Agenda Item G.

25. Department of Public Safety - Nevada Highway Patrol Division - FY 2020
Transfer of $70,712 from the Personnel category to the Equipment category to fund the purchase and installation of outside security cameras for the Elko, Reno, and Las Vegas Nevada Highway Patrol substations. Requires Interim Finance approval since the cumulative amount transferred from the Personnel category exceeds $75,000. **Work Program #C50080**

Assemblyman Kramer said Work Program #C50080 was a request for $70,712 to install security cameras outside several Highway Patrol substations. He asked if there had been criminal activity at the substations that warranted an immediate need for security cameras. Assemblyman Kramer reiterated that the state was facing budget cuts, thus he suggested postponing the project for a couple of years.

Colonel Daniel Solow, Chief, Nevada Highway Patrol (NHP), Department of Public Safety (DPS), said the purpose of the work program was to purchase and install external security cameras at the three major regional NHP offices. Colonel Solow said security guards were not on duty 24 hours a day. He said there were evidence impound lots at the Elko and Las Vegas offices which held vehicles involved in fatal crashes or felony crimes. Over the past few years there had been several instances of vehicle tampering and theft at those impound lots. There had also been instances of hit and run crashes and confrontation by people with protective orders against them. Colonel Solow said it was difficult for the NHP to file charges without proper video evidence. He added that the internal cameras were last updated in 2012 and had poor definition. Colonel Solow noted that the project would be funded with Highway Funds, not General Funds.

Assemblyman Kramer said he appreciated that the project would be funded with Highway Funds instead of General Funds.

Assemblyman Kramer asked if the security camera project would be considered for inclusion in the division's 4 percent budget cuts. He thought it was a project that could be postponed in an effort to maintain NHP services for the citizens of Nevada.

Colonel Solow replied that the NHP had created a plan to reduce its budget. He explained that the agency had personnel savings due to vacancies that could not be filled. He said the security camera project had been on hold for a while, but now the cameras had become a necessity.

In response to a comment made by Assemblyman Kramer, Chair Carlton said other Committee members were also concerned about the imminent budget cuts. She remarked that she had experienced many budget cuts during her tenure as a legislator.

Assemblyman Wheeler thought the timing of the security camera project was appropriate, because there was typically a rise in crime during a recession. He thought the security cameras were important for the safety of NHP officers.

Colonel Solow agreed that the external security cameras were critical to the safety of NHP offices in general. The majority of NHP troopers worked out of one of the three main regional offices. He said the cameras would also enhance the safety of the public, because the public parking lots were open at all times.

Assemblywoman Benitez-Thompson noted there had been several incidents at the Reno NHP office recently. Specifically, there had been two incidents within the past three months, one of which ended in a foot chase. She asked if the Reno location would be included in the project.

Colonel Solow confirmed that the project included all three regional NHP offices, including Reno. He said bids from Stanley Security were included in the work program total.

Assemblywoman Benitez-Thompson thought it was a reasonable investment, especially since the supporting documents included specific examples of criminal activity that had occurred at the NHP offices.

Chair Carlton asked if the NHP had considered using forfeiture funds instead of personnel savings.

John McCuin, Administrative Services Officer, NHP, DPS, replied that forfeiture funds were not considered for the project. He noted the project was originally a decision unit for the upcoming biennium, but the NHP chose to use savings in the Personnel category instead.

Chair Carlton asked for the balance of the forfeiture fund. She also asked if the NHP could still choose to fund the project with forfeiture funds instead of personnel savings.

Mr. McCuin said he was uncertain of the forfeiture fund balance. He said requests for forfeiture funds had to be approved by the DPS.

Assemblywoman Titus said she was recently involved in a security camera project for the historical society, and she was surprised to learn there of a monthly service fee. She asked if the NHP would have a monthly fee in addition to the cost of the cameras.

Mr. McCuin replied that Stanley Security provided three quotes. He stated that the least expensive quote included a monthly maintenance charge. The NHP opted to avoid the monthly charge, and instead pay for maintenance costs outside of the contract.

Assemblywoman Titus asked who would monitor the cameras. Colonel Solow replied that the cameras would be monitored in house by troopers who served in a building security/administrative capacity. The troopers would have access to the videos and recordings and would monitor the cameras. He said the NHP would not use a 24-hour security service to monitor the cameras, so there would not be an additional cost for that service.

Senator Brooks said a brave NHP trooper recently died in an ambush, and heavily armed people were turning up at state buildings; thus, he thought protecting state employees was a prudent expense.

Chair Carlton said she initially had concerns with the request, especially because forfeiture funds would not be used to fund the project; however, she realized that forfeiture funds could be used for many different purposes, and personnel savings were immediately available. Chair Carlton said she hoped the NHP would consider using forfeiture funds in the future knowing that the Committee would inquire about that.

> SENATOR WOODHOUSE MOVED TO APPROVE AGENDA ITEM G-25.
>
> ASSEMBLYWOMAN BENITEZ-THOMPSON SECONDED THE MOTION.
>
> THE MOTION PASSED UNANIMOUSLY. (Senator Settelmeyer was not present for the vote.)

26. **Department of Public Safety - Division of Parole and Probation – FY 2020**
Transfer of $125,184 from the Personnel Services category to Marsy's Law Implementation category to fund three contract employees and associated costs relating to the implementation of Senate Joint Resolution No. 17 of the 78th Session of the Nevada Legislature, commonly known as Marsy's Law. Requires Interim Finance approval since the amount transferred to the Marsy's Law Implementation category exceeds $75,000. **Work Program #C47647. WITHDRAWN 4-13-20.**

27. **Department of Wildlife - Director's Office - FY 2020**
Addition of $156,810 in Sportsmen Revenue transferred from the Wildlife Fund Account to allow operational expenditures to be paid in the appropriate budget account. Requires Interim Finance approval since the amount added to the Operations category exceeds $75,000. **RELATES TO AGENDA ITEM G. 35**. **Work Program #C49815**

Refer to motion for approval under Agenda Item G.

28. **Department of Wildlife - Director's Office - FY 2020**
Addition of $56,294 in federal Sport Fish Restoration grant funds and $18,765 in Sportsmen Revenue transferred from the Wildlife Fund Account to complete required life and safety maintenance and improvements to hatchery residences. Requires Interim Finance approval since the amount added to the Housing Maintenance category exceeds $75,000. **Work Program #C49988**

Refer to motion for approval under Agenda Item G.

29. **Department of Wildlife - Director's Office - FY 2020**
Addition of $863,926 in Director's Office Indirect Cost Allocation funds, $236,511 in Vehicles Cost Allocation funds, $144,962 in Utilities Cost Allocation funds, and deletion of $863,926 in Sportsmen Revenue transferred from the Wildlife Fund Account to meet indirect costs, vehicle and utility commitments through the remainder of the fiscal year. Requires Interim Finance approval since the amount added to the Vehicles category exceeds $75,000. **RELATES TO AGENDA ITEMS G. 30, 31, 32 and 34**. **Work Program #C50030**

Refer to motion for approval under Agenda Item G.

30. **Department of Wildlife - Game Management - FY 2020**
Addition of $362,716 in Sportsmen Revenue transferred from the Wildlife Fund Account to meet indirect cost, vehicle and utility commitments through the remainder of the fiscal year. Requires Interim Finance approval since the amount added to the Cost Allocations category exceeds $75,000. **RELATES TO AGENDA ITEMS G. 29, 31, 32 and 34**. **Work Program #C50031**

Refer to motion for approval under Agenda Item G.

31. Department of Wildlife - Fisheries Management - FY 2020
Addition of $410,048 in Sportsmen Revenue transferred from the Wildlife Fund Account to meet indirect costs, vehicle and utility commitments through for the remainder of the fiscal year. Requires Interim Finance approval since the amount added to the Cost Allocations category exceeds $75,000. **RELATES TO AGENDA ITEMS G. 29, 30, 32 and 34**. **Work Program #C50024**

Refer to motion for approval under Agenda Item G.

32. Department of Wildlife - Diversity Division - FY 2020
Addition of $112,991 in Sportsmen Revenue transferred from the Wildlife Fund Account to meet indirect costs, vehicle and utility commitments through the remainder of the fiscal year. Requires Interim Finance approval since the amount added to the Cost Allocations category exceeds $75,000. **RELATES TO AGENDA ITEMS G. 29, 30, 31 and 34**. **Work Program #C50032**

Refer to motion for approval under Agenda Item G.

33. Department of Wildlife - Habitat - FY 2020
Addition of $147,368 in Upland Game Stamp fees transferred from the Wildlife Fund Account to support projects for protection and propagation of upland game birds and for acquisition, development and preservation of their habitats. Requires Interim Finance approval since the amount added to the Upland Game category exceeds $75,000. **Work Program #C49772**

Refer to motion for approval under Agenda Item G.

34. Department of Wildlife - Habitat - FY 2020
Addition of $272,123 in Sportsmen Revenue transferred from the Wildlife Fund Account to meet indirect cost, vehicle and utility commitments through the remainder of the fiscal year. Requires Interim Finance approval since the amount added to the Cost Allocations category exceeds $75,000. **RELATES TO AGENDA ITEMS G. 29, 30, 31, and 32**. **Work Program #C50016**

Refer to motion for approval under Agenda Item G.

35. Department of Wildlife - Data and Technology Services - FY 2020
Deletion of $154,740 in Sportsmen Revenue transferred from the Wildlife Fund Account and $2,070 in Application fees transferred from the Wildlife Fund Account to allow operational expenditures to be paid in the Wildlife Director's Office account. Requires Interim Finance approval since the amount deleted from the Wildlife Data Management System category exceeds $75,000. **RELATES TO AGENDA ITEM G. 27. Work Program #C49818**

Refer to motion for approval under Agenda Item G.

36. **Department of Transportation - Transportation Administration - FY 2020**
Addition of $16,072,920 in Federal Transit Administration grant funds and $98,744 in State Highway Funds to support the department's ongoing Transportation/Multimodal Planning programs. Requires Interim Finance approval since the amount added to the Administrative Consultants/Other Federal Programs category exceeds $75,000. **Work Program #C50075**

Refer to motion for approval under Agenda Item G.

37. **Department of Transportation - Transportation Administration - <u>FY 2021</u>**
Addition of $72,690 in Highway Fund Authorizations to fund the addition of a Program Officer 1 position to address increased workload demand within the Over Dimensional Vehicle Permits section. Requires Interim Finance approval since the amount added to the Personnel Services category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C50097. WITHDRAWN 3-31-20.**

38. **Office of the Military - <u>FY 2021</u>**
Addition of $3,718,722 in federal Department of Defense grant funds ~~and $400,000 in transfer from Education authority~~ to support the ongoing operations of the Nevada National Guard Youth Challenge Program. Requires Interim Finance approval since the amount added to the Personnel Services category exceeds $75,000. **Work Program #C50156. REVISED 4-2-20.**

Refer to motion for approval under Agenda Item G.

39. **Department of Administration - State Public Works Division - Marlette Lake - FY 2020**
Addition of $127,695 in Raw Water Sales funds to maintain the operational integrity of the water system for the remainder of the fiscal year, fund a third-party water rate analysis, and increase authority to cover telephone expenditures. 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 #C50099. RECEIVED AFTER SUBMITTAL DEADLINE, 3-27-20.**

Refer to motion for approval under Agenda Item G.

40. **Office of the Military - FY 2020**
Addition of $260,535 in federal funding authority to support the National Guard Environmental programs through the end of the fiscal year. Requires Interim Finance approval since the amount added to the Environment category exceeds $75,000. **Work Program #C50301. RECEIVED AFTER SUBMITTAL DEADLINE, 4-7-20.**

Refer to motion for approval under Agenda Item G.

RECLASSIFICATIONS

Refer to motion for approval under Agenda Item G.

