MINUTES OF THE OCTOBER 21, 2021
MEETING OF THE
INTERIM FINANCE COMMITTEE

Chair Chris Brooks called a regular meeting of the Interim Finance Committee (IFC) to order at 9:35 a.m. on October 21, 2021, via videoconference. Pursuant to NRS 218A.820, there was no physical location for this meeting.

COMMITTEE MEMBERS PRESENT:
Senator Chris Brooks, Chair
Assemblywoman Maggie Carlton, Vice Chair
Senator Nicole Cannizzaro
Senator Moises Denis
Senator Marilyn Dondero Loop
Senator Pete Goicoechea
Senator Scott Hammond
Senator Dallas Harris for Senator Julia Ratti
Senator Heidi Seevers Gansert
Senator James Settelmeyer for Senator Ben Kieckhefer
Assemblywoman Teresa Benitez-Thompson
Assemblyman Jason Frierson
Assemblywoman Michelle Gorelow
Assemblyman Gregory Hafen
Assemblywoman Sandra Jauregui
Assemblyman Glen Leavitt
Assemblywoman Brittney Miller
Assemblywoman Daniele Monroe-Moreno
Assemblywoman Sarah Peters
Assemblyman Tom Roberts
Assemblywoman Robin Titus
Assemblywoman Jill Tolles
Assemblyman Howard Watts

COMMITTEE MEMBERS EXCUSED:
Senator Ben Kieckhefer
Senator Julia Ratti

LEGISLATIVE COUNSEL BUREAU STAFF PRESENT:
Brenda Erdoes, Director, Legislative Counsel Bureau
Wayne Thorley, Senate Fiscal Analyst
Sarah Coffman, Assembly Fiscal Analyst
Alex Haartz, Chief Principal Deputy Fiscal Analyst
Brody Leiser, Chief Principal Deputy Fiscal Analyst
Bryan Fernley, Legislative Counsel
Eileen O'Grady, Chief Deputy Legislative Counsel
Tom Weber, Fiscal Analysis Division Secretary

EXHIBITS:
Exhibit A: Meeting Packet - Volume I
Exhibit B: Meeting Packet - Volume II
Exhibit C: Meeting Packet - Volume III
Exhibit D: Public Comment - Nevada State Education Association
Exhibit E: Coronavirus State Fiscal Recovery Fund Legal Opinion
Exhibit F: DMV Refund Plan Overview
Exhibit G: DMV Stipulation Agreement
Exhibit H: Public Comment - Trisha Lozano

A. ROLL CALL.

Sarah Coffman, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau (LCB), called the roll; all members were present except Senator Kieckhefer and Senator Ratti, who were excused.

B. PUBLIC COMMENT.

BRIAN RIPPET (President, Nevada State Education Association) provided public testimony for the record (Exhibit D).

TOM CLARK (Nevada Association of Health Plans):
The Nevada Association of Health Plans represents private insurance companies in Nevada. I am addressing Agenda Item E-36, which would fund a contract to help Nevada study the effects of a public option as implemented by Senate Bill (S.B.) 420 (2021 Legislative Session). The contract, which has been approved by the Board of Examiners, requires stakeholder engagement, federal waiver application development, and actuarial support coordination from an entity with actuarial expertise. Under S.B. 420, the state health plans would offer insurance under the public option. This makes the Nevada Association of Health Plans a key stakeholder in the development of the public option plan. Representatives from the Nevada Association of Health Plans, which includes private insurers, are eager to participate in the process and are vital to developing a solution that works for Nevada. Members of the Nevada Association of Health Plans respectfully request to be included in key discussions with the state and other stakeholders to develop the skillful work for the forthcoming actuarial study. It is critical for the most qualified consultants to be selected to perform that work.

PATRICIA FARLEY (former Nevada State Senator, District 8):
My comments are regarding Agenda Items E-82, E-83, E-84 and Agenda Item K-11. As well as being a former Nevada State Senator, I am a licensed foster parent and an adoptive mother of two children who have seen and experienced the worst the world has to offer, like many children in the foster system. These children come from homes with drugs, abuse and hunger. Nevada's system is not funded to care for these children. I have personally used community-based mobile crisis intervention services and had a child at Desert Willow Treatment Center. I am very thankful to the mobile crisis unit for its instant response to very serious emotional and mental health issues. However, extending care beyond that and being referred to someone who is qualified or capable of continuing long-term care for my children, is a concern that has been voiced here in

Nevada. It has been an underfunded issue through many Legislatures and Governors. It is time for Nevada to take different action to help these children.

BOBETTE BOND (Director of Public Policy, Culinary Health Fund):
The Culinary Health Fund provides comprehensive health care to 120,000 Nevadans. I am here to express the Culinary Health Fund's concerns about Agenda Item E-36. Section 39 of S.B. 420 specifically requires an actuarial analysis of the impact of the bill prior to proceeding with the public option waiver. The Culinary Health Fund requests that the Committee ensures that the actuarial analysis occurs and that all impacted segments of the health care system be considered in a robust evaluation of the public option on the existing health care system in Nevada.

As S.B. 420 was introduced with six weeks left in the 2021 Legislative Session, many questions and concerns were raised. The bill was amended in ways that differ from the testimony explaining the public option and the understanding of the legislation. The 2021 Legislative Session was difficult, the bill is complicated, and time was short. One reason for the Culinary Health Fund to speak today is the concern that this legislation specifically allows avoidance of steps usually in place to help provide transparency, such as the Department of Administration, Purchasing Division's requirements and public meetings for regulation setting. Senate Bill 420 has the ability to fundamentally change the health care system in Nevada. Therefore, the Culinary Health Fund is concerned to see an agenda item on disbursing funding for implementation when a clear understanding of the impact of the bill has not yet been established. The Culinary Health Fund asks that the process be established through a robust impact study as part of the actuarial analysis. The Culinary Health Fund would like to contribute and collaborate to understand the impact on coverage, private coverage premiums, collective bargaining, and union health plans. The Culinary Health Fund requests that implementation of the waiver only be done after this has occurred. The Culinary Health Fund as well as the Health Services Coalition, which represents 24 additional funds, are available and interested in participation.

