MINUTES OF THE AUGUST 20, 2020
MEETING OF THE
INTERIM FINANCE COMMITTEE

Chair Maggie Carlton called a regular meeting of the Interim Finance Committee (IFC) to order at 9:50 a.m. on August 20, 2020, via videoconference. Pursuant to Sections 2 through 9, inclusive, of Chapter 2, *Statutes of Nevada 2020,* 32nd Special Session, pages 9 through 11, there was no physical location for the meeting.

COMMITTEE MEMBERS PRESENT:
Assemblywoman Maggie Carlton, Chair
Senator Joyce Woodhouse, Vice Chair
Senator Chris Brooks
Senator Yvanna Cancela
Senator Moises Denis
Senator Joe Hardy for Senator Pete Goicoechea
Senator Ben Kieckhefer
Senator David Parks
Senator James Settelmeyer
Assemblywoman Shea Backus
Assemblywoman Teresa Benitez-Thompson
Assemblyman Jason Frierson
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

COMMITTEE MEMBERS EXCUSED:
Senator Pete Goicoechea
Assemblyman John Hambrick

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
Cheryl Harvey, Fiscal Analysis Division Secretary
Carla Ulrych, Fiscal Analysis Division Secretary

EXHIBITS:
Exhibit A: Meeting Packet – Volume I
Exhibit B: Meeting Packet – Volume II
Exhibit C: Meeting Packet – Volume III
Exhibit D: Meeting Packet – Volume IV
Exhibit E: Assemblyman Kramer – Tribute to Clarence and Betty Berger

A. ROLL CALL.

Cindy Jones, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau (LCB), called the roll; all members were present except Senator Goicoechea and Assemblyman Hambrick, who were excused.

B. PUBLIC COMMENT.

Pursuant to Sections 2 through 9, inclusive, of Chapter 2, *Statutes of Nevada 2020*, 32nd Special Session, pages 9 through 11, there was no physical location for this meeting. The meeting was broadcast on the Nevada Legislature's website at www.leg.state.nv.us. Public comment was accepted live via telephone. Written comments were also accepted by e-mail, facsimile, and mail before, during, and after the meeting.

Denise Tanata, Vice President of Community Impact, United Way of Southern Nevada (UWSN), said the UWSN supported Agenda Item E-18, a request by the Department of Education to transfer $4,857,625 in federal Governor's Education Emergency Relief funds to support the Nevada Ready Pre-K Program. She said the Nevada Ready Pre-K Program ensured that children in Nevada had an opportunity to attend a high-quality, early learning program to prepare them for school.

On behalf of the UWSN and the 19 pre-K classroom partners and 700 children they served, Ms. Tanata thanked the Governor and the Committee for the state's continued investment in early childhood education. She reiterated that the UWSN supported the recommendation to fund the Nevada Ready Pre-K Program with CARES Act dollars to continue supporting Nevada's children and families.

Bill Welch, President and Chief Executive Officer, Nevada Hospital Association (NHA), said Nevada hospitals understood the significance of the budget shortfall and the need for all state agencies to share in the budget cuts. He said Assembly Bill (A.B.) 3, which was passed during the 31st Special Session (2020), provided flexibility to the Department of Health and Human Services (DHHS). He indicated that the DHHS was required to bring recommendations for restoring DHHS budget reductions to the IFC as additional funds became available, or if projected expenses were less than anticipated. The NHA believed that new funds were already available and/or that expenses were lower than expected, which had not been accounted for in the balancing of the budget accomplished by A.B. 3. Those funds included $56.0 million in carryover funds from FY 2020, approximately $30.0 million in enhanced Federal Medical Assistance Percentages for the second quarter of FY 2021, and reductions in claims experience despite increased caseloads.

Mr. Welch asked the Committee to ensure that when funds became available there would be a transparent process so that providers and hospitals would know when to expect the restoration of DHHS budget reductions. In addition, the NHA requested that the DHHS make it a priority to restore provider and hospital rate reductions as soon as possible. He said the longer rate cuts remained in effect, the greater the impact on access to health care for Medicaid recipients. Mr. Welch requested the Committee's support in prioritizing the restoration of Medicaid provider and hospital rate reductions as funds became available.

C. APPROVAL OF MINUTES OF THE APRIL 7, 2020, MEETING.

Refer to motion for approval under Agenda Item D.

D. APPROVAL OF MINUTES OF THE APRIL 30, 2020, MEETING.

ASSEMBLYMAN FRIERSON MOVED TO APPROVE THE MINUTES OF THE APRIL 7, 2020, AND APRIL 30, 2020, MEETINGS.

SENATOR WOODHOUSE SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

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

Chair Carlton noted that Agenda Item E-50, Department of Employment, Training and Rehabilitation (DETR) would be heard first.

The following items were held for additional discussion: Agenda Items E-2, Office of the Governor, State Energy Office; E-18, Department of Education; E-36, Department of Health and Human Services (DHHS), Division of Public and Behavioral Health (DPBH); E-50, DETR; E-91, DHHS, Division of Health Care Financing and Policy (DHCFP); E-92, DHHS, DHCFP; E-101, Coronavirus Relief Funds Reimbursement (General Fund and Other Funds) FY 2020; and E-102, Coronavirus Relief Funds Reimbursement (Highway Fund and Other Funds) FY 2020.

Cindy Jones, Assembly Fiscal Analyst, Fiscal Analysis Division, LCB, stated that the DHHS, DHCFP would revise Agenda Items E-91 and E-92 on the record.

Ms. Jones noted that Agenda Items E-7, Office of the Attorney General, and E-40, DHHS, DPBH, had been withdrawn.

Ms. Jones noted the following work program revisions:

Agenda Item E-28, DHHS, DHCFP – transfer of General Fund appropriations from FY 2020 to FY 2021 was revised from $3,475 to $150,969.

Agenda Item E-30, DHHS, DHCFP – transfer of General Fund appropriations from FY 2020 to FY 2021 was revised from -$3,475 to -$150,969.

Agenda Item E-66, Department of Motor Vehicles – transfer from Personnel Services to EITS Facility Charges was revised from $4,400 to $8,000.

Regarding Agenda Item E-28, Mark Krmpotic, Senate Fiscal Analyst, Fiscal Analysis Division, LCB, added that the Title XIX Receipts category was revised from $31,278 to $178,773.

Senator Brooks requested additional testimony on Agenda Item E-1, Office of the Governor, State Energy Office.

Assemblywoman Neal requested additional testimony on Agenda Items E-4, Office of the Governor, Office of Workforce Innovation; and E-17, Department of Education.

Assemblywoman Titus requested additional testimony on Agenda Item E-83, Department of Wildlife.

Assemblywoman Neal and Assemblywoman Titus requested additional testimony on Agenda Item E-20, Department of Agriculture.

Assemblyman Kramer requested additional testimony on Agenda Item E-5, Office of the Governor, Athletic Commission.

> ASSEMBLYMAN FRIERSON MOVED TO APPROVE THE REMAINING WORK PROGRAM REVISIONS AND POSITION RECLASSIFICATIONS AND THE ADJUSTMENTS TO AGENDA ITEMS E-28, E-30 AND E-66.
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> SENATOR WOODHOUSE SECONDED THE MOTION.
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> THE MOTION PASSED UNANIMOUSLY.

1. Office of the Governor - State Energy Office - Renewable Energy Account - FY 2021

Transfer of $150,000 from the Reserve category to the Nevada Electric Highway category to provide electric vehicle charging stations to public and government facilities. Requires Interim Finance approval since the amount added to the Nevada Electric Highway category exceeds $75,000. **Work Program #C50970**

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

2. Office of the Governor - State Energy Office - Renewable, Efficiency and Conservation Loan - FY 2021

Transfer of $250,000 from the Reserve category to the Nevada Clean Energy Fund (NCEF) Operational Reimbursement category to provide NCEF start-up funding. Requires Interim Finance approval since the amount added to the NCEF Operational Reimbursement category exceeds $75,000. **Work Program #C50971**

Agenda Items E-1 and E-2 were discussed jointly.

Senator Brooks stated that Work Program #C50970 was a request to transfer funds from the Renewable Energy Account to the Electric Highway Project category. He said the Renewable Energy Account was funded by renewable energy projects around the state. He asked where the funds would be expended in Nevada.

David Bobzien, Director, Governor's Office of Energy (GOE), said the GOE was requesting to transfer funds to support NV Energy's electric vehicle (EV) Incentive Program with $150,000. He said NV Energy's annual plan, which was recently approved by the Public Utilities Commission of Nevada (PUCN), would expand governmental charging stations to libraries, parks, and other public facilities across the state. In addition, the program would allow for the installation of charging stations at qualifying low-income multifamily housing communities.

Mr. Bobzien stated that the EV Incentive program was part of the Nevada Electric Highway (NEH) administratively; however, the program would be administered in a different manner. NV Energy would accept applications and fund various projects, and the GOE would fund 25% of those projects. Mr. Bobzien said the EV Incentive program was similar to the Low-Income Solar Energy Program (LISEP). The GOE would chart and direct the location for various host sites to build out charging corridors to assist drivers across the state.

Continuing, Mr. Bobzien stated that although the funds would be transferred to the Electric Highway Project category, the funds were coming from the Renewable Energy Account, not the Volkswagen settlement, which funded NEH projects. The GOE thought it would be more appropriate to use Renewable Energy Account funds for the EV Incentive program, because the administration of the program was similar to the LISEP.

Mr. Bobzien said as approved in the annual plan, NV Energy's EV Incentive program and the public/government facilities and qualifying low-income communities program areas, were not targeted for a specific geographic location. The GOE, in partnership with NV Energy, intended to provide outreach assistance so that interested parties across the state could take advantage of the program. He noted that the pools of funding were relatively small and at most, an estimated 60 charging ports across the state would be supported with the funds. Mr. Bobzien said the GOE and NV Energy hoped the program would help the agencies collect

data, gain experience, and understand barriers related to the development of projects so the program could be expanded in the future. Similar to other incentive programs in which NV Energy participated and administered, a geographic split would develop over time based on experience and with PUCN approval; therefore, the program would be reassessed in the future to determine if a geographic funding split was appropriate. He said, even with the LISEP, which had a 50/50 north/south funding split, it was not a hard split; funding often shifted after initial interest and applications were received.

Senator Brooks said 75% of the funding would come from rate recovered funding from NV Energy and 25% would come from the Renewable Energy Account, which was largely tax abatement dollars from Clark County. He said it was important for the GOE to make it known that the Legislature thought the funds should be distributed proportionally. He recalled the low-income renewable energy program received a disproportionate amount of funding from Southern Nevada. Senator Brooks remarked that Nevada's population was not evenly split between the north and south. Therefore, he thought there should be a proportional allocation of projects to Southern Nevada as it related to funds that originated from Southern Nevada. He asked if the GOE could provide NV Energy with input on funding allocations.

Mr. Bobzien said the GOE could determine the geographic location of the abatements related to the $150,000. Regarding NV Energy's portion, the GOE could discuss funding allocations with NV Energy and how the entity would report to the PUCN on future approvals related to the program.

Moving on to Agenda Item E-2, Senator Brooks asked for a brief update on the establishment of the Clean Energy Fund (CEF), and when the agency anticipated private funding would be secured to issue loans.

Mr. Bobzien said during the 2019 Legislative Session, the GOE was directed to obtain permission from the U.S. Department of Energy (DOE) to use remaining American Recovery and Reinvestment Act (ARRA) funds to provide incubation support for the CEF. Upon approval from the DOE, the GOE could request funds from the 2019-21 legislatively approved budget. Mr. Bobzien said, in addition to the delay while awaiting approval from the DOE, there were also challenges associated with the establishment of the board and the hiring process, which further delayed the establishment of the CEF.

Continuing, Mr. Bobzien said the CEF obtained support from the Coalition for Green Capital, a national non-governmental organization (NGO) that assisted green banks across the country, and the first CEF board meeting was held in February 2020. The search for an Executive Director and staff was put on hold shortly thereafter due to the COVID-19 pandemic, during which time, the GOE adhered to the emergency spending freeze. Mr. Bobzien said the GOE was now seeking funding to restart the program, understanding there was significant momentum on Capitol Hill for providing support under the umbrella of recovery to help capitalize green banks across the county. He did not think federal funding

would be disbursed quickly; however, it was an active conversation. He thought Nevada should be ready for the possibility of federal funding.

Mr. Bobzien said the GOE hoped to begin receiving revenue in the second or third quarter of FY 2021, and report significant progress in terms of hiring an Executive Director and commencing fundraising efforts to begin issuing loans in calendar year 2021.

Senator Brooks asked how the CEF would cover costs if lender fee revenue was not received in FY 2021.

Mr. Bobzien said the GOE had committed to two fiscal years of incubation support, after which time the CEF would have to stand on its own. That said, with support from the Coalition for Green Capital and the GOE, there was active recruitment of privately funded support to assist with operations in the future. Ideally, a percentage on lending fees would help with operations, but he recognized that support from an NGO would be necessary in the future. Mr. Bobzien reiterated that the role of the GOE was to provide temporary incubation support for the CEF, which was an independent NGO.

Senator Brooks said he had worked on Senate Bill 407 with Senator Spearman and others during the 2017 Legislative Session. He also served on the board of directors for the CEF. He noted that most of the board members were located in Southern Nevada, and the CEF interfaced with the Governor's Office of Economic Development, which also had a strong presence in Southern Nevada. He stated that most clean energy projects that could be funded by the CEF, as well as prospective capital, were in Southern Nevada. Senator Brooks said the board of directors and many others thought the CEF office as well as its Executive Director should be located in Southern Nevada.

Mr. Bobzien noted that the first board meeting was held in Southern Nevada. He agreed that the CEF office and the Executive Director should be located in Southern Nevada for all the reasons stated by Senator Brooks.

In response to a question from Senator Brooks, Mr. Bobzien said a candidate for Executive Director had not been identified. The hiring process was on hold until authority was given to proceed with the funds. He stated that the Coalition for Green Capital and a select group of board members would execute the search as soon as authority was granted.

> SENATOR BROOKS MOVED TO APPROVE AGENDA ITEMS E-1 AND E-2.
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> ASSEMBLYMAN FRIERSON SECONDED THE MOTION.
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> THE MOTION PASSED UNANIMOUSLY. (Assemblywoman Benitez-Thompson was not present for the vote.)

3. Office of the Governor - Nuclear Projects Office - FY 2020

Transfer of $1,315 from the Out-of-State Travel category, $1,426 from the In-State Travel category, $4,554 from the Operating category, $22,797 from the State-Funded Contracts category, $13,248 from the Highway Funded Contracts category, and $16,171 from the Information Services category to the Personnel Services category to fund a projected shortfall for the remainder of the fiscal year. Requires Interim Finance approval since the cumulative amount transferred from the State-Funded Contracts category exceeds $75,000. **Work Program #C50595**

Refer to motion for approval under Agenda Item E.

4. Office of the Governor - Office of Workforce Innovation - FY 2021

Addition of $450,000 in federal State Apprenticeship Expansion grant funds Registered Apprenticeship Programs. Requires Interim Finance approval since the amount added to the State Apprenticeship Expansion category exceeds $75,000. **Work Program #C51390**

Matthew Tuma, Division Administrator, Administrative Services Division (ASD), Department of Administration, stated that the ASD provided fiscal support for the Office of Workforce Innovation (OWINN).

Assemblywoman Neal noted the federal State Apprenticeship Expansion grant required OWINN to collect data about apprenticeship and pre-apprenticeship programs in the state. She asked what type of information was tracked, and how the data collection process was managed during the pandemic.

Mr. Tuma replied that an OWINN representative was not available to answer the question; however, he would ensure the information was provided to the Committee.

> ASSEMBLYWOMAN NEAL MOVED TO APPROVE AGENDA ITEM E-4.
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> SENATOR WOODHOUSE SECONDED THE MOTION.
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> THE MOTION PASSED UNANIMOUSLY. (Assemblywoman Benitez-Thompson was not present for the vote.)

5. Office of the Governor - Athletic Commission - FY 2020

Transfer of $44,147 from the Random Drug Testing category and $513 from the Out-of-State Travel category to the Personnel Services category to fund a shortfall in FY 2020. Requires Interim Finance approval since the amount transferred from the Random Drug Testing category exceeds 10 percent of the legislatively approved amount. **Work Program #C51319**

Assemblyman Kramer noted that many of the Athletic Commission's recent expenses related to COVID-19. He asked if the agency had requested reimbursement from the Coronavirus Relief Fund (CRF).

Frances Mason, Management Analyst, Athletic Commission, Office of the Governor, confirmed that the Athletic Commission had requested reimbursement for a portion of the expenses. She indicated that the Governor's Finance Office had ultimately determined which expenses qualified for reimbursement. Although some administrative expenses did qualify for reimbursement, the unexpended balance in the Random Drug Testing category was available to cover the costs. Ms. Mason said, for the health and safety of staff and the public and to continue generating funds, the Athletic Commission had to implement specific protocols related to COVID-19, which had resulted in overtime costs.

ASSEMBLYMAN KRAMER MOVED TO APPROVE AGENDA ITEM E-5.

SENATOR WOODHOUSE SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

6. Office of the Attorney General - Administrative Budget Account - FY 2021

Addition of $387,434 in Transfer from the Cannabis Compliance Board Marijuana Regulation and Control Account to fund two dedicated senior-level Deputy Attorney General positions and one Legal Secretary position to support ongoing Cannabis Program litigation issues and the implementation and support of the Cannabis Advisory Commission authorized in Assembly Bill 533 of the 2019 Legislative Session. Requires Interim Finance approval since the amount added to the Personnel category exceeds $75,000. **RELATES TO AGENDA ITEM E. 16**. **Work Program #C51142**

Refer to motion for approval under Agenda Item E.

7. Office of the Attorney General - Administrative Budget Account - FY 2021
Addition of $1,309,152 in Reserve for Reversion to General Fund from Settlement Income to support legislatively approved personnel costs offset by other funding sources. Requires Interim Finance approval since the amount added to the Reserve for Reversion exceeds $75,000 cumulative for the category. **Work Program #C51143**

Agenda Item E-7 was withdrawn on August 11, 2020.

8. Office of the Secretary of State - Secretary of State - FY 2020
Transfer of $195,532 from the Personnel category to the Credit Card Discount Fees category funds a projected shortfall for the remainder of the fiscal year. Requires Interim Finance approval since the amount transferred to the Credit Card Discount Fee category exceeds $75,000. **Work Program #C51103**

Refer to motion for approval under Agenda Item E.

9. Office of the Treasurer - Nevada College Savings Trust - FY 2021
Addition of $84,112 transferred from the Treasurer's Endowment Account to continue to fund an ombudsman position for the Student Loan Ombudsmen Program created pursuant to Assembly Bill 383. Requires Interim Finance approval since the amount added to the Personnel category exceeds $75,000. **RELATES TO AGENDA ITEM E. 10**. **Work Program #C51136**

Refer to motion for approval under Agenda Item E.

10. Office of the Treasurer - Endowment Account - FY 2021
Transfer of $84,112 from the Reserve category to the Transfer to College Savings Trust Account category to continue to fund an ombudsman for the Student Loan Ombudsman Program created pursuant to Assembly Bill 383 (2019 Legislature). Requires Interim Finance approval since the amount added to the Transfer to College Savings Trust Account category exceeds $75,000. **RELATES TO AGENDA ITEM E. 9. Work Program #C51204**

Refer to motion for approval under Agenda Item E.

11. Department of Administration - Enterprise Information Technology Services - Computer Facility - FY 2020
Transfer of $47,103 from the Reserve category to the Maintenance of Buildings and Grounds category to cover the cost of emergency repairs to the chiller systems at the Enterprise Information Technology Services facility. Requires Interim Finance approval since the amount added to the Maintenance of Buildings and Grounds Category exceeds $75,000. **Work Program #C51023**

Refer to motion for approval under Agenda Item E.

12. Department of Administration - Human Resource Management - FY 2020

Transfer of $196,700 from the Reserve category to the Information Services category to fund a projected shortfall for the remainder of the fiscal year. Requires Interim Finance approval since the amount transferred to the Information Services category exceeds $75,000. **Work Program #C51016**

Refer to motion for approval under Agenda Item E.