AGENCY	AGENCY/ ACCOUNT NUMBER	POSITION NUMBER	PRESENT CLASS, CODE, GRADE AND SALARY	PROPOSED CLASS, CODE, GRADE AND SALARY
Department of Agriculture/Livestock Inspection	550/4546	1003	Laboratory Technician 1 Code: 10.733 Grade 25/01 Employee/Employer Paid Retirement $33,971.76	Administrative Assistant 2 Code: 2.212 Grade: 25/01 Employee/Employer Paid Retirement $33,971.76
Department of Business and Industry/Division of Industrial Relations/ Mechanical Compliance Section/Occupational Safety and Health Enforcement	742/4682	309	Administrative Assistant 4 Code: 2.210 Grade: 29/04 Employee/Employer Paid Retirement $45,142.56	Management Analyst 1 Code: 7.637 Grade: 33/02 Employee/Employer Paid Retirement $49,151.52
Department of Health and Human Services/Aging and Disability Services/Sierra Regional Center	402/3280	0059	Developmental Support Technician 4 Code: 10.339 Grade: 29/01 Employee/Employer Paid Retirement $39,943.44	Administrative Assistant 4 Code: 2.210 Grade: 29/01 Employee/Employer Paid Retirement $39,943.44
Department of Health and Human Services/Aging and Disability Services/Rural Regional Center	402/3167	0009	Developmental Support Technician 4 Code: 10.339 Grade: 29/01 Employee/Employer Paid Retirement $39,943.44	Administrative Assistant 4 Code: 2.210 Grade: 29/01 Employee/Employer Paid Retirement $39,943.44
Department of Health and Human Services/Aging and Disability Services/Federal Programs and Administration	402/3151	0080	Administrative Assistant 3 Code: 2.211 Grade: 27/02 Employee/Employer Paid Retirement $38,314.80	Personnel Technician 2 Code: 7.635 Grade: 27/02 Employee/Employer Paid Retirement $38,314.80
Department of Health and Human Services/Division of Healthcare Financing and Policy/Administration	403/3158	1609	Management Analyst 4 Code: 7.612 Grade: 39/01 Employee/Employer Paid Retirement $61,011.36	Social Services Chief 2 Code: 12.301 Grade: 39/01 Employee/Employer Paid Retirement $61,011.36
Department of Health and Human Services/Division of Healthcare Financing and Policy/Administration	409/3158	0200	Health Care Coordinator 3 Nurse Code: 12.333 Grade: 37/01 Employee/Employer Paid Retirement $55,958.40	Health Program Specialist 2 Code: 10.238 Grade: 37/01 Employee/Employer Paid Retirement $55,958.40
Nevada Department of Employment, Training and Rehabilitation/ Rehabilitation Division/Services to Blind or Visually Impaired	901/3254	0014	Rehabilitation Instructor 2 Code: 12.449 Grade 33/01 Employee/Employer Paid Retirement $47,413.00	Program Officer 1 Code: 7.649 Grade 31/01 Employee/Employer Paid Retirement $43,557.00
Department of Public Safety/Division of Emergency Management	654/3673	0009	Grants and Projects Analyst 3 Code: 7.753 Grade: 37/10 Employee/Employer Paid Retirement $83,394.72	Communications Systems Manager Code: 6.959 Grade: 37/10 Employee/Employer Paid Retirement $83,394.72

Department of Conservation and Natural Resources/Division of Water Resources	705/4171	0025	IT Technician 5 Code: 7.931 Grade: 34 Employee/Employer Paid Retirement $49,151.52	GIS Analyst 2 Code: 6.341 Grade: 36 Employee/Employer Paid Retirement $53,598.96
Department of Conservation and Natural Resources/Division of State Parks	704/4162	0181	Park Supervisor I Non-Commissioned Code: 1.969 Grade 34/01 Employee/Employer Paid Retirement ~~$53,598.96~~ ***$49,151.52*** **Revised 3-26-20**	Park Supervisor I Commissioned Code: 13.137 Grade 36/01 Employee/Employer Paid Retirement $53,598.96
Public Employees' Benefits Program	950/1338	0002	Health Program Manager 1 Code: 10.232 Grade: 37/01 Employee/Employer Paid Retirement $55,958.40	Management Analyst 3 Code: 7.624 Grade: 37/01 Employee/Employer Paid Retirement $55,958.40

H. DEPARTMENT OF ADMINISTRATION – STATE PUBLIC WORKS DIVISION – Request to modify the scope of CIP Project 19-S09, Statewide Building Official Projects, to increase the project authority to receive and expend an additional $720,501 in agency funds to complete additional building permits for state agencies, pursuant to NRS 341.145(1)(f).

Ward Patrick, Administration, State Public Works Division (SPWD), Department of Administration, said Agenda Item H was a request to modify the scope of CIP Project 19-S09, Statewide Building Official Projects, to increase project authority to receive and expend an additional $720,501 in agency funds and complete additional building permits.

Senator Brooks asked if the request reflected additional costs associated with administering building permits and inspections.

Mr. Patrick replied that the request did not reflect additional costs. He explained that the SPWD received revenue from permit applications and used the funds for plans examination and inspection services.

SENATOR BROOKS MOVED TO APPROVE AGENDA ITEM H.

ASSEMBLYWOMAN BENITEZ-THOMPSON SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

I. STATEMENT OF CONTINGENCY ACCOUNT BALANCE.

Cindy Jones, Assembly Fiscal Analyst, Fiscal Analysis Division, LCB, said the Statement of Contingency Account Balance began on page 247 in Volume III of the meeting packet (Exhibit C). She said the General Fund balance was approximately $28.1 million at the beginning of FY 2020 and the balance of the General Fund at the beginning of today's meeting was $26.8 million. The two requests before the Committee totaled approximately $5.6 million. She said the balance of the Highway Fund remained at $1.6 million.

Ms. Jones noted that the Committee had approved requests for DCNR from the restricted General Fund earlier in the meeting.

J. REQUESTS FOR ALLOCATION FROM THE IFC CONTINGENCY ACCOUNT (GENERAL FUND) PURSUANT TO NRS 353.268 (Note: IFC may approve a different amount for an allocation than the amount requested).

1. Judicial Discipline Commission – Request for an allocation of $49,593 to cover the cost of judicial discipline investigations and information services.

   Valerie Carter, Management Analyst, Judicial Discipline Commission, introduced Paul Deyhle, Executive Director and General Counsel, Judicial Discipline Commission.

   Assemblywoman Backus said she understood that the $49,000 request was for operating expenses related to the role of third-party investigators and attorneys in discipline cases. She asked the agency to discuss the increase in costs in FY 2020 compared to previous years, and whether that increase was expected to continue. Assemblywoman Backus asked if the upcoming election impacted the increase.

   Paul Deyhle, Executive Director and General Counsel, Judicial Discipline Commission, replied that the $49,000 included costs associated with investigations and prosecutions. The Judicial Discipline Commission was required by law to hire outside investigators and prosecuting officers in certain cases. Third-party investigators and attorneys charged the commission as independent contractors during the judicial discipline process.

   Assemblywoman Backus asked the agency to elaborate on the role of third-party investigators and attorneys with respect to judicial discipline cases.

   Mr. Deyhle replied that third-party investigators investigated complaints against judicial officers that were filed with the commission. If the commission determined that an investigation was necessary, a third-party investigator would investigate the allegations, which may involve travel, interviewing witnesses and judges, writing reports, etc.

   Continuing, Mr. Deyhle said when formal charges were filed by the commission, a prosecuting officer may get involved much earlier. Prosecuting officers were responsible for responding to motions, writs, appeals to the Supreme Court, and other legal filings or motions. Mr. Deyhle said the commission did not have control over when a motion was filed with the commission or the Supreme Court. He noted that there were many pending investigations and prosecutions.

   Mr. Deyhle said the original request was approximately $100,000; however, the commission was able to reduce it by half, which was a difficult decision. The current request was the bare minimum to allow critical cases to proceed. He noted there were time constraints related to statutes of limitation. Mr. Deyhle said the commission had reduced the request as much as possible, and what remained was critically necessary to proceed with priority cases.

Assemblywoman Backus noted the number of complaints had doubled between FY 2019 and FY 2020. She asked if the increase related to initial sworn complaints, not necessarily actual complaints served on a judge.

Mr. Deyhle replied that complaints filed with the commission were confidential in the beginning stages, unlike a formal charge, which was public information. Anyone could file a complaint with the commission, including attorneys, judges and the general public. Mr. Deyhle stated that the number of complaints had increased dramatically over the last couple years, and the trend was expected to continue.

With respect to the statute of limitations, Assemblywoman Backus asked if the commission was able to stay cases once charges were filed.

Mr. Deyhle replied that when a complaint was initially filed with the commission, the clock began, even before the commission reviewed the complaint. There were some time constraints when a formal statement of charges was filed, but parties usually negotiated the timing of the hearing. He said a hearing could be delayed to a certain extent, but there was still a lot of legal work required prior to a hearing, which generated expenses that had to be paid.

Assemblywoman Backus noted that the commission received 20 complaints through February 3, 2020. She asked how many of those complaints would proceed with an investigation.

Mr. Deyhle said it was difficult to determine which complaints would require an investigation. A high percentage of complaints were dismissed for lack of jurisdiction. For example, the commission did not typically have jurisdiction if someone filed a complaint regarding a judge’s decision. A complaint might also be dismissed due to lack of verifiable evidence, etc. Mr. Deyhle said a small portion of complaints were investigated; however, those cases could be complex and require significant investigation and witness interviews. He indicated that a single case could consume the commission’s entire budget. If there were multiple cases like that, the commission would have to request a supplemental appropriation during a legislative session or request funds from the IFC. Mr. Deyhle said the commission had to request additional funds over the last couple legislative sessions.

ASSEMBLYWOMAN BACKUS MOVED TO APPROVE AGENDA ITEM J-1.

SENATOR WOODHOUSE SECONDED THE MOTION.

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

2. Department of Business and Industry – Office of the Labor Commissioner – Request for an allocation of $71,465 to cover costs for FY 2021 related to the Task Force on Employee Misclassification pursuant to Senate Bill 493 (2019 Legislature). **WITHDRAWN 3-25-20**
3. Department of Health and Human Resources – Aging and Disability Services Division – Request for an allocation of $1,022,549 to cover projected costs for early intervention services for the remainder of the fiscal year. **WITHDRAWN 3-25-20**
4. Department of Corrections – Request for an allocation of ~~$5,173,325~~ ***$7,020,472*** in FY 2020 to fund projected shortfalls for the following **(REVISED 4-8-20)**:
   a) Corrections Administration – $302,719. **WITHDRAWN 4-8-20**
   b) Warm Springs Correctional Center – $189,625
   c) Northern NV Correctional Center – $580,369. **WITHDRAWN 4-8-20**
   d) Stewart Conservation Camp – $121,905
   e) Pioche Conservation Camp – $67,709
   f) Northern NV Transitional Housing – $27,419
   g) Three Lakes Valley Conservation Camp – $135,843
   h) Southern Desert Correctional Center – ~~$486,903~~ ***$1,108,578***. **REVISED 4-8-20**
   i) Wells Conservation Camp – $46,711. **WITHDRAWN 4-8-20**
   j) Humboldt Conservation Camp – $20,067. **WITHDRAWN 4-8-20**
   k) Ely Conservation Camp – $23,061. **WITHDRAWN 4-8-20**
   l) Jean Conservation Camp – $29,757
   m) Ely State Prison – ~~$503,472~~ ***$855,031*****. REVISED 4-8-20**
   n) Carlin Conservation Camp – $10,091. **WITHDRAWN 4-8-20**
   o) Tonopah Conservation Camp – $10,899
   p) Lovelock Correctional Center – $292,935. **WITHDRAWN 4-8-20**
   q) Casa Grande Transitional Housing – $536,579
   r) Florence McClure Women's Correctional Center – $412,727
   s) High Desert State Prison – $1,374,534
   t) Prison Medical Care – $2,149,866

Agenda Items C-5, C-6, C-7, G-11, J-4 and R-10d were discussed jointly.

Charles Daniels, Director, NDOC, said Agenda Items C-5, C-6 and C-7 represented the evolving and emergent nature of providing appropriate safeguards within the NDOC. The work programs would authorize the department to employ up to 28 contracted nursing staff as the front line of defense at the entry point of each major institution.

As the pandemic escalated, Mr. Daniels said it was critical to immediately begin the hiring process. The NDOC had contracted with 19 nurses and the remaining 9 nurses were still being pursued aggressively. Although the $416,000 did not support the maximum number of nurses through June 30, 2020, the NDOC recognized there would be inherent delays in recruiting nurses as well as natural turnover. Additionally, the department continued to manage the contract labor expenditures to potentially provide supporting authority for this purpose. Mr. Daniels stated that all nursing services authorized through the work programs would be focused exclusively on COVID-19 related activities to allow for reimbursement where available.

Assemblywoman Monroe-Moreno noted that the requested funding would only cover 14 of 28 temporary nursing positions. She asked the agency to explain how the department intended to fund the remaining nurses.

Jennifer Bauer, Medical Administrator, NDOC, replied that while the amount requested did not support 28 full-time nurses through June 30, 2020, the department had identified an opportunity for savings due, in part, to the time it took the department and vendor to hire all the nurses. She said there was also savings due to turnover due to the temporary nature of the positions. Additionally, the department had taken a progressive approach in identifying savings within the overall Professional Services category that would mitigate additional funds. Thus, the NDOC was able to provide the temporary nursing staff in accordance with the emergency work programs using the funds requested.

Assemblywoman Monroe-Moreno asked the agency to provide a more detailed explanation of the identified savings that would address the shortfall in the Prison Medical category.

Ms. Bauer replied that a savings was identified due to the delay in hiring contract nurses who were willing to work inside a prison facility. Due to the nature of the public health crisis, nurses were in high demand. She said nurses were receiving offers from medical facilities throughout the nation. Consequently, it took the department two to three weeks to onboard nurses. Additionally, the department anticipated turnover in temporary nursing staff, which would result in a savings due to the time it took to fill those vacancies. Further, the NDOC identified savings in the Professional Services category unrelated to the emergency work programs. Ms. Bauer explained that the department hired full-time NDOC staff, which was a Personnel Services expenditure rather than a Professional Services expenditure, which created a significant savings.

Assemblywoman Monroe-Moreno noted that the department was specifically requesting Registered Nurses (RNs) to fill the temporary positions. She asked if the department would be better served by hiring Licensed Practical Nurses (LPNs) since the temporary nursing positions were stationed at the gate houses.

Ms. Bauer replied that the department asked the same question of the state's medical staff employment contractor, MHM Solutions. She agreed that LPNs were just as qualified and it would have been a better use of the funding; however, MHM Solutions indicated that RNs were easier to hire because the nursing pool was larger. She noted that the NDOC would not reject an LPN if available.

Michael Minev, Medical Director, NDOC, believed that RNs were a necessity, because they had more clinical expertise to thoroughly screen all employees and visitors. As the COVID-19 pandemic became more complex, the department would benefit from the expertise of RNs over LPNs in making sure the facilities were safe.