PATRICK KELLY (Chief Executive Officer, Nevada Hospital Association):
On behalf of the 12 member hospitals that provide intensive care services to Nevada's babies, I would like to make a request of the Committee. Discussions have occurred regarding policy changes that effectively reduce reimbursement for Newborn Intensive Care Unit (NICU) babies. Part of the discussions involve legislative intent. The proposed policy change would substantially reduce the amount of money hospitals receive for providing NICU care. It is estimated that the 12 hospitals would experience a reduction of approximately $29.0 million, which would effectively eliminate the 25% increase the Legislature approved and appropriated during the 2019 Legislative Session. The Nevada Hospital Association continues to have conversations with the Division of Health Care Financing and Policy (DHCFP) on this matter; these have been productive meetings.

During meetings with the DHCFP, legislative intent was sited. The Nevada Hospital Association would appreciate direction from LCB staff to review the intent of the Legislature in appropriating a 25% increase in NICU rates and reappropriating that increase in 2021. Was the intention to have hospitals receive substantially less money

for NICU services? The Nevada Hospital Association makes this request because clarity on the appropriation could affect policy changes that are likely to be approved at a November 2021 hearing. The Nevada Hospital Association appreciates the Committee's consideration of this request, because NICU services are vital for fragile babies and their families.

KENT ERVIN (Nevada Faculty Alliance):
The Nevada Faculty Alliance is an independent association of faculty at Nevada's public colleges and universities. Because of the COVID-19 pandemic, state workers were furloughed, benefits were cut drastically, and premiums were increased. In fiscal year (FY) 2021, $25 million was withdrawn from the Public Employees' Benefits Program (PEBP) and another $49 million was cut. Constituents are aware of the $2.7 billion in state funds made available under the American Rescue Plan Act (ARPA) of 2021, including $1.1 billion in lost revenue funds transferred to the General Fund. In addition, gaming revenue has recovered and has reached all-time highs. Thus, state employees do not understand why no action has been taken to restore the cuts to state employee benefits. Health care needs do not wait. The ARPA lost revenue funds are explicitly intended to fill budget holes resulting from COVID-19. A major goal of the Every Nevadan Recovery Plan is addressing budget shortfalls. Although APRA funds are a one-time allocation, the pandemic budget crisis is also a one-time event, and the ARPA funds can be used through FY 2025 or FY 2026. If the budget cuts are not addressed now, it will result in permanent harm to state programs. The Coronavirus State Fiscal Recovery Fund Legal Opinion shows the state has the authority to fix the budget cuts (Exhibit E).

The state received the $2.7 billion over four months ago. The PEBP Board will decide on the plan design for FY 2023 at its November 2021 meeting. PEBP urgently needs ARPA funds to restore benefits and avoid further cuts for FY 2023. Why should state employees suffer for another year when the $1.1 billion lost revenue funds are being held in the General Fund? Please act now to make whole the state employees who have served on the front lines. Of course, the same issues apply to the unrestored operating budgets for other state agencies, including higher education.

JESSE WADHAMS (Nevada Hospital Association):
I am speaking regarding Agenda Item E-36. I would like to support the comments of Tom Clark and Bobette Bond. Nevada's hospitals have been engaged with the state's coalition partners at the Nevada Association of Health Plans and Nevada State Medical Association in working to provide the Legislature with meaningful Nevada-based feedback and perspective on the public option. With the funding of the contract in Agenda Item E-36, the implementation process of the public option will begin. As part of those processes, a distinct actuarial review of the Nevada health care market will begin. This is in anticipation of the Centers for Medicare and Medicaid Services (CMS) waiver process and the additional actuarial reviews to effectuate those waivers. The Nevada Hospital Association looks forward to participating in the stakeholder engagement process to develop the actuarial scope of work. The Nevada Hospital Association will be submitting questions for the actuary to the Committee to review in its overview of the health care market in Nevada from a Nevada-based perspective.

CHRIS DALY (Nevada State Education Association):
I am following on Brian Rippet's comments regarding Agenda Item E-10, which dedicates $15.4 million for teacher recruitment and retention, largely focused on expanding professional development opportunities. It really is not a skill deficit or lack of work that prompts educators to leave the profession. The real factors pushing educators out of teaching, such as low pay, overcrowding and unrealistic workloads, are unfortunately not addressed adequately in Agenda Item E-10. Meanwhile, when the Legislature provided the opportunity to remove an item from teacher workloads this school year by passing Assembly Bill (A.B.) 57 (2021 Legislative Session), to temporarily pause the use of student learning goals and teacher evaluations, the Nevada Department of Education (NDE) issued a guidance memorandum encouraging districts to require teachers to conduct student learning goals anyway. No school districts, including Clark County and Carson City, and others, deferred to the NDE; therefore, this limited opportunity to ease teacher workloads was squandered.

As Nevada works through the COVID-19 pandemic, schools and operations continue to suffer. With resources at its disposal, the Nevada State Education Association hopes the state will do more to make sure the job of educators is appropriately compensated and that workplace issues like class size, caseloads, overburdened professional responsibilities and valuing educator's voices are adequately addressed.

DASHUN JACKSON (Director of Children's Safety and Welfare Policy, Children's Advocacy Alliance):
Recent reports have highlighted the urgent need to address the children's mental health crisis in Southern Nevada, which has only been exacerbated by the impacts of the COVID-19 pandemic. The Children's Advocacy Alliance fears that as families continue to battle the impacts of the pandemic while struggling to obtain mental health services, many will find themselves voluntarily relinquishing their parental rights to a system not designed or created to handle this particular crisis, just to receive mental health assistance for their child.

The Children's Advocacy Alliance believes that Nevada must act now to address this crisis. The state should utilize funds for the betterment of Nevada's children. As someone who has experienced the state's foster care system as well as being a recipient of mental health services in Nevada, I believe it is important to put services in the hands of families that need them and, in the community, to expand the capacity where needed, and to focus on where the state and counties can partner to ensure that all youth receive adequate mental health services. This has been an ongoing issue; therefore, Nevada needs to consider ways to build better relationships with community partners and ensure that mental health services are available to the youth who need those services.

DORA MARTINEZ (Nevada Disability Peer Action Coalition):
I want to thank the 2021 Legislature for passing legislation related to voting, specifically A.B. 121 (2021 Legislative Session). I spend time educating people with disabilities about how to vote. Nevada needs accessible voting.