13. Department of Administration - Nevada State Library, Archives and Public Records - Library Cooperative - FY 2020

Addition of $109,667 in County Participation Funds, $1,367 in Transfer from the Nevada State Library and Archive Public Records, deletion of $9,123 in Receipts from Local Government, $674 in Transfer from the Division of Museums and History to realign revenue authority with receipts. Requires Interim Finance approval since the amount added to the Cooperative Emergency Contingency category exceeds $75,000. **Work Program #C51285**

Refer to motion for approval under Agenda Item E.

14. Department of Administration - Nevada State Library, Archives and Public Records - Mail Services Equipment - FY 2021

Transfer of $67,541 from the Reserve category to the Equipment category to fund the replacement of mail sorting bins. Requires Interim Finance approval since the amount transferred to the Equipment category exceeds 10 percent of the legislatively approved amount for the category. **Work Program #C50982**

Refer to motion for approval under Agenda Item E.

15. Department of Administration - Risk Management - Insurance and Loss Prevention - FY 2021

Transfer of $137,216 from the Reserve Category to the Excess Liability category and transfer of $673,023 from the Reserve Category to the Insurance Premiums category to cover the cost of an increase in insurance premium renewals. Requires Interim Finance approval since the amount added to the Excess Liability Category and Insurance Premiums Category exceeds $75,000. **Work Program #C50992**

Refer to motion for approval under Agenda Item E.

16. Cannabis Compliance Board - Marijuana Regulation and Control Account - FY 2021

Transfer of $387,434 from the Reserve Category to the Transfer to Attorney General category to fund the legal support necessary to represent the newly established Cannabis Compliance Board. Requires Interim Finance approval since the amount added to the Transfer to Attorney General category exceeds $75,000. **RELATES TO AGENDA ITEM E. 6**. **Work Program #C51308**

Refer to motion for approval under Agenda Item E.

17. Department of Education - School Remediation Trust Fund - FY 2021

Transfer of $206,855 from the Zoom category to the ELL Category to align funding allocations based on student data as required by Senate Bill 555, Section 26.4. Requires Interim Finance approval since the amount transferred to the ELL category exceeds $75,000. **Work Program #C51714**

Heidi Haartz, Deputy Superintendent for Business and Support Services, Department of Education (NDE), said Work Program #C51714 was submitted in compliance with Senate Bill (S.B.) 555 (2019 Legislative Session), which required that FY 2021 allocation amounts be revisited at the start of the fiscal year. The department was directed to calculate the amount of funding for each pupil identified as an English learner by dividing the money appropriated for FY 2021 by the total final count of such pupils in FY 2020 (S.B. 555, Section 26).

In response to a question from Assemblywoman Neal, Ms. Haartz replied that the count for FY 2021 was based on the number of English Language Learner (ELL) students counted in FY 2020. She stated that the per-pupil funding equated to $713.47 per student.

In response to a question from Assemblywoman Neal, Seng-Dao Yang Keo, Education Programs Director, NDE, said in terms of services provided for the Clark and Washoe County School Districts, Zoom programming was a schoolwide initiative. Zoom programming currently covered a variety of services, including pre-K programs, reading skills centers, and summer academies or intersessions for extended day learning. In addition, Zoom funds could be used for professional development, recruitment and retention incentives, and family engagement to support ELL students.

Continuing, Ms. Keo said there was some flexibility in terms of support in the rural school districts; however, it was not typically a schoolwide initiative. She stated that the most popular programs implemented within the past two years included pre-K programming, which included the creation or expansion of high-quality pre-K programs; reading acquisition, including technology-based tools and proven assessment tools and other evidence-based programs and services; and extended learning opportunities for ELL students. Ms. Keo said the NDE understood those programs would continue in the 2020-21 school year with some adjustments for distance learning.

In response to a question from Assemblywoman Neal, Dr. Jonathan Moore, Deputy Superintendent of Student Achievement, NDE, replied that many supports had to be replicated in the distance learning model with some modifications. For example, there could be additional costs associated with converting videos and other online tools to include enhancements such as closed captioning. He said support may also be necessary to promote videoconferencing tools for ELL students. Therefore, educators were working to meet the needs of students according to what had been designated. Dr. Moore stated that the funds could be used to modify existing support for the distance learning model.

Assemblywoman Neal said young children may have little or no experience with online learning and/or Zoom programming. She asked how the department would address that issue.

Dr. Moore agreed there was concern about how well younger students could fully engage in distance learning. He said the state provided access to Canvas for students in grades 6 through 12; however, the department recognized that in several school districts, students in kindergarten through grade 5 would also be engaged in distance learning. Dr. Moore said the NDE was currently trying to ascertain the appropriate professional development curriculum so that teachers could introduce and implement distance learning platforms with younger students.

ASSEMBLYWOMAN NEAL MOVED TO APPROVE AGENDA ITEM E-17

ASSEMBLYMAN FRIERSON SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY. (Assemblywoman Monroe-Moreno was not present for the vote.)

18. Department of Education - Office of Early Learning and Development - FY 2021

Addition of $4,857,625 in federal Governor's Education Emergency Relief funds transferred from the CARES Act 2020 budget to continue to fund pre-Kindergarten full day and braided seats. Requires Interim Finance approval since the amount added to the Nevada Ready PreK ATS category exceeds $75,000. **Work Program #C51732**

Heidi Haartz, Deputy Superintendent for Business and Support Services, NDE, said during the 31st Special Session (2020), a budget reduction was implemented for pre-K services. Consequently, the department intended to backfill the General Fund reduction with Governor’s Emergency Education Relief grant funds, which was a permissible use of funds. Ms. Haartz said Work Program #C51732 replaced the General Funds that were reduced in FY 2021 so the department could fund the same number of seats at the same dollar value that was funded in FY 2020, with the exception of the Lyon County School District, which declined

funding and seats for FY 2021. Therefore, no funding was available in FY 2021 for the seats in Lyon County.

Senator Denis asked if the pre-K program was discontinued in Lyon County. Ms. Haartz said the department would contact the Lyon County School District to see if the district planned to offer another option for pre-K students.

In response to a question from Senator Denis, Ms. Haartz said it was her understanding the other school districts and subrecipients would participate in the program in FY 2021.

Chair Carlton recalled public comment from the United Way of Southern Nevada. She asked if there was an administrative fee that would reduce the amount of classroom funding. Ms. Haartz said she did not have the subgrant information available, but she would provide the information to the Committee.

Chair Carlton thought it was important to know exactly how much money would directly benefit students.

In response to a question from Senator Kieckhefer, Ms. Haartz replied that the NDE would use FY 2020 as the baseline for the 2021-23 biennium budget. She said funding would be available for the Lyon County School District in FY 2022 and FY 2023 absent changes in the Governor's recommended budget or the legislatively approved budget, or changes in the methodology used to disburse funds to the school districts.

SENATOR DENIS MOVED TO APPROVE AGENDA ITEM E-18.

ASSEMBLYMAN FRIERSON SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

19. Department of Agriculture - Nutrition Education Programs - FY 2021

Addition of $337,965 in federal Child Nutrition Program grant funds and transfer of $661,448 from the Reserve category to the Information Services category to purchase a Child Nutrition software module to assist in the federal meal count reporting. Requires Interim Finance approval since the amount transferred to the Information Services category exceeds $75,000. **Work Program #C50989**

Refer to motion for approval under Agenda Item E.

20. Department of Agriculture - Nutrition Education Programs - FY 2021
Addition of $25,537,990 in federal Child Nutrition Program grant funds under the Coronavirus, Aid, Relief, and Economic Security (CARES) Act to support the increased costs in the child nutrition programs to prevent, prepare for and respond to the COVID-19 pandemic. Requires Interim Finance approval since the amount added to the CARES Child Nutrition block grant category exceeds $75,000. **Work Program #C51175**

Andre Urruty, Fiscal Administrator, Department of Agriculture, said the purpose of Work Program #C51175 was to establish FY 2021 authority for the $54,919,000 federal Child Nutrition Block Grant under the Coronavirus, Aid, Relief and Economic Security (CARES) Act, which was awarded on April 24, 2020, to support meal programs throughout the state. He noted that the Committee approved a work program for the FY 2020 portion of the grant in the amount of $29.0 million at the June 25, 2020, meeting. Mr. Urruty said the grant funds would be used to support school districts and sponsors throughout Nevada.

Assemblywoman Titus recalled a discussion with Jennifer Ott, Director of the Department of Agriculture, about the need for food security among children, especially during the COVID-19 pandemic. She said many times, the only meals a child received were breakfast and lunch at school, but she recognized that changes had to be made in response to the recent school closures. Assemblywoman Titus understood the non-congregate feeding waiver expired on June 30, 2020, or when the federal health emergency ended. She asked how long the grant funds could be used for non-congregate meals.

Mr. Urruty noted that the grant expired on September 30, 2020.

Patricia Hoppe, Deputy Administrator, Food and Nutrition Division, Department of Agriculture, said the non-congregate feeding waiver had been extended through June 30, 2021.

Assemblywoman Titus asked if the grant funds were separate from Supplemental Nutrition Assistance Program (SNAP) funds. Mr. Urruty said that was correct. He stated that the $54.0 million grant award was strictly for meal reimbursement.

In response to a question from Assemblywoman Titus, Mr. Urruty replied that the department would provide the Committee with statistics on the increased need for child and adult care food assistance programs, the National School Lunch and Breakfast Programs, and the Summer Food Service Program (SFSP). He noted that some information was provided in the backup documentation for the work program and was the basis for the $25.0 million projection (page 372, Exhibit A). Mr. Urruty said the increased cost was largely due to an increased number of meals.

Ms. Hoppe stated that the U.S. Department of Agriculture (USDA) awarded the State of Nevada $54.0 million in federal Child Nutrition Program grant funds, which must be expended by September 30, 2020. She said she was uncertain how the USDA had determined the grant award for each state and territory.

Continuing, Ms. Hoppe said the Child Nutrition Program grant funds were strictly intended for meal reimbursement costs between March 1, 2020, and September 30, 2020. The grant funds could be used for expenses such as packaging supplies and personal protective equipment that would not normally be incurred when operating in a cafeteria. Ms. Hoppe stated that other funding that would have been used by the department to reimburse meal costs had been put on hold.

Assemblywoman Titus asked what the average costs were prior to the pandemic.

Ms. Hoppe said she did not have that information available but would provide it to the Committee. She noted that the cost of meals had decreased; therefore, the $54.0 million grant award was not in response to increased costs. She said some public schools, charter schools and sponsors saw a decrease in meal volume when the school closures went into effect in March 2020. In addition, the department's Child and Adult Care Food program also saw a decrease in meal volume when many child care, home care and adult centers closed during the COVID-19 pandemic and did not reopen for quite some time. Ms. Hoppe indicated that costs began to increase again after sites started reopening and more food distribution sites were implemented across the state.

Assemblywoman Titus asked if the department would be able to utilize the grant funds before they expired. She hoped the funds would be well spent and would not be provided to people without a specific plan.

Chair Carlton remarked that any funds used to provide food were well spent. She said she had contact with people every day who did not have food. Many people were seeking food assistance, especially while schools were closed. She said it was an important issue. Chair Carlton asked if unexpended Child Nutrition Program grant funds would revert to the federal government.

Ms. Hoppe confirmed that unexpended grant funds would revert to the federal government on September 30, 2020. With respect to an expenditure plan, Ms. Hoppe said the funds were intended to reimburse meal costs to sponsors and program operators of the National School Lunch Program, which included public schools, school districts, charter schools, and faith-based schools, community organization centers such as child care and adult care centers within the Child and Adult Care Food program, and the SFSP, which had been operational since the schools were closed in March and would continue through August 31, 2020. She said the SFSP, which was operated by community sponsors and school sponsors, provided meals to all children ages 18 and under who visited a meal distribution site. Ms. Hoppe said a variety of program sponsors would be reimbursed for meals through the grant award.

Assemblywoman Titus understood there was food insecurity throughout Nevada, and many people were seeking assistance. She asked if the grant funds could be used to purchase shelf-stable foods.

Ms. Hoppe said the grant award had come as a surprise; therefore, it took time for the department to ascertain exactly how the funds could be used. The grant funds had a very narrow use and were strictly intended for meal reimbursement. The reimbursement money could be used to purchase food; however, the funds could not be used to purchase equipment. For example, a school could not use the money to purchase a refrigerated van for home deliveries, but it could use the funds to purchase supplies such as coolers, packaging, etc. Ms. Hoppe noted that the funds could not be used for administrative costs or salaries. In addition, the department could not purchase shelf-stable food with the grant funds.

Chair Carlton said everyone was frustrated at the lack of communication from the federal government, the lack of flexibility in addressing individual state needs, and the arbitrary timelines related to critical financial assistance. She said those constraints were not suitable for every state. Chair Carlton thought it would have been helpful for the federal government to communicate with the states about the Child Nutrition Program grant. She said food banks and pantries were critical to communities; however, they were unable to access the funds, which was a large oversight on the part of the federal government.

Assemblywoman Neal asked if the school districts had indicated how they would manage meal distribution when the SFSP ended and while distance learning was in effect.

Ms. Hoppe replied that the department had limited information on the matter. She said the department's School Nutrition Program staff hosted a weekly forum with program sponsors, specifically sponsors of the National School Lunch and Breakfast Programs and the Special Milk Program, about reopening plans. Most likely, the standard National School Lunch and Breakfast Programs would resume when schools reopened. Because the waivers were extended through June 30, 2021, non-congregate and grab-and-go distribution models could continue. After August 31, 2020, the SFSP would end and school feeding programs would resume. Ms. Hoppe noted that school feeding programs had eligibility and enrollment requirements, unlike the SFSP. She said the weekly forum helped sponsors and operators determine different methods of verifying eligibility and enrollment with the school sites. Ms. Hoppe noted that the department had applied for a statewide USDA waiver to extend SFSP operations through June 30, 2021, because it was important for the state.

Assemblywoman Neal asked how the school districts were communicating with families about the reinstatement of enrollment and eligibility requirements for meals. She also asked how the districts would manage meals for younger students who may not be comfortable participating in grab-and-go meals without a parent.

Ms. Hoppe replied that the department did not have direct communication with all the schools and school districts. However, the department understood that each local education agency would communicate information about the transition in the same manner they had communicated in the past. Ms. Hoppe said meals would be available for all Clark County students beginning next week, and there would be separate pick-up times for elementary, middle school and high school students. She said Clark County School District would have to determine how to verify eligibility for each student. Some schools had an established system which allowed them to verify enrollment at multiple schools. Ms. Hoppe said the department was working with the USDA and other Western Region states to provide as many options as possible for local education agencies; however, eligibility was primarily managed at the local level.

ASSEMBLYWOMAN TITUS MOVED TO APPROVE AGENDA ITEM E-20.

SENATOR WOODHOUSE SECONDED THE MOTION.

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

21. Department of Agriculture - Livestock Inspection - FY 2020

Transfer of $36,782 from the Reserve category to the Operating category to support temporary labor costs for livestock inspections and associated activities. Requires Interim Finance approval since the amount added to the Operating category exceeds $75,000. **Work Program #C51097**

Refer to motion for approval under Agenda Item E.

22. Department of Business and Industry - Employee Management Relations Board – FY 2020

Transfer of $11,448 from the Reserve category to the Personnel category and a transfer of $2,443 from the State Reserve category to the Personnel category to fund a projected shortfall for the remainder of the fiscal year. Requires Interim Finance approval since the amount transferred to the Personnel category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C50929**

Refer to motion for approval under Agenda Item E.

23. Department of Tourism and Cultural Affairs - Museums and History - Nevada State Museum, Las Vegas - FY 2021

Addition of $2,000,000 in Prior Year Refunds to accept the return of unused grant funds from Las Vegas Springs Preserve Foundation. Requires Interim Finance approval since the amount added to the Reserve for Reversion - General Fund category exceeds $75,000. **Work Program #C51638. WITHDRAWN 7-24-20.**

24. Department of Health and Human Services - Aging and Disability Services - Home and Community-Based Services - FY 2021

Addition of $60,000 in Coronavirus Aid, Relief and Economic Security (CARES) Act, Coronavirus Relief Funds (CRF) transferred from the CARES Act 2020 account to deliver prepared meals to vulnerable Nevadans through the Delivering with Dignity Program. Requires Interim Finance approval since the amount added to the CRF - Delivery with Dignity category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C51631**

Refer to motion for approval under Agenda Item E.

25. Department of Health and Human Services - Aging and Disability Services - Early Intervention Services - FY 2020

Transfer of $25,000 from the Operating category to the Private/Community Sector category to fund a projected shortfall through the remainder of the fiscal year. Requires Interim Finance approval since the cumulative amount transferred to the Private/Community Sector category exceeds $75,000. **Work Program #C51192**

Refer to motion for approval under Agenda Item E.

26. Department of Health and Human Services - Aging and Disability Services - Early Intervention Services - FY 2021

Addition of $26,097 in Maternal and Child Health Block Grant funds to purchase audiology equipment in support of early intervention services. Requires Interim Finance approval since the cumulative amount added to the Equipment category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C51299**

Refer to motion for approval under Agenda Item E.

27. Department of Health and Human Services - Health Care Financing and Policy - Administration - FY 2021

Addition of $199,140 in federal Money Follows the Person (MFP) grant funds to continue three grant-funded positions to support MFP activities. Requires Interim Finance approval since the amount added to the Personnel Services category exceeds $75,000. **Work Program #C50958**

Refer to motion for approval under Agenda Item E.

28. Department of Health and Human Services - Health Care Financing and Policy - Administration - FY 2021

Addition of $3,475 in General Fund appropriations and $31,278 in federal Title XIX funds to support the Nevada WebIZ (Public Health Immunization Information System) De-Duplication Project. Requires Interim Finance approval, pursuant to Assembly Bill 543, Section 33 of the 2019 Legislative Session. **RELATES TO AGENDA ITEM E. 30. Work Program #C50956**

Refer to motion for approval under Agenda Item E.

29. Department of Health and Human Services - Health Care Financing and Policy - Administration - FY 2021

Transfer of $394,901 from the Reserve for Resident Protection category to the Civil Monetary Payments category to purchase communicative technology devices for nursing facility residents and continue the Reducing Falls with Artificial Intelligence project. Requires Interim Finance approval since the amount transferred to the Civil Monetary Payments category exceeds $75,000. **RELATES TO AGENDA ITEM E. 32**. **Work Program #C51020**

Refer to motion for approval under Agenda Item E.

30. Department of Health and Human Services - Health Care Financing and Policy - Administration - FY 2020

Deletion of $3,475 in General Fund appropriation to support the Nevada WebIZ (Public Health Immunization Information System) De-Duplication Project in FY 2021. Requires Interim Finance approval pursuant to Assembly Bill 543, Section 33 of the 2019 Legislative Session. **RELATES TO AGENDA ITEM E. 28. Work Program #C51716**

Refer to motion for approval under Agenda Item E.

31. Department of Health and Human Services - Health Care Financing and Policy - Nevada Medicaid, Title XIX - FY 2021

Addition of $236,807 in federal Money Follows the Person (MFP) grant funds, $53,237 in federal MFP Reinvestment grant funds, deletion of $197,803 in federal Title XIX grant funds and transfer of $20,996 from the MFP Reserve category to the MFP Reinvestment category to continue MFP activities. Requires Interim Finance approval since the amount added to the MFP Reinvestment category exceeds $75,000. **Work Program #C50990**

Refer to motion for approval under Agenda Item E.

32. Department of Health and Human Services - Public and Behavioral Health - Health Care Facilities Regulation - FY 2021

Addition of $74,901 in Civil Monetary Penalty (CMP) funds transferred from the Division of Health Care Financing and Policy to fund communicative technologies for nursing home residents in Nevada. Requires Interim Finance approval since the amount added to the CMP COVID -19 category exceeds 10 percent of the legislatively approved amount for that category. **RELATES TO AGENDA ITEM E. 29. Work Program #C50994**

Refer to motion for approval under Agenda Item E.

33. Department of Health and Human Services - Public and Behavioral Health - Public Health Preparedness Program - FY 2021

Addition of $874,456 in federal Healthcare Hospital Preparedness Program grant funds to provide state and local health authorities and healthcare entities resources to identify, isolate, assess, transport, and treat patients with COVID-19. Requires Interim Finance approval since the amount added to the Assistant Secretary for Preparedness and Response COVID-19 category exceeds $75,000. **Work Program #C51355**

Refer to motion for approval under Agenda Item E.