In response to a question from Assemblywoman Monroe-Moreno, Mr. Minev replied that the nurses were instructed to take the temperature of all individuals visiting the facilities. The nurses were watching for cardinal symptoms of COVID-19, such as fever, dry cough and shortness of breath. However, due to the expanded symptoms associated with COVID-19, the nurses were also assessing a variety of other symptoms that may manifest, which required the nurses to perform a brief exam at the gate house with some clinical input from facility providers. Individuals who were found to have concerning symptoms were not allowed into the facilities. Mr. Minev said he had instructed all nurses and providers to call him at any time of day for clinical advice related to an individual who may be suspect for COVID-19.

Assemblywoman Monroe-Moreno asked if visitors or employees with a compromised immune system were sent for immediate testing.

Mr. Minev replied that individuals with active symptoms were provided with a mask to protect other individuals in the vicinity from infectious particles. The individual was then referred to their primary care physician or the health district for testing. He said the NDOC had test kits available, but the tests were being preserved for inmates. He noted that the department may also use the tests on NDOC staff if warranted.

Assemblywoman Monroe-Moreno asked why the department required temporary nursing staff 24 hours per day, 7 days per week.

Mr. Minev said the department thought it was prudent to have screening available at all times due to the 24/7 nature of the NDOC.

Ms. Bauer added that the temporary nurses were providing critical assessments at the gate houses and acting as the first line of defense in preventing the virus from entering NDOC institutions; however, the nurses were also providing coverage for NDOC nurses who were out due to COVID-19. While providing coverage for NDOC nurses, the temporary nurses would administer testing and perform facility sanitization and other duties directly related to COVID-19. Ms. Bauer said those tasks were in line with guidance published last week under the Coronavirus Relief Fund to qualify for reimbursement.

Mr. Minev noted that seven NDOC nurses were currently in quarantine due to COVID-19.

Assemblywoman Monroe-Moreno asked how many officers, medical staff and inmates had tested positive for the virus. Mr. Minev replied that 11 NDOC staff had tested positive for the virus; however, one of those staff members had been cleared to return to work. To date, zero inmates had tested positive for the virus.

Assemblywoman Monroe-Moreno asked what new procedures had been instituted as a direct response to COVID-19 to protect staff and inmates from the virus. She also asked how many inmates had been tested for COVID-19.

Mr. Minev replied that a screening procedure was instituted at the entrance of every facility. Nurses took the temperature and a brief history of all individuals prior to entering the institutions. Each visitor was asked if they had any flu-like symptoms, such as fever, cough, shortness of breath, or chills. Each visitor was also asked whether they were taking medication that may suppress a fever or cough.

Continuing, Mr. Minev said the department had also instituted social distancing to the best of its ability, and discontinued group activities such as programming and religious services. He noted that teams of inmates were assembled to regularly sanitize common areas with a bleach solution or virucidal agent.

Mr. Minev said employees who had close contact with inmates were required to wear protective masks in accordance with CDC guidelines. However, he recently recommended that all staff wear masks, regardless of inmate contact.

Lastly, the NDOC limited inmate movement. Units within the facilities were sequestered from one another. For example, meals were supplied individually to the units to avoid cross-contamination between the units and facilities.

Assemblywoman Monroe-Moreno remarked that the NDOC had done a lot to protect the safety of inmates and staff. She appreciated the extra attention at the gate houses. Assemblywoman Monroe-Moreno asked if masks were provided to inmates. She also restated her question concerning the number of inmates that had been tested.

Mr. Minev replied that 39 inmates had been tested for COVID-19, all of which were negative. He said masks were not currently supplied to inmates due to security concerns; however, they were provided during medical transport.

Assemblywoman Monroe-Moreno asked how the use of Offenders' Store Funds for activities unrelated to COVID-19 to avoid idle time for contract nurses was an appropriate use of funds.

Ms. Bauer clarified that the nurses were hired specifically on an emergency basis to mitigate the risk of COVID-19 at the institutions; therefore, all of their duties were directly related to COVID-19. She noted that the nurses were required to keep a daily log of their tasks. The department wanted to ensure that the temporary nurses were truly performing front line work to protect inmates from the virus based on guidance published by the Department of Treasury for the Coronavirus Relief Fund Act.

Ms. Bauer said the department was authorized to use Offenders' Store Funds for the request, because NRS 209.221, subsection 3 stated that money in the Offenders' Store Fund must be expended for the welfare and benefit of all offenders. The NDOC determined that preventing the virus from entering the institutions and infecting inmates was directly in line with the welfare and benefit of all offenders.

Assemblywoman Monroe-Moreno asked how much of the Offenders' Store Funds the department expected to recover from CARES Act funds.

Ms. Bauer said she could not provide a specific amount, because she was unsure how the CARES Act funds were prioritized statewide. However, it was the department's intent to recover as much as possible through the reimbursement process.

Senator Brooks asked if 100 percent of the reimbursement funds from the CARES Act would be used to reimburse the Offenders' Store Fund.

Ms. Bauer confirmed that was correct. She said any reimbursement from the CARES Act or other federal funding sources related to the emergency declaration would be used to replenish the Inmate Welfare Account for the Offenders' Store Funds used for temporary nursing staff.

Referring to the previous discussion regarding LPNs and RNs, Assemblywoman Titus said it was not mandatory to use RNs to screen for COVID-19. When she entered the hospital to perform patient rounds, she was screened by a nurse's aide or medical assistant. She thought an RN was overqualified for performing evaluations at the prison facilities, especially when RNs were in high demand. Assemblywoman Titus asked if the hiring firm received a higher percentage if it provided an RN rather than a medical assistant or nurse's aide.

Mr. Minev replied that utilizing RNs was an investment in the department's only line of defense against the virus. He said currently there was not a vaccine or effective treatment for COVID-19, which was three times more fatal than the seasonal flu. The NDOC had a large population of inmates that were highly susceptible to infection due to close living quarters and chronic medical conditions. Furthermore, community hospitals were not equipped to absorb a large influx of infected inmates, which was further complicated by the lack of staff required to escort and accompany inmates to the hospital for 24-hour coverage. Mr. Minev said the department might be able to save money with LPNs and medical assistants, but the investment in RNs was a safer approach. He said the NDOC was fortunate not to have had any infected inmates to date. Mr. Minev said he was doing everything possible to prevent any infections from entering the facilities.

Assemblywoman Titus agreed it was unnecessary for inmates to wear masks while in the prison facilities unless there was a risk of exposure. She noted that the type of mask provided to inmates when they had to leave the facility was important, because it determined if the inmate was protected or if people exposed to the inmate were protected. Assemblywoman Titus asked what type of mask was provided to inmates.

Mr. Minev replied that the department was providing inmates with masks made of 50 percent cotton and 50 percent polyester, which were manufactured by Prison Industries. The NDOC had a small supply of N95 masks, which were being preserved due to the nationwide shortage. He stated that any inmate who tested positive for the virus would be provided with a N95 mask.

Assemblywoman Titus said it was her understanding that the cotton/polyester masks prevented an individual from spreading the virus, but did not prevent exposure to the virus. She was concerned that inmates were not adequately protected while outside the institution. She encouraged the department to reconsider using N95 masks in those instances. Assemblywoman Titus said she appreciated the department's efforts to keep visitors, staff and inmates safe.

Mr. Minev agreed that N95 masks were more protective against respiratory droplets. He said a further complication was that N95 masks had to be fit tested, which was difficult to accomplish. The department was restricting inmate transport to the absolute minimum. Inmates were carefully screened before leaving the facility, followed by a thorough medical exam and observation period upon return to avoid bringing any type of virus into the institution.

Senator Cancela asked what prompted the department to test the 39 inmates. Mr. Minev said he instructed all providers at the facilities to contact him concerning inmates with symptoms that may be related to COVID-19. The medical provider and Mr. Minev then made a joint determination whether to test the inmate for the virus.

Senator Cancela asked what type of symptoms were displayed by the inmates that were tested, and what level of severity prompted the department to administer the test.

Mr. Minev replied that NDOC medical providers were instructed to contact him whenever an inmate was experiencing any flu-like or cold-like symptoms. He said he was in constant communication with Dr. Ihsan Azzam, Chief Medical Officer, Department of Health and Human Services, regarding indications for COVID-19 testing. During a recent discussion, Dr. Azzam recommended that the NDOC test individuals with any upper or lower respiratory tract symptoms, including runny nose, sneeze, cough, sore throat, chills, fever or shortness of breath. It was a broad list of symptoms, but the department did not want to take any risks in terms of allowing individuals with those symptoms to go untested. Furthermore, the NDOC Directors of Nursing had instructed nurses to carefully monitor kites or any medical complaints from inmates with symptoms related to any type of respiratory infection, which were currently prioritized over other medical issues.

Senator Cancela said perhaps there were no instances of COVID-19 within Nevada's prison system, because only 39 out of approximately 12,000 inmates had been tested. Other states as well as the Federal Bureau of Prisons had indicated that in most prisons across the country, the number of COVID-19 cases was as high as 70 percent. Senator Cancela asked if the department was devising a plan to increase testing within every NDOC facility, because an individual could be a-symptomatic and a carrier of the virus and cause an outbreak throughout an institution.

Mr. Minev replied that he and Dr. Azzam had explored the possibility of testing large portions of asymptomatic inmates; however, the difficulty was the shortage of tests. He said Dr. Mark Pandori at the State Public Health Laboratory was working to increase testing capabilities at the laboratory. Mr. Minev said he had read reports about large numbers of asymptomatic inmates at facilities throughout the nation, but that was usually seen in conjunction with large numbers of COVID-19 cases within the inmate population.

Senator Cancela asked if Prison Industries staff was wearing masks and other protective gear while manufacturing personal protective equipment (PPE) for the state.

Bill Quenga, Deputy Director, Prison Industries, NDOC, replied that offenders were not wearing masks while manufacturing PPE; however, the facilities at Lovelock Correctional Center and Northern Nevada Correctional Center were regularly sanitized. Additionally, the facilities were under camera surveillance and monitored by correctional officers.

Chair Carlton said she had been contacted by several people asking how to acquire PPE from Prison Industries. She asked if PPE was available to entities other than state agencies.

Mr. Quenga replied that Prison Industries began manufacturing and distributing PPE to first responders and NHP on March 24, 2020. Prison Industries was currently supplying PPE, including gowns, face shields and hand sanitizer to National Guard Emergency Management. Prison Industries was also servicing the NDOC and first responders with an immediate need for PPE. Mr. Quenga said other agencies and private entities could place an order for PPE online. He noted that the Division of Emergency Management was managing the logistics of those orders.

Assemblyman Frierson said he was shocked to learn about a tour that was conducted recently at one of the prisons at the request of the Sentencing Commission. He remarked that Nevada's prison system was fortunate not to have any cases of COVID-19 within the inmate population. He recommended that the NDOC decline any future tour requests during the pandemic to avoid risk of infection. Assemblyman Frierson said it would be unfortunate to have an outbreak at one of the institutions due to an unnecessary tour. Mr. Daniels thanked Assemblyman Frierson for the input.

In response to a comment by Senator Goicoechea concerning Agenda Item G-11, John Borrowman, Deputy Director, NDOC, said the funding transfers would not impact the department's pest and rodent control programs. He stated that the integrity of the facilities would be maintained.

With respect to Agenda Item J-4, Assemblyman Frierson noted an increase in inmate driven costs, some of which related to rising food costs and medical expenses. He said the increase in inmate-related medical costs appeared to be caused by hepatitis C testing and treatment, as well as outside medical costs. Assemblyman Frierson asked how the department intended to manage inmate-related medical costs in the future.

Mr. Minev replied that the department was trying to enhance medical services within the prison system. Inmates with chronic medical conditions typically received treatment outside the facility at a cost to the department. Consequently, the NDOC was trying to decrease those costs by implementing a telemedicine service through Renown. Additionally, the department had established an agreement with a physician at a community clinic in Las Vegas to provide medical treatment to inmates who tested positive for hepatitis C or the human immunodeficiency virus (HIV). The physician had access to the 340B Drug Pricing Program, which was a federal program that provided discounted pharmaceutical pricing specifically for medications to treat hepatitis C. Mr. Minev said the department would realize a significant savings by instituting those measures in Northern and Southern Nevada.

Continuing, Mr. Minev said the department was also working to provide more treatment options at facilities with the largest medical needs through the use of a mobile clinic. Additionally, the NDOC was working to bring specialists to the facilities rather than having to transport inmates for treatment.

Assemblyman Frierson asked how much of a savings would be realized by instituting those measures. He also asked which measures had been implemented.

Mr. Minev said the department was in the process of securing the provider in Southern Nevada to provide treatment to inmates with hepatitis C and HIV. He noted that implementation was contingent upon the Committee's approval.

With regard to estimated cost savings, Mr. Minev said he was unsure of the amount; however, he would obtain information regarding medical costs associated with outside medical care from the third-party provider. That data would indicate the estimated savings related to implementing telemedicine services and mobile clinics.

In answer to a question from Assemblyman Frierson, Venus Fajota, Chief of Purchasing and Inmate Services, NDOC, said the department continued to research cost effective alternatives while meeting state nutritional standards. She said the department standardized low-sodium luncheon meats and eliminated low-sodium cheese, because it was difficult to obtain. The department recently discontinued a chef's salad, because the vegetables wilted before the salad could be provided to inmates. She said, as the department became more sophisticated at providing modified meals, improvements were made to the menu by working with food vendors, culinary operations, and the Chief Medical Officer.