TERRI LAIRD (Executive Director, Retired Public Employees of Nevada [RPEN]):
The RPEN is a nonprofit, nonpartisan membership-based organization formed in 1976, with nearly 8,000 dues-paying members. The RPEN understands that work faced by the Committee is not easy due to the influx of requests from many state agencies and other groups across the state due to the financial calamities created by the COVID-19 pandemic. However, the RPEN requests that the Committee give serious consideration to Agenda Item E-80, the addition of $5 million in Coronavirus Aid, Relief, and Economic Security (CARES) Act, Coronavirus Relief Funds to PEBP to help the agency deal with the many COVID-related claims along with unknown claims. PEBP sustained hefty budget cuts during the 2021 Legislative Session due to the significant budgetary shortfall created by the pandemic. This has led to increased out-of-pocket costs for participants. Among them, the elimination of long-term disability and other cuts again being made to life insurance for active employees and retirees.

The RPEN works alongside other public employee advocacy groups, and everyone is concerned about the impacts on the state, but even more concerned about increasing costs to PEBP participants. Recruitment and retention are ongoing problems for Nevada as it struggles to compete with other local and county governmental agencies that pay more and sometimes offer better benefits. The RPEN urges the Committee to approve Agenda Item E-80. The RPEN hopes that going forward, as the discussions regarding the dispersion of ARPA funds begin in earnest, the Committee will also keep PEBP in mind when distributing those funds.

C. APPROVAL OF THE MINUTES OF THE DECEMBER 18, 2020, MEETING.

ASSEMBLYWOMAN CARLTON MOVED TO APPROVE THE MINUTES OF THE DECEMBER 18, 2020, MEETING.

SENATOR DENIS SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

D. WORK PROGRAM REVISIONS IN ACCORDANCE WITH NRS 353.220(5)(b) - <u>INFORMATIONAL ONLY</u> - REQUIRED EXPEDITIOUS ACTION WITHIN 15 DAYS.

WAYNE THORLEY (Senate Fiscal Analyst, Fiscal Analysis Division, LCB):
The 15-day period has expired for all items on the list; therefore, all items under Agenda Item D are informational items, and no action is required by the Committee. No items under Agenda Item D were identified for additional discussion.

1. Department of Administration - Nevada State Library, Archives and Public Records - Library Cooperative - <u>FY 2021</u>
Addition of $75,619 in County Participation Funds to align revenue authority with actual revenue received for Fiscal Year 2021. Requires Interim Finance approval since the amount added to the Cooperative ~~Emergency Contingency~~ ***Board*** category exceeds ~~$75,000~~ ***10%*** of the legislatively approved amount for that category. **Work Program #C56356. RECEIVED 8-24-21. REVISED 8-27-21.**

There was no discussion on this item.

2. **Department of Business and Industry - Division of Industrial Relations - FY 2021**
Addition of $3,601 in federal Bureau of Labor Statistics grant funds, $97,886 in federal Department of Occupational Safety and Health Administration 23G/ARP grant funds, and $32,066 in federal Department of Occupational Safety and Health Administration 21D grant funds to fund indirect costs related to the division's various federal grants. Requires Interim Finance approval since the amount added to the Reserve for Reversion category exceeds $75,000. **Work Program #C56127. RECEIVED 8-19-21.**

There was no discussion on this item.

3. **Department of Business and Industry - Division of Industrial Relations - Occupational Safety and Health Enforcement - FY 2021**
Addition of $95,760 in federal American Rescue Plan Act funds through a U.S. USDOL Occupational Safety and Health Administration grant to fund overtime costs related to COVID-19 activities. Requires Interim Finance approval since the amount added to the Reserve for Reversion category exceeds $75,000. **Work Program #C56005. RECEIVED 8-19-21.**

There was no discussion on this item.

4. **Department of Business and Industry - Division of Industrial Relations - Safety Consultation and Training - FY 2021**
Addition of $72,162 in federal Occupational Safety and Health Administration grant funds from the U.S. USDOL in support of Safety Consultation and Training for employers. Requires Interim Finance approval since the cumulative amount added to the Reserve for Reversion category exceeds $75,000. **Work Program #C55909. RECEIVED 8-19-21.**

There was no discussion on this item.

5. **Department of Health and Human Services - Director's Office - Upper Payment Limit Holding Account - FY 2021**
Transfer of $448,172 from the Reserve for Reversion to the General Fund category to the Transfer Tobacco to Budget Account (BA) 1090 category to fund a projected shortfall for the remainder of the fiscal year. Requires Interim Finance approval since the amount added to the Transfer Tobacco to BA 1090 category exceeds $75,000. **Work Program #C55975. RECEIVED 8-19-21.**

There was no discussion on this item.

6. **Department of Corrections - Prison Medical Care - FY 2021**
Transfer of $3,000 from the Advanced Cardiac Life Support (ACLS) Training category to the Personnel Services category and $12,166 from the ACLS Training category to the Operating category to fund actual expenditures through fiscal year

end. Requires Interim Finance approval since the cumulative amount added to the Personnel Services category exceeds $75,000. **Work Program #C56458. RECEIVED 8-26-21.**

There was no discussion on this item.

7. Department of Corrections - Southern Desert Correctional Center - FY 2021
Addition of $51,635 in Room, Board, Transportation Charge funds and $357 in Reimbursement of Expenses funds to account for the additional revenue received above the legislatively approved authority and places the additional funds in the Reserve for Reversion to General Fund category. Requires Interim Finance approval since the cumulative amount added to the Reserve for Reversion to General Fund category exceeds $75,000. **Work Program #C56135. RECEIVED 8-19-21.**

There was no discussion on this item.

8. Department of Motor Vehicles - Central Services - FY 2021
Addition of $230,000 of Expedited Title Fees and $130,000 of Administration Charge funds to account for additional revenues received above the legislatively approved authority and places the additional funds in the Reserve for Reversion to Highway Fund category. Requires Interim Finance approval since the amount transferred to the Reserve for Reversion to Highway Fund category exceeds $75,000. **Work Program #C55931. RECEIVED 8-19-21.**

There was no discussion on this item.

9. Department of Motor Vehicles - Records Search - FY 2021
Addition of $1,408,000 of Records Search Charge funds to account for additional revenues received above the legislatively approved authority and places the additional funds in the Reserve for Reversion to Highway Fund category. Requires Interim Finance approval since the amount transferred to the Reserve for Reversion to Highway Fund category exceeds $75,000. **Work Program #C55905. RECEIVED 8-19-21.**

There was no discussion on this item.