34. Department of Health and Human Services - Public and Behavioral Health - Biostatistics and Epidemiology - FY 2020

Addition of $928,249 in federal Epidemiology and Laboratory Capacity for Infectious Diseases (ELC) to provide training for local health departments and regional jurisdictions in Infection Prevention and Control (IPC) protocols and procedures to keep healthcare workers, patients, and the healthcare environment safe from COVID-19 and other infectious disease threats. Requires Interim Finance approval since the amount added to the ELC - COVID-19 Component category exceeds $75,000. **Work Program #C50999**

Refer to motion for approval under Agenda Item E.

35. Department of Health and Human Services - Public and Behavioral Health - Biostatistics and Epidemiology - FY 2021

Addition of $149,999 in Substance Abuse Prevention and Treatment (SAPTA) block grant funds transferred from Behavioral Health Prevention and Treatment to continue funding of tuberculosis prevention and control activities. Requires Interim Finance approval since the amount added to the Transfer from BA 3170 category exceeds $75,000. **Work Program #C50295**

Refer to motion for approval under Agenda Item E.

36. Department of Health and Human Services - Public and Behavioral Health - Chronic Disease - FY 2021

Deletion of $421,710 in fees transferred from BA 3101 Radiation Control Program, the addition of $272,509 in Healthy Nevada Funds transferred from BA 3195, $40,000 in Maternal and Child Health program federal funds transferred from BA 3222 and $24,000 in HIV Program federal funds transfer from BA 3215 to provide funding for the Oral Health Program, which includes the State Dental Officer and Hygienist. Requires Interim Finance approval since the amount deleted from the Oral Health category exceeds $75,000. **Work Program #C49912**

Julia Peek, Deputy Administrator, Division of Public and Behavioral Health (DPBH), Department of Health and Human Services (DHHS), stated that Work Program #C49912 supported the state's Oral Health Program as defined in *Nevada Revised Statutes* (NRS) 439.272 to 439.2791. The Oral Health Program was supported by the clinical expertise of a State Dental Health Officer and State Public Health Dental Hygienist.

Ms. Peek said a braided funding stream had been developed to support the Oral Health Program in perpetuity, as requested by the 2019 Legislature. The funding stream would reduce the program's reliance on radiological health fees, which had been an issue for several years. She noted the Oral Health Program would be supported by three funding streams in FY 2021 – the HIV Prevention Program, the Maternal and Child Health Program, and the Fund for a Healthy Nevada.

Ms. Peek said the Dental Health Officer and Public Health Dental Hygienist would support and oversee the services of the state's HIV Oral Health Program, which had been developed within the last year. She noted that 558 clients were currently enrolled in the state's Ryan White Part B programs. The Dental Health Officer and the Public Health Dental Hygienist would also support oral health services within the Maternal and Child Health Program. Ms. Peek said the Fund for a Healthy Nevada would more broadly support the Dental Health Officer and Public Health Dental Hygienist positions.

Ms. Peek said, overall, the funding streams would be used to support oral health education and prevention of oral health disease; support oral health surveillance and access issues; and provide support across the DHHS, including the Medicaid program. Ms. Peek said the braided funding stream would provide flexible funding so that other grants and funding opportunities could be considered in the future.

Assemblywoman Monroe-Moreno asked the DPBH to explain the agency's long-term funding plan for the Dental Health Officer and Public Health Dental Hygienist positions given that the proposed funding mechanism only provided a solution for FY 2021.

Debi Reynolds, Deputy Administrator, DPBH, DHHS, said the State Dental Health Officer position was a clinical position; therefore, as long as the job duties were aligned to solely benefit the Medicaid program, the position was eligible for 75% federal reimbursement. Thus, the DPBH intended to transfer the position to the Division of Health Care Financing and Policy to maximize the revenue for the position.

Ms. Peek added that the Public Health Dental Hygienist position would remain within the DPBH. She said the combination of the two positions, though functioning and funded differently, would braid the funding streams to allow the DHHS to obtain the maximum benefits of the positions.

Assemblywoman Monroe-Moreno asked if the braided funding would be adequate to support the positions in FY 2022 and FY 2023.

Ms. Peek said the braided funding was a sustainable model for the Oral Health Program unless something changed drastically. She said the division would seek as many categorical Oral Health grants as possible to increase the funding; however, the division thought the current plan would sustain the two positions.

Chair Carlton commended the division for finding alternative funding sources. She thought the new funding model was an improvement over the old.

ASSEMBLYWOMAN MONROE-MORENO MOVED TO APPROVE AGENDA ITEM E-36.

SENATOR WOODHOUSE SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

37. Department of Health and Human Services - Public and Behavioral Health - Maternal Child and Adolescent Health Services - FY 2021

Addition of $356,403 in Substance Abuse Prevention and Treatment (SAPTA) Block grant funds transferred from the Behavioral Health Prevention and Treatment budget to provide home visiting services to vulnerable families in high at-risk communities. Requires Interim Finance approval since the amount transferred to the SAPTA Block Grant-NHV category exceeds $75,000. **Work Program #C50294**

Refer to motion for approval under Agenda Item E.

38. Department of Health and Human Services - Public and Behavioral Health - Maternal Child and Adolescent Health Services - FY 2021

Addition of $42,485 in Health Resources and Services Administration, State Services Development Initiative funds transferred from the Biostatistics and Epidemiology budget to support Maternal Mortality Review Committee (MMRC) established in A.B.169 in the 2019 Legislative Session. Requires Interim Finance approval since the amount transferred to the MMRC Support category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C50245**

Refer to motion for approval under Agenda Item E.

39. Department of Health and Human Services - Public and Behavioral Health - Behavioral Health Prevention and Treatment - FY 2021

Addition of $622,498 in federal Centers for Disease Control and Prevention Comprehensive Suicide grant funds to develop a comprehensive suicide prevention program targeting Nevada vulnerable population. Requires Interim Finance approval since the amount added to the Comprehensive Suicide Prevention category exceeds $75,000. **Work Program #C50932**

Refer to motion for approval under Agenda Item E.

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

Addition of $5,240,809 in federal Substance Abuse and Mental Health Services Administration Substance Abuse Prevention and Treatment (SAPT) grant funds to continue to provide substance abuse prevention and treatment activities. Requires Interim Finance approval since the amount added to the SAPT Block Grant category exceeds $75,000. **Work Program #C51320**

Agenda Item E-40 was withdrawn.

41. Department of Health and Human Services - Public and Behavioral Health - Behavioral Health Prevention and Treatment - FY 2021

Addition of $2,750,183 in federal Regular Service Program (RSP) Crisis Counseling Program grant funds to continue crisis counseling support during the COVID-19 pandemic. Requires Interim Finance approval since the amount added to the Crisis Counseling RSP category exceeds $75,000. **Work Program #C51292**

Refer to motion for approval under Agenda Item E.

42. Department of Health and Human Services - Public and Behavioral Health - Southern Nevada Adult Mental Health Services - FY 2021

Transfer of $2,769,600 from the Personnel Services category to the Professional Services category to cover the projected costs for contracted doctors and nurses due to the inability to find and hire state positions. Requires Interim Finance approval since the amount transferred to the Professional Services category exceeds $75,000. **Work Program #C50911**

Refer to motion for approval under Agenda Item E.

43. Department of Health and Human Services - Public and Behavioral Health - Facility for the Mental Offender - FY 2021

Transfer of $650,977 from the Personnel Services category to the Professional Services category to cover the projected costs for contracted doctors and nurses due to the inability to find and hire state positions. Requires Interim Finance approval since the amount transferred to the Professional Services category exceeds $75,000. **Work Program #C50901**

Refer to motion for approval under Agenda Item E.

44. Department of Health and Human Services - Child and Family Services - Information Services - FY 2021

Addition of $187,500 in Title IV-B subpart 2 federal funds to support the Unified Nevada Information Technology for Youth (UNITY) Data Exchange Modernization project. Requires Interim Finance approval since the amount added to the UNITY Data Exchange Modernization category exceeds $75,000. **Work Program #C51022**

Refer to motion for approval under Agenda Item E.

45. Department of Health and Human Services - Child and Family Services - Clark County Child Welfare - <u>FY 2020</u>

Transfer of $1,161,311 from the Clark County Ongoing category to the Subsidized Adoptions category to fund a projected shortfall for the remainder of the fiscal year. Requires Interim Finance approval since the amount transferred to the Subsidized Adoptions category exceeds $75,000. **Work Program #C49883**

Refer to motion for approval under Agenda Item E.

46. Department of Health and Human Services - Child and Family Services - Rural Child Welfare - FY 2021

Addition of $525,622 in federal Title IV-B subpart 1 grant funds to continue supporting Child Welfare Services. Requires Interim Finance approval since the amount added to the Title IV-B subpart 1 category exceeds $75,000. **Work Program #C50923**

Refer to motion for approval under Agenda Item E.

47. Department of Health and Human Services - Child and Family Services - Rural Child Welfare - FY 2021

Addition of $68,935 in federal Title IV-B subpart 2 grant funds to continue the development of the Kinship Navigator program. Requires Interim Finance approval since the amount added to the Kinship Navigator category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C50915**

Refer to motion for approval under Agenda Item E.

48. Department of Health and Human Services - Child and Family Services - Summit View Youth Center - FY 2020

Transfer of $21,103 from the Personnel category to the Utilities category to fund a projected shortfall through the remainder of the fiscal year. Requires Interim Finance approval since the cumulative amount transferred from the Personnel category exceeds $75,000. **Work Program #C50189**

Refer to motion for approval under Agenda Item E.

49. Department of Health and Human Services - Child and Family Services - Northern Nevada Child and Adolescent Services - FY 2020

Transfer of $18,600 from the Personnel Services category to the Maintenance of Buildings & Grounds category to fund a projected shortfall through the remainder of the fiscal year. Requires Interim Finance approval since the cumulative amount transferred from the Personnel category exceeds $75,000. **Work Program #C50835**

Refer to motion for approval under Agenda Item E.

50. Department of Employment, Training and Rehabilitation - Unemployment Insurance - FY 2020

Addition of ~~$3,876,243~~ ***$3,809,680*** in federal Unemployment Insurance Administrative Grant funds to continue funding general operations and increased operating costs related to the COVID-19 pandemic crisis. Requires Interim Finance approval since the amount added to the Operating category exceeds $75,000. **Work Program #C51109. REVISED 7-28-20.**

Elisa Cafferata, Acting Director, DETR, said Work Program #C51109 was a standard quarterly work program to receive federal Unemployment Insurance (UI) Administrative grant funds. Ms. Cafferata introduced Chris Sewell, Chief of Operations, DETR, to provide details about the work program.

Chris Sewell, Chief of Operations, DETR, said Work Program #C51109 would increase authority for the UI program for the Federal Fiscal Year 2020 above-base funding for the second quarter, increase authority in the Operating and Utilities categories, and place the remaining funds in reserves. He provided the

following breakdown: Category 4, Operating, $1,145,816; Category 59, Utilities, $15,724; and Category 86, Reserves, $2,648,140, for a total of $3,809,680.

Assemblywoman Jauregui welcomed Ms. Cafferata to DETR.

In response to a question from Assemblywoman Jauregui, Kitty DeSocio, Chief Financial Officer (CFO), DETR, replied that DETR had recently submitted its third quarter UI3 report, which was a workload report. She stated that the department anticipated receiving approximately $11.0 million in grant funds for the third quarter. She noted that fourth quarter projections indicated the department would receive between $11.0 million and $15.0 million in grant funds.

Assemblywoman Jauregui noted that DETR had 370 authorized positions for the UI program, of which approximately 119 were vacant. She asked how the department planned to fill those vacancies.

Ms. Cafferata said it was her understanding that DETR requested 133 positions, which may include the 119 positions to which Assemblywoman Jauregui referred. She said DETR had been hiring staff since the additional positions were authorized. Ms. Cafferata understood the department was in the process of hiring staff to complete the complement of approved positions; however, she would confirm that information and follow up with the Committee. She noted that a request for 255 additional positions was being developed, because the department believed that UI filings and processing would continue for several years as it had during the Great Recession.

Continuing, Ms. Cafferata stated that DETR was working with the DHHS Division of Welfare and Supportive Services (DWSS) to staff the UI program. The DWSS had identified several hundred staff that could work at DETR on an overtime basis. She noted that Coronavirus Relief Funds (CRFs) would be requested to fund the overtime costs.

Assemblywoman Jauregui clarified that the positions to which she had referred were existing UI program positions, not newly approved positions. She was concerned that the department was requesting additional positions while 119 positions still remained vacant. She restated her question regarding the department's steps to fill the vacant positions.

Ms. Cafferata said it was her understanding that the existing vacant positions did not include claims and adjudication staff. She said the department would hold some positions vacant that were lower priority as part of the required budget cuts.

Mr. Sewell confirmed that there were some vacant positions within the department; however, those vacancies were lower in priority compared to vacant positions that were needed to assist with UI claims. He said some lower-priority positions would remain vacant. For example, a position within the operations unit may remain vacant so that the department could fill higher-priority vacancies within the UI program.

Assemblywoman Titus said she had heard from constituents that even when they could get through to the unemployment office, oftentimes the person they spoke with could not assist with their claim. She asked for a breakdown of the requested positions, and how many of those positions were adjudicators. She also requested an update on the implementation of the department's new phone system.

Ms. Cafferata said she did not have a staff breakdown immediately available. She said the call centers for traditional UI were staffed by DETR employees who were authorized to handle all aspects of the UI claims process, including resolutions. Ms. Cafferata noted there was a separate call center for Pandemic Unemployment Assistance (PUA), which was run by the vendor, Alorica. She said Alorica staff were only permitted to handle certain aspects of the claims process. Issues that could not be addressed by Alorica staff were entered into the system for DETR adjudication and appeals staff to address.

Ms. Cafferata said the department was currently reevaluating all staffing and contracts to ensure an adequate team was available to address issues by commonality and accelerate processes when possible, and to ensure that additional support and resources were available to resolve claims and disburse payments quickly.

Ms. Cafferata said it was her understanding that it had taken several legislative sessions before DETR was able to enter into a contract for the new phone system. She stated that the implementation schedule for the new phone system had been expedited and the new system would be available by the end of September instead of December.

In response to a question from Assemblywoman Titus, Ms. Cafferata replied that the department received daily updates regarding UI calls, including the number of calls, length of time to answer, time spent with the caller, and length of time on hold.

Assemblywoman Titus asked if DETR had seen an improvement in claims processing times. Ms. Cafferata replied that processing times for regular UI claims were closer to normal. She noted that some of the improvement was due to a reduction in new claims. Regarding the PUA system, Ms. Cafferata said PUA was highly variable in the number of people applying at any given time; therefore, it was difficult to determine trends. She said the aforementioned analyses would help the department determine staff performance and where additional resources were needed.

Assemblywoman Titus stated that unemployment was a critical need in Nevada. She thanked Ms. Cafferata and DETR staff for their efforts.

Assemblywoman Monroe-Moreno thanked Ms. Cafferata for her willingness to take on the role of Acting Director for DETR.

Assemblywoman Monroe-Moreno asked if DETR had considered temporarily re-hiring retired DETR staff during the pandemic. She also asked if the high-priority positions mentioned earlier would be located in Southern or Northern Nevada.

Ms. Cafferata said prior to the pandemic, unemployment was at a record low in Nevada; therefore, DETR staffing levels were also at a record low. She said the department had contacted every DETR retiree who had experience with eligibility; however, it was a short list. She stated that everyone who was willing to come back had already been onboarded. Ms. Cafferata noted that DETR was also in the process of contacting 63 retired DWSS eligibility staff. Although they did not have direct experience with DETR, it was analogous work. Because they understood state systems and eligibility rules at large, they could be onboarded quickly. Ms. Cafferata expressed gratitude to all the state agencies that had offered support to DETR; it was tremendously helpful in obtaining necessary resources.

Ms. Cafferata stated she did not have the exact details available regarding the locations of the new positions, partly because the department was awaiting implementation of the new phone system. She indicated that most of the positions would be located in Las Vegas; however, as long as staff could access the system, location was not as important. Ms. Cafferata said she would provide the Committee with a breakdown of the position locations.

Assemblywoman Monroe-Moreno said many legislators were still receiving calls and emails from constituents who thought they qualified for traditional UI benefits and/or PUA benefits but had been denied both. She recalled that one individual was a part-time employee and the other was a full-time employee. She thought both individuals qualified for traditional UI benefits and/or PUA benefits. Assemblywoman Monroe-Moreno asked if some of the high-priority positions would be responsible for reevaluating those types of cases.

Ms. Cafferata thought those were some of the most compelling and complicated cases. She stated that the department's focus was case resolution, which would allow eligible individuals to begin receiving benefit payments, and ineligible individuals to begin making alternate plans.

Ms. Cafferata stated that UI was complicated and DETR was required to abide by many federal rules. She thought it was important for people to understand that all eligibility requirements must be met to qualify for unemployment benefits. She said the creation of PUA had complicated the situation, because the program rules and eligibility criteria were different from traditional UI. Ms. Cafferata said another complicating factor was the time element. Every quarter, DETR had to reevaluate claimants' eligibility in one system, determine if they had become eligible in the other system, and then send that information to claimants.

Continuing, Ms. Cafferata said there were two pieces of information that legislators could share with constituents. The first piece of information was that federal rules required individuals to file for and exhaust regular UI benefits before filing for PUA benefits, even if their self-employment earnings were higher than their W-2 wage earnings.

Ms. Cafferata said the second piece of information related to appeals. She stated that the department issued notices of determination in the PUA program stating that claimants must apply for traditional UI benefits first before applying for PUA benefits. She noted that misinformation was circulating indicating that claimants who were denied PUA benefits should file an appeal in the PUA system. Ms. Cafferata said the department provided people with the quickest path for receiving the benefits for which they were eligible. Claimants had the right to appeal any decision made by DETR; however, appeals had due process timelines, which lengthened the process. She reiterated that federal law required individuals eligible for traditional UI as well as PUA benefits to begin with the traditional UI process. Ms. Cafferata understood that information was unhelpful for people who had been waiting a long time for benefits and needed immediate financial assistance.

Assemblywoman Monroe-Moreno thought it was helpful to have that information to provide to constituents. She asked how many cases fit into the category described by Ms. Cafferata.

Ms. Cafferata said she did not have those figures available but would provide them to the Committee. She said the department planned to create a dashboard that would be updated weekly, similar to the Nevada Health Response dashboard. She said the U.S. Department of Labor required DETR to submit a large number of reports, and the department was in the process of sorting through many data points to develop a comprehensive dashboard. Ms. Cafferata said it had been her intention to implement the dashboard as soon as possible, but it was proving to be more difficult than expected; however, it was still a high priority.

Senator Settelmeyer said he had been contacted by many individuals who had received unemployment disbursements even though they were not unemployed. He asked if DETR had increased the number of fraud investigators within the department. He also asked if instances of unemployment fraud should be reported to DETR or the Office of the Attorney General.

Ms. Cafferata replied that fraud was a high priority for DETR. She noted that Bill Strong, Chief of Investigations and Recovery for the DWSS Fraud Unit, was temporarily working with Shane Ricketts in the DETR Fraud Unit. She noted that several investigator and fraud unit positions were included in the department's positions request. In the meantime, four DWSS investigators would provide temporary assistance in the DETR Fraud Unit. Ms. Cafferata stated that unemployment fraud would continue to be a serious issue, which meant the department would need to expand the Fraud Unit, making the new positions a critical piece.

Continuing, Ms. Cafferata said the fraud information page on the DETR website was recently updated (https://detr.nv.gov/Page/Unemployment_Fraud). The webpage included steps for reporting unemployment fraud as well as a reporting form, which would immediately flag the case as fraudulent and stop payments. Ms. Cafferata said she would provide the Committee with a flyer outlining the actionable steps related to unemployment fraud.

Ms. Cafferata said employers could assist in the fight against unemployment fraud. She explained that employers were notified by DETR whenever a traditional UI claim was filed. Employers were encouraged to notify the department as soon as possible if a claim was fraudulent. If DETR did not receive a response from an employer within 11 days, the claim was considered legitimate.

In response to a question from Senator Settelmeyer, Ms. Cafferata replied that DETR was working with the Office of the Attorney General's COVID-19 Fraud Task Force. She stated that the COVID-19 Fraud Task Force, comprised of the Attorney General, the U.S. Attorney, and local, state and federal investigators and prosecutors, met weekly.

Ms. Cafferata said she was uncertain of the penalties for fraud but would provide the Committee with that information. She noted that every state was currently experiencing a problem with unemployment fraud, and they were all working together to address the issue.