Assemblyman Frierson asked the department to track food-related cost savings and provide that information to the Committee. Ms. Fajota agreed.

Assemblyman Frierson also requested that the department track medical-related cost savings and provide the information to the Committee. Mr. Minev agreed.

Senator Brooks asked if the department anticipated further declines in Room and Board revenues due to COVID-19 related restrictions. If so, how would the NDOC address those declines?

Scott Ewart, Chief of Fiscal Services, NDOC, said the two primary contributors to Room and Board revenue were Casa Grande Transitional Facility in Southern Nevada and Northern Nevada Transitional Housing in Northern Nevada. Both facilities were in lockdown due to the pandemic; therefore, inmates at those facilities could not go to their external paying jobs. He noted that many of those employers were also impacted by the pandemic. Mr. Ewart confirmed that the department anticipated further declines in Room and Board revenues. Consequently, the NDOC would be requesting Contingency Account funds of approximately $200,000 to $300,000 at the June 2020 IFC meeting to cover the shortfall related to COVID-19.

Senator Brooks asked how the department would address the shortfall. Mr. Ewart said the NDOC did not have a revenue stream from which to collect Room and Board when an inmate was unemployed; therefore, the only offset was to reduce overall expenditures at the institution. The NDOC regularly sought ways to increase efficiencies or reduce expenditures, such as reducing meal costs and food preparation. He said it was an ongoing challenge, but when the revenue stream ended the only alternative was to reduce expenditures.

Senator Brooks asked if inmates were eligible for unemployment or any other federal funding. Mr. Ewart replied that inmates were not eligible for unemployment benefits during incarceration.

Senator Woodhouse asked why overtime expenditures had increased each quarter for the last three quarters, given that the department did not have funding to support those costs.

Harold Wickham, Deputy Director, NDOC, said the department was not funded for overtime. To accomplish the agency's mission and be good stewards of the public's trust as well as the resources entrusted to the department, the NDOC had to look for efficiencies. He said some of the overtime expenditures were related to hospital coverage and medical transport, which equated to approximately $3.0 million in unbudgeted overtime. Mr. Wickham said vacancies had also contributed to overtime costs. Over the past four years the NDOC averaged about 240 vacancies. As of April 1, 2020, there were 330 vacancies departmentwide, which was exceptionally high. He said turnover rates continued to climb, because the department struggled to compete with local markets, mines and law enforcement. Additionally, it was difficult to meet the needs of the academies while trying to maintain COVID-19 restrictions. For example, the number of students in each class had to be reduced in response to the social distancing directive. Mr. Wickham said the department was working through those challenges.

Mr. Wickham said the prison institutions were running at minimum staffing, which was unsafe. Correctional officers had to forgo basic correctional functions, such as searches for weapons, alcohol and other contraband. Correctional officers were unable to be proactive with enforcement, which opened the door for additional violence, perpetuated staff assaults and more hospital visits. Mr. Wickham said the department had the ability to reduce overtime, but it was unsustainable. When overtime was reduced, consequences increased, which was dangerously irresponsible. He indicated that reduced overtime led to brutalization, victimization and injury among offenders and staff, which resulted in further litigation. Mr. Wickham said the department could lock down facilities and eliminate programming and education, but that would fail the agency, offenders and the community. It would also increase recidivism and victimization and put communities at a greater risk.

Continuing, Mr. Wickham said the department was working to mitigate safety and security concerns as well as reduce overtime expenditures. He noted that Mr. Daniels, NDOC Director, had some creative ideas to address those issues. Mr. Wickham said Mr. Daniels brought with him great conceptual proposals from federal agencies as well as expertise in that area. One such proposal was to change the custody levels of some offenders. Additionally, the department was considering task-oriented staffing, which utilized modern correctional methodologies. He said task-oriented staffing did not rely on antiquated post charts, a methodology currently employed by the NDOC. Mr. Wickham said the department was also looking at conceptual ways to conduct an independent staffing analysis outside of the agency using modern correctional methodologies. The NDOC was hopeful that would help the department develop better strategies in managing these situations. Mr. Wickham said that ultimately, hospital coverage, medical costs and vacancies were inhibiting the department's ability to reduce overtime.

Continuing, Mr. Wickham said the NDOC was considering consolidating some of the rural facilities and reassigning vacant positions from Ely State Prison. The department was utilizing online training as much as possible while continuing to honor the agency's mission through the Nevada Peace Officers Standards and Training program. Transportation runs had been reduced, especially during the pandemic. Mr. Wickham said the department was thankful to the Legislature for the 25 new positions that were authorized. He noted that those positions helped the NDOC reduce overtime related to hospital guarding and medical transport. Mr. Wickham said the department was hopeful the Legislature would continue to invest in the agency as it worked to address overtime expenditures.

Assemblywoman Spiegel asked about federal Paycheck Protection Program funds in relation to inmates. Mr. Borrowman replied that the employment contract between an inmate and employer varied. If an inmate qualified to receive some type of compensation during a furlough or layoff, the NDOC would ensure the funds were processed accordingly within the transitional housing protocol.

With regard to overtime expenditures, Assemblyman Frierson said the state had only been in lockdown for about six weeks; therefore, only a fraction of overtime could be associated with the pandemic. He said it was important to control overtime expenditures while recognizing that the pandemic had caused complications. Assemblyman Frierson thought the stay-at-home order could have helped the department save money. He asked how overtime costs were impacted by the COVID-19 crisis.

Mr. Wickham said he was unsure if overtime expenditures had been reduced as a result of the pandemic. He thought there may be a slight reduction in overtime. However, when a staff member was in quarantine, unbudgeted overtime was usually accrued to temporarily cover that position.

Assemblyman Frierson recalled a recent Sentencing Commission meeting where concerns were expressed about the safety of inmates due to staffing and other measures. He asked the agency to provide the following information related to the current inmate population:

- Percentage of inmates in custody for non-violent, non-sexual offenses;
- Number of inmates over the age of 65; and
- Number of inmates over the age of 65 who had served at least 75 percent of their sentence.

Mr. Daniels said he would provide the information to the Committee.

Assemblyman Frierson recognized that the NDOC was not in a position to advocate for policy with respect to the prison population; however, he was disappointed that some members of the Sentencing Commission did not advocate for prison policy. He did not think increased sentences should be supported considering staffing and overtime issues. Assemblyman Frierson thought it was imperative for all members of the Sentencing Commission to weigh in on all prison-related policy. He said it was important to protect the public from harm, but it was also important to protect NDOC staff.

Assemblyman Frierson said, if a COVID-19 outbreak occurred in a closed environment like a prison, it would be exacerbated beyond the normal population. The requested data would provide the Committee with insight to make educated decisions in the future concerning the safety of NDOC staff and inmates, while also saving money across the board.

Chair Carlton requested that the agency submit the information to staff. She asked the NDOC to work with staff to ensure the Committee had detailed information.

Chair Carlton expressed frustration regarding the department's ongoing overtime issue. It had been a topic of discussion for many years. She stated that a serious conversation about the overtime issue would be necessary during the 2021 Legislative Session.

Chair Carlton stated that the 2019 Legislature appropriated funding for medical transport as well as several other measures. She was pleased to hear the department was contemplating innovative ideas and that post charts may be a thing of the past.

Chair Carlton remarked that annual leave and military leave costs were accounted for in the shift relief factor. She asked why overtime costs were so high given the shift relief factor.

Mr. Daniels said the department would like to conduct another study of the shift relief factor, because he did not think the existing relief factor was appropriate for the NDOC. He said he looked forward to communicating with the Legislature on that topic.

Continuing, Mr. Daniels said the department was working diligently to implement positive changes. He said many of the department's overtime costs were incident-driven, even during the pandemic when the NDOC should have realized a reduction in overtime. For example, large groups of staff were often placed in quarantine at the same time after a staff member tested positive for the virus, which resulted in overtime expenditures.

Mr. Daniels said the NDOC staff was a talented group of people, and the department was functioning well despite the reduced number of staff. He noted that many staff members were honoring their responsibility to the National Guard or the military. Additionally, the NDOC was regularly in competition with other agencies that paid a higher wage, and staff often moved on to those agencies shortly after completing NDOC training. Mr. Daniels stated that all those issues had collectively added to overtime expenditures.

Mr. Daniels said he was sharing those issues as a matter of fact, not an excuse. He acknowledged that it was his responsibility to manage those problems, and he would strive to become better at doing so. Mr. Daniels remarked that it was extraordinarily challenging to balance the department's societal responsibilities and duties, but he agreed with the concerns expressed by the Committee. He said he looked forward to having future conversations with the Committee as well as providing significant results.

Chair Carlton noted that the NDOC shift relief factor was addressed during the 2015 Legislative Session, and the department was not funded for another study. Considering the current economic state, she did not think funding for studies would be a priority.

Mr. Daniels clarified that the department wanted to reevaluate the shift relief factor internally and then discuss with the Legislature how and why it was relevant. He recognized that he did not have the final say regarding the department's funding. After thoroughly assessing the department, Mr. Daniels thought many changes were necessary. His approach was to analyze the NDOC first to determine the current challenges and then work with the appropriate people to address those challenges.

Chair Carlton noted that the NDOC had nearly 300 staff vacancies. She asked the department to provide Fiscal staff with the number of employee separations, and the date and reason for each so the Committee could analyze the situation. She clarified that the report should cover staff separations between June 2019 and up to the present time.

Assemblyman Frierson noted the declining inmate population. He remarked that the NDOC inmate population was 1,500 less than projected for the budget, yet expenditures had increased. Mr. Borrowman said the department's report to the Committee would include data indicating how overall expenditures had been impacted by the inmate population.

Senator Goicoechea noted that he mistakenly requested further testimony on Agenda Item G-11 instead of Agenda Item F-11.

Chair Carlton noted that Agenda Item F-11 had already been approved by the Committee. She requested that the Department of Agriculture contact Senator Goicoechea to address his question pertaining to Agenda Item F-11.

> ASSEMBLYMAN FRIERSON MOVED TO APPROVE AGENDA ITEMS G-11 AND J-4.
>
> ASSEMBLYWOMAN BENITEZ-THOMPSON SECONDED THE MOTION.
>
> THE MOTION PASSED UNANIMOUSLY.

5. Department of Indigent Defense Services – Request for an allocation of $525,036 to fund a workload study, data analyst, a training program and a timekeeping system.

   Marcie Ryba, Director, Department of Indigent Defense Services, said Nevada had a rich history related to indigent defense services. In 1875, Nevada led the nation by enacting the first of its kind statute requiring payment of counsel appointed in criminal cases. In 1971, Nevada created a state-funded public defender office supervised by an independent commission; however, over the next 40 years state funding for indigent defense eroded and the independent oversight commission was abolished. In 1992, the state judiciary began revisiting the issue and providing recommendations for indigent defense reform. Those recommendations consistently found the need for state oversight and funding; independence from political and judicial interference; and uniform data collection, reporting and training. In response, the 2019 Legislature passed A.B. 81, which created the Board and Department of Indigent Defense Services to ensure proper oversight.

   Ms. Ryba said the 2019 Legislature assigned several duties to the Department of Indigent Defense Services and allowed the department to approach the IFC when there was a need for funds. She said the current request would provide the department the necessary tools to meet the statutory mandates assigned by the Legislature of collecting uniform data, creating caseload standards, and providing training to oversee and improve indigent defense. The department's request, as outlined below, was tailored to initial, foundational responsibilities.

   - $110,200 to contract with LegalServer or similar software company as a timekeeping and caseload tracking system for use throughout rural counties to meet the goal of uniform data collection under NRS 180.320.
   - $295,000 to perform a Delphi study of appropriate attorney workloads as required by NRS 180.320.
   - $100,000 for a one-year contract with a data analyst to identify research priorities, oversee data collection and analysis, and transition research findings into practice.
   - $19,836 to provide a training program for providers of indigent defense services as required by NRS 180.430.

   Senator Cancela asked why a Nevada-specific study was necessary to determine the maximum caseload for attorneys that provide indigent defense.

   Ms. Ryba replied that the department was statutorily required to establish a Nevada-specific workload for rural attorneys, and a Delphi study was the common method of determining that workload. In the past, general recommendations were available for states to adopt, but those recommendations originated in the 1970s and did not necessarily apply to certain Nevada-specific requirements. One such requirement that recently changed related to body camera footage. Ms. Ryba explained that attorney workload had increased due to the time it took to review that footage, which was why it was necessary to establish Nevada-specific workload. Also, by establishing a workload, the department could assist the counties in determining how many attorneys were necessary as well as actual workload per attorney.

Ms. Ryba stated that one problem identified by A.B. 81 was the lack of uniform data collection, and the new software program would assist the department in establishing that. A uniform reporting method among attorneys would allow the department to provide data to the Legislature and local governments.

Senator Cancela asked the agency to discuss the need for in-person training sessions instead of videoconference training.

Ms. Ryba replied that virtual training was not the most efficient use of time nor was it an effective training method. Attorneys benefitted from practicing with and learning from other attorneys in a courtroom setting. Additionally, in-person training provided team building among indigent defense providers, because oftentimes the attorneys did not know one another. She said indigent defense would greatly improve if the department could provide network building among indigent defense attorneys. Ms. Ryba noted that another key element of the learning process was the dynamic relationship between a student and teacher that was developed in a classroom setting. She said there was less engagement between a student and teacher in a virtual setting compared to a classroom setting.