10. Department of Motor Vehicles - Field Services - FY 2021
Addition of $5,200,000 of Motor Vehicle Governmental Services Tax Commissions funds and $2,700,000 of Penalties funds to account for additional revenues received above the legislatively approved authority and places the additional funds in the Reserve for Reversion to Highway Fund category. Requires Interim Finance approval since the amount transferred to the Reserve for Reversion to Highway Fund category exceeds $75,000. **Work Program #C55930. RECEIVED 8-19-21.**

There was no discussion on this item.

11. Department of Motor Vehicles - Motor Carrier Division - FY 2021
Addition of $310,000 of Motor Vehicle Governmental Services Tax Commissions funds to account for additional revenues received above the legislatively approved authority and places the additional funds in the Reserve for Reversion to Highway Fund category. Requires Interim Finance approval since the amount transferred to the Reserve for Reversion to Highway Fund category exceeds $75,000. **Work Program #C55927. RECEIVED 8-19-21.**

There was no discussion on this item.

12. Department of Veterans Services - Northern Nevada Veterans Home Account - FY 2021
Addition of $1,585,754 in Federal Reimbursement revenue and a transfer of $327,090 from the Reserve category to the Operations category to cover contractual expenditures for the remainder of the fiscal year. Requires Interim Finance approval since the amount added to the Operations category exceeds $75,000. **Work Program #C56391. RECEIVED 8-24-21.**

There was no discussion on this item.

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

WAYNE THORLEY (Senate Fiscal Analyst, Fiscal Analysis Division, LCB):
The following items have been identified for additional discussion: Agenda Items E-1, Office of the Governor, Office of Science, Innovation and Technology; E-4, Office of the Attorney General, State Settlements; E-7 through E-16, Nevada Department of Education (NDE); E-22, Department of Agriculture, Dairy Fund; E-34, Department of Health and Human Services (DHHS), Aging and Disability Services Division (ADSD); E-36, DHHS, Division of Health Care Financing and Policy; E-45, DHHS, Division of Welfare and Supportive Services; E-62, Department of Employment, Training and Rehabilitation (DETR), Governor's Office of Workforce Innovation; E-63, DETR, Employment Security Division; and E-65, Department of Motor Vehicles, System Technology Application Redesign.

Agenda Item E-27, Department of Tourism and Cultural Affairs, Nevada Arts Council, was withdrawn; however, the item was resubmitted as Agenda Item H-1.

Agenda Items E-31 and E-32, DHHS, ADSD, and E-37, DHHS, Division of Public and Behavioral Health were withdrawn.

ASSEMBLYWOMAN CARLTON:
I would like to request further discussion on Agenda Items E-83, DHHS, Division of Child and Family Services (DCFS); and E-84, DHHS, DCFS.

> ASSEMBLYWOMAN CARLTON MOVED TO APPROVE THE REMAINING WORK PROGRAM REVISIONS AND POSITION RECLASSIFICATIONS UNDER AGENDA ITEM E.

SENATOR DENIS SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

1. **Office of the Governor - Office of Science, Innovation, and Technology - FY 2022**
Addition of $10,000,000 in T-Mobile US, Inc. Settlement Agreement funds transferred from the Attorney General's State Settlements account to support broadband improvement grants for various tribal organizations. Requires Interim Finance approval since the amount added to the Tribal Award Grant category exceeds $75,000. **RELATES TO ITEM E.4. Work Program #C56498**

Agenda Items E-1 and E-4 were discussed jointly. Refer to testimony and motion for approval under Agenda Item E-4.

2. **Office of the Governor - Office of Science, Innovation, and Technology - FY 2022**
Transfer of $250,000 from the STEM Challenge Grants category to the K-5 STEM Grant category to fund STEM programs in elementary schools. Requires Interim Finance approval since the amount added to the K-5 STEM Grant category exceeds $75,000. **Work Program #C56363**

Refer to motion for approval under Agenda Item E.

3. **Office of the Attorney General - National Settlement Administration - FY 2022**
Transfer of $225,694 from the Reserve category to the Legal Services category, transfer of $140,496 from the Reserve category to the Guardianship Program category, transfer of $61,864 from the Reserve category to the Financial Guidance Assistance category, and a transfer of $5,811 from the Reserve category to the Call Center category to restore a portion of the funding reductions to partner organizations. Requires Interim Finance approval since the amount transferred to the Legal Services category exceeds $75,000. **Work Program #C55344**

Refer to motion for approval under Agenda Item E.

4. **Office of the Attorney General - State Settlements - FY 2022**
Addition of $10,000,000 in T-Mobile US, Inc. Settlement Agreement funds to provide broadband infrastructure improvements that benefit Nevada's Native American Tribes. Requires Interim Finance approval since the amount added to the Office of Science, Innovation and Technology Grant Program category exceeds $75,000. **RELATES TO ITEM E.1. Work Program #C55336**

Agenda Items E-1 and E-4 were discussed jointly.

BRIAN MITCHELL (Director, Office of Science, Innovation and Technology [OSIT], Office of the Governor):
Approval of Work Program #C55336 would transfer $10 million from the T-Mobile settlement fund to OSIT for the purpose of providing funding to assist and

enhance the connectivity of Nevada's Native American tribes. This is a very exciting opportunity, because there is a lot of need for Internet connectivity throughout the Native American communities. OSIT has a great relationship with the tribes and colonies across Nevada. Also, OSIT works closely with the Nevada Indian Commission and the Inter-Tribal Council of Nevada, Inc. to identify and prioritize needs and develop and determine which projects should be funded.

JESSICA ADAIR (Chief of Staff, Office of the Attorney General [OAG]):
This is an exciting settlement for the OAG and is the result of the T-Mobile and AT&T merger. The settlement agreement accomplishes a variety of things that are not before the Committee today. Those items include requiring T-Mobile to keep jobs within Nevada, develop low-cost data plans for Nevada consumers, expand 5G across the state, and provide a $30 million charitable contribution to the state. The $10 million is the first tranche of the funding. The funding must be used in one of three ways, one of which is to prepay or reimburse investment in broadband technology in Nevada's Native American tribes.