Senator Hardy thanked Ms. Cafferata for "stepping into the breach." He said he appreciated Ms. Cafferata's recent comments regarding DETR's commitment to transparency.

Senator Hardy recalled at the time of the 32nd Special Session (2020), one million unemployment claims had been filed, which was two-thirds of Nevada's workforce. He said unemployment in Nevada had never been above 30%, and the current unemployment rate was 14%. Senator Hardy asked how many weeks of unemployment benefits were allotted and if DETR tracked disbursements.

Ms. Cafferata replied that certain unemployment-related terminology was interchangeable, which could be confusing. She explained that if someone filed a traditional UI claim and a PUA claim, they would be counted twice in the number of claims filed. She said it was possible that the one million claims to which Senator Hardy had referred reflected weeks of benefits claimed rather than individual claimants. Ms. Cafferata said the department would need to translate technical terms into layman's terms for the dashboard so the public would have a clear understanding of the number of new claimants and the number of claims resolved, denied, or in progress.

Ms. Cafferata said DETR maintained a record of every payment and to whom it was disbursed. As issues were identified, the department followed the appropriate process and rules related to resolution. For example, there were separate processes for erroneous payments and fraudulent payments.

Senator Hardy stated that the 14% unemployment rate did not mean that 14% of the state's workforce was receiving unemployment benefits.

Ms. Cafferata replied that traditional UI claims were straightforward, and processes had been established that allowed the department to easily track UI benefits. Unlike traditional UI, PUA was a new program. According to DETR's projections, between 80,000 and 160,000 workers in Nevada qualified as a gig worker or independent contractor. She said it was difficult to provide a more precise estimate. Ms. Cafferata said there were also many people in Nevada who qualified for traditional UI benefits as well as PUA benefits. For example, someone with a full-time job might also be an Uber driver. Ms. Cafferata said those were some of the reasons that made it difficult for DETR to communicate specific details like the unemployment rate.

Senator Hardy asked if 14% was an underestimate or overestimate of the unemployment rate. Ms. Cafferata said she would obtain that information from the department's Economist and provide it to the Committee.

Senator Hardy asked how many people were currently receiving UI payments, and how many were receiving PUA payments.

Ms. Cafferata said she did not have those figures immediately available. She said the department was trying to compile an accurate set of data that could be provided to the Committee as well as the public.

Senator Hardy recalled that some vacant positions within DETR were a higher priority than others. He asked which positions were considered low priority.

Ms. Cafferata replied that DETR had multiple divisions and programs, including Workforce and Workforce Development, Rehabilitation, the Commission on Postsecondary Education, Job Connect, etc. She noted that Job Connect staff were assisting the UI program while the Job Connect offices were closed during the pandemic. Ms. Cafferata stated that the other divisions and programs were not low priority. They were critically needed, especially during a recession; however, those divisions and programs had been asked to manage with existing staffing levels, because UI positions needed to be filled first.

Senator Hardy remarked that no employee was low priority. He thanked Ms. Cafferata for her efforts and commitment.

Chair Carlton thanked Ms. Cafferata for stepping into her role at DETR and addressing a critical need. She said she had spoken with many constituents who were working through the unemployment process. Chair Carlton said she hoped that S.B. 3 that was passed during the 32nd Special Session (2020) would provide the department with more options and flexibility.

Chair Carlton asked DETR to work with staff in addressing questions posed by Committee members. She said the Committee looked forward to working with Ms. Cafferata in the future.

ASSEMBLYWOMAN MONROE-MORENO MOVED TO APPROVE AGENDA ITEM E-50.

SENATOR WOODHOUSE SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

51. Department of Corrections - Director's Office - <u>FY 2020</u>

Deletion of $358,955 in Budgetary Transfers revenues, a transfer of $57,486 from the Personnel Services category to the Information Services category and a transfer of $167,079 from the Personnel Services category to the Out of State Contracts category to fund a projected shortfall for the remainder of the fiscal year. Requires Interim Finance approval since the cumulative amount transferred from the Personnel Services for category exceeds $75,000. **Work Program #C50489**

Refer to motion for approval under Agenda Item E.

52. Department of Corrections - Prison Medical Care - FY 2021

Transfer of $797,069 from the Personnel Services category to the Professional Services category to fund contracted services for licensed healthcare professionals as projected through February 2021. Requires Interim Finance approval since the amount added to the Professional Services category exceeds $75,000. **Work Program #C51659**

Refer to motion for approval under Agenda Item E.

53. Department of Corrections - Correctional Programs - <u>FY 2020</u>

Deletion of $456,910 in Budgetary Transfers to fund projected shortfalls within the department for the remainder of the fiscal year. Requires Interim Finance approval since the amount transferred from the Personnel Services category exceeds $75,000. **Work Program #C50494**

Refer to motion for approval under Agenda Item E.

54. Department of Corrections - Ely State Prison - FY 2020

Addition of $34,920 in Budgetary Transfers, deletion of $34,497 in Jail Meals revenue, transfer of $8,221 from Maintenance of Buildings and Grounds category to the Operating category, transfer of $700 from Maintenance Contracts category to the Operating category, transfer of $229 from the Uniform Allowance category to the Operating category, transfer of $2,615 from the Uniform Allowance category to the Inmate Drivens category and transfer of $36,783 from the Utilities category to the Inmate Drivens category to fund a projected shortfall for the remainder of the fiscal year. Requires Interim Finance approval since the cumulative amount added to the Inmate Drivens category exceeds $75,000. **Work Program #C50525**

Refer to motion for approval under Agenda Item E.

55. Department of Corrections - High Desert State Prison - FY 2020

Addition of $1,176,578 in Budgetary Transfers revenues, a deletion of $5,830 in Reimbursement of Expenses revenues and transfer of $67,801 from the Uniform Allowance category to the Inmate Drivens category to fund a projected shortfall for the remainder of the fiscal year. Requires Interim Finance approval since the amount added to the Inmate Drivens category exceeds $75,000. **Work Program #C50528**

Refer to motion for approval under Agenda Item E.

56. Department of Corrections - Northern Nevada Correctional Center - FY 2020

Deletion of $378,328 in Budgetary Transfers to fund projected shortfalls within the department and a transfer of $163,655 from the Personnel Services category to Inmate Drivens category to fund a projected shortfall for the remainder of the fiscal year. Requires Interim Finance approval since the amount transferred to the Inmate Drivens category exceeds $75,000. **Work Program #C50176**

Refer to motion for approval under Agenda Item E.

57. Department of Corrections - Southern Desert Correctional Center - FY 2020

Addition of $284,015 in Budgetary Transfers, deletion of $1,953 from Room, Board, and Transportation revenue authority, a deletion of $2,265 NV Hoover Rebate revenue authority, transfer of $6,953 from the Uniform Allowance category to the Inmate Drivens category and a transfer of $20,450 from the Inmate Transportation categories to the Inmate Drivens category to fund a projected shortfall for the remainder of the fiscal year. Requires Interim Finance approval since the amount added to the Inmate Drivens category exceeds $75,000. **Work Program #C50515**

Refer to motion for approval under Agenda Item E.

58. Department of Corrections - Lovelock Correctional Center - FY 2020

Deletion of $299,844 in Budgetary Transfers revenues, transfer of $36,623 from Personnel Services category to the Operating category, transfer of $24,965 from the Personnel Services category to the Maintenance of Buildings and Grounds category, transfer of $17,175 from the Personnel Services category to the Utilities category and transfer of $4,039 for the Uniform Allowance category to the Utilities category to fund a projected shortfall for the remainder of the fiscal year. Requires Interim Finance approval since the amount added to the Inmate Drivens category exceeds $75,000. **Work Program #C51225**

Refer to motion for approval under Agenda Item E.

59. Department of Corrections - Florence McClure Women's Correctional Center - FY 2020

Deletion of $115,380 in Budgetary Transfer revenues, deletion of $53,555 in Room, Board, and Transportation Charges revenues and transfer of $33,622 from Personnel Services category to Inmate Drivens category to fund a projected shortfall for the remainder of the fiscal year. Requires Interim Finance approval since the amount transferred to the Inmate Drivens category exceeds $75,000. **Work Program #C51231**

Refer to motion for approval under Agenda Item E.

60. Department of Corrections - Northern Nevada Transitional Housing - FY 2020

Transfer of $7,773 from the Operating category to the Inmate Drivens category, transfer of $1,327 from the Operating category to the Utilities category, transfer of $633 from the Maintenance of Buildings and Grounds category to the Utilities category and a transfer of $314 from the Uniform Allowance category to the Utilities category to fund a projected shortfall for the remainder of the fiscal year. Requires Interim Finance approval since the amount transferred to the Inmate Drivens category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C50504**

Refer to motion for approval under Agenda Item E.

61. Department of Corrections - Stewart Conservation Camp - FY 2020

Addition of $56,007 in Budgetary Transfers, transfer of $2,980 from the Maintenance of Buildings and Grounds category to the Inmate Drivens category and transfer of $816 from the Maintenance Contracts category to the Inmate Drivens to fund a projected shortfall for the remainder of the fiscal year. Requires Interim Finance approval since the cumulative amount added to the Inmate Drivens category exceeds $75,000. **Work Program #C50179**

Refer to motion for approval under Agenda Item E.

62. Department of Corrections - Pioche Conservation Camp - FY 2020
Transfer of $30,460 from the Personnel Services category to the Inmate Drivens, transfer of $1,344 from the Operating category to the Maintenance of Buildings and Grounds category, and a transfer of $586 from the Maintenance Contracts 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 transferred to the Inmate Drivens category exceeds $75,000. **Work Program #C50190**

Refer to motion for approval under Agenda Item E.

63. Department of Corrections - Wells Conservation Camp - FY 2020
Deletion of $10,368 in Budgetary Transfers revenues, a transfer of $3,331 from the Personnel Services category to the Maintenance of Buildings and Grounds category and a transfer of $14,046 from the Personnel Services category to the Inmate Drivens category to fund a projected shortfall 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 #C50199**

Refer to motion for approval under Agenda Item E.

64. Department of Corrections - Ely Conservation Camp - FY 2020
Addition of $21,883 in Budgetary Transfers, deletion of $10,368 in Room, Board, Transportation Charges revenue, transfer of $1,444 from Operating to the Inmate Drivens category and transfer of $2,882 from the Utilities category to the Inmate Drivens category to fund a projected shortfall for the remainder of the fiscal year. Requires Interim Finance approval since the amount transferred to the Inmate Drivens category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C50514**

Refer to motion for approval under Agenda Item E.

65. Department of Corrections - Offenders' Store Fund - FY 2020
Transfer of $131,608 from the Retained Earnings category to the Inventory Purchase for Resale category to fund an anticipated shortfall for the remainder of the fiscal year. Requires Interim Finance approval since the amount transferred to the Inventory Purchase for Resale category exceeds $75,000. **Work Program #C50415**

Refer to motion for approval under Agenda Item E.

66. Department of Motor Vehicles - Automation - FY 2020
Transfer of $4,400 from the Personnel Service category to the EITS Facility Charges category and $7,500 from the Personnel Service category to the Voice Telecommunications category to fund a projected shortfall for the remainder of the fiscal year. Requires Interim Finance approval since the amount transferred to the EITS Facility Charges category exceeds $75,000. **Work Program #C51501**

Refer to motion for approval under Agenda Item E.

67. Department of Motor Vehicles - Administrative Services Division - FY 2020
Deletion of $535,440 in Highway Fund revenue authority to balance forward to fiscal year 2021 in support of electronic payments. Requires Interim Finance approval in accordance with A.B. 543, Section 36, of the 2019 Legislative Session. **RELATES TO AGENDA ITEM E. 68. Work Program #C51268**

Refer to motion for approval under Agenda Item E.

68. Department of Motor Vehicles - Administrative Services Division - FY 2021
Addition of $535,440 in Highway Fund revenue authority through a balanced forward from FY 2020 in support of electronic payments. Requires Interim Finance approval in accordance with A.B. 543, Section 36 of the 2019 Legislative Session. **RELATES TO AGENDA ITEM E. 67. Work Program #C51269**

Refer to motion for approval under Agenda Item E.

69. Department of Public Safety - Forfeitures - Law Enforcement - FY 2021
Transfer of $175,189 from the Reserve category to the Polygraph Training category to cover the cost of training, equipping and certifying ten polygraph examiners. Requires Interim Finance approval since the amount transferred to the Polygraph Training category exceeds $75,000. **Work Program #C51322**

Refer to motion for approval under Agenda Item E.

70. Department of Public Safety - Nevada Highway Patrol Division - FY 2020
Addition of $163,697 in Contract Services revenue authority to fund greater than projected Contract and Uniform Traffic Control (UTC) Services. Requires Interim Finance approval since the amount added to the Contract and UTC Services category exceeds $75,000. **Work Program #C51176**

Refer to motion for approval under Agenda Item E.

71. Department of Public Safety - Division of Emergency Management - FY 2020
Addition of $861,041 in federal Homeland Security Grant Program (HSGP) funds to align state and federal budget authority and provide ongoing support of the agency's National Incident Management System (NIMS) resource manager, NIMS communications/technology, Tribal NIMS, and public information and warning requirements under the HSGP federal grant program. Requires Interim Finance approval since the amount added to the HSGP Resource Management category exceeds $75,000. **Work Program #C49514**

Refer to motion for approval under Agenda Item E.

72. Department of Public Safety - Division of Emergency Management - FY 2020
Addition of $57,630 in federal Emergency Management Performance Grant funds to align state and federal budget authority and a cover projected shortfall in the Operating category. Requires Interim Finance approval since the cumulative amount added to the Operating category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C51374**

Refer to motion for approval under Agenda Item E.

73. Department of Public Safety - Highway Safety Plan and Administration - FY 2020
Addition of $193,803 in Department of Transportation (NDOT) Flex funds, through a transfer from the state Traffic Safety funds and a transfer from Personnel Services category to support the implementation of the state's Strategic Highway Safety Plan. Requires Interim Finance approval since the amount added to the NDOT Flex Funds category exceeds $75,000. **Work Program #C51048**

Refer to motion for approval under Agenda Item E.

74. Department of Public Safety - Traffic Safety - FY 2021
Addition of $1,835,929 in federal Highway Safety Grant - Section 164 Grant funds to provide funding opportunities for state and local agencies to develop and implement alcohol-impaired driving countermeasure programs. Requires Interim Finance approval since the cumulative amount added to the 164 Aid to State and Local category exceeds $75,000. **Work Program #C51420**

Refer to motion for approval under Agenda Item E.

75. Department of Public Safety - Justice Grant - FY 2021

Addition of $708,500 in Coronavirus Emergency Supplemental Funds (CESF) and deletion of $147,176 in Transfer from Department of Public Safety, Criminal Justice revenue, through a transfer from Office of Criminal Justice Assistance CESF Grant to cover the administration cost associated with the agency's federal supplemental COVID-19 relief funds and grant program. Requires Interim Finance approval since the amount added to the Operating category exceeds $75,000. **Work Program #C50878**

Refer to motion for approval under Agenda Item E.

76. Department of Conservation and Natural Resources - Account to Restore the Sagebrush Ecosystem - FY 2021

Addition of $200,000 in Miscellaneous Revenue from the sale of conservation credits to fund Conservation Credit System (CCS) Habitat projects. Requires Interim Finance approval since the amount added to the CCS Habitat Projects category exceeds $75,000. **Work Program #C51499**

Refer to motion for approval under Agenda Item E.

77. Department of Conservation and Natural Resources - Water Resources - FY 2020

Addition of $204,596 in U.S. Department of Energy (DOE) grant funds transferred from the Division of Environmental Protection to support staff activities in water basins hydrologically connected to the basins underlying the Nevada Test Site. Requires Interim Finance approval since the amount added to the DOE grant category exceeds $75,000. **Work Program #C51180**

Refer to motion for approval under Agenda Item E.

78. Department of Conservation and Natural Resources - Forestry Division - Administration - FY 2021

Transfer of $104,406 from the Personnel Services category to the United States Forest Service (USFS) Consolidated Payment grants category to fund a portion of personnel costs for a Forester position that was transferred to the Forest Nurseries budget account. Requires Interim Finance approval since the amount added to the USFS Consolidated Payment grants category exceeds $75,000. **RELATES TO AGENDA ITEM E. 79. Work Program #C51170**

Refer to motion for approval under Agenda Item E.

79. Department of Conservation and Natural Resources - Forestry Division - Nurseries - FY 2021

Addition of $20,881 in federal United States Forest Service Consolidated Payment grant funds transferred from the Forestry account, transfer of $83,525 from the Reserve category to the Personnel Services category to fund personnel costs for a Forester position. Requires Interim Finance approval since the amount added to the Personnel Services category exceeds $75,000. **RELATES TO AGENDA ITEM E. 78. Work Program #C51165**

Refer to motion for approval under Agenda Item E.

80. Department of Conservation and Natural Resources - Nevada Natural Heritage - FY 2021

Addition of $193,672 in U.S. Environmental Protection Agency (USEPA) grant funds to develop Nevada's wetland program by expanding knowledge of the locations, extent, and status of isolated springs, headwater springs, springs-dependent species and priority wetlands in the state. Requires Interim Finance approval since the amount added to the USEPA Grant category exceeds $75,000. **Work Program #C51497**

Refer to motion for approval under Agenda Item E.

81. Department of Conservation and Natural Resources - Environmental Protection - Materials Management and Corrective Action - FY 2021

Addition of $52,392 in federal Environmental Protection Agency Multipurpose grant funds to fund the Bureau of Water Quality Planning to identify, evaluate and assess the channels and washes in the Las Vegas Valley and to fund the Nevada Division of Natural Heritage to provide priority wetland ranking. Requires Interim Finance approval since the amount added to the Transfer to State Agencies category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C51035**

Refer to motion for approval under Agenda Item E.

82. Department of Wildlife - Director's Office - FY 2021

Addition of $1,246,621 in federal Boating Access grant funds to support boating access improvement projects. Requires Interim Finance approval since the amount added to the Boating Access Improvement category exceeds $75,000. **Work Program #C51324**

Refer to motion for approval under Agenda Item E.

83. Department of Wildlife - Data and Technology Services - FY 2020

Addition of $246,992 in Application Fees to fund an increase in service fees due to a higher than anticipated increase in license sales. Requires Interim Finance approval since the amount added to the Wildlife Management System category exceeds $75,000. **Work Program #C50993**

Jack Robb, Deputy Director, Nevada Department of Wildlife (NDOW), said Work Program #C50993 would provide the NDOW Data and Technology Services (DATS) Division sufficient budget authority to cover a shortfall in the Application Hunt System category. He explained that expenses had been higher than expected in FY 2020 due to an increase in license sales, which consequently increased contractor payments. He noted that hunt applications increased by 13.3% compared to the same time last year. Those factors resulted in significantly higher expenses, which were necessary to complete the department's goals in FY 2020.

Assemblywoman Titus understood the reason for the transfer was due to an increase in hunt applications in FY 2020 compared to FY 2019. She noted that the vendor, Kalkomey Enterprises, Inc., would receive a payment of $246,992. She asked how much the vendor received per application. She also asked if there had been an increase in applications for other licenses.

Ms. Robb confirmed that the department had seen an increase in license applications across the board. He noted that fish and wildlife agencies throughout the country had seen a significant increase in license applications since the pandemic began, because typical activities, such as movies and sporting events, were unavailable. To date, fish licenses had increased by 45.3%, hunt licenses had increased by 10.2%, and hunt/fish combination licenses had increased by 10.8%. Overall, Sportsmen Revenue was up by 21% in FY 2020. In addition, boat registrations had increased by 3.2%. Mr. Robb noted that NDOW offices had been closed for an extended period during the pandemic, which caused a decrease in boat registrations; however, registrations began to increase again around the July 4th holiday. He stated that all of those factors had contributed to increased billing. Mr. Robb said NDOW typically experienced moderate growth of 2% to 3% per year with the previous vendor. He said NDOW forecast growth between 7% and 10% for FY 2020; however, the department exceeded that forecast, which had resulted in a budgetary shortfall.

Assemblywoman Titus asked what percentage of the fees were paid to the vendor. She also asked if the department planned to renegotiate the contract with the current vendor due to the increase in license applications.

Mr. Robb replied that the department did not plan to renegotiate the contract. He said the contract was established in a way that was mutually beneficial for NDOW and the vendor. He stated that the per-unit cost was built into the contract – the department paid approximately $1.30 per transaction. In addition, the department paid Walmart $1.00 per transaction for licenses purchased at Walmart stores.