Finally, Ms. Ryba said the department thought there should be parity in the system of training received by both sides. She said prosecutors were provided with annual in-person training; however, no such training presently existed in Nevada. She noted that the Sixth Amendment Center found that local indigent defense systems suffered to various degrees with pervasive lack of institutionalized attorney supervision and training, which the department was trying to provide with in-person training.

Senator Cancela remarked that she recently completed her final semester of law school primarily via Zoom. Although she did not largely disagree with the agency's comments regarding in-person training, Senator Cancela challenged the department to be creative in the training process. She also recommended that the department contact Boyd School of Law to discuss successful virtual training methods.

Senator Cancela asked if the department had contacted other current users of LegalServer to determine the software's efficiency and effectiveness.

Ms. Ryba replied that during the research phase, the department contacted several software companies. The department also reached out to other agencies that were looking for software. She noted that Washington and Colorado chose LegalServer. Ms. Ryba said the department thought LegalServer was the best system for the price point.

Continuing, Ms. Ryba said the department considered eDefender, JustWare and LegalServer as potential software choices. She said JustWare was cost prohibitive and eDefender did not have all the features the department wanted to make available to indigent defense providers. Ultimately, LegalServer met all the department's requirements. Ms. Ryba said LegalServer could provide real time reporting of case information. In the end, LegalServer would allow the department to meet the reporting requirements specified in the *Nevada Revised Statutes* and provide attorneys with a case management system.

Ms. Ryba said the case management system would assist attorneys in discovering case conflicts, scheduling court matters, and client contact. During her time as a public defender, Ms. Ryba often found it difficult to contact clients, because they did not always have a stable residence; however, clients generally had a cell phone through which they could receive text messages. LegalServer included a text messaging feature that would allow attorneys to remind clients of upcoming court dates.

Senator Cancela stated that software platforms may vary among the counties. She asked if LegalServer would be able to integrate data and communicate with urban counties that may have different software in place.

Ms. Ryba replied that Clark and Washoe Counties currently used JustWare. She said JustWare would not be supported after June 30, 2021; therefore, current clients were encouraged to transition to eDefender. Ms. Ryba noted that eDefender software was costly, with a one-time implementation fee between $300,000 and $400,000 and an annual licensing fee of approximately $75,000 to $100,000. She said Clark and Washoe Counties had been notified that the Department of Indigent Defense Services was considering LegalServer. Ms. Ryba said the department did not have authority over the urban counties, so she was uncertain which software program they would select; however, the department would provide LegalServer to the rural counties.

With regard to virtual training, Assemblyman Frierson said, as a trial lawyer, it was extremely valuable to observe body language. He thought it was impossible to be a trial litigator solely through videoconferencing. He indicated there had been communication between the rural counties and the Clark County Public Defender's Office about training in general, as well as the discontinuation of JustWare. He said Clark County still had some time remaining on the service contract, but that would end soon. Assemblyman Frierson said he would discuss LegalServer with the Clark County Public Defender.

Chair Carlton agreed that attending a meeting virtually rather than in-person had a much different feeling.

SENATOR CANCELA MOVED TO APPROVE AGENDA ITEM J-5.

ASSEMBLYMAN FRIERSON SECONDED THE MOTION.

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

K. REQUESTS FOR TRANSFER FROM THE GRANT MATCHING FUND PURSUANT TO ASSEMBLY BILL 489 (2019 Legislature).

1. Department of Administration – Office of Grant Procurement, Coordination and Management – Request approval to transfer $70,000 to the Family Support Council to provide matching funds for a nongovernmental grant exceeding $20,000 to provide a Clinical Professional Counselor and crisis housing.
2. Department of Administration – Office of Grant Procurement, Coordination and Management – Request approval to transfer $45,129 to the North Las Vegas Fire Department to provide matching funds for a federal grant exceeding $150,000 related to replacing cardiac monitors to provide effective pre-hospital treatment for cardiac arrest.
3. Department of Administration – Office of Grant Procurement, Coordination and Management – Request approval to transfer $855,049 to the Pyramid Lake Paiute Tribe (PLPT) to provide matching funds for a federal grant exceeding $150,000 related to bringing high-speed internet to the PLPT reservation.

Chair Carlton asked if the Family Support Council had received monetary support from the local entity.

JoVon Sotak, Chief, Office of Grant Procurement, Coordination and Management, Department of Administration, replied that the Family Support Council was a nonprofit organization that applied to the Grant Matching Fund program for matching funds. In the application for funding, the Family Support Council self-certified that it was unable to procure a local match. Ms. Sotak stated that most of the donations received by the Family Support Council were used for operating expenses. She said the Family Support Council requested $70,000 in match funding to apply for a $210,000 grant from the Berger North Foundation. Ms. Sotak noted the return on investment (ROI) was $3.00 in grant funds for every $1.00 in matching funds.

Chair Carlton noted that approximately $75,000 of the grant funds would be used for crisis housing. The funding would also cover costs associated with information technology services, hardware and administrative overhead. She asked about the program's administrative rate.

Ms. Sotak replied that the Family Support Council intended to expand crisis intervention, trauma-informed child care, and emergency shelter services with the addition of an Outreach Coordinator position. The grant funds would also provide for two therapist positions as well as partial salaries and equipment for support staff. Ms. Sotak said the Grant Matching Fund program staff did not evaluate an applicant's federal or nongovernmental grant proposal per the program's design. Staff evaluated the organization's suitability for matching funds based on answers provided in the application. Ms. Sotak said the organization providing the grant was responsible for reviewing the program's administrative costs.

In response to a question from Chair Carlton, Ms. Sotak replied that a grant program's budget was not comparable to that of a nonprofit entity, thus appropriate and allowable administrative costs could vary depending on the purpose of the grant program and the proposed grant projects and activities. In the case of the Family Support Council, the organization was requesting funding for vehicle costs so the Outreach Coordinator could conduct community visits and perform outreach activities. The Family Support Council's program could have a high degree of administrative costs depending on how the funding organization defined administrative costs.

Chair Carlton said she understood that the Grant Matching Fund program was intended for short-term projects, not for new programs and staff. She said the Family Support Council's request appeared to include the implementation of a pilot program and new staff. Chair Carlton asked if the Family Support Council intended to convert the pilot program to an ongoing program. If so, she asked if the Family Support Council intended to request further funding from the Legislature in the future.

Ms. Sotak replied that the state would not be committed to the program on a long-term basis. The Family Support Council indicated that the Outreach Coordinator position would be a one-year position to build the base of the program. She said the goal of the Grant Matching Fund pilot program was to determine where there was a need; therefore, there were no restrictions on how the match funds could be used, as long as it was a bona fide federal or nongovernmental grant program.

Chair Carlton said she recognized that the services provided by the Family Support Council were needed throughout the state. However, once a program was established, people became used to the services it provided; therefore, it was important to consider whether that organization would require state funds in the future, especially in light of Nevada's current financial situation. Chair Carlton also expressed concerns about the living situation for people in the Family Support Council's program.

Assemblyman Frierson remarked that the Committee was responsible for considering requests that benefitted all areas of the state. He recalled a recent IFC meeting when several Committee members took issue with a request that only benefitted a portion of the state. However, the requests before the Committee today from the Office of Grant Procurement, Coordination and Management also only benefitted a portion of the state. Assemblyman Frierson did not think it was appropriate for Committee members to only take issue with a region-specific request when it excluded the area they represented. He said the Committee addressed important issues, and sometimes those issues were specific to a county or region. Regardless, the Committee was charged with making sound decisions.

Moving on to Agenda Item K-2, Ms. Sotak said the North Las Vegas Fire Department was requesting $45,129 in matching funds for a grant of $451,292 from the U.S. Department of Homeland Security. She said the ROI was $10.00 in grant funds for every $1.00 in matching funds. The grant funds would be used to purchase 16 replacement cardiac monitors. Cardiac monitors were critical and effective pre-hospital treatment to sustain and save lives during cardiac arrest, which improved emergency care for patients in North Las Vegas and the firefighters who protect them.

Chair Carlton said the North Las Vegas Fire Department's request was the type of request she thought about when the Legislature was considering the Grant Matching Fund program and the ability to draw down funds as well as leverage funds.

Moving on to Agenda Item K-3, Ms. Sotak said the Pyramid Lake Paiute Tribe was requesting $855,049 in matching funds for a grant of $2,565,148 from the U.S. Department of Agriculture's Rural Utility Services for the Rural e-Connectivity pilot program. The ROI was $3.00 in grant funds for every $1.00 in matching funds. Ms. Sotak said the funding would be used to provide high-speed internet to 258 homes, 15 farms and 20 businesses in Nixon and Sutcliffe, which would provide construction jobs and improve economic competitiveness and educational outcomes of the Paiute Tribe.

Chair Carlton said the Pyramid Lake Paiute Tribe was desperately in need of internet access. She recalled that it had been a topic of discussion for a long time. She said internet access was an important communication tool, especially with distance learning in effect.

Assemblyman Kramer thought all three requests were for beneficial projects, and he was glad to see more funds being leveraged. However, he thought the local government in each instance should have contributed to the grant match.

Assemblyman Kramer said he hoped that local governments or entities would be encouraged to contribute to the grant match in the future, so the state was not responsible for the entire match.

Assemblywoman Monroe-Moreno commended the Office of Grant Procurement, Coordination and Management. She said she had the pleasure of carrying A.B. 489 during the 2019 Legislative Session, and the requests before the Committee today corresponded with the intent of the bill. Prior to the Grant Matching Fund program, Nevada did not have an active grant matching program in the state. She noted that the three requests would bring money into Nevada. Assemblywoman Monroe-Moreno said the intention of the program was for the state, not local municipalities, to provide matching funds. She was pleased that the program was working as intended.

ASSEMBLYMAN FRIERSON MOVED TO APPROVE AGENDA ITEMS K-1, K-2 AND K-3.

ASSEMBLYWOMAN MONROE-MORENO SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

L. REQUESTS FOR ALLOCATION FROM THE IFC CONTINGENCY ACCOUNT (GENERAL FUND) PURSUANT TO SENATE BILL 543, SECTION 74.5 (2019 Legislature) (Note: IFC may approve a different amount for an allocation than the amount requested).

Department of Education – Office of the Superintendent

1. Request for an allocation of $4,723,785 to cover the costs of travel, transcription services, a contracted project manager, and new financial management system. **WITHDRAWN 3-25-20.**
2. Request for an allocation of $350,757 to cover the costs of personnel, operating expenses and commission travel in FY 2021. **WITHDRAWN 3-25-20.**

M. REQUEST FOR ALLOCATION FROM THE IFC CONTINGENCY ACCOUNT (GENERAL FUND) PURSUANT TO SENATE BILL 508, SECTION 2.3 (2019 Legislature) (Note: IFC may approve a different amount for an allocation than the amount requested) **State Department of Conservation and Natural Resources – Forestry Division** – Request for an allocation of $209,880 to match U.S. Forest Service funding to support wildfire protection and prevention activities.

Agenda Item F-69, Agenda Item M and Agenda Item N were discussed jointly. Refer to testimony and motion for approval under Agenda Item N.

N. **REQUEST FOR ALLOCATION FROM THE IFC CONTINGENCY ACCOUNT (GENERAL FUND) PURSUANT TO ASSEMBLY BILL 543, Section 75 (2019 Legislature)** (Note: IFC may approve a different amount for an allocation than the amount requested) **State Department of Conservation and Natural Resources – Forestry Division** – Request for an allocation of ~~$3,521,130~~ ***$3,539,194*** for expenses incurred in the suppression of fires or response to emergencies charged to the Forest Fire Suppression account. **REVISED 4-2-20.**

Kacey KC, State Forester Firewarden, Nevada Division of Forestry (NDF), Department of Conservation and Natural Resources (DCNR), said Agenda Item F-69 was a new grant for the NDF in the amount of $210,067 from the U.S. Forest Service. Agenda Item M was a request for an allocation from the IFC Contingency Account, pursuant to S.B. 508 (2019 Legislative Session), in the amount of $209,880 to match Agenda Item F-69. Jointly, the requests would fund a hazardous fuel reduction project and landscape resiliency project treating 1,965 acres.

Ms. KC said the project was in the Ruby Lake Estates Wildland Urban Interface in the foothills of the Ruby Mountains in Elko County, which was a high-risk area for wildfires. The goal of the project was to reduce fuel loads to slow the spread of fire as well as improve and increase firefighter safety in the event of a fire in that area. The project would also seek to increase landscape resiliency. She explained that reducing fire intensity kept the native seed bank when a fire burned with less intensity and helped the natural vegetation project. Reducing fire intensity also prevented catastrophic loss to the homes and livelihoods in the Ruby Lake Estates and surrounding Greater Sage-grouse and other habitat areas.

Continuing, Ms. KC said the U.S. Forest Service grant would provide treatment for 1,028 acres. She noted that the grant expired August 4, 2020. The S.B. 508 matching funds would provide treatment for 937 additional acres that could not be treated without the matching funds.

Ms. KC thought the project met the intent for wildfire prevention, restoration and long-term planning in S.B. 508. She said the project was also a great model for the shared stewardship agreement signed by Governor Sisolak and state and federal partners in November 2019. The stewardship agreement was a partnership with federal, state and local entities to jointly prioritize high-risk landscapes and implement projects at a scale large enough to make a difference when fire entered those landscapes, utilizing agency resources and maximizing capacity and funding to complete projects across jurisdictions. Ms. KC said the project was anticipated to run from May 2020 through August 2020. She noted that the start date had been delayed due to COVID-19.