When the OAG reached out to OSIT, the Governor's Office of Economic Development (GOED) and the Governor's Office of Workforce Innovation (GOWINN) to discuss how to use the future funding, OSIT immediately responded with a list of shovel-ready projects. I want to thank OSIT for continuing to work with the OAG to identify the best uses of this funding as well as how to use the funding to match future investments of federal dollars to expand broadband technology statewide.

SENATOR DONDERO LOOP:
How will the remaining $20 million be allocated for the various approved purposes?

MS. ADAIR:
The OAG is just now in a place to receive the second tranche of funding. The agency looks forward to working with GOWINN and GOED to use that funding to promote workforce development. The funding must be used to enhance entrepreneurial opportunity and expand small businesses in Nevada, specifically businesses owned by women and people of color. When the OAG first approached GOWINN and GOED, both agencies were excited about the prospects of the funding. However, shortly thereafter, the COVID-19 pandemic occurred, and workforce development now looks different. The OAG hopes to work with GOWINN and GOED in the future to determine how to strategically match the funding with possible future federal funding and any ARPA funds potentially dedicated to workforce development and economic development for small businesses.

I cannot provide the Committee with specific details at this time. The OAG would like to have more concrete discussions with GOWINN and GOED before making commitments on the record about how the funding will be used.

ASSEMBLYWOMAN GORELOW:
How will the T-Mobile settlement funds be prioritized in relation to the federal funds that may be awarded for tribal broadband improvements?

MR. MITCHELL:
OSIT has a responsibility to assist tribes in applying for various competitive federal funding programs. The first tribal broadband grant was administered by the National Telecommunications and Information Administration (NTIA). The NTIA had $980 million available for grants. OSIT was able to assist 15 tribes in applying for $72 million in grants. Subsequently, OSIT learned the NTIA had received over $5 billion in grant requests. Based on a recent call with NTIA senior leadership, OSIT learned that the NTIA will make funding decisions at the end of November 2021. At that point, OSIT will take stock of which of the tribes' grants were funded and how much. It is possible that some of the grant requests will not be funded. It is also possible that other grant requests may be funded in part. OSIT will assess the status of the funding requests and determine whether supplemental funding will be necessary to complete the projects that have been outlined for those 15 tribes.

Separately, 12 of Nevada's tribes with significant connectivity needs did not apply for NTIA funding. OSIT is currently working with the Nevada Indian Commission and the Inter-Tribal Council of Nevada to contact those tribes to make them aware of various federal and state funding opportunities and assist in identifying needs and developing project plans.

Ultimately, OSIT would like all Nevada's tribes to apply for funding and receive as much money as possible to increase broadband connectivity. However, due to the COVID-19 pandemic, some of the tribes have other priorities and were unable to apply for the most recent round of funding. OSIT is continuing to reach out to every tribe to ensure they are aware of the opportunities and know that OSIT is available to assist.

SENATOR DENIS:
How has the federal funding that may be awarded for tribal broadband improvements changed OSIT's detailed expenditure plan for the $10 million it received from the T-Mobile settlement fund?

MR. MITCHELL:
The $10 million in settlement funds can be used for three different categories. The first category is residential, commercial, and whole community connectivity, which includes last mile and infrastructure development for residential, commercial or government buildings or community anchor institutions like senior centers and libraries. The second category is affordability programming. Even if fiber were installed for every home, people who are unable to afford Internet service would still lack connectivity. The final category is digital literacy, inclusion and equity programs, which includes educating tribal members on how to use the Internet effectively, how to remain safe online, and how to access county, city and tribal services online, especially in the event of a surge in the pandemic. OSIT will

also work with tribes to connect schools and libraries with connections to and within buildings.

Telemedicine has also been identified as a significant priority for tribal communities. Given that many tribal lands are far from large medical facilities, telemedicine would be a great opportunity to increase overall health within their communities.

Those are some of the items identified prior to the pandemic. The needs within the 15 tribes will need to be reevaluated after they receive federal funding. OSIT will also need to engage with the 12 tribes that did not apply for funding. Ultimately, all of the T-Mobile settlement funding will fit into one of those categories.

SENATOR DENIS:
Are there other areas that the federal funds will not cover?

MR. MITCHELL:
Yes, the tribes have certain needs that are not eligible expenses with the federal funds; therefore, the T-Mobile settlement funds can be used to cover those needs. Separately, if a federal grant only covers 75% of the tribal ask in the grant application, then some of the T-Mobile settlement funds can be used to backfill unfunded aspects of the grant applications.

SENATOR DENIS:
When will a disbursement plan be available?

MR. MITCHELL:
OSIT anticipates receiving word regarding the federal grants by the end of November 2021 or the beginning of December 2021. At that point, it will take some time to work with each of the tribes that received a partial award or no award to determine their gaps. Separately, OSIT will need to continue outreach to the 12 tribes that did not apply. Some of the tribes are difficult to reach; therefore, I cannot provide an exact date of when the funding will be expended. A lot of outreach and collaboration with the agency's tribal partners will be necessary to develop specific plans. However, what I outlined earlier are the universal items that would be funded with the T-Mobile settlement funds.

SENATOR DENIS:
At what point will OSIT know the actual amounts and how the funds will be expended?

MR. MITCHELL:
OSIT is hopeful to have the information as soon as possible. The agency is currently conducting outreach to the tribes. The goal is to contact the remaining tribes in the spring of 2022 and determine specific plans for the funds no later than summer of 2022.

ASSEMBLYWOMAN TITUS:
The tribes and much of Nevada in general do not have enough broadband. During the pandemic, when students were attending school remotely, many did not have Internet connectivity in the home. How will OSIT monitor the success of the funds?

MR. MITCHELL:
It is fairly easy to measure success as it relates to broadband. A few of the metrics that OSIT will use include the difference in connectivity speed prior to and subsequent to the expenditure of the funds. Also, the number of buildings connected to broadband, particularly to fiber infrastructure, will be a measure of success. For example, connecting schools, libraries, tribal administration buildings, etc. to a redundant, resilient, scalable, and affordable connection. Finally, the number of tribal members who report having an Internet connection at home. OSIT has data from the American Community Survey which indicates how many members in tribal communities currently have Internet connections. By providing better broadband infrastructure, affordability and digital literacy programs, OSIT will look for an increase in the number of homes with connectivity.