Mr. Robb said NDOW used to spend approximately $2.3 million per year; however, with the new vendor, the cost was approximately $1.0 million. Ultimately, the contract had been beneficial for the department by lowering costs and increasing revenue.

Assemblywoman Titus asked if the transaction fee was the same for all licenses. Mr. Robb confirmed that was correct.

Assemblywoman Titus said she hoped to see more fish planted, increased access, and other gains as a result of the increased revenue.

ASSEMBLYWOMAN TITUS MOVED TO APPROVE AGENDA ITEM E-83.

SENATOR WOODHOUSE SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

84. Department of Wildlife - Fisheries Management - FY 2021
Deletion of $164,992 in federal Sport Fish Restoration grant funds, $122,829 in Sportsmen Revenue, $191,562 in Aquatic Invasive Species fees, the addition of $243,920 in State Wildlife grant funds, $2,442 in federal Section 6 Grant funds and $240,957 in federal Small grant funds to realign federal funding for FY 2021. Requires Interim Finance approval since the amount added to the Fisheries Small Grants category exceeds $75,000. **Work Program #C51384**

Refer to motion for approval under Agenda Item E.

85. Department of Wildlife - Diversity Division - FY 2021
Addition of $26,226 in federal Wildlife Restoration grant funds, $34,537 in State Wildlife grants funds, $101,716 in federal Section 6 grant funds, $16,208 in federal Small grant funds, and transfer of $78,858 in Sportsmen Revenue to realign federal funding for FY 2021. Requires Interim Finance approval since the amount added to the Section 6 Endangered Species category exceeds $75,000. **Work Program #C51241**

Refer to motion for approval under Agenda Item E.

86. Department of Wildlife - Habitat - FY 2021
Addition of $297,000 in federal Wildlife Restoration grant funds to purchase 13 acres adjacent to the Overton Wildlife Management Area (WMA) for wetland and upland habitat. Requires Interim Finance approval since the amount added to the WMA System category exceeds $75,000. **Work Program #C50476**

Refer to motion for approval under Agenda Item E.

87. Department of Wildlife - Habitat - FY 2021

Addition of $534,855 in Mining Assessments to support continued restoration and protection projects for wildlife and habitat throughout FY 2021. Requires Interim Finance approval since the amount added to the Industrial Development Projects category exceeds $75,000. **Work Program #C51274**

Refer to motion for approval under Agenda Item E.

88. Department of Veterans Services - Southern Nevada Veterans Home Account - FY 2021

Transfer of $265,337 from the Reserve category to the Pharmacy category to continue to provide pharmaceuticals to residents at the Southern Nevada State Veterans Home. Requires Interim Finance approval since the amount transferred to the Pharmacy category exceeds $75,000. **Work Program #C51153**

Refer to motion for approval under Agenda Item E.

89. Silver State Health Insurance Exchange - Silver State Health Insurance Exchange Administration - FY 2021

Transfer of $83,450 from the Qualified Health Plan Reserve category to the Exchange Platform category to provide additional call center weekend and evening hours to assist consumers. Requires Interim Finance approval since the amount added to the Exchange Platform category exceeds $75,000. **Work Program #C51386**

Refer to motion for approval under Agenda Item E.

90. Silver State Health Insurance Exchange - Silver State Health Insurance Exchange Administration - FY 2021

Transfer of $381,052 from the Qualified Health Plan Reserve category to the Exchange Platform category to fund a Market Stabilization Special Enrollment Period, extending the enrollment period from December 16 to January 15 of each year. Requires Interim Finance approval since the amount added to the Exchange Platform category exceeds $75,000. **Work Program #C51387**

Refer to motion for approval under Agenda Item E.

91. Department of Health and Human Services - Health Care Financing and Policy - Nevada Medicaid, Title XIX - FY 2020

Deletion of $56,945,928 in General Fund appropriations to support the Medicaid program in FY 2021. Requires Interim Finance approval pursuant to Assembly Bill 543, Section 33 of the 2019 Legislative Session. **RELATES TO AGENDA ITEM E. 92**. **Work Program #C51768. RECEIVED AFTER SUBMITTAL DEADLINE, 7-29-20.**

Agenda Items E-91 and E-92 were discussed jointly. Refer to testimony and motion for approval under Agenda Item E-92.

92. Department of Health and Human Services - Health Care Financing and Policy - Nevada Medicaid, Title XIX - FY 2021
Addition of $56,945,928 in General Fund appropriations, ***$326,700,073 in federal Title XIX grant funds*** to support the Medicaid program. Requires Interim Finance approval pursuant to Assembly Bill 543, Section 33 of the 2019 Legislative Session. **RELATES TO AGENDA ITEM E. 91**. **Work Program #C51769. RECEIVED AFTER SUBMITTAL DEADLINE, 7-29-20. REVISED 8-4-20.**

Agenda Items E-91 and E-92 were discussed jointly.

Suzanne Bierman, Administrator, Division of Health Care Financing and Policy (DHCFP), DHHS, said Work Programs #C51768 and #C51769 requested approval to transfer General Fund appropriations from FY 2020 to FY 2021 to support increased expenditures in the Medicaid program. She said the excess General Fund appropriations in FY 2020 were largely attributed to the addition of the enhanced Federal Medical Assistance Percentage (FMAP) of 6.2 percentage points that was available to states under the Families First Coronavirus Response Act. Ms. Bierman said the acceptance of the enhanced FMAP came with several requirements, such as maintenance of effort and continuity of coverage, which had contributed to an increase in the biennial caseload for the Medicaid program.

Melissa Laufer-Lewis, Administrative Services Officer, DHCFP, DHHS, noted the following revisions to Work Program #C51768:

- Category 12 was revised from $17,663,175 to $10,758,801.
- Category 13 was revised from $1,225,559 to $1,245,255.
- Category 14 was revised from $22,314,569 to $32,314,569, and the Title XIX in Category 14 was increased by $21,451,405 to align the available category balance and allow for the General Fund transfer.
- Category 15 was revised from $2,167,572 to $2,167,571; however, there was a federal increase of $2,167,571.

Category 28 was revised from $4,900,553 to $9,363,407.

Chair Carlton recalled discussion about the enhanced FMAP during the 31st Special Session (2020). She understood it was extended in July 2020.

Ms. Bierman confirmed that was correct. She said the enhanced FMAP was extended for another quarter, through the end of calendar year 2020.

Chair Carlton said there were significant concerns about caseload and utilization. Utilization decreased during the COVID-19 pandemic; however, she noted that it was beginning to increase again. She also noted that caseload numbers were increasing. Chair Carlton understood that many businesses had alerted the Department of Employment, Training and Rehabilitation (DETR) that they would be implementing permanent furloughs beginning in October 2020. In addition,

McCarran International Airport also intended to furlough 1,000 employees in October. Consequently, many of those individuals may be eligible for Medicaid. She asked the agency to discuss current and future caseload trends.

Ms. Bierman stated that the DHCFP was closely monitoring caseload and utilization trends given their volatile nature. She agreed with Chair Carlton's assessment regarding the potential for large increases in caseload. She stated that national data from the Kaiser Family Foundation revealed that 50% of individuals who lose employment during an economic downturn are generally eligible for Medicaid. Given the nature of the job losses mentioned by Chair Carlton, the DHCFP anticipated that a large percentage of those individuals would be eligible for Medicaid. She said the division would continue to monitor the situation closely.

Ms. Bierman said the DHCFP anticipated that the Medicaid caseload would continue to rise. She said it was difficult to know with absolute certainty and the division's projections continued to be iterative. However, in the one month since the 31st Special Session, caseload had increased from 9% pre-COVID to 11%.

Ms. Bierman said the division had preliminary data on utilization rates; however, that data may change due to claims lag. She reported an increase in utilization in July 2020 compared to June 2020 data. She noted the in-patient hospitalization category had experienced an increase; therefore, the overall increase in utilization may have been caused by outliers and very large expenditures that had come due, such as transplants.

Ms. Bierman reiterated that the DHCFP would continue to monitor caseload and utilization closely, because both could have major implications for the Medicaid budget.

Ms. Laufer-Lewis agreed that even a small change could be very expensive for Medicaid.

Chair Carlton understood the DHCFP had not requested to restore any of the budget reductions that were proposed during the 31st Special Session because the division was still monitoring caseload and utilization. She asked if the division had an estimated timeframe for restoring the budget reductions for Medicaid in FY 2021.

Ms. Bierman said it was difficult to predict since it was still early in the fiscal year. She said the DHCFP wanted to be responsible with the Medicaid budget. Given the number of volatile factors, the division would continue to monitor those factors and discuss proposed restoration of the budget reductions with the Committee. Ms. Bierman stated that the DHCFP was open to any opportunity to restore the budget reductions; however, the division also wanted to be responsible with taxpayer dollars and avoid the need for a supplemental appropriation.

Ms. Bierman reiterated that it was still early in the fiscal year; therefore, it was difficult to provide a more concrete timeframe. The DHCFP was in the process of submitting the necessary State Plan Amendments to the Centers for Medicare and Medicaid Services (CMS). The division anticipated the amendments would be approved by the CMS.

Cindy Jones, Assembly Fiscal Analyst, Fiscal Analysis Division, LCB, addressed the revisions to Work Program #C51768 noted by the division. According to the Governor's Finance Office, the amount to be reduced and transferred to category 51 was revised from $56,945,928 to $64,524,104. She also noted the following revisions:

- Check Up category was revised from $310,827 to $310,826.
- Children and Families category was revised from $17,663,175 to $10,758,801.
- Newly Eligible category was revised from $1,225,559 to $1,245,255.
- Medical Assistance to the Aged, Blind and Disabled (MAABD) category was revised from $22,314,569 to $10,836,164.
- Child Welfare category was revised from $8,220,148 to $8,220,149.
- Offline category was revised from $4,900,553 to $9,363,408.

Ms. Jones stated that the total of those categories was $56,945,928 in reductions as originally submitted and the revised total was $48,905,128.

Ms. Jones noted the following revisions to Work Program #C51769:

- The General Fund amount was revised from $56,945,928 to $64,524,104, which was the same amount that was reduced in the prior year balancing forward to the current fiscal year.
- Title XIX authority was revised from $326,700,073 to $339,521,420.
- Children and Families category was revised from $136,754,381 to $44,272,052.
- Newly Eligible category was revised from $224,978,974 to $204,227,624.
- Offline category was revised from $21,912,646 to $137,883,557.

Ms. Jones noted the following additions to Work Program #C51769:

- MAABD category – addition of $14,325,078.
- Waiver category – addition of $3,337,165.

Ms. Jones said the total increase was $338,646,001, which aligned with the revenue increases as submitted. The revised total was $404,045,524.

In response to a question from Ms. Laufer-Lewis, Ms. Jones replied that the amount for the MAABD category for FY 2020 was an addition of $14,325,078. Ms. Laufer-Lewis concurred.

In response to a question from Assemblywoman Spiegel, Ms. Laufer-Lewis replied that the Offline category largely represented supplemental payment programs, such as the Medicare premiums paid to the CMS and recoveries and rebates received by the division.

Assemblywoman Spiegel asked if the division had projections concerning increased enrollment and utilization, and how that would impact the budget.

Ms. Bierman stated that the Office of Data Analytics produced monthly caseload projections, which she would provide to the Committee. Some factors, such as the anticipated job losses referenced by Chair Carlton, had not been factored into the caseload projections; however, the DHCFP was working with the Office of Data Analytics to update the projections. Ms. Bierman said it was a continual process knowing the country was in unprecedented times.

Assemblywoman Spiegel thought it would also be helpful for the division to include a comparison between budgeted and actual caseload.

Assemblywoman Spiegel asked if the division had a preliminary sense of the fiscal impact for FY 2021.

Ms. Bierman replied that the division projected a very small surplus; however, the margin was narrow and could be completely upended by an increase in caseload.

Referring to page 328 in Volume III of the meeting packet, Senator Kieckhefer noted that overall, excess funding totaled approximately $67.0 million; however, $10.0 million would be balanced forward (Exhibit C). He asked why the division was balancing forward the funds.

Ms. Bierman recalled the funds were balancing forward at the direction of the Governor's Finance Office.

Chair Carlton understood that the $10.0 million was counted toward the reversion that was part of the solution for FY 2021.

Susan Brown, Director, Governor's Finance Office, confirmed that the $10.0 million was included in the scheduled reversion as part of the solution for FY 2021.

Senator Kieckhefer understood that the $10.0 million was counted as the ending fund balance from FY 2020 that was used for FY 2021. Ms. Brown confirmed that was correct.

Ms. Jones said, when looking at the General Fund balance, there was always an expected amount of natural reversions every fiscal year included in the balance forward to the subsequent fiscal year. She said it was her understanding that in determining the amount of expected reversions that would occur naturally from unexpended funds, separate from the amounts that were reserved for reversions to address budget shortfalls in FY 2021, the $10.0 million for Medicaid was

included in the estimation. As solutions for FY 2020 were discussed, the estimated total amount of reversions was $65.0 million, $10.0 million of which was from Medicaid.

Referring to page 337 in Volume III of the meeting packet, Senator Kieckhefer noted an increase in caseload by category and expenditures; however, the dollar amounts for the expenditures were the same (Exhibit C). He asked the agency to clarify.

Ms. Laufer-Lewis stated that caseload was factored into the projected expenditures. She indicated that the table was updated when revisions were made to the General Fund balance forward portion. Ms. Laufer-Lewis said she would provide the Committee with an updated version of the table.

Senator Kieckhefer noted that some of the expenditures exceeded the budgeted amounts (page 335, Exhibit C). For example, total expenditures in the MAABD category was $1.013 billion, which exceeded the budgeted amount of $949.6 million. The same was true for the County Indigent Program, with $102.0 million in total expenditures compared to a budgeted amount of $97.0 million. Senator Kieckhefer asked if the division planned to submit additional work programs to resolve the issue. He also asked the agency to clarify the difference between the *Current Projection* table and the *Budgeted Expenditures (includes approved work programs)* table (page 335, Exhibit C).

Ms. Laufer-Lewis replied that the General Fund portion would be transferred through Work Programs #C51768 and #C51769. She said the division would submit additional work programs to shore up the category shortfalls and surpluses to represent costs more accurately.

Senator Kieckhefer said the *Current Projection* table on page 335 included the updated expenditures by category that he had expected to see on the table on page 337 (Exhibit C). Ms. Laufer-Lewis confirmed that was correct.

Regarding additional enhanced FMAP and other resources, Senator Kieckhefer asked if there were specific triggers the division was seeking in terms of restoring the budget cuts.

Ms. Bierman replied that the DHCFP was still working through those issues. The division wanted to restore the budget cuts to the extent that funding allowed; however, it was too early in the fiscal year and the factors were volatile. She said the division would continue to closely monitor caseload and utilization impacts, and as the fiscal year progressed, the division would have a better indication whether additional funding would be available. Ms. Bierman said the DHCFP was working to implement Assembly Bill (A.B.) 3 (31st Special Session, 2020). Subsequently, the DHCFP would have follow-up conversations with the forecasters and the actuarial economist. She stated that the division would take advantage of the flexibility that A.B. 3 provided, while continuing to manage the Medicaid budget responsibly.

Senator Kieckhefer suggested that the agency provide regular updates to the Committee concerning utilization and caseload updates.

Chair Carlton agreed. She remarked that the issue would be continually evolving.

Chair Carlton recalled the difficulty DETR experienced in managing the overwhelming number of unemployment claims filed during the pandemic. She asked if the DHCFP was prepared to handle a large influx of Medicaid applications, knowing that 5,000 or more people may need access to health care in October.

Ms. Bierman said she had conversations with the Division of Welfare and Supportive Services (DWSS) regarding the possibility of a large increase in Medicaid applications. She said the DHCFP, the DWSS and the managed care providers were contemplating how to make the transition as efficient as possible, as well as how to promote continuity of care and ensure that health care coverage was available and accessible. Ms. Bierman assured the Committee that the issue was on the division's radar.

Chair Carlton agreed it was critical for people to have access to health care. She requested that the division provide an update at the October 22, 2020, IFC meeting.

Assemblyman Frierson appreciated that the DHCFP was preparing for the increased Medicaid caseload. He stated that the highest priority was to restore the budget reductions; however, it must be done in a responsible manner and only after addressing the uncertainty of the Medicaid caseload.

Ms. Bierman agreed. She said she was grateful for the flexibility that A.B. 3 provided. She assured the Committee that the DHCFP would continue to monitor the situation and discuss budget restorations when the budget allowed.

In response to a question from Assemblywoman Titus, Ms. Bierman replied that the 6.2 percentage point enhanced FMAP, included in the Families First Coronavirus Response Act, equated to approximately $30.0 million per quarter. She stated that the enhanced FMAP was retroactive to January 1, 2020, and was expected to continue through December 31, 2020; thus, the state would receive $30.0 million per quarter for a total of four quarters. Anything beyond that was contingent upon further extensions of the public health emergency under the Families First Coronavirus Response Act or additional federal relief. Ms. Bierman stated that the additional funding would help the division manage the significant caseload increase.

Assemblywoman Titus asked how the enhanced FMAP funding was expended.

Ms. Bierman replied that most recipients were provided health care under managed care. The managed care vendors were paid per person, per month. She said the increased caseload had resulted in increased expenditures. Ms. Bierman

said the division was currently renegotiating the capitated rates with the managed care vendors to reflect the changes experienced due to COVID-19. She stated that the negotiations had to be done in consultation with an actuary to ensure the rates were actuarially sound. She noted that the revised rates would also have to be approved by the CMS. Ms. Bierman said the division was currently utilizing the enhanced FMAP funding to address the shortfall and absorb costs associated with the increased caseload.

Assemblywoman Titus understood the division paid the managed care vendors for each person enrolled in managed care, regardless whether those individuals received care. She asked if any of the funding was used for health care costs.

Ms. Bierman said she would provide the Committee with information pertaining to fee-for-service expenditures. She indicated that approximately 70% of Medicaid recipients were enrolled in managed care compared to 30% in fee-for-service. In addition, a residual fee-for-service program provided care in the rural and frontier areas. She stated that managed care primarily served Washoe and Clark Counties.

Ms. Bierman stated that managed care vendors were paid capitated monthly payments. While some people who were enrolled in managed care may not receive health care services each month, others may receive much more than what was paid by the division. She said she would provide the Committee with additional information concerning claims utilization.

Assemblywoman Titus thought it was important to track the expenditure of the funds. Although managed care provided a savings to the state, managed care vendors were for-profit organizations. With fee-for-service, the state only paid for services when a patient accessed care; however, that was not the case with managed care. She said she was interested in the utilization data. She thought it was important to ensure that recipients were receiving the health care they were promised.

Ms. Bierman confirmed that the managed care plans were providing care. She stated that the division was not overpaying due to COVID-19. The actuaries did their best to predict the per member, per month payment based on utilization and historical data; however, 2020 had been an unusual year. In addition to the recent rate reductions, the division was working with the managed care vendors to reset the rates and implement risk corridors to ensure the amount paid by the DHCFP was reflective of actual experience.

In response to Assemblywoman Titus' comment, Chair Carlton replied that the state paid a fixed per member, per month fee. If a member became seriously ill, the managed care vendor was required to provide for the treatment. That arrangement had typically worked well for the state, because it usually balanced out in the end. Chair Carlton said the last few months had been highly unusual in that people were not accessing the same level of health care. The difference would be made up quickly if a few Medicaid recipients became seriously ill. Chair Carlton

said she was also interested in the utilization data knowing the serious nature of people who had been admitted to the hospital during the pandemic. She thought it was important to assess both sides of the situation.

Ms. Jones remarked that the revised revenues for FY 2020 included a reduction in General Funds of $64,524,104 as previously stated. However, she noted there was also an increase of $23,618,976 in Title XIX funds going into FY 2020. The revised total was -$40,905,128, which was the net of the two figures. It also reflected the total amount of reductions occurring in the various categories, which also totaled $40,905,128.

ASSEMBLYMAN FRIERSON MOVED TO APPROVE AGENDA ITEMS E-91 AND E-92.