Assemblywoman Swank asked the agency to discuss additional phases of the project, and whether the division had received funding commitments for those phases.

Ms. KC stated there were seven units in the project. The project in Elko County was Phase 1. She stated that the funds would treat four high-priority units. The total project consisted of 3,500 acres; however, the division did not have funding to treat the remaining 1,500 acres. Ms. KC said the NDF would continue to seek that funding through the U.S. Forest Service.

Assemblywoman Swank said it was her understanding that the U.S. Forest Service would focus on protecting open space, while the NDF would focus on protecting homes in the area.

Ms. KC replied that the project was a contiguous landscape. The U.S. Forest Service grant would provide treatment for approximately 1,028 acres adjacent to the Ruby Lake Estates homeowner area down below, while protecting the Greater Sage-grouse habitat up above. It would also provide treatment to grazing allotments on U.S. Forest Service lands. She said the NDF portion of the funding would increase the treatment area by 937 acres. By treating a larger portion of the area and making it more sustainable during a fire, the intensity of the fire would be reduced and protect the community as well as forest land.

Assemblywoman Swank thought firefighting would be drastically impacted by the COVID-19 pandemic. She stated that fuel reduction decreased the number and size of fires. She asked the agency to discuss the importance of fuel reduction going into the wildfire season, and how that was compounded by the added complexity of firefighting during a pandemic.

Ms. KC said impacts on firefighting by COVID-19 had been significant, which caused concerns as the wildfire season approached. She said Nevada and surrounding states relied on one another for wildfire response; however, due to travel concerns during the pandemic, the division assumed firefighting assistance from nearby states would be reduced. She noted, however, there were travel exemptions for wildfire emergencies. Ms. KC said the division was working closely with federal, state and local government partners to create a plan to collectively increase response and aggressively attack fires in the initial stages to extinguish them quickly. A plan was also being developed to address the Great Basin area and wildfire response across state borders.

Ms. KC stated that many precautions had been put in place for firefighters. A lot of training was conducted online and class sizes for physical fitness agility tests had been reduced. Additionally, the division was ramping up fuel reduction efforts, because COVID-19 was a respiratory disease, which affected the lungs and ability to breathe. She said the division was being cautious in trying to remove as much smoke from the air as possible, although that would be more difficult during the peak wildfire season. Fuel reduction projects were critical in slowing or stopping the spread of a fire to give firefighters a place to safely fight the fire in the first 24 hours before it grew larger; however, that required the NDF to bring in teams as well as other complicating factors during the pandemic.

Assemblywoman Swank said she read that even simple tasks like feeding firefighters became much more complicated during the pandemic due to social distancing requirements.

In response to a question from Assemblywoman Swank, Ms. KC replied that the conservation camps were currently in lockdown to prevent the spread of COVID-19 within the facilities. She said the Nevada Department of Corrections (NDOC) stopped sending inmates to the camp crews early on, which was a testament to why the number of cases remained low within the prison system. However, the lack of inmates in camp crews impacted the division's ability to complete projects. Ms. KC said the NDOC was sending inmates to assist on fire crews. She noted that the average number of fires was currently about one per week.

Continuing, Ms. KC said the inmate population transitioned every four to six months, so the division was regularly providing training on natural resource projects as well as the Standard for Wildland Firefighting Personnel. She said the time leading up to wildfire season was a significant training period and it was impacted by the pandemic and lockdown. Currently, the camp program had a minimal number of trained inmates, but the division was working with the NDOC to bolster training in the coming weeks so the NDF would be ready to respond to the expected impacts of large fires. It would also allow natural resource projects to continue, because the projects could be completed while maintaining social distancing.

Assemblywoman Swank asked how the challenges with the conservation camps would impact the timing and implementation of the project.

Ms. KC thought the timing of the project would be slightly delayed. The division hoped to send out a team of Crew Supervisors or staff in May to begin the project while also maintaining social distancing. The U.S. Forest Service grant expired on August 4, 2020; therefore, the division would have to consider using contractors to complete the project if there was a longer delay in obtaining inmate crews. Ms. KC noted that the NDF still anticipated completing both projects by August 2020.

Assemblywoman Swank said typically 30 percent of funding for Crew Supervisor positions came from revenue generated by the conservation camps. She noted that the NDF was requesting to use a portion of the S.B. 508 funds to cover those costs since revenue was not being generated by the camps. She asked if the agency intended to first utilize legislatively approved funding in the Forestry Conservation Camps budget for the Crew Supervisor salaries and return any remaining funds from the S.B. 508 allocation.

Ms. KC confirmed that was correct. She stated that 70 percent of the Forestry Conservation Camps budget was funded with General Funds and 30 percent was required to make its own revenue. She indicated that there were multiple factors that went into the General Fund allocation. Ms. KC confirmed the division would use General Funds first and only use funds from the S.B. 508 allocation if there was not enough for Crew Supervisor salaries. She stated that the remainder of the allocation would be returned at the end of the fiscal year, as it always was for that budget account.

In response to a question from Senator Goicoechea, Ms. KC indicated that the project was located on the east side of the Ruby Mountains near Harrison Pass Road.

ASSEMBLYWOMAN SWANK MOVED TO APPROVE AGENDA ITEM M AND AGENDA ITEM N.

SENATOR WOODHOUSE SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

O. REQUEST FOR ALLOCATION FROM THE IFC CONTINGENCY ACCOUNT (GENERAL FUND) PURSUANT TO SENATE BILL 501, SECTION 1 (2019 Legislature) (Note: IFC may approve a different amount for an allocation than the amount requested). **Nevada Test Site Historical Foundation** – Request for an allocation of $26,489 for relocation planning and site selection expenses for the National Atomic Testing Museum in Las Vegas, Nevada.

Senator Woodhouse said the National Atomic Testing Museum was located on East Flamingo Road in Las Vegas; however, the museum had outgrown its space. Additionally, the University of Nevada, Las Vegas needed to take over the building in which the museum resided. Consequently, the National Atomic Testing Museum would be relocated to a new space in downtown Las Vegas.

Senator Woodhouse encouraged the Committee's continued support so the National Atomic Testing Museum could continue its efforts to preserve an important part of Nevada history.

Considering the state's current financial situation, Assemblyman Kramer thought the request should be postponed.

Chair Carlton thought the Legislature should honor its commitment.

In response to Senator Woodhouse, Cree Zischke, Director of Strategic Initiatives and Philanthropic Partnerships, National Atomic Testing Museum, said the museum was working closely with the City of Las Vegas to secure a new location for the museum. She anticipated the museum would enter into a final agreement over the weekend.

SENATOR WOODHOUSE MOVED TO APPROVE AGENDA ITEM O.

ASSEMBLYWOMAN SWANK SECONDED THE MOTION.

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

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

1. Office of the Governor – Office of Workforce Innovation – Request approval to accept the grant of $100,000 from the National Governors Association for work-based learning programs.

   Agenda Items P-1, P-2 and P-3 were discussed jointly. Refer to testimony and motion for approval under Agenda Item P-3.

2. Department of Tourism and Cultural Affairs - Division of Museums and History – Request approval to accept a donation of $106,690 from the James Howell Living Trust for the Nevada State Railroad Museum.

   Agenda Items P-1, P-2 and P-3 were discussed jointly. Refer to testimony and motion for approval under Agenda Item P-3.

3. Department of Health and Human Services – Division of Public and Behavioral Health – Request for approval to accept $25,961 in grant funds from the American College of Obstetricians and Gynecologists, for safety bundle training for all birthing hospitals in Nevada.

   Agenda Items P-1, P-2 and P-3 were discussed jointly.

   <u>Agenda Item P-1</u>
   Craig von Collenberg, Executive Director, Governor's Office of Workforce Innovation (OWINN), said a grant was awarded to the State of Nevada by the National Governors Association. The funds would be used to expand the work of the Policy Academy for work-based learning. Mr. von Collenberg noted that Nevada was selected as a mentor state by the National Governors Association; thus, OWINN would host various mentorship meetings throughout the state. Additionally, Nevada would be the host site for one of two large mentorship meetings, at which Nevada and two other states would provide guidance to states not previously involved in the Policy Academy.

   There was no further discussion on this item.

   <u>Agenda Item P-2</u>
   Myron Freedman, Acting Director, Division of Museums and History, Department of Tourism and Cultural Affairs (DTCA) introduced Dan Thielen, Museum Director, Nevada State Railroad Museum.

   Dan Thielen, Museum Director, Nevada State Railroad Museum, said the museum received an unsolicited donation from the James Howell Living Trust for the maintenance and repair of rolling stock. He said the museum had an extensive collection of 19th century rolling stock that was undergoing extensive maintenance to preserve it for the benefit of future Nevadans.

   There was no further discussion on this item.

Agenda Item P-3
Candice McDaniel, Health Bureau Chief, DPBH, DHHS, said the division was requesting approval to accept funds in the amount of $25,961 from the American College of Obstetricians and Gynecologists. The funds would be used to support the Nevada Alliance for Innovation on Maternal Health efforts in year one. She noted that the division would receive $9,000 per year in years two through four.

Ms. McDaniel said Nevada was selected to be an Alliance for Maternal Health Innovation state by the American College of Obstetricians and Gynecologists and was awarded funds to support the launch of patient safety bundles to reduce maternal mortality and severe maternal morbidity in partnership with statewide birthing hospitals and medical providers. The funds would support convening, travel and education related to the patient safety bundles. The primary topics identified included hypertension and obstetric hemorrhage. The goal of the funding was to improve quality of maternal care and decreased rates of maternal mortality and several maternal morbidity statewide for women of childbearing age.

There was no further discussion on this item.

SENATOR WOODHOUSE MOVED TO APPROVE AGENDA ITEMS P-1, P-2 AND P-3.

ASSEMBLYWOMAN SPIEGEL SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

Q. 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 3-25-20**.

R. INFORMATIONAL ITEMS

The following items under Agenda Item R were identified for additional discussion by the Committee: Agenda Items R-10d, NDOC; R-17, Public Employees' Benefits Program; and R-18, Clark County School District.

1. 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 January 24, 2020, through March 31, 2020 (letter of intent, 2019 Legislature).

There was no discussion on this item.

2. DEPARTMENT OF ADMINISTRATION – State Public Works Division

a) Quarterly report on the division's process on construction cost containment efforts, the tracking of budgeted inflationary costs compared to actual inflationary costs, and the tracking of other construction cost escalations compared to budgeted costs that are impacting legislatively approved CIP projects for the period ending September 30, 2019 (letter of intent, 2019 Legislature). **WITHDRAWN 3-25-20.**
b) Quarterly report on the division's process on construction cost containment efforts, the tracking of budgeted inflationary costs compared to actual inflationary costs, and the tracking of other construction cost escalations compared to budgeted costs that are impacting legislatively approved CIP projects for the period ending December 31, 2019 (letter of intent, 2019 Legislature).
c) Semiannual report regarding the status of action taken by the division to ensure the Marlette Lake Water System is able to continue operations as a self-sustaining system, and to report on actual raw water sales revenue received by the division along with revenue projections for the remainder of FY 2020 and for FY 2021 (letter of intent, 2019 Legislature).
d) Report on Veterans with Service-Connected Disabilities Bidders' Preference pursuant to NRS 338.13846.
e) State Public Works Division and the Nevada System of Higher Education – Biannual report of the status of the CIP Project 17-C15, Complete Planning and Begin Construction of a New Medical School Building at the University of Nevada, Las Vegas for the period ending December 31, 2019, pursuant to Senate Bill 553, Section 4.7 (2017 Legislature).
f) Information regarding the Project Status Exception Report pursuant to NRS 341.100(8)(g).

There was no discussion on these items.

3. DEPARTMENT OF EDUCATION – District Support Services

Notice to increase one part-time position to a full-time position to perform grant fiscal oversight. This results in an increase from 20.51 FTE to 21.00 FTE.

There was no discussion on this item.

4. NEVADA SYSTEM OF HIGHER EDUCATION

a) Quarterly report on the progress made by the University of Nevada, Reno School of Medicine in obtaining federal approval for the research program on the medical use of marijuana, as well as the status of activities and information received through the program, for the period ending December 31, 2019, pursuant to NRS 453A.600.
b) Biannual report on any additional fees and any additional nonresident tuition fees received by each institution beyond the authorized amounts for the period

ending December 31, 2019, pursuant to Senate Bill 553, Section 11(1) (2019 Legislature).

c) Semiannual report demonstrating how the capacity finding is being expended by each of the institutions in each of the program areas supported, for the period ending December 31, 2019 (letter of intent, 2019 Legislature).

There was no discussion on these items.

5. DEPARTMENT OF AGRICULTURE – Semiannual report on travel and training expenses for the period ending December 31, 2019 (letter of intent, 2019 Legislature).

There was no discussion on this item.

6. DEPARTMENT OF BUSINESS AND INDUSTRY

a) Division of Industrial Relations – Annual report for the audits conducted by the Workers' Compensation Section for the period ending December 31, 2019, pursuant to NRS 616B.003(4). The full report is available on line at the Nevada Legislature Interim Finance Committee website https://www.leg.state.nv.us/App/InterimCommittee/REL/Interim2019/Meeting/5588

b) Taxicab Authority – Semiannual report on its financial solvency and operations for the period ending December 31, 2019.

There was no discussion on these items.

7. GOVERNOR'S OFFICE OF ECONOMIC DEVELOPMENT – Quarterly report on the receipt of all cash and non-cash gifts, donations and grants received for the period ending December 31, 2019 (letter of intent, 2019 Legislature).