MS. ADAIR:
Some key points were identified that the funding does not address but are part of the larger AT&T and T-Mobile settlement agreement, which requires T-Mobile to report to the OAG on a regular basis. Those reports are enforced through the courts. One of the items requires that within six years of the close of the merger, T-Mobile must deploy a 5G network that will cover 94% of Nevada's general population and 83% of Nevada's rural population. Also, for six years T-Mobile must provide a low-cost mobile data program. Those requirements are important in expanding Internet and telecom access across Nevada. T-Mobile will be doing those things separately from the $30 million contribution. That is why those items are not included in the work program.

ASSEMBLYWOMAN CARLTON:
There are three issues: workforce, economic development, and broadband. Will the broadband issue only be addressed within the tribes, or will it be addressed in other areas of the state as well? If the tribes receive more federal funds leaving a larger balance of T-Mobile settlement funds, can remaining settlement funds be used for other broadband issues in Nevada?

MS. ADAIR:
No, the $30 million charitable commitment for broadband funding must be used for Native American tribes. However, there are other parts of the settlement agreement that require T-Mobile to invest in broadband connectivity for the larger State of Nevada. T-Mobile is required to expand broadband access to all of Nevada as stated in the settlement agreement, but it does not require T-Mobile to make a direct monetary contribution to the state. The monetary contribution can only be used for Native American broadband, workforce development and economic development. Although that will not be included in a work program, it is part of the larger global settlement agreement.

ASSEMBLYWOMAN CARLTON:
Please expand on the global agreement and associated timeframe. I recall during the pandemic, children sitting on the sidewalk next to a school bus to access a hot spot in east and west Las Vegas as well as other areas where Internet is not available. I understand that Internet connectivity is important in the rural areas and tribal communities, but children should not be sitting on a sidewalk to get Internet access to do their homework.

MS. ADAIR:
As part of the settlement agreement, T-Mobile promised to include Nevada in its nationwide broadband Internet access program, specifically for school-age children. Because of the pandemic, T-Mobile sped up the process and worked directly with the OAG and the Nevada Department of Education (NDE) to provide hot spots when lack of Internet access became a problem for students. T-Mobile distributed hot spots ahead of schedule to Nevada students so they could attend school remotely throughout the pandemic.

ASSEMBLYWOMAN CARLTON:
Hot spots are one thing, but actual Internet hardwire is another issue. I am hopeful those neighborhoods will eventually get the resources they need.

MR. MITCHELL:
T-Mobile provided 18,064 hot spots during the pandemic last year. However, you are right, hot spots are only a temporary solution. OSIT has begun working with broadband action teams in every county. Earlier in the week, OSIT met with staff from the Cities of North Las Vegas, Las Vegas and Henderson, and Clark County to discuss the broadband issue and connectivity in low-income communities. One of the problems in Nevada is that there has historically been underinvestment in infrastructure in low-income urban areas. Rural areas often come to mind when discussing broadband connectivity issues; however, in terms of infrastructure and Internet speeds, in areas such as northwest Las Vegas and the medical district of North Las Vegas, there is copper infrastructure that is 40 to 60 years old and some of the networking equipment is quite outdated. OSIT is working with those communities to examine the various federal funding opportunities related to broadband to specifically target investments in low-income areas and urban areas. Along with that, OSIT is planning to work with providers on accountability agreements where the providers would be required to invest in low-income, underserved, and unserved communities, but also agree to certain reliability standards and service standards that are present in business arrangements or higher-end communities. OSIT is specifically focusing on those areas and will share more details with the Committee when the plans come to fruition.

SENATOR GOICOECHEA:
The lack of Internet connectivity throughout Nevada is evident. I am hopeful the federal funds will address the issue, but $30 million is a very small amount to meet the need.

CHAIR BROOKS:
I want to remind the Committee that the settlement agreement is with an organization that provides cellular service. If the company expands its 5G network, it will provide a cellular broadband solution in places where fiber is not an option. Additionally, it augments the federal funds and is limited to tribal lands per the settlement agreement. I agree with Assemblywoman Carlton and Senator Goicoechea about the urban areas lacking broadband, but this is a good step in the right direction.

SENATOR GOICOECHEA:
I live in a rural area where the cellular service is lacking. I am thankful that a hot spot was made available to me during the 2021 Legislative Session, because there is often no Internet connection.

ASSEMBLYWOMAN BENITEZ-THOMPSON MOVED TO APPROVE AGENDA ITEMS E-1 AND E-4.

SENATOR DENIS SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

5. Department of Administration - Nevada State Library, Archives and Public Records - Library Cooperative - FY 2022
Transfer of $183,501 from the Cooperative Emergency Contingency category to the Reserve category to establish an official reserve category. Requires Interim Finance approval since the amount transferred from the Cooperative Emergency Contingency category exceeds $75,000. **RELATES TO ITEM E.6. Work Program #C56454**

Refer to motion for approval under Agenda Item E.

6. Department of Administration - Nevada State Library, Archives and Public Records - Library Cooperative - FY 2023
Transfer of $213,102 from the Cooperative Emergency Contingency category to the Reserve category to establish an official reserve category. Requires Interim Finance approval since the amount transferred from the Cooperative Emergency Contingency category exceeds $75,000. **RELATES TO ITEM E.5. Work Program #C56510**

Refer to motion for approval under Agenda Item E.

7. Department of Education - COVID-19 Funding - FY 2022
Addition of $5,270,140 in federal American Rescue Plan Act - Elementary and Secondary School Emergency Relief (ESSER) - Homeless Children and Youth funds to identify homeless children and youth, provide wrap-around services, and enable them to attend and fully participate in school. Requires Interim Finance approval since the amount added to the ESSER III – Local Education Agencies Homeless category exceeds $75,000. **Work Program #C55786**

Agenda Items E-7 through E-16 were discussed jointly. Refer to testimony and motion for approval under Agenda Item E-16.

8. Department of Education - COVID-19 Funding - FY 2022

Addition of $18,180,919 in federal American Rescue Plan (ARP) Act - Emergency Assistance to Non-Public Schools (EANS) funds to provide services or assistance to non-public schools that enroll a significant percentage of low-income students and are most impacted by the COVID-19 pandemic. Requires Interim Finance approval since the amount added to the ARP EANS Non-Public Schools category exceeds $75,000. **Work Program #C56865**

Agenda Items E-7 through E-16 were discussed jointly. Refer to testimony and motion for approval under Agenda Item E-16.