SENATOR WOODHOUSE SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

93. Department of Health and Human Services - Health Care Financing and Policy - Check-Up Program - <u>FY 2020</u>
Deletion of $1,299,934 in General Fund appropriations to support the Check Up Program in FY 2021. Requires Interim Finance approval pursuant to Assembly Bill 543, Section 33 of the 2019 Legislative Session. **RELATES TO AGENDA ITEM E. 94**. **Work Program #C51770. RECEIVED AFTER SUBMITTAL DEADLINE, 7-29-20.**

Refer to motion for approval under Agenda Item E.

94. Department of Health and Human Services - Health Care Financing and Policy - Check-Up Program - FY 2021
Addition of $1,299,934 in General Fund appropriations to support the Check Up Program. Requires Interim Finance approval pursuant to Assembly Bill 543, Section 33 of the 2019 Legislative Session. **RELATES TO AGENDA ITEM E. 93**. **Work Program #C51771. RECEIVED AFTER SUBMITTAL DEADLINE, 7-29-20.**

Refer to motion for approval under Agenda Item E.

95. Department of Health and Human Services - Aging and Disability Services - Home and Community-Based Services - <u>FY 2020</u>
Transfer of $400,000 from the Personnel Services category to the Independent Living Assistance category to fund a projected shortfall for the remainder of the fiscal year. Requires Interim Finance approval since the amount transferred to the Independent Living Assistance category exceeds $75,000. **Work Program #C51787. RECEIVED AFTER SUBMITTAL DEADLINE, 7-29-20. WITHDRAWN 8-6-20.**

96. Department of Public Safety - Division of Emergency Management - FY 2021
Addition of $502,276 in FEMA Robert T. Stafford Disaster Relief and Emergency Assistance grant authority to fund six new positions in the division's recovery section to support the disaster grant workload from the COVID-19 requests for reimbursement, along with the grant management functions surrounding these disaster grants. Requires Interim Finance approval since the amount added to the Personnel Services category exceeds $75,000. **Work Program #C51065. RECEIVED AFTER SUBMITTAL DEADLINE, 8-3-20.**

Refer to motion for approval under Agenda Item E.

97. Department of Education - Incentives for Licensed Educational Personnel - FY 2020
Deletion of $545,682 in appropriations in order to transfer to FY 2021 to revert in accordance with Assembly Bill 3, Section 88 from the 31st Special Session. Requires Interim Finance approval pursuant to Senate Bill 555, Section 40 of the 2019 Legislative Session. **RELATES TO AGENDA ITEM E. 98**. **Work Program #C51924. RECEIVED AFTER SUBMITTAL DEADLINE, 8-6-20.**

Refer to motion for approval under Agenda Item E.

98. Department of Education - Incentives for Licensed Educational Personnel - FY 2021
Addition of $545,682 in appropriations transferred from FY 2020 in order to revert funds in accordance with Assembly Bill 3, Section 88 from the 31st Special Session. Requires Interim Finance approval pursuant to Senate Bill 555, Section 40 of the 2019 Legislative Session. **RELATES TO AGENDA ITEM E. 97**. **Work Program #C51774. RECEIVED AFTER SUBMITTAL DEADLINE, 8-6-20.**

Refer to motion for approval under Agenda Item E.

99. Department of Education - Other State Education Programs - FY 2020
Deletion of $618,984 in appropriations to transfer the funds to FY 2021 for the Jobs for America's Graduates program. Requires Interim Finance approval due to Senate Bill 555, Section 19 of the 2019 Legislative Session. **RELATES TO AGENDA ITEM E. 100**. **Work Program #C51977. RECEIVED AFTER SUBMITTAL DEADLINE, 8-7-20.**

Refer to motion for approval under Agenda Item E.

100. Department of Education - Other State Education Programs - FY 2021
Addition of $618,984 in appropriations transferred from FY 2020 and deletion of $621,500 in balance forward funds to true up and balance forward appropriations for the Jobs for America's Graduates program. Requires Interim Finance approval due to Senate Bill 555, Section 19 of the 2019 Legislative Session. **RELATES TO AGENDA ITEM E. 99**. **Work Program #C51961. RECEIVED AFTER SUBMITTAL DEADLINE, 8-7-20.**

Refer to motion for approval under Agenda Item E.

101. CORONAVIRUS RELIEF FUNDS REIMBURSEMENT (GENERAL FUND AND OTHER FUNDS) - FY 2020

Agenda Items E-101 and E-102 were discussed jointly. Refer to testimony and motion for approval under Agenda Item E-102.

#	FY	WP #	Division	BA	Budget Account Description
1	2020	20CA1000	010	1000	OFFICE OF THE GOVERNOR
2	2020	20CA1002	030	1002	AG - EXTRADITION COORDINATOR
3	2020	20CA1013	753	1013	B&I - NV ATTORNEY FOR INJURED WORKERS
4	2020	20CA1015	089	1015	ADMINISTRATION - HEARINGS AND APPEALS DIVISION
5	2020	20CA1030	030	1030	AG - ADMINISTRATIVE BUDGET ACCOUNT
6	2020	20CA1033	030	1033	AG - WORKERS' COMP FRAUD
7	2020	20CA1038	030	1038	AG - CONSUMER ADVOCATE
8	2020	20CA1050	040	1050	SOS - SECRETARY OF STATE
9	2020	20CA1051	040	1051	SOS - HELP AMERICA VOTE ACT (HAVA) ELECTION REFORM
10	2020	20CA1052	332	1052	ADMINISTRATION - NSLA - ARCHIVES & PUBLIC RECORDS
11	2020	20CA1130	060	1130	CONTROLLER - CONTROLLER'S OFFICE
12	2020	20CA1325	015	1325	GOVERNOR'S OFFICE OF FINANCE - SMART 21
13	2020	20CA1340	015	1340	GOVERNOR'S OFC OF FINANCE - BUDGET DIVISION
14	2020	20CA1341	088	1341	ADMINISTRATION - OFFICE OF GRANT PROCUREMENT COORD
15	2020	20CA1400	960	1400	SILVER STATE HEALTH INSURANCE EXCHANGE ADMIN
16	2020	20CA1497	220	1497	JUDICIAL DISCIPLINE
17	2020	20CA1526	102	1526	GOED - GOVERNOR'S OFFICE OF ECONOMIC DEV
18	2020	20CA2361	130	2361	DEPARTMENT OF TAXATION
19	2020	20CA2560	240	2560	NDVS - OFFICE OF VETERANS SERVICES
20	2020	20CA2569	240	2569	NDVS - NORTHERN NEVADA VETERANS HOME ACCOUNT
21	2020	20CA2580	903	2580	DETR - EQUAL RIGHTS COMMISSION
22	2020	20CA2666	360	2666	DETR - COMMISSION ON POSTSECONDARY EDUCATION
23	2020	20CA2891	332	2891	ADMINISTRATION - NSLA - STATE LIBRARY
24	2020	20CA2940	331	2940	TOURISM - MUSEUMS & HIST - NEVADA STATE MUSEUM, CC
25	2020	20CA2941	331	2941	TOURISM - MUSEUMS & HISTORY
26	2020	20CA2943	331	2943	TOURISM - MUSEUMS & HIST - NEVADA STATE MUSEUM, LV
27	2020	20CA2980	350	2980	NSHE - UNIVERSITY OF NEVADA, RENO
28	2020	20CA2987	350	2987	NSHE - UNIVERSITY OF NEVADA, LAS VEGAS

29	2020	20CA2991	350	2991	NSHE - SYSTEM COMPUTING CENTER
30	2020	20CA2994	350	2994	NSHE - GREAT BASIN COLLEGE
31	2020	20CA3005	350	3005	NSHE - NEVADA STATE COLLEGE
32	2020	20CA3010	350	3010	NSHE - DESERT RESEARCH INSTITUTE
33	2020	20CA3011	350	3011	NSHE - COLLEGE OF SOUTHERN NEVADA
34	2020	20CA3012	350	3012	NSHE - WESTERN NEVADA COLLEGE
35	2020	20CA3018	350	3018	NSHE - TRUCKEE MEADOWS COMMUNITY COLLEGE
36	2020	20CA3143	409	3143	HHS-DCFS - INFORMATION SERVICES
37	2020	20CA3145	409	3145	HHS-DCFS - CHILDREN, YOUTH & FAMILY ADMINISTRATION
38	2020	20CA3148	409	3148	HHS-DCFS - SUMMIT VIEW YOUTH CENTER
39	2020	20CA3150	400	3150	HHS-DO - ADMINISTRATION
40	2020	20CA3151	402	3151	HHS-ADSD - FEDERAL PROGRAMS AND ADMINISTRATION
41	2020	20CA3161	406	3161	HHS-DPBH - SO NV ADULT MENTAL HEALTH SERVICES
42	2020	20CA3162	406	3162	HHS-DPBH - NO NV ADULT MENTAL HEALTH SVCS
43	2020	20CA3167	402	3167	HHS-ADSD - RURAL REGIONAL CENTER
44	2020	20CA3168	406	3168	HHS-DPBH - BEHAVIORAL HEALTH ADMINISTRATION
45	2020	20CA3179	409	3179	HHS-DCFS - CALIENTE YOUTH CENTER
46	2020	20CA3187	709	3187	DCNR - DEP MATERIALS MNGMT & CORRCTV ACTN
47	2020	20CA3195	400	3195	HHS-DO - GRANTS MANAGEMENT UNIT
48	2020	20CA3197	709	3197	DCNR - DEP SAFE DRINKING WATER PROGRAM
49	2020	20CA3208	402	3208	HHS-ADSD - EARLY INTERVENTION SERVICES
50	2020	20CA3209	402	3209	HHS - ADSD- AUTISM TREATMENT ASSISTANCE PROGRAM
51	2020	20CA3216	406	3216	HHS-DPBH - HEALTH CARE FACILITIES REG
52	2020	20CA3218	406	3218	HHS-DPBH - PUBLIC HEALTH PREPAREDNESS PROGRAM
53	2020	20CA3219	406	3219	HHS-DPBH - BIOSTATISTICS AND EPIDEMIOLOGY
54	2020	20CA3223	406	3223	HHS-DPBH - OFFICE OF HEALTH ADMINISTRATION
55	2020	20CA3224	406	3224	HHS-DPBH - COMMUNITY HEALTH SERVICES
56	2020	20CA3228	407	3228	HHS-WELFARE - ADMINISTRATION
57	2020	20CA3229	409	3229	HHS-DCFS - RURAL CHILD WELFARE
58	2020	20CA3233	407	3233	HHS-WELFARE - WELFARE FIELD SERVICES
59	2020	20CA3235	406	3235	HHS-DPBH - EMERGENCY MEDICAL SERVICES
60	2020	20CA3259	409	3259	HHS-DCFS - NEVADA YOUTH TRAINING CENTER
61	2020	20CA3263	409	3263	HHS-DCFS - YOUTH PAROLE SERVICES
62	2020	20CA3266	402	3266	HHS-ADSD - HOME AND COMMUNITY-BASED SERVICES
63	2020	20CA3279	402	3279	HHS-ADSD - DESERT REGIONAL CENTER
64	2020	20CA3280	402	3280	HHS-ADSD - SIERRA REGIONAL CENTER
65	2020	20CA3281	409	3281	HHS-DCFS - NORTHERN NV CHILD & ADOLESCENT SERVICES
66	2020	20CA3645	406	3645	HHS-DPBH - FACILITY FOR THE MENTAL OFFENDER
67	2020	20CA3646	409	3646	HHS-DCFS - SOUTHERN NV CHILD & ADOLESCENT SERVICES
68	2020	20CA3648	406	3648	HHS-DPBH - RURAL CLINICS
69	2020	20CA3706	440	3706	NDOC - PRISON MEDICAL CARE
70	2020	20CA3710	440	3710	NDOC - DIRECTOR'S OFFICE
71	2020	20CA3711	440	3711	NDOC - CORRECTIONAL PROGRAMS
72	2020	20CA3716	440	3716	NDOC - WARM SPRINGS CORRECTIONAL CENTER
73	2020	20CA3717	440	3717	NDOC - NORTHERN NEVADA CORRECTIONAL CENTER
74	2020	20CA3722	440	3722	NDOC - STEWART CONSERVATION CAMP
75	2020	20CA3725	440	3725	NDOC - THREE LAKES VALLEY CONSERVATION CAMP
76	2020	20CA3738	440	3738	NDOC - SOUTHERN DESERT CORRECTIONAL CENTER
77	2020	20CA3739	440	3739	NDOC - WELLS CONSERVATION CAMP

78	2020	20CA3740	652	3740	DPS - DIVISION OF PAROLE AND PROBATION
79	2020	20CA3743	653	3743	DPS - INVESTIGATION DIVISION
80	2020	20CA3751	440	3751	NDOC - ELY STATE PRISON
81	2020	20CA3759	440	3759	NDOC - LOVELOCK CORRECTIONAL CENTER
82	2020	20CA3760	440	3760	NDOC - CASA GRANDE TRANSITIONAL HOUSING
83	2020	20CA3761	440	3761	NDOC - FLORENCE MCCLURE WOMENS' CORRECTIONAL CENTER
84	2020	20CA3762	440	3762	NDOC - HIGH DESERT STATE PRISON
85	2020	20CA3775	650	3775	DPS - TRAINING DIVISION
86	2020	20CA3800	660	3800	DPS - PAROLE BOARD
87	2020	20CA3823	748	3823	B&I - REAL ESTATE ADMINISTRATION
88	2020	20CA3900	752	3900	B&I - LABOR COMMISSIONER
89	2020	20CA4061	611	4061	GCB - GAMING CONTROL BOARD
90	2020	20CA4150	700	4150	DCNR - ADMINISTRATION
91	2020	20CA4151	701	4151	DCNR - CONSERVATION DISTRICTS PROGRAM
92	2020	20CA4162	704	4162	DCNR - STATE PARKS
93	2020	20CA4171	705	4171	DCNR - WATER RESOURCES
94	2020	20CA4180	710	4180	DCNR - DIVISION OF OUTDOOR RECREATION
95	2020	20CA4195	706	4195	DCNR - FORESTRY
96	2020	20CA4198	706	4198	DCNR - FORESTRY - CONSERVATION CAMPS
97	2020	20CA4205	334	4205	DCNR - OFFICE OF STATE HISTORIC PRESERVATION
98	2020	20CA4216	331	4216	TOURISM - MUSEUMS & HIST-NV STATE RAILROAD MUSEUMS
99	2020	20CA4235	706	4235	DCNR - FORESTRY - NURSERIES
100	2020	20CA4460	702	4460	WILDLIFE - DIRECTOR'S OFFICE
101	2020	20CA4461	702	4461	WILDLIFE - DATA AND TECHNOLOGY SERVICES
102	2020	20CA4464	702	4464	WILDLIFE - GAME MANAGEMENT
103	2020	20CA4466	702	4466	WILDLIFE - DIVERSITY DIVISION
104	2020	20CA4540	550	4540	AGRI - PLANT HEALTH & QUARANTINE SERVICES
105	2020	20CA4550	550	4550	AGRI - VETERINARY MEDICAL SERVICES
106	2020	20CA4680	742	4680	B&I - DIVISION OF INDUSTRIAL RELATIONS
107	2020	20CA4682	742	4682	B&I - OCCUPATIONAL SAFETY & HEALTH ENFORCEMENT
108	2020	20CA4685	742	4685	B&I - SAFETY CONSULTATION AND TRAINING
109	2020	20CA4738	650	4738	DPS - DIGNITARY PROTECTION
110	2020	20CA1560	086	1560	ADMIN - SPWD - FACILITY COND & ANALYSIS

102. CORONAVIRUS RELIEF FUNDS REIMBURSEMENT (HIGHWAY FUND AND OTHER FUNDS) - FY 2020

#	FY	WP #	Division	BA	Budget Account Description
1	2020	20CA3922	751	3922	B&I - NEVADA TRANSPORTATION AUTHORITY
2	2020	20CA4660	800	4660	NDOT - TRANSPORTATION ADMINISTRATION
3	2020	20CA4713	651	4713	DPS - NEVADA HIGHWAY PATROL DIVISION
4	2020	20CA4711	810	4711	DMV - RECORDS SEARCH
5	2020	20CA4715	810	4715	DMV - AUTOMATION
6	2020	20CA4717	810	4717	DMV - MOTOR CARRIER DIVISION
7	2020	20CA4731	810	4731	DMV - VERIFICATION OF INSURANCE
8	2020	20CA4732	810	4732	DMV - HEARINGS
9	2020	20CA4735	810	4735	DMV - FIELD SERVICES

10	2020	20CA4740	810	4740	DMV - COMPLIANCE ENFORCEMENT
11	2020	20CA4741	810	4741	DMV - CENTRAL SERVICES
12	2020	20CA4742	810	4742	DMV - DIVISION OF MANAGEMENT SERVICES & PROGRAMS
13	2020	20CA4744	810	4744	DMV - DIRECTOR'S OFFICE
14	2020	20CA4745	810	4745	DMV - ADMINISTRATIVE SERVICES DIVISION

Agenda Items E-101 and E-102 were discussed jointly.

Susan Brown, Director, GFO, noted the following revisions to the CRF reimbursements related to the General Fund:

- Office of the Attorney General, Consumer Advocate – category 86 was revised to $132,065 and category 93 was revised to $84,835.

- Equal Rights Commission – total amount was revised from $44,010 to $44,368.

- Department of Tourism and Cultural Affairs, Division of Museums and History, Nevada State Museum in Carson City – category 93 was decreased from $29,892 to $29,860 and category 94 was increased from $42,750 to $42,782.

- Department of Health and Human Services, Division of Public and Behavioral Health, Public Health Preparedness Program – category 93 was revised from $31,519 to zero, and category 86 was added in the amount of $31,519.

- Department of Tourism and Cultural Affairs, Division of Museums and History, State Railroad Museum – category 93 was revised from $43,876 to $50,483, and category 94 was decreased from $45,899 to $39,292.

- Department of Business and Industry, Division of Industrial Relations – total work program was revised from $326,762 to $344,384.

Regarding the revision to the Office of the Attorney General, Consumer Advocate work program, Cindy Jones, Assembly Fiscal Analyst, Fiscal Analysis Division, LCB, said it was staff's understanding that the revised amount for category 93 was $84,835 and the revised amount for category 86 was $132,075.

Ms. Brown replied that the total work program amount was $216,900, of which $132,065 would go to category 86 and $84,835 would go to category 93.

In response to a question from Ms. Jones, Ms. Brown stated that the documentation for Work Program #20CA4735, Department of Motor Vehicles, Field Services indicated that the funds were intended to reimburse revenue; however, she clarified that the funds were intended to reimburse expenditures incurred by the agency related to qualifying coronavirus expenses.

Assemblyman Frierson noted that the Subcommittee to Review and Revise on Coronavirus Federal Aid would meet in the coming weeks to discuss the status and future use of the CRFs, as well as prospective recommendations to the IFC.

ASSEMBLYMAN FRIERSON MOVED TO APPROVE AGENDA ITEMS E-101 AND E-102.

SENATOR WOODHOUSE SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

RECLASSIFICATIONS

Refer to motion for approval under Agenda Item E.

AGENCY	AGENCY/ ACCOUNT NUMBER	POSITION NUMBER	PRESENT CLASS, CODE, GRADE & SALARY	PROPOSED CLASS, CODE, GRADE & SALARY
Department of Health and Human Services/Division of Child and Family Services/Residential	409/3646	1615	Psychiatric Nurse II Code:10.307 Grade 39/01 Employee/Employer Paid Retirement $61,011.36	Program Officer II Code:7.647 Grade 33/01 Employee/Employer Paid Retirement $47,188.80
Department of Public Safety	653/3743	0061	Accounting Assistant III Code: 2.301 Grade 27/02 Employee/Employer Paid Retirement $38,314.80	Management Analyst I Code:7.637 Grade 33/02 Employee/Employer Paid Retirement $49,151.52

F. DEPARTMENT OF ADMINISTRATION - STATE PUBLIC WORKS DIVISION - Request to modify the scope of CIP Project 17-M46, Heating Ventilation and Air Conditioning System Renovation, Regional Medical Facility, Northern Nevada Correctional Center pursuant to NRS 341.145(1)(f) and to transfer $38,039 from CIP Project 17-M62, Remodel Showers and Restrooms, 5 Housing Units at Stewart Conservation Camp pursuant to Section 34 of Senate Bill 546 of the 2017 Session, to fund the shortfall in CIP Project 17-M46.

Ward Patrick, Administrator, State Public Works Division (SPWD), Department of Administration, said the SPWD was requesting to transfer $38,039 from CIP Project 17-M62 to CIP Project CIP 17-M46 to finalize the budget reduction in Senate Bill 1 of the 31st Special Session (2020).