There was no discussion on this item.

8. DEPARTMENT OF TOURISM AND CULTURAL AFFAIRS – Nevada Magazine – Semiannual report detailing the goals, objectives, strategies and the magazine's progress towards reaching financial stability.

There was no discussion on this item.

9. DEPARTMENT OF HEALTH AND HUMAN SERVICES

a) Aging and Disability Services Division

1) Annual report on the Independent Living Grants for FY 2019, pursuant to NRS 439.630(3)f.

2) Quarterly report for the Senior Rx and Disability Rx Prescription program for the period ending December 31, 2019, pursuant to NRS 439.630(1)(c).

b) Division of Public and Behavioral Health

1) Nevada Central Cancer Registry – Semiannual report status of the cancer registry's business practices for the period ending December 31, 2019 (letter of intent, 2019 Legislature).
2) Radiation Control – Report on the sustainability and funding diversification for the Oral Health Program and the salaries for the State Dental Health Officer and the State Public Health Dental Hygienist (letter of intent, 2019 Legislature).
3) Office of Health Administration – Report on the analysis of the cost allocation charges, including consideration of the allocation of the divisionwide administrative costs proportional to the service provided prior to the budget request for the 2021-23 biennium (letter of intent, 2019 Legislature).

c) Division of Welfare and Supportive Services – Annual report concerning the FY 2019 evaluation of programs of energy assistance required pursuant to NRS 702.280(2)c.

There was no discussion on these items.

10. DEPARTMENT OF CORRECTIONS

a) Director's Office – Quarterly report on the capacity issues and transfer of inmates out of state for the period ending December 31, 2019 (letter of intent, 2019 Legislature).

There was no discussion on this item.

b) Annual report on participation in and aftercare from the therapeutic communities programs within the correctional system, for the period ending December 31, 2019, pursuant to NRS 209.4244.

There was no discussion on this item.

c) Semiannual report of the challenges and obstacles faced by the department in ensuring inmates with behavioral health issues are provided with adequate treatment and services (letter of intent, 2019 Legislature).

There was no discussion on this item.

d) Quarterly report on department wide overtime for the period ending December 31, 2019, as requested during the December 13, 2019, meeting of the Interim Finance Committee.

Agenda Items C-5, C-6, C-7, G-11, J-4 and R-10d were discussed jointly. Refer to testimony under Agenda Item J-4.

11. DEPARTMENT OF MOTOR VEHICLES – System Modernization – Semiannual report on the status of the system modernization project for the period ending December 31, 20198 (letter of intent, 2019 Legislature).

    There was no discussion on this item.

12. DEPARTMENT OF PUBLIC SAFETY
    a) Division of Emergency Management – Emergency Assistance Account – Quarterly report on the expenditures made from the Emergency Assistance Account for the period ending December 31, 2019, pursuant to NRS 414.135(5).
    b) Records, Communications and Compliance Division – Quarterly report on the implementation progress and status of the Nevada Criminal Justice Information System (NCJIS) modernization project (letter of intent, 2019 Legislature).

    There was no discussion on these items.

13. DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES
    a) Division of Water Resources – Semiannual report on the progress of work performed at the South Fork Dam for the period ending December 31, 2019 (letter of intent, 2019 Legislature).
    b) Division of Forestry – Semiannual report on the active program participants, the costs incurred, and the amount of fee revenue collected from Wildland Fire Protection Program for the period ending December 31, 2019 (letter of intent, 2019 Legislature).

    There was no discussion on these items.

14. DEPARTMENT OF WILDLIFE – Annual report from the Community Foundation of Western Nevada concerning the Dream Tag program for the period ending December 31, 2019, pursuant to NRS 502.219.

    There was no discussion on this item.

15. TAHOE REGIONAL PLANNING AGENCY – Annual report of audited expenditures and progress achieving performance measures and benchmarks for the period ending December 31, 2019, pursuant to NRS 277.220(2). Due to the large number of pages, the full report was not included in this meeting packet. The full report is available on line at the Nevada Legislature Interim Finance Committee website https://www.leg.state.nv.us/App/InterimCommittee/REL/Interim2019/Meeting/5588

    There was no discussion on this item.

16. SILVER STATE HEALTH INSURANCE EXCHANGE – Semiannual report regarding the transition to a state-based exchange operating model for the period ending December 31, 2019 (letter of intent, 2019 Legislature).

    There was no discussion on this item.

17. PUBLIC EMPLOYEES' BENEFITS PROGRAM – Report on Plan Year (PY) 2021 changes to plan benefits, participant premiums and reserve policies considered by the Board of the Public Employees' Benefits Program for the PY that begins July 1, 2020.

Laura Rich, Executive Officer, Public Employees' Benefits Program (PEBP), said the PEBP Board had met multiple times in the last several months to approve date changes as well as several plan design changes, including some immediate coverage changes related to COVID-19; Plan Year (PY) 2021 benefit design changes; and rate and budget reserve decisions.

Senator Parks asked the agency to discuss changes for the current and upcoming plan years. He also asked if retired public employees continued to be involved in discussions, and if they were in support of the agency's recommendations.

Ms. Rich said minimal changes were made for PY 2021, which would begin on July 1, 2020; however, there was a plan change concerning supplemental funding. She said the 2019 Legislature approved a Health Savings Account (HSA) supplemental payment of $125 per primary participant for individuals on the Consumer Driven Health Plan (CDHP). Ms. Rich said the supplemental payment was intended to be funded with Excess reserves; however, PEBP did not anticipate there would be enough available in Excess reserves to fund $3.0 million in supplemental payments. At the beginning of March 2020, the PEBP Board deferred discussion of the supplemental payment until the November 2020 Board meeting. If there was sufficient funding in Excess reserves at that time, then supplemental payments would be funded in January 2021. However, given the current economic situation, it was unlikely that funding would be available for supplemental payments.

Ms. Rich said a couple items were added to the basic plan benefit design. One of those items was the SavOn pharmaceutical program, which was a benefit enhancement for members who received copay assistance. Ms. Rich explained that a couple years ago, copay assistance was not applied toward a member's deductible. Consequently, some members were disenfranchised, because they were required to meet the deductible, which was not a requirement in the past. She said the SavOn program allowed PEBP to leverage funds and manufacturer dollars, but reduced the copay to zero for certain medications. Ms. Rich thought it was a win-win situation for PEBP as well as members.

Ms. Rich said PEBP also added the 2nd.MD program as an enhancement for members. She said the program allowed members to obtain a second medical opinion. She said PEBP received a return on investment for the program, so there was no cost to agency.

Ms. Rich said the PEBP Board met recently to make some difficult decisions about budget reserves. She said state agencies were asked to cut 6 percent from their budgets, which PEBP was able to accomplish by making policy changes to several reserve categories. She stated that PEBP tapped into Catastrophic reserves and lowered the margin levels, which allowed the agency to free up funding. Ms. Rich said the PEBP Board determined that the COVID-19 pandemic qualified as a catastrophe.

Continuing, Ms. Rich said the PEBP Board also revised the Health Retirement Account (HRA) reserves as well. She said the HRA reserve was typically funded at 100 percent; however, the likelihood that all members with an HRA would request reimbursement of claims was extremely low, if not impossible. Thus, the PEBP Board reduced funding to 80 percent.

Lastly, the PEBP Board capped the dollar amount that a Medicare Exchange-enrolled retiree could balance forward to their HRA at $8,000. Ms. Rich said PEBP discussed the proposed change with the Retired Public Employees of Nevada (RPEN), and RPEN supported the change. She said RPEN understood the impact was relatively low and minimal to those affected by the change. Ms. Rich stated that approximately 950 members would be impacted. She said each member would be notified that the HRA would be capped at $8,000 as of May 31, 2021.

Ms. Rich stated that the three major changes she had discussed were the least impactful to members and nearly pain free compared to other options considered by the PEBP Board.

In response to a question from Senator Parks, Ms. Rich replied that the PEBP Board had a 62-day reserve level policy for Catastrophic reserves. In November 2019, at the request of advocacy groups and PEBP Board members, PEBP's actuaries presented a comparison between PEBP and other similar states. She said PEBP's reserves were funded at a much more conservative level. Ms. Rich said it was determined that PEBP had enough cushion to release a portion of reserve funds; however, that was prior to the COVID-19 crisis. However, the PEBP Board chose to decrease the Catastrophic reserve to 50 days, which was still a comfortable level. She noted that the Incurred But Not Paid Reserve was still available and separate from the Catastrophic reserve.

Regarding the SavOn program, Chair Carlton recalled past concerns that the discount was not applied toward a member's deductible. She said it was her understanding there was no copay, but the savings would not be applied toward the deductible. Chair Carlton recalled that Senator Kieckhefer had raised concerns about the issue in the past. She said it should not matter where the money originated, as long as the deductible was met.

Ms. Rich explained that if a member received copay assistance from a drug manufacturer, it was not applied toward their accumulator, so the member was still required to meet their deductible. She stated that the SavOn program applied first-dollar coverage. Ms. Rich said some members were concerned that they would not have available funds to obtain the drugs prior to meeting their deductible. The SavOn program helped to avoid that problem, but the cost of the medication was still not applied toward the deductible. Instead, it artificially reduced the deductible for that particular medication. For example, if the member received copay assistance of $1,000, the deductible was decreased by that amount just for that drug, so the member paid nothing for the drug. However, PEBP was still able to leverage the entire $1,000 of the drug manufacturer dollars. Every month that the member received $1,000 in copay assistance, PEBP received the same amount. Ultimately, it was a win-win situation, because the member would not have to pay out of pocket for the drug. She noted that the SavOn program would save PEBP approximately $2.0 million.

Chair Carlton said the SavOn program would save PEBP money, but the member was still responsible for meeting their deductible.

Ms. Rich replied that the SavOn program was a benefit to the member as well, because their deductible was lowered to zero for that specialty drug. She noted that specialty drugs were typically expensive. Ms. Rich said the member was still required to pay out-of-pocket costs for doctor visits, emergency room visits, etc.

Chair Carlton said, instead of a single deductible, PEBP had tiered the deductible so there was one for the specialty drug and another for other medical expenses.

Ms. Rich confirmed that was correct. She said the SavOn program was a special program through PEBP's pharmacy benefit manager that allowed members to access certain specialty drugs at no cost.

Chair Carlton reiterated that the member was still responsible for their full deductible for all other health care costs. She said members receiving copay assistance would not have to meet their deductible if the member received the funds directly. If specialty drugs were treated like other drugs, those funds would be applied to the regular deductible. However, certain drugs were treated differently, and PEPB received the benefit, not the member.

Ms. Rich confirmed that PEBP did benefit from the SavOn program, but the member did too, because they did not have to pay for the specialty drug. She agreed with Chair Carlton that if specialty drugs were treated like other drugs, it would be applied to the accumulator.

Chair Carlton recalled discussing the SavOn program with PEBP's previous Executive Officer. She said the Committee had not been in support of the program at that time, because it penalized the member by preventing them from receiving the benefit directly.

Assemblywoman Spiegel said during the pandemic, visits to health care providers had drastically decreased. Any health care needs that were perceived as optional had been deferred. She asked if PEBP anticipated a positive fiscal impact.

Ms. Rich said the PEBP Board met in March 2020 to discuss COVID-19 coverage, because the Governor's emergency regulations did not cover PEBP. She said PEPB was a self-funded plan that did not fall under the statutes of the Division of Insurance. The PEBP Board approved COVID-19 coverage, similar to what was approved through the emergency regulations; therefore, COVID-19 coverage was 100 percent. She said currently, COVID-19 related claims totaled approximately $350,000, which was lower than expected; however, there was a delay in claims, so the amount could increase. At the same time, visits to health care providers for basic services had been suppressed, so PEBP was not paying out for those types of claims. Ms. Rich noted there had been a considerable decrease in claims for basic medical services.

Continuing, Ms. Rich stated that PEBP's actuaries were currently modeling COVID-19 claims for PEBP and other clients nationwide. If PEBP experienced a high claims suppression and low number of COVID-19 claims, PEBP would come out ahead. However, if there were a large number of COVID-19 claims for members who had been admitted to the hospital, the opposite would be true for PEBP. In that case, PEBP would incur more costs than the savings associated with claims suppression. Based on preliminary figures, the financial impact on PEBP was positive; however, claims could be affected by changes to existing COVID-19 directives.

Assemblywoman Spiegel asked if federal assistance was available to the state for COVID-related claims. Ms. Rich replied that federal assistance was not made available specifically for health plans. She said federal assistance was provided to Nevada, but no funding was carved out for PEBP.

With regard to the SavOn program, Senator Kieckhefer said he saw the benefit to members in that they would receive an expensive drug at no cost; however, that benefit was not applied to their deductible. He asked if there was a moral hazard in applying that value to the member's deductible.

Ms. Rich replied that the idea was that manufacturer dollars were not being leveraged, which was standard practice among large employers. For example, if a manufacturer was willing to give $1,000 toward a certain drug and the member was on the employee-only tier with an out-of-pocket of $3,900 that meant the drug manufacturer was willing to give $12,000 per year. However, because the member did not have to pay for medical costs when they reached the out-of-pocket maximum, the drug manufacturer stopped providing the funds at that point knowing the health plan would continue to pay for the drug. After the out-of-pocket maximum was reached, there was no motivation for the manufacturer to continue giving those dollars to assist the member. Thus, PEBP essentially lost out on a significant savings. Ms. Rich said the SavOn program was a work around to that problem. She said PEBP was able to reduce the member's deductible to zero for that drug, but PEBP could continue to leverage the entire $12,000 instead of just $3,900.