9. Department of Education - COVID-19 Funding - FY 2022

Addition of $322,305,834 in federal American Rescue Plan Act (ARP) - Elementary and Secondary School Emergency Relief (ESSER) funds allocated to the state for disbursement to Local Education Agencies (LEA). Requires Interim Finance approval since the amount added to the ARP ESSER LEA Distributions category exceeds $75,000. **Work Program #C54859**

Agenda Items E-7 through E-16 were discussed jointly. Refer to testimony and motion for approval under Agenda Item E-16.

10. Department of Education - COVID-19 Funding - FY 2022

Addition of $15,429,427 in federal American Rescue Plan Act (ARPA) - Elementary and Secondary School Emergency Relief (ESSER) funds to support statewide projects for teacher recruitment and retention. Requires Interim Finance approval since the amount added to the ARPA ESSER III State Education Agency Reserves category exceeds $75,000. **Work Program #C56723**

Agenda Items E-7 through E-16 were discussed jointly. Refer to testimony and motion for approval under Agenda Item E-16.

11. Department of Education - COVID-19 Funding - FY 2022

Transfer of $885,000 from the Reserves category to the American Rescue Plan (ARP) Act Elementary and Secondary School Emergency Relief (ESSER) III State Education Agency (SEA) Administration category to fund a contract to create a statewide course catalog, develop various accountability dashboards, and increase data sharing with the Nevada System of Higher Education. Requires IFC approval since the amount added to the ARP ESSER III SEA Administration category exceeds $75,000. **Work Program #C56776**

Agenda Items E-7 through E-16 were discussed jointly. Refer to testimony and motion for approval under Agenda Item E-16.

12. Department of Education - COVID-19 Funding - FY 2022

Addition of ~~$33,933,057~~ ***$12,432,035*** in federal American Rescue Plan Act

(ARPA) - Elementary and Secondary School Emergency Relief (ESSER) funds ***and a transfer of $21,480,142 from the Reserve category to the ARPA ESSER III State Education Agency Reserve category*** to support statewide projects for advancing equity and addressing learning loss. Requires Interim Finance approval since the amount added to the ARPA ESSER III State Education Agency Reserve category exceeds $75,000. **Work Program #C56833. REVISED 10-5-21.**

Agenda Items E-7 through E-16 were discussed jointly. Refer to testimony and motion for approval under Agenda Item E-16.

13. Department of Education - COVID-19 Funding - FY 2022

Addition of $6,401,127 in federal American Rescue Plan Act (ARPA) - Elementary and Secondary School Emergency Relief (ESSER) funds to support one contract position for evidence-based suicide prevention training; contract positions and coaches for trauma, restorative practices, and multi-tiered systems of support training; a contract with the Nevada System of Higher Education for graduate assistants; and stipends for providing professional development for social-emotional learning. Requires Interim Finance approval since the amount added to the ARPA ESSER III State Education Agency Reserve category exceeds $75,000. **Work Program #C56834**

Agenda Items E-7 through E-16 were discussed jointly. Refer to testimony and motion for approval under Agenda Item E-16.

14. Department of Education - COVID-19 Funding - FY 2022

Addition of $1,545,246 in federal American Rescue Plan Act (ARPA) - Elementary and Secondary School Emergency Relief (ESSER) funds to support a contract position to collect early childhood education data, stipends for birth through third grade educators and administrators, a contract for the review and analysis of preschool funding and adjustments, and enhancements to the desktop monitoring system. Requires Interim Finance approval since the amount added to the ARPA ESSER III State Education Agency Reserve category exceeds $75,000. **Work Program #C56835**

Agenda Items E-7 through E-16 were discussed jointly. Refer to testimony and motion for approval under Agenda Item E-16.

15. Department of Education - COVID-19 Funding - FY 2022

Addition of ~~$196,325~~ ***$3,924*** in federal American Rescue Plan (ARP) Act - Elementary and Secondary School Emergency Relief (ESSER) funds ***and a transfer of $192,401 from the Reserve category to the ARP ESSER III State Education Agency Administration category*** to support overtime incurred by Department of Education staff as they respond to initiatives and activities directly related to the COVID-19 pandemic. Requires Interim Finance approval since the amount added to the ARP ESSER III State Education Agency Administration category exceeds $75,000. **RELATES TO ITEM E.16. Work Program #C56765. REVISED 10-5-21.**

Agenda Items E-7 through E-16 were discussed jointly. Refer to testimony and motion for approval under Agenda Item E-16.

16. Department of Education - Student and School Support - FY 2022
Addition of $88,453 in federal American Rescue Plan Act - Elementary and Secondary School Emergency Relief funds transferred from the Nevada Department of Education - COVID-19 Funding Account to support overtime incurred by Department of Education staff as they respond to initiatives and activities directly related to the COVID-19 pandemic. Requires Interim Finance approval since the amount added to the Personnel Services category exceeds $75,000. **RELATES TO ITEM E.15. Work Program #C56854**

Agenda Items E-7 through E-16 were discussed jointly.

JHONE EBERT (State Superintendent for Public Instruction, NDE):
The NDE has submitted work programs to aid Nevada students, educators, and schools in COVID-19 recovery. Among the department's advances in disbursing federal aid to students and educators was the DonorsChoose program, and the NDE will submit a program status report to the Committee at the December 2021 IFC meeting.

Three weeks ago, the DonorsChoose program was launched, and 5,000 projects were submitted and approved. Thousands of teachers have expressed gratitude for the tools and resources provided for their classrooms.

Additionally, the $20 million that was made available for higher education stipends went toward the teacher pipeline, internships, coursework, and preparing Nevadans for college and career success. During the current semester, 200 higher education students have received assistance for their student practicum, and 700 students received tuition reimbursements. More is expected in the spring semester when many students perform student teaching.

The work programs focus on four areas related to recovery and renewal: teacher recruitment and retention, advancing equity, social-emotional learning and mental health, and efficiencies for long-term success. The work programs align with the federal expectations for evidence-based programs as well as shared priorities for the state as a whole. The work programs use federal aid in a way that helps students and educators recover from interruptions in learning caused by the pandemic and propel Nevada forward. Feedback from the listening tours and sessions made it evident that prioritizing recruitment and retention of educators is paramount for student success. Any success related to learning during the pandemic can be traced directly back to the dedication of educators who have gone above and beyond to support students and families.