ASSEMBLYMAN FRIERSON MOVED TO APPROVE AGENDA ITEM F.

SENATOR WOODHOUSE SECONDED THE MOTION.

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

G. STATEMENT OF CONTINGENCY ACCOUNT BALANCE.

Cindy Jones, Assembly Fiscal Analyst, Fiscal Analysis Division, LCB, referred to the Statement of Contingency Account Balance on page 187 in Volume IV of the meeting packet (Exhibit D). The balance of the Contingency Account prior to any actions taken by the Committee was approximately $37.0 million. If the requests totaling $14.0 million were approved by the Committee, the balance would be reduced to $23.0 million. The balance of the unrestricted General Fund portion was $17.5 million; however, if the two requests totaling $3.5 million were approved by the Committee, the balance would be reduced to $14.0 million. The balance of the restricted General Fund portion was $17.7 million. If the four requests totaling $10.5 million were approved by the Committee, the balance would be reduced to $7.2 million.

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

1. Office of the Attorney General – Request for an allocation of $3,551 to fund a projected shortfall due to the delay in the receipt of Missing Children License Plate Fee revenue.

   Jessica Adair, Chief of Staff, Office of the Attorney General (OAG), stated that the agency's request of $3,551 would offset a shortfall in license plate fee revenue in the Crime Prevention budget. She noted that license plate fee revenue supported personnel costs for staff that worked on issues related to missing and exploited children.

   Chair Carlton stated that adjustments were typically made within a program to address a shortfall; however, the Committee understood the special circumstances around the shortfall as well as the importance of the license plate fee revenue. She asked the agency to discuss the shortfall and planned budget saving measures to eliminate the need for a Contingency Account request in FY 2021.

   Ms. Adair said the shortfall was primarily due to the months-long closure of the Department of Motor Vehicles (DMV) during the COVID-19 pandemic. Now that the DMV and the state were open again, the agency did not anticipate another shortfall. She stated that the Crime Prevention budget was small and most of the budget expenses were for personnel costs.

Ms. Adair said the agency's only budget saving measure would be to hold positions vacant within the Crime Prevention budget, which would not be ideal. She explained that the budget supported three investigators who worked to recover missing children and were also members of the Joint Human Trafficking Task Force. Ms. Adair said the Crime Prevention budget also supported a prosecutor who prosecuted cases related to exploited children and sex trafficking.

Jessica Hoban, Chief Financial Officer, OAG, said, based on the revenue trend prior to the COVID-19 shutdown, the agency was on track to have sufficient funding to cover expenditures in the Crime Prevention budget. However, the decline in funding due to the closure of DMV offices and extended deadlines to pay license plates renewals had contributed to the shortfall. She noted that the actual FY 2020 shortfall was approximately $7,800; however, the agency was only requesting $3,551.

ASSEMBLYWOMAN BACKUS MOVED TO APPROVE AGENDA ITEM H-1.

SENATOR WOODHOUSE SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

2. Office of the Governor – Governor's Office of Finance – Reserve for Statutory Contingency Account – Request for an allocation of $3,467,578 to replenish the Reserve for Statutory Contingency Account created by NRS 353.264 to meet statutory obligations.

   Susan Brown, Director, GFO, said the agency was requesting an allocation of $3,467,578 to replenish the Reserve for Statutory Contingency Account. She stated that A.B. 267 (2019 Legislative Session) provided for compensation and other related matters for people who were wrongfully convicted. The payments to those individuals were paid from the Statutory Contingency Account upon approval by the Board of Examiners (BOE).

   Ms. Brown said the first payment, in the amount of $2,275,000, was approved at the August 2020 BOE meeting. The second wrongful conviction settlement, in the amount of $2,850,000, would be placed on the agenda for the October 2020 BOE meeting. She stated there were other pending claims totaling approximately $7.5 million that were expected to be paid out in FY 2021. Ms. Brown noted that the GFO was working with the OAG to establish processes for the program.

SENATOR WOODHOUSE MOVED TO APPROVE AGENDA ITEM H-2.

ASSEMBLYMAN FRIERSON SECONDED THE MOTION.

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

I. REQUEST FOR ALLOCATION FROM THE IFC CONTINGENCY ACCOUNT (GENERAL FUND) PURSUANT TO SENATE BILL 514, SECTION 1 (2019 Legislature) (Note: IFC may approve a different amount for an allocation than the amount requested). **Department of Public Safety – Records, Communications and Compliance Division** – Request for an allocation of $6,994,026 to cover costs associated with the replacement of the Nevada Criminal Justice Information System.

Agenda Item I and N-6b were discussed jointly.

Mindy McKay, Administrator, Records, Communications and Compliance Division (RCCD), Department of Public Safety (DPS), said the Nevada Criminal Justice Information System (NCJIS) program was one of many programs within the RCCD. She stated that the NCJIS was the central highway for criminal justice information sharing for Nevada's 337 criminal justice agencies, with approximately 15,000 users statewide, as well as criminal justice agencies nationwide. The NCJIS was also utilized by approximately 2,000 civil account agencies and 500 firearms dealers statewide.

Continuing, Ms. McKay said the NCJIS was used to obtain criminal justice information from local, state and federal agencies and other states for purposes to include, but not limited to, criminal investigations, intelligence, arrests, prosecutions, sentencing, record seals, parole and probation supervision, detention centers, employment, licensing, volunteering, adoptions, concealed weapons permits, firearm background checks, and sex offender registration.

Ms. McKay said the current vendor had graciously extended his retirement date by three years; therefore, the division was working diligently to replace the system through the critical NCJIS modernization project efforts to ensure continuity of operations for public and officer safety as it related to all of the important purposes stated previously. Due to the size of the system and the significant modernization effort, the project would span over multiple biennia, with a projected overall implementation cost of more than $54.0 million spread out over the length of the project through implementation. After implementation, funding would be required for maintenance, enhancements and upgrades. Funding would also be necessary for program management oversight.

Ms. McKay said the 2019 money committees instructed the RCCD to provide a quarterly update to the IFC. The most current update was provided under Agenda Item N-6b. She stated that Agenda Item I was a request for an allocation from the Contingency Account in the amount of $6,994,026 to cover costs associated with the NCJIS modernization project for the remainder of the 2019-21 biennium, to include the cost of a solution vendor,

consult vendor, current system vendor for transition services, program staff, and overhead. Ms. McKay said the state's officers and the safety of the public depended on this crucial effort.

Assemblywoman Backus asked how the division planned to mitigate other risks associated with the implementation of the NCJIS modernization project.

The potential risks and mitigation efforts were discussed beginning on page 389 in Volume IV of the meeting packet (Exhibit D). Ms. McKay introduced Robert Kaelin, Senior Partner, Chief Financial Officer (CFO) and Chief Operating Officer (COO), MTG Management Consultants. She said Mr. Kaelin was the vendor that developed the needs assessment plan and was helping shepherd the division through that plan.

Ms. McKay stated that the first risk was the upcoming retirement of the current vendor, Norsoft Consulting Services. She asked Mr. Kaelin to discuss the mitigation efforts associated with that risk.

Mr. Kaelin said the contract with Norsoft had been extended, and a pool of hours was established that would be used and managed through a monitoring process within the program. In the first phase of implementation, Norsoft would connect its system to the new system to avoid a disruption in service for users. As each piece of the new system was phased in, Norsoft would phase out a piece of the old system.

Ms. McKay asked Mr. Kaelin to discuss the mitigation efforts related to the delay in the hiring process for some of the positions.

Mr. Kaelin said the challenges related to hiring had been multifaceted. Due to the state hiring freeze, the RCCD had to request an exception. In addition, hiring was delayed due to the staffing transition with the master service agreement contractors. He said contract staff would only be required for the duration of the program, so it made sense to hire temporary contract staff. Mr. Kaelin said the division was in the final stages of hiring the final three positions – a Database Administrator and two Developers. Interviews for the Database Administrator were held the week of August 17, 2020, and interviews for the Developers were scheduled for the week of August 24, 2020. He indicated that all three positions would be filled by September. Mr. Kaelin said the original intent was to fill the positions by the time the vendor came on board so the contract staff could gain knowledge of the program. To mitigate that, the new contractors would be provided with an information package to bring them up to speed with the program.

Ms. McKay said another risk associated with the project related to funding. She said, although funding for this portion of the project had been secured, acquiring the software solution and necessary hardware would require more funding than was currently available. Since the solution vendor had been selected, the costs for future biennia were now available. To mitigate the risks associated with those costs, a payment model was implemented that would require equal quarterly payments over five years. Ms. McKay said funding was available in the 2019-21 biennium for the first year of payments. She stated that the Department of Public Safety had identified that funding for the NCJIS effort

was required in the budgets for the 2019-21 biennium, as well as the next two biennia, which was the reason for the Contingency Account request.

Ms. McKay said the last risk was that local, state and federal criminal justice agencies would likely require changes and funding to become compliant with the new NCJIS modernization project solution. Now that the solution vendor had been selected, the division would notify all stakeholders that a change was in progress. She said the impact to each agency would need to be assessed. Funding needs would be the responsibility of those agencies and subject to their individual fiscal processes. She asked Mr. Kaelin to discuss the mitigation related to the risk.

Mr. Kaelin stated that the system upgrade impacted every agency in the state. Many agencies had direct system-to-system connections that need to be upgraded. He said the project included a comprehensive change management effort. The change manager was onboard and working with the project team. The change management effort would include outreach to all the agencies, including their management and technicians, to ensure they were aware of the changes throughout the length of the project. Mr. Kaelin thought it was ample notice considering the four-year project timeline.

Mr. Kaelin said the new technology made it feasible for the agencies to communicate with the new system in the same way as the old system, which would allow them to replace the interface over time.

In response to a question from Assemblywoman Backus, Mr. Kaelin indicated that the new system would be fully implemented within the five-year timeline. Because of the piece acquired from the new vendor, older interfaces would remain operable until the agencies could budget for the cost of the new interface.

Assemblywoman Backus noted that $13.1 million would balance forward from FY 2020 to FY 2021, which was approximately $4.5 million more than what was legislatively approved. She asked if the division had concerns about utilizing reserve funds to fund a portion of the NCJIS modernization project in lieu of the $7.0 million General Fund request from the Contingency Account.

Ms. McKay said $5.6 million of the $13.1 million was slated for the NCJIS modernization project in accordance with the original authorization of approximately $7.0 million that was approved in 2019. The division planned to utilize the remaining $5.6 million in reserves for the NCJIS modernization effort. Ms. McKay said the division did not anticipate having additional excess reserves that could be applied toward the project due to the shortfall related to COVID-19; however, if the division did have more reserves than projected, it would consider applying those funds toward the project.

Lesa Galloway, Administrative Services Officer, RCCD, DPS, confirmed that $5.6 million was earmarked for the NCJIS modernization project. She noted that several revenues were down due to COVID-19.

Ms. McKay said the division would closely monitor the situation and transfer funds as needed to ensure everything within the division was supported.

Assemblywoman Backus understood the RCCD had approximately $4.5 million in additional reserves. The division had already accounted for $5.6 million of the $13.1 million. She noted that the $7.0 million from the Contingency Account was not immediately needed. Assemblywoman Backus remarked the state had addressed many budget issues over the last couple months. She asked if the division could manage with a lesser amount.

Ms. McKay said the division typically maintained a 60-day reserve, which equated to approximately $3.3 million. The division currently had approximately $4.5 million in reserves, or $2.17 million above the 60-day reserve level. She noted that reserves were used for multiple programs and to cover shortfalls. Ms. McKay reiterated that if the division had more reserves than projected, the funds would be applied toward the NCJIS modernization project.

Assemblywoman Titus recalled that fingerprint fee revenue was less than expected, but firearm background check fee revenue was higher than expected. She understood that a portion of fingerprint fee and background check fee revenue was intended to help with the cost of the NCJIS modernization project. She asked why the fingerprint fee revenue was less than expected.

Ms. McKay replied that the revenue shortfall related to fingerprint fees was due to COVID-19. She indicated that the revenue shortfall was covered by the increase in firearm background check fee revenue. Ms. McKay noted that the $3.50 fingerprint fee increase, approved by the 2019 Legislature, was not fully intended to help cover the cost of the modernization project; it was one of many reasons for the increase. She stated that other fee-funded programs within the division had also experienced a shortfall, and the increase in firearm background check fee revenue was used to cover those shortfalls.

Assemblywoman Titus stated that firearms dealers and others had expressed frustration with the long wait times for background checks. She asked why background checks were delayed and if the new system would improve turnaround times.

Ms. McKay confirmed that the NCJIS modernization would improve efficiencies and automate processes that were currently performed manually in multiple programs. The system modernization would improve functionality and allow the NCJIS to be utilized by users statewide and nationwide. Ms. McKay said firearms dealers had been requesting a portal for some time, and those requests had increased during the pandemic. She stated that a portal would be implemented for firearms dealers to enter background checks. About 30% of background checks for firearms transfers would be processed automatically, which meant the dealer would receive an automated response through the portal to proceed with the transfer. The remaining 70% of background checks would have to be processed by RCCD staff. Ms. McKay stated that the modernization project would improve wait times and significantly reduce phone hold times, which would also reduce the division's phone bills. In addition, the NCJIS modernization would automate and improve fingerprint responses, which usually took several weeks to process. By automating the process, fingerprints could be processed in less than a week.

In response to a question from Assemblywoman Titus, Ms. McKay said the division had just contracted with the solutions vendor. The solutions vendor was conducting requirements true up during the first quarter of FY 2021 to ensure the division's requests and request for proposal were clearly understood. The division hoped to have a clear and accurate project plan and schedule by the end of September 2020. Ms. McKay said the division's next update should include more details related to the implementation schedule.

Chair Carlton proposed that the Committee allocate a portion of the funds now and a portion later. Because of past issues with the NCJIS modernization project, she thought it would be more responsible to allocate the funds gradually.

Senator Woodhouse agreed. She moved to approve an allocation from the Contingency Account of $2.5 million and request that the division approach the IFC to seek approval to utilize the remaining funds to complete the project.

> SENATOR WOODHOUSE MOVED TO APPROVE AN ALLOCATION FROM THE CONTINGENCY ACCOUNT OF $2.5 MILLION AND DIRECT THE DEPARTMENT OF PUBLIC SAFETY, RECORDS, COMMUNICATIONS AND COMPLIANCE DIVISION TO SEEK APPROVAL FROM THE INTERIM FINANCE COMMITTEE TO UTILIZE THE REMAINING FUNDS TO COMPLETE THE NEVADA CRIMINAL JUSTICE INFORMATION SYSTEM MODERNIZATION PROJECT.
>
> ASSEMBLYMAN FRIERSON SECONDED THE MOTION.
>
> THE MOTION PASSED UNANIMOUSLY.

J. 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 – Division of Forestry** – Request for an allocation of ~~$3,143,846~~ ***$3,212,819*** for expenses incurred in the suppression of fires or response to emergencies charged to the Forest Fire Suppression budget account. **REVISED 8-4-20.**

Kacey KC, State Forester/Firewarden, Division of Forestry (NDF), Department of Conservation and Natural Resources (DCNR), said the NDF was requesting a Contingency Account allocation of $3,212,819 for wildland fire expenses pursuant to S.B. 543, Section 75. She noted a revision of $21 from category 82, Prior Year Fires, to category 01, Personnel, to cover a prior pay period adjustment generated by payroll to close FY 2020.

Chair Carlton said staff concurred with the adjustment.

Ms. KC provided an update on the current fire season. To date, there had been 561 fires in Nevada, which had burned over 214,000 acres around the state. Of the 561 fires, 70% had been caused by humans, which equated to 58% of the acreage, or 124,000 acres. Consequently, full statewide fire restrictions were currently in effect, which meant campfires were prohibited. The division hoped the restrictions would reduce the number of human-caused starts.

Ms. KC remarked that all indices predicted that August would be an above-average month for fires in Nevada. She said, unfortunately, the monsoon season had been dryer than expected, so Southern Nevada would not get a reprieve. September was expected to be an average fire month in Southern Nevada, but above average in the western and northern parts of the state. Ms. KC said the entire state was expected to return to normal heading into the winter months.

Ms. KC said the nation was currently at a preparedness level 5, the highest level of preparedness. She explained that the entire nation was experiencing significant fire activity, which reduced the availability of resources. She noted that California had an historic lightning siege; approximately 11,000 lightning strikes in one day had caused over 300 fires, which was the reason for the current smoke impacts in Nevada.

Assemblywoman Swank asked how the current fire season compared to the fire seasons in 2017 and 2018. She recalled that in each of those years, half of the total acres burned among the ten western states were in Nevada.

Ms. KC replied that the current fire season was significantly less than the 2017 and 2018 fire seasons. She said fire starts were above average, but fewer large fires had grown into mega fires. However, she expressed concern about the months of August and September, which were typically dry months.

Continuing, Ms. KC indicated that a total of 2 to 3 million acres had burned in 2017 and 2018 compared to 86,000 acres in 2019. To date, 215,000 acres had burned in 2020; however, the full magnitude of the fire season would depend on the amount of precipitation the state received during the winter months and during monsoon season in Southern Nevada.

Ms. KC reiterated that the 2020 fire season in Nevada had been average. The division had been successful with initial attacks, using plenty of retardant and water flow, which prevented fires from expanding. She noted that the state had a Super Scooper contract, which had proven to be a great asset. The planes had a quick turnaround and carried a lot of water, which allowed fires to be extinguished quickly.

In response to a question from Assemblywoman Swank, Ms. KC replied that the success of an initial attack depended upon the fuels, fuel loading, and the conditions at the time. She noted that Nevada recently experienced its first fire tornado. Ms. KC said the NDF typically utilized the closest available resources, but the division recently implemented some practices that improved those efforts.

Ms. KC indicated that the reason fires were not growing into larger fires was due to conditions and the readiness of the division. The state was not experiencing multitudes of fire starts in a single day like in past years; therefore, NDF staff could address the fires quickly and have time to rest in between. In addition, more air assets were available in 2020 than in previous years. Ms. KC said all of those factors were helping to keep the fires small.

In response to question from Assemblywoman Swank, Ms. KC replied that 70% of the fire starts in 2020 were human caused, which was 389 out of 561 fires, or 58% of the total acreage burned.

Assemblywoman Swank thought it was important to communicate to constituents the importance of being careful while camping, during target practice, etc.

Assemblywoman Titus remarked that fires occurred annually in the area of Ray Way May and Interstate 395. She did not recall seeing roadside clearing, reforesting or lumber harvesting efforts in that area. She asked the division to discuss mitigation and reseeding efforts.

Ms. KC replied that mitigation and fire prevention efforts were ongoing. She stated that all NDF staff were also natural resource managers. She noted that Agenda Item N-7a included the division's report regarding on-the-job duties, project priorities, and projects worked on by seasonal staff when not fighting fires, as well as where seasonal staff were stationed and project locations (page 395, Exhibit D). She said the COVID-19 pandemic had caused a temporary delay in those efforts. In addition, activity decreased during the fire season due to the concern of fire starts from machinery. During that time, the division typically dispatched a water tender or fire truck alongside the machinery in the event of a fire start. Ms. KC assured the Committee that mitigation and prevention efforts were once again underway by the NDF, the Bureau of Land Management and the U.S. Forest Service. She said she would provide the Committee with another update in the future.

In response to a question from Assemblywoman Titus, Ms. KC replied that the division was working with the Nevada Department of Transportation (NDOT) and other partners on prevention efforts. An NDOT right-of-way clearance project was currently in progress near Mt. Charleston. In addition, NV Energy was clearing underneath its power lines pursuant to S.B. 329 (2019 Legislative Session) and treatments were extended into the rights-of-way along that roadway. She said the division was also working with NDOT on rights-of-way projects in Winnemucca, Humboldt County, and Elko County, which included tree and brush clearing, prescribed fires, and weed abatement and spraying.

Ms. KC noted that Governor Sisolak recently signed the shared stewardship agreement for Nevada. Priority areas had been selected collectively across all agencies in the state, and those areas also happened to be areas with frequent fire activity.

Assemblywoman Titus thought it was important for people to understand that firefighting involved more than fighting live fires. She stated that fire prevention efforts reduced overall costs.

Chair Carlton commented that NDF staff were valuable employees. She thanked Ms. KC and her staff for their efforts.