Senator Kieckhefer asked if there was any middle ground in terms of buying down a portion of the deductible.

Ms. Rich noted that PEBP's Deputy Attorney General assessed the SavOn program to ensure it was legal. She said, unfortunately, there was not a lot of flexibility with deductibles and out-of-pocket maximums on a high-deductible plan, because they were regulated by the Internal Revenue Service.

Senator Kieckhefer recognized there was some benefit for members through the SavOn program. He said the benefit was not as robust as he would like it to be, but accessing specialty drugs at no cost was a benefit even if it was not applied toward the member's deductible.

Chair Carlton recalled an instance when copay assistance was only available to the patient. She said some drug companies did not want the funds diverted to the health plan. Chair Carlton asked how PEBP addressed those types of situations.

Ms. Rich said there were two different mechanisms by which people could receive drug payment assistance. In the mechanism discussed by Ms. Rich, the benefit was automatically applied through the pharmacy benefit manager. In the other instance, the drug manufacturer entered into an arrangement with the patient, who received the funds directly. Ms. Rich noted that mechanism did not fall under copay assistance and the funds would be applied toward the member's accumulator. She said that method did not fall under the SavOn program, and PEBP was excluded from the arrangement between the member and drug company.

Chair Carlton remarked that health care costs were a significant part of a family's budget and deductibles were extremely impactful, especially under the current circumstances. She said many people on the CDHP assumed they would have minimal health issues; however, due to COVID-19, they could end up with a large hospital bill without the resources to pay it.

There was no further discussion on this item.

18. CLARK COUNTY SCHOOL DISTRICT – Semiannual progress report, which describes each expenditure incurred for a human resource management information system for the period ending December 31, 2019, and an update

through February 2020 pursuant to Senate Bill 550, Section 2, subsection 2(a) (2017 Legislature).

Diane Bartholomew, Deputy Chief Financial Officer, Clark County School District (CCSD), said the semiannual report spanned July 2019 through December 2019. The report included additional information related to implementation and associated issues from January and February 2020. Ms. Bartholomew noted that Dr. Greg Halopoff, Chief Technology Officer, CCSD, was available to provide key updates and details on the implementation.

Senator Denis said the 2017 Legislature approved $17.0 million for the project, which included a Human Resource and Payroll system, Recruiting and Applicant Tracking system, and School Budget Planning system. He understood there were problems with the Human Resource and Payroll system as well as the Recruiting and Applicant Tracking system. Senator Denis asked the district to provide an update. He also asked if the CCSD had begun using the School Budget Planning system, and if there were any associated problems.

Ms. Bartholomew replied that the School Budget Planning system was used in January and February 2020. She said the implementation went smoother than the other two systems.

Dr. Greg Halopoff, Chief Technology Officer, CCSD, thanked the Legislature for providing funding through S.B. 550 (2017 Legislative Session) to cover the cost of the project. Without the funding, the CCSD would still be using a 40-year-old legacy mainframe system.

Dr. Halopoff said the district spent two years developing the systems. The Human Resource and Payroll system went live on December 31, 2019, and was available to users on January 2, 2020. The Hyperion Planning and Budgeting cloud-solution tool went live on January 13, 2020, replacing the district's Strategic Budget System. The Taleo Recruiting and Applicant Tracking System went live around the same time. Dr. Halopoff noted that all three systems went live within a two-week timespan. Those three systems covered the full spectrum of human resource and payroll functions, including employee time and absence reporting, benefits enrollment, etc. Dr. Halopoff said January was the ideal time to implement all three components, because it was the beginning of the tax year, schools were in between semesters, and staff recruitment season had not begun.

Dr. Halopoff said shortly after implementation, problems arose with the payroll system, specifically, overpays and underpays during the first five or six payroll cycles. Since then, the district had completed 17 full payroll cycles. He explained that the CCSD ran bi-weekly payrolls for support professionals, substitute teachers and police, and semi-monthly payrolls for certified teachers and administrators. Ultimately, a total of nine bi-weekly payrolls and eight semi-monthly payrolls were run each month.

Continuing, Dr. Halopoff said the first six payroll runs were the most challenging and primarily related to the bi-weekly payrolls. The district took immediate steps to identify and isolate the source of the problems. Since that time, the major causes had been rectified. Dr. Halopoff said over those six weeks, significant data was generated, and in some cases, pay was owed to employees. He said teams were formed to review pay discrepancies and run off-cycle payrolls. Each team was responsible for examining a specific employee subgroup. Dr. Halopoff stated that nine off-cycle payrolls had been run since the system went live, and the teams would continue to run off-cycle payrolls as needed. As a team completed work related to its assigned employee subgroup, it would join the other teams in identifying further pay discrepancies.

Dr. Halopoff reported that the major issues causing the pay discrepancies had been resolved. The district continued to work with the vendor, CherryRoad Technologies, to resolve the remaining smaller issues and move toward a stable system.

Senator Denis asked how many employees were impacted by the payroll discrepancies.

Dr. Halopoff said that was a challenging question because the PeopleSoft system was complex. He said many of the issues revolved around the time and labor module. Many employees were impacted, but without examining individual data for each employee, it was difficult to determine if those employees were owed money or if there was just a discrepancy in the data. For example, in one of the January 2020 payroll cycles, 1,900 transportation workers were overpaid due to scheduling conflicts and 190 employees were overpaid. Dr. Halopoff noted that the employees who were overpaid were currently repaying the money. In that instance, the CCSD knew exactly how many employees were impacted by the payroll discrepancy. However, it was less straightforward for employees who earned extra pay by selling their preparatory period or working overtime. Overtime was paid at time and a half, but it was difficult to differentiate when an employee began accumulating overtime because of the system from which the data originated.

Continuing, Dr. Halopoff said the district would not know the total number of employees that were impacted by pay discrepancies until the off-cycle analysis was complete. He noted that the majority of CCSD employees had been paid correctly; it was the subgroups that were affected. Dr. Halopoff said the district was analyzing the data for each employee, which was an intensive process, because there was a significant amount of data as well as ongoing payroll cycles. He said it was important to ensure that past data did not interfere with future data as the system attempted to autocorrect.

Senator Denis said he had received many phone calls from CCSD staff that were affected by the payroll discrepancies. He asked if there were any outstanding issues that needed to be addressed.

Dr. Halopoff said the off-cycle payroll teams were addressing issues within approximately ten subgroups of employees. The work was divided into two categories, base pay and extra pay; however, the focus of the work had been on base pay. The payroll department was working with payroll representatives from food service and transportation, as well as human resources. He noted that the majority of the base pay for those subgroups, with the exception of bus drivers and certified substitute teachers, had been rectified. The off-cycle payroll teams were almost finished addressing base pay for the remaining two groups. When that work was complete, the off-cycle payroll teams would begin reviewing issues concerning extra pay for those same subgroups. Dr. Halopoff said the payroll teams had made tremendous progress, especially within the last four weeks. He indicated that the work should be complete by the end of June 2020.

Dr. Halopoff said there was another group of employees that were considered high-impact, because they were underpaid by $1,000 or more. He said the payroll department was working diligently to address those problems immediately after they were discovered.

Senator Denis asked the district to discuss the issues with the Recruiting and Applicant Tracking system.

Dr. Halopoff replied that the Taleo Recruiting and Applicant Tracking system was a powerful system and different from the district's prior system. He said the human resource division worked diligently to identify business processes that would meet its needs, especially the large amount of recruitments. Dr. Halopoff said initially there was a delay in the district's ability to advertise and fill vacancies due to some internal issues within Taleo. He noted that those issues had been rectified; however, there was another issue related to vacancies on the backend.

Continuing, Dr. Halopoff stated there were 42,000 positions in the district and many vacant positions. He explained that one position could have multiple incumbents. For example, one school may have multiple 5^{th} grade teachers. He said the PeopleSoft system was designed that way to create efficiencies in managing a large number of positions. When the vacancies were converted to the new system, they did not blend with the position definitions in PeopleSoft, which introduced a problem in Taleo. He said Taleo had difficulty identifying vacant positions, advertisement status, etc; however, a work around was created to address that problem. Dr. Halopoff said the budget division was working with the human resource division and technology team to reconcile those differences and ensure that all vacancy data was fully integrated with the PeopleSoft position data.

Dr. Halopoff said there were some other system issues, many of which related to configuration of viewing rights for hiring managers, talent acquisition teams and human resources. Some of those problems had to be revisited, and in some cases, redesign would be necessary to meet the needs of the district.

Senator Denis asked if any penalties would be imposed on the contractor for the system performance issues.

Dr. Halopoff replied that the district had engaged the services of a post-implementation recovery specialist (PIRS) to act as liaison between the district and vendor. The PIRS was responsible for reviewing the entire project, statement of work, and processes that were followed. Based on that information, the PIRS determined the status of the project and designed a plan to identify and bridge gaps; review and adjust change management processes as appropriate; and determine whether there was sufficient staff.

Dr. Halopoff said the district had a large system. He said the CCSD had over 1,250 high-level requirements going into the project, which translated into thousands of detailed business requirements and processes. Consequently, there was a mixture of issues after implementation, including remediation work, support needs and redesign changes. Moreover, there was additional scope of work, which included low-priority features and functions that had been deferred. Dr. Halopoff said the PIRS was working with the district and vendor to review, categorize, and prioritize those items appropriately. The PIRS was also responsible for holding the vendor accountable for the remediation items as well as ensuring there was no additional cost to the district for those efforts.

Dr. Halopoff said the statement of work, which ended in January 2020, was Phase 1. He said Phase 2 would run from February through June 2020. During that time, remediation and redesign efforts would take place and support services would be provided to the district.

Dr. Halopoff said the PIRS had been extremely helpful through the process. The PIRS helped negotiate the statement of work for Phase 2 and would also assist with Phase 3 negotiations, which would run from July through December 2020. Phase 3 would include future needs, including support services, as well as any outstanding items from Phase 2.

In response to a question from Senator Denis, Dr. Halopoff replied that the PIRS was working with the district and vendor to negotiate potential discounts. He noted that the district received a significant discount on Phase 2 work. The discounted cost would ensure that the remediation issues were resolved so that other work could continue.

Senator Woodhouse asked when the district anticipated completion and final acceptance of the system.

Dr. Halopoff replied that the vendor would receive payment upon final acceptance of the system, which was mutually agreed upon by both parties. The district would not agree to final acceptance until all remediation work was complete, which was targeted for the end of June 2020. However, the target date could change due to the unpredictable nature of a large and complex system.

Dr. Halopoff said the additional scope of work was projected to be complete by June 2020, and the district hoped to sign off on the work in July.

Senator Woodhouse asked the district to keep the Committee updated on the status of the project.

Chair Carlton said many teachers had contacted her about the payroll issues. She was pleased to hear the district was working to resolve the problems.

Dr. Halopoff commented that the district occasionally had to address issues with the legacy system even after 40 years.

Dr. Halopoff informed the Committee that there was a glitch during the semi-monthly payroll run for teachers on April 25, 2020. He noted it was not a configuration or design glitch, just a system failure. Consequently, approximately 1,400 teachers did not receive extra pay for their preparatory period. He said it was the first issue of that magnitude since early February. Because processes were in place for off-cycle payroll runs, all the teachers impacted by the error were identified within 48 hours, and an off-cycle payroll was run yesterday. Dr. Halopoff noted that checks would be mailed May 1, 2020.

Continuing, Dr. Halopoff said it was rare for the district to run an off-cycle payroll when the legacy system was still operational, because after 40 years it was a near perfect system. The district expected occasional glitches with the new system. He said most of the current issues were isolated to individual employees, and the payroll division was becoming better at identifying and rectifying those issues promptly. Dr. Halopoff said the district was working to identify the root cause of each problem to avoid recurrence. He said the district looked forward to a stable system with minimal issues.

There was no further discussion on this item.

19. Clark County Sales and Use Tax Act of 2005 – Report regarding a governing body that has approved expenditures pursuant to Section 13 of this act shall submit the periodic reports required pursuant to this section and such other information pursuant to 13.3 of this act.
    a) Las Vegas Metropolitan Police Department
    b) City of Henderson

    There was no discussion on these items.

S. PUBLIC COMMENT

Pursuant to the Governor's Emergency Directive 006, there was no physical location for the April 30, 2020, meeting of the Interim Finance Committee. The meeting was broadcast on the Nevada Legislative website at www.leg.state.nv.us. Public comment was accepted live via telephone. Written comments were accepted by e-mail, facsimile, and mail before, during, and after the meeting.

Assemblyman Hambrick said he would like the Committee to recognize Nevada Highway Patrol Trooper, Sergeant Ben Jenkins, who was killed in the line of duty in Northern Nevada on March 27, 2020. He also wanted to express sympathy to the family of Sergeant Jenkins. Chair Carlton said she and Assemblyman Frierson would ensure that was done.

Chair Carlton reiterated her appreciation for all of the efforts by staff to ensure the meeting ran smoothly so the Committee could accomplish its business while keeping everyone safe.

T. ADJOURNMENT.

Chair Carlton adjourned the meeting at 4:46 p.m.

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Assemblywoman Maggie Carlton, Chair
Interim Finance Committee

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Brenda Erdoes, Director, Legislative Counsel Bureau,
and Secretary, Interim Finance Committee