The work program for teacher recruitment and retention supports the immediate recovery needs of educators by filling teacher vacancies, which has been a recurring problem in Nevada. It is crucial to close the gap, which is larger this year than in previous years.

The work program for advancing equity aims to close longstanding opportunity gaps that has led to achievement gaps, especially as it relates to college and career readiness. The work program includes an Algebra I project, because graduation rates and future success diminish greatly for students who do not pass the subject. The work program also focuses on literacy, support for English language learners and Native American learners, and school improvement. Overall, the work program is reflective of the needs as a state, which were amplified during the listening sessions.

The most cited response from stakeholders was related to social-emotional support for students and educators. Therefore, one of the work programs responds to those needs by investing in trauma-informed restorative practices, multi-tiered systems of support, and suicide prevention training.

Finally, the work programs focus on investments in long-term efficiencies, which will create a more responsive and nimble education system, and ultimately support students, families, and educators. Projects include enhancements for desktop monitoring to reduce the burdens on school districts so that they can focus on educating students, and aligning data systems to include the youngest learners, beginning with the pre-K system. The NDE is charged with administering and monitoring the largest federal relief package in the nation's history. Nevada was allocated over $1.5 billion, 90% of which went directly to school districts. Upon the Committee's approval, the districts will receive the remaining third of the funds.

It is important to ensure students have high-quality learning opportunities and that districts and schools receive resources and use them effectively. With the proposed new systems and efficiencies in place, school principals can focus on being the instructional leader of the school and districts can focus on supporting principals with school improvement.

The work programs are a critical investment in meeting the state's immediate needs as well as long-term recovery and renewal. The work programs are conscious decisions to propel the state forward in educator recruitment and retention, student achievement, meeting social-emotional needs of students and educators, and achieving equitable outcomes for all students.

CHAIR BROOKS:
I am excited to hear about the Algebra I program. That is a significant hurdle for many students who enter the electrical apprenticeship program where I used to be an instructor. That is a clear way to help with a path toward a long-term meaningful career.

ASSEMBLYWOMAN MONROE-MORENO:
Please provide an overview of how the Emergency Assistance to Non-Public Schools (EANS) funding will be awarded by the department and the projected timeline.

JONATHAN MOORE (Deputy Superintendent of Student Achievement, NDE):
The department has been working diligently with State Purchasing and the OAG to navigate state processes for administering EANS funding. The OAG is currently reviewing the joinder agreements to provide services to non-public schools. The NDE is unable to directly subaward EANS funding to non-public schools; therefore, the department contracts with vendors to provide those services. The NDE anticipates that the joinder contracts will be finalized by December 1, 2021, at which point the department can prepare an application for non-public schools which takes into consideration factors such as enrollment, students experiencing economic hardship, and the impacts of COVID-19.

It is also important to note that as it relates to the ARPA EANS application, the department is awaiting approval by the federal government, which will impact the administration of the funds.

ASSEMBLYWOMAN MONROE-MORENO:
During the listening tours and in talking with educators, principals and students, there was one item that was brought up repeatedly; however, it was not included in the work programs. I did not see anything about recruitment and retention of African American, male educators. I recall hearing many times from principals and educators that they are having a difficult time retaining existing teachers, but also recruiting, especially African American male teachers. Does the NDE have a program that will be submitted to the Committee at a later date? How is the NDE addressing that particular concern?

MS. EBERT:
Currently, there is not a project at the state level. The department has been coordinating with school districts to ensure the funds are expended efficiently and effectively. The Clark County School District has been focusing on recruitment of African American males as well as a diverse population overall.

In the work program concerning recruitment and retention, funds are made available for student teaching. The department is aware there are people of color who would like to join the education workforce. Student teaching is a full-time job and requires the individual to be in the classroom all day. Therefore, the funds are being used strategically across the state based on need. The NDE is aware that students of color in the higher education system have needs and the department is working to expand the pipeline for those individuals.

FELICIA GONZALES (Deputy Superintendent for Educator Effectiveness and Family, NDE):
The NDE does have a few items in the work program that focus on diversity. Prior to this, the Committee approved $20 million for incentivizing teacher pathways, which supports diversity in the application process to recruit more diverse teachers and eventually leaders into the school system. There is also a “Teacher In Training” Career and Technical Education (CTE) program for rural and urban expansion. The focus is not only on rural areas, where there are not currently any CTE Teacher In Training programs, but the focus is also on three large urban

high schools in Clark County, with the intention of starting recruitment early with a focus on diversity.

As Ms. Ebert stated, the department is focused on the paraprofessional to educator pipeline. This is where the most diversity is found. As the Committee is aware, it is very difficult to recruit teachers nationwide; therefore, the NDE is partnering with all the higher education institutions to focus on "grow your own talent" within Nevada. I would note that all Nevada's colleges and universities are focused on diversifying the pipeline as well as providing necessary support so that diverse candidates are successful.

ASSEMBLYWOMAN MONROE-MORENO:
I appreciate the department's efforts to focus on diversity; however, diversity includes everyone. In touring one of the schools outside of my district, which is not an area with a high population of African Americans, the school principal places pictures of the teachers on a wall in the hallway. However, the school does not have any male teachers who are African American. Thus, the principal placed a photograph on the wall of one of the school custodians dressed in a suit so that African American male students could see someone who looked like them and encourage them to attain some of their goals. African Americans live throughout the state, not just in a few areas. It is important to have African American male teachers everywhere, including the rural communities. I would love to see the state focus on more intentional efforts to recruit African American educators in the classrooms, especially males.

ASSEMBLYMAN LEAVITT:
In talking to principals and administers, they struggle to obtain funding to hire student teachers and people to run special programs that are essential in a child's education beyond Algebra I. How close is the state to filling the gap that was created during the COVID-19 pandemic?

MS. EBERT:
Are you referring to learning gaps or staffing gaps?

ASSEMBLYMAN LEAVITT:
More along the lines of staffing. When I spoke with principals, they were fortunate to have some funds remaining from the previous year to use toward hiring student teachers and people to run special programs. Is the state filling the gap that already existed pre-pandemic?

MS. EBERT:
Filling the gap needs to be strategic and intentional and a multi-pronged approach. Unfortunately, teacher shortages are a nationwide problem and have been for many years. The problem is especially noticeable in high-need areas such as mathematics, science, special education, and English learning. Educators, and the nation in general, have not done well at highlighting the rewarding nature of the education profession and encouraging students to become educators in