> SENATOR WOODHOUSE MOVED TO APPROVE AGENDA ITEM J, INCLUDING THE INCREASE OF $21 TO COVER THE SHORTFALL IN THE PERSONNEL CATEGORY, FOR A TOTAL ALLOCATION OF $3,212,840 WITH THE PORTION ALLOCATED TO THE PERSONNEL CATEGORY INCREASED TO $286,227.
>
> ASSEMBLYMAN FRIERSON SECONDED THE MOTION.
>
> THE MOTION PASSED UNANIMOUSLY. (Senator Cancela was not present for the vote.)

K. REQUEST FOR ALLOCATION FROM THE IFC CONTINGENCY ACCOUNT (GENERAL FUND) PURSUANT TO ASSEMBLY BILL 543, SECTION 76 (2019 Legislature) (Note: IFC may approve a different amount for an allocation than the amount requested). **Governor's Office of Finance – SMART 21** – Request an allocation of $252,476 to fund help desk support for the information technology system that replaces the existing financial and human resource management information technology system. **RELATES TO AGENDA ITEM L.**

Agenda Item K and Agenda Item L were discussed jointly. Refer to testimony and motion for approval under Agenda Item L.

L. REQUEST FOR ALLOCATION FROM THE IFC CONTINGENCY ACCOUNT (HIGHWAY FUND) PURSUANT TO ASSEMBLY BILL 543, SECTION 76 (2019 Legislature) (Note: IFC may approve a different amount for an allocation than the amount requested). **Governor's Office of Finance – SMART 21** – Request for an allocation of $59,223 to fund help desk support for the information technology system that replaces the existing financial and human resource management information technology system. **RELATES TO AGENDA ITEM K.**

Agenda Item K and Agenda Item L were discussed jointly.

Paul Nicks, Director, Office of Project Management, GFO, said Assembly Bill 543 (2019 Legislative Session) appropriated $536,511 in General Funds and $125,849 in Highway Funds to fund helpdesk support positions for the state Enterprise Resource Plan (ERP) system. He said the agency's Contingency Account request of $252,476 in General Funds and $59,223 in Highway Funds would fund two new Program Officer positions and a contractor to assist with tier one helpdesk tickets. The contractor would support the helpdesk until the volume of requests stabilized, at which point staffing would be readdressed. He said the funds would also be used to support the transfer of two Personnel Officer 1 positions and an IT Technician 4 position from the implementation team to the operations team. The positions would support tier two helpdesk tickets and bugs that were identified post go-live. Depending on need, the positions would either charge their time to the operations center or the implementation team.

SENATOR WOODHOUSE MOVED TO APPROVE AGENDA ITEMS K AND L.

ASSEMBLYMAN FRIERSON SECONDED THE MOTION.

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

M. REQUESTS FOR APPROVAL TO ACCEPT GIFTS AND GRANTS PURSUANT TO NRS 353.335(2)(c).

1. Department of Tourism and Cultural Affairs
   a) Division of Tourism – Request for approval to accept a donation of $50,000 from the Clarence and Martha Berger Trust for deposit into the Nevada Indian Commission's Gift Fund created by NRS 233A.097, for the Stewart Indian School Cultural Center and Museum.

      Agenda Items M-1a and M-1b were discussed jointly. Refer to testimony and motion for approval under Agenda Item M-1b.

   b) Division of Museums and History – Request for approval to accept a donation of $339,118.17 from the John Magnusson Trust, for the Nevada State Railroad Museum.

      Agenda Items M-1a and M-1b were discussed jointly.

      Assemblyman Kramer read the following statement regarding Clarence and Martha Berger (Exhibit E).

      Martha Berger died on August 23, 2019, almost one year ago today. Had she lived two more months, she would have been 101 years old. When Martha was born, her aunt Betty was disappointed that the baby girl was not named after her and began calling her 'Betty". It stuck, all her life the name she preferred for herself was Betty, so it seems a bit strange for me to see the name Martha on the Trust.

      Clarence and Betty had no children. They basically adopted the children and grandchildren of Clarences extended family.

      Clarence's mother was born Parnee Smith on a farm in Washoe Valley across from where the old Cattleman's restaurant used to be. She was born in 1863, when this was Nevada territory. She married Joseph Berger who later became the watermaster for the Marlette Lake Virginia City water system.

      Both Clarence and Betty graduated from Carson High School. Clarence served in the US Marines and worked 33 years for the

U.S. Post Office. Betty worked for different banks and retired from an accounting job at the State of Nevada.

They did live a conservative life and saved their money. They invested. Betty usually took the lead on these investments. While she never talked specifically about them, they were a source of pride to her. When the trust was dissolved, between 2 and 2-1/2 million dollars was distributed to local causes.

One of Betty's nieces, Barbara Berger married Joe Hawley who had lived at Stewart when growing up. His dad, Albert Hawley, a native American, was an instructor at Stewart Indian School and coached the boxing club. I'm sure that this is the reason for the donation to the Stewart Indian School Cultural Center and Museum.

Neither Clarence or Betty went to college but they valued education. Part of their legacy was to donate $500,000 to WNC as a scholarship fund for students. The trust also gave to the Brewery Arts Center, the Sheriff's canine unit, the Sheriff's Search and Rescue, several churches and many community organizations.

A lot of the descendants of Joseph and Parnee Berger still or have lived in the Carson area. There are architects, engineers, nurses, law enforcement, airline pilots, pastors, an army general, lawyers and even one Nevada State Assemblyman. I give this tribute to Betty and Clarence Berger, my aunt and uncle.

Bobbi Rahder, Director, Stewart Indian School Museum, said staff at the Stewart Indian School Cultural Center and Museum were very appreciative to Janette Leonard and the Berger Family for their generous donations.

SENATOR WOODHOUSE MOVED TO APPROVE AGENDA ITEMS M-1A AND M-1B.

ASSEMBLYMAN FRIERSON SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

2. State Department of Conservation and Natural Resources – Division of State Parks – Request for approval to accept donation valued at $200,000 from the Conrad N. Hilton Foundation.

Bob Mergell, Administrator, Division of State Parks, Department of Conservation and Natural Resources (DCNR) said the Flying M Ranch was donated to the division as part of the Walker River State Recreation Area several years ago. When William Barron Hilton died at the end of 2019, nearly all his possessions were donated in his name to his father's foundation, the

Conrad N. Hilton Foundation. Mr. Mergell said, after the property transferred to the division, he worked with the Conrad N. Hilton Foundation to donate to the division as much as possible to accurately depict William Barron Hilton's time at the Flying M Ranch. The donation included a lot of personal property, such as furniture and art, which would be used to furnish the buildings at the Flying M Ranch. The two largest donated items were a glider that was used by William Barron Hilton, and a Civil War-era cannon that was gifted to him and was located on the ranch. Mr. Mergell said the glider was non-functional and would be used for interpretive events. He stated that the cannon was functional and would be used for interpretive events.

Assemblywoman Titus noted that she was familiar with the Flying M Ranch as she had landed on the airstrip and attended meetings on the property.

Assemblywoman Titus asked if the value of the donated items was $200,000. She asked for the estimated cost of maintaining the airstrip and the buildings on the property.

Mr. Mergell replied that all of the property had already been transferred to the state. He said William Barron Hilton was allowed to reside on the property as part of a life lease. The donation included the personal items that were left on the property, mostly furniture and decorations, as well as the glider and cannon. Mr. Mergell noted that the division would have had to purchase furnishings had it not been for the donation. He stated that the Flying M Ranch would eventually be open to the public.

In response to a question from Assemblywoman Titus, Mr. Mergell said the division planned to maintain the airstrip. The airstrip would be registered as a private airport and not open to the public; however, it would be available for fire operations and public safety operations. Mr. Mergell said the division did not have experience operating an airport and understood there would be many challenges. He noted the division was working with aviation staff at NDOT.

ASSEMBLYWOMAN TITUS MOVED TO APPROVE AGENDA ITEM M-2.

ASSEMBLYMAN FRIERSON SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

N. INFORMATIONAL ITEMS.

The following items were held for additional discussion: Agenda Items N-5b(1), DHHS, Nevada Central Cancer Registry; and N-6b, Department of Public Safety, Records, Communications and Compliance Division.

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 ~~October 1, 2019 to November 30, 2019~~ ***January 24, 2020, through May 31, 2020*** (letter of intent, 2019 Legislature). **REVISED 7-30-20.**

   This was no discussion on this item.

2. DEPARTMENT OF ADMINISTRATION – State Public Works Division and the Nevada System of Higher Education – Final report of the status of CIP Project 17-C15, Complete Planning and Begin Construction of a New Medical School Building at the University of Nevada, Las Vegas pursuant to Senate Bill 553, Section 4.7 (2017 Legislature).

   This was no discussion on this item.

3. DEPARTMENT OF EDUCATION – Quarterly report on Class-Size Reduction variances for the period ending December 31, 2019, for the 2019-2020 school year, pursuant to NRS 388.700(5).

   This was no discussion on this item.

4. 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, 2018, pursuant to NRS 616B.003(4).
   b) Taxicab Authority – Report on the long-term plan for financial sustainability (letter of intent, 2019 Legislature).

   This was no discussion on these items.

5. DEPARTMENT OF HEALTH AND HUMAN SERVICES

a) Division of Health Care Financing and Policy

1) Quarterly report on the Disproportionate Share Hospital Supplemental Payment Program for the period ending June 30, 2020, pursuant to NRS 422.390(2).

2) Report on the drug rebate projection methodologies, as well as means of increasing the transparency of drug rebates (letter of intent, 2019 Legislature).

This was no discussion on these items.

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 June 30, 2020 (letter of intent, 2019 Legislature).

Lisa Sherych, Administrator, DPBH, DHHS, thanked the Committee for General Fund support in FY 2020. With the funding, the Nevada Central Cancer Registry (NCCR) hired the necessary staff to reach gold standard certification, which represented a standard of data completeness and quality that allowed the data to be analyzed with national statistics and truly represented the disease burden in Nevada.

Ms. Sherych said General Funds were only available to the NCCR in the first fiscal year; however, the NCCR also received $25,000 in grant funds from the Centers for Disease Control and Prevention (CDC) and also had carry over funds from the same grant. Between the funding and other efficiencies implemented by the registry, the division hoped to maintain the staffing levels necessary to reach gold standard again in FY 2021. Ms. Sherych thanked all the reporting facilities and providers for supplying data to the NCCR, because it helped achieve the gold standard. Without that data, the registry would be unsuccessful.

Ms. Sherych said although the NCCR did not fully implement regulation changes or bill health care providers for abstraction, it did proceed with noticing all required reporters that were non-compliant with reporting requirements. She said failure to report could result in an administrative fine; however, all reporters were in the process of reporting or establishing reporting, so no fines had been collected.

Ms. Sherych said, after much work since the completion of the 2019 Legislative Session, it was clear that statute changes could greatly improve the operation of the NCCR and were necessary for operational and financial sustainability. Traditional cancer data collection had primarily been provided by hospitals in the past, which was the focus of the statute changes in 2015. As medical advances had occurred, diagnosis and treatment of certain cancers had transitioned from the acute care hospital

setting to physicians or medical offices; therefore, the statute as currently written allowed for missed or incomplete data. Ms. Sherych said the NCCR supplemented hospital data with reports from non-hospital sources, such as facilities and providers that diagnosed and/or treated cases that were not seen in a hospital. In addition, death certificates and pathology laboratory reports were used to identify cases that were overlooked in routine reporting by hospitals, health care facilities, and providers of health care. She stated that duplicate reports were consolidated in the data editing process. The purpose of this concerted effort was to alleviate underreporting or a delay in reporting, which could adversely affect incident rates and research from incomplete data collections. Ms. Sherych said the DPBH had concluded that the statute needed to allow for reporting in all settings in a braided funding stream to support these efforts.

Chair Carlton recalled that concerns about funding for the NCCR were expressed during the 2019 Legislative Session. She said it appeared the division had made progress, but not as much as she had hoped.

Assemblywoman Munk understood that the division was to develop a revenue mechanism mainly to reinstate the fee system that was removed in 2015. She asked why the division had not pursued the proposed regulation changes to revise health care facility reporting fees to address impending solvency issues for this budget.

Julia Peek, Deputy Administrator, DPBH, DHHS, said after the 2019 Legislative Session, the division began developing regulations with the Legislative Counsel Bureau. However, one of the challenges the division faced was in another section of the *Nevada Revised Statutes* (NRS), which stated that a provider of health care did not have to report if the provider had not diagnosed the cancer. She said many providers threatened to halt reporting to the NCCR arguing that they did not need to provide that data.

Ms. Peek said the initial problem the DPBH had addressed and overcome was a lack of reporting. Many large cancer centers had started reporting data and the registry was receiving the quantity of data it needed. She said the NCCR needed Certified Tumor Registrars (CTRs) to complete final abstracting of the data to send on to the federal government. However, the CTRs indicated they would discontinue reporting if the division implemented the abstracting fee for providers of health care. Ms. Peek said the purpose of the registry was to obtain complete data to provide a better understanding of cancer in the state; therefore, it was necessary for data to be reported. Without the data, the additional staff were unnecessary.

Ms. Peek said the DPBH thought the abstracting fee would damage the NCCR; therefore, the division had focused on developing a plan to address the requirements in statute and also establish a revenue source that would sustain the registry. She said the division would present the plan to the 2021 Legislature.

In response to a question from Chair Carlton, Ms. Peek clarified that a section in the NRS stated that a provider of health care did not need to report to the registry if that provider did not diagnose the cancer. Many facilities provided cancer treatments but had not actually diagnosed the cancer. Those facilities were providing the NCCR with much of the necessary data. Ms. Peek said the facilities opposed the idea of an abstracting fee for data they were already reporting voluntarily.

Chair Carlton said she was interested to read the bill draft request (BDR) that would address the issue.

In response to a question from Assemblywoman Munk, Ms. Peek confirmed that the division had not invoiced abstracting fees in the last six months due to opposition by facilities that were already reporting data voluntarily.

Assemblywoman Munk asked how the division would ensure the solvency of the NCCR in FY 2021 and future years.

Ms. Peek said the full details of the BDR were still confidential. The division had taken into consideration entities that were already investing in the registry, such as hospital systems. She said the division used that investment as maintenance of effort for the cancer grant. Ms. Peek said the DPBH had developed a plan to recover revenue from providers and facilities that provided data to the registry but did not contribute financially.

Assemblyman Frierson asked how the division would address the issue of providers being required to pay an abstracting fee even though statute did not require them to report.

Ms. Peek replied that the BDR would propose a revision to the language in statute. In collaboration with the CDC, the division borrowed language from other successful states. She said the DPBH hoped the statute would be revised to mandate reporting across the board, because data from all types of facilities was important, not just data from hospitals. She said duplication would ensure the records were complete.

Assemblyman Frierson understood the goal of the NCCR was to collect cancer-related data. Certain obstacles had prevented the registry from collecting essential data; therefore, it was necessary to obtain that data from entities other than medical providers. He asked if those entities were now required to pay a fee in addition to providing data.

Ms. Peek said the division had conversations with those entities. The DPBH wanted to ensure that all providers and facilities that contributed data to the registry also contributed financially. She clarified that providers and facilities provided different data to the NCCR. Facilities that provided cancer treatments were required to report treatment information to the federal government even if the facility did not diagnose the cancer. Ms. Peek said the division wanted to ensure that providers who diagnosed cancer as well as providers or facilities that provided cancer treatment contributed an equal amount of data and money to the registry.

Assemblyman Frierson understood the division wanted to require all cancer-related providers and treatment facilities to contribute to the registry. Ms. Peek confirmed that was correct. She hoped the proposal would be heard by the 2021 Legislature.

Assemblywoman Titus said she had discussed her concerns previously with Ms. Peek. As a Medicaid provider, Assemblywoman Titus said she would always be losing money treating Medicaid patients. Now, with a reporting fee, she would lose even more money. She said many doctors would not report a cancer diagnosis if it cost them money to do so.

Ms. Peek replied that the proposed plan would not include a reporting fee per case, but instead, a single low fee associated with each medical license. The fee would have minimal financial impact on providers and would be shared more broadly. She said a per-case fee would be a significant burden on the NCCR as well as providers. Ms. Peek said the division's proposal included a more efficient process that would require providers to contribute a minimal set fee to the registry as opposed to a large fee based on the number of cancer cases diagnosed over the course of a year.

Ms. Peek said the division was considering unintended consequences related to the new model. She said the division wanted to be thoughtful about the implementation process. When the BDR became public, the DPBH would have comprehensive discussions with its community partners.

There was no further discussion on this item.

Chair Carlton called a recess at 12:34 p.m. The meeting reconvened at 1:13 p.m.

2) Semiannual report on the progress and results of the epidemiological research and the vaping and cannabis summit for the period ending June 30, 2020, as requested during the December 13, 2019, meeting of the Interim Finance Committee.

There was no discussion on this item.

3) Report on the Ryan White HIV/AIDS program – Federal Coronavirus Aid, Relief and Economic Security Act as requested during the May 18, 2020, meeting of the Interim Finance Committee.

There was no discussion on this item.

c) Division of Welfare and Supportive Services – Semiannual report on the progress in meeting Temporary Assistance for Needy Families Work Participation Rate (TANF WPR), for the period ending June 30, 2020 (letter of intent, 2019 Legislature).

There was no discussion on this item.

6. DEPARTMENT OF PUBLIC SAFETY

a) Director's Office - Comprehensive report on COVID-19 Expenditures by the Department of Public Safety as requested during the June 25, 2020, meeting of the Interim Finance Committee.

There was no discussion on this item.

b) Records, Communications and Compliance Division – Quarterly report on the implementation progress and status of the Nevada Criminal Justice Information System (NCJIS) modernization project for the period ending June 30, 2020 (letter of intent, 2019 Legislature).

Agenda Item I and N-6b were discussed jointly. Refer to testimony under Agenda Item I.

7. DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES

a) Forestry Division – Report on on-the-job duties, project priorities, and projects worked on by seasonal staff when not fighting fires, as well as where the seasonal staff is stationed and the project locations (letter of intent, 2019 Legislature).

b) Division of Environmental Protection – Report on the long-term plan for the financial sustainability of the air quality, including potential revenue increases and expenditure reductions (letter of intent, 2019 Legislature).

There was no discussion on these items.

8. DEPARTMENT OF CORRECTIONS – Quarterly report on departmentwide overtime for the period ending March 31, 2020, as requested during the December 13, 2019, meeting of the Interim Finance Committee.

There was no discussion on this item.

9. DEPARTMENT OF TRANSPORTATION – Quarterly report on the activities of the Advisory Committee on Transportational Storm Water Management and the implementation and efficacy of the department's storm water program pursuant to NRS 408.439 (11) for the periods ending:
   a) December 31, 2019
   b) March 31, 2020
   c) June 30, 2020

   There was no discussion on these items.

10. SILVER STATE HEALTH INSURANCE EXCHANGE – Semiannual report regarding the transition to a state-based exchange operating model for the period ending June 30, 2020 (letter of intent, 2019 Legislature).

    There was no discussion on this item.

11. LEGISLATIVE AUDITOR – Six-month reports on agencies' implementation of recommendations made by the Legislative Auditor pursuant to NRS 218G.270. Department of Health and Human Services – Division of Public and Behavioral Health.

    There was no discussion on this item.

12. Reports on the use of consultants for the January 1, 2020, through June 30, 2020, reporting period:
    a) Reports from school districts pursuant to NRS 391.155.
    b) Reports from boards and commissions pursuant to NRS 333.705(7).
       1) Revised report from Board of Pharmacy for the period ending December 31, 2019.

    There was no discussion on these items.

13. GOVERNOR'S OFFICE OF ECONOMIC DEVELOPMENT – Report on the Commercial Rental Assistance Grant Program as requested during the July 29, 2020, meeting of the Interim Finance Committee. **RECEIVED AFTER SUBMITTAL DEADLINE, 8-4-2020**.

    There was no discussion on this item.

O. PUBLIC COMMENT

Pursuant to Sections 2 through 9, inclusive, of Chapter 2, *Statutes of Nevada 2020*, 32nd Special Session, pages 9 through 11, there was no physical location for this meeting. The meeting was broadcast on the Nevada Legislature's website at www.leg.state.nv.us. Public comment was accepted live via telephone. Written comments were also accepted by e-mail, facsimile, and mail before, during, and after the meeting.

There was no public comment.

P. ADJOURNMENT.

Chair Carlton adjourned the meeting at 3:49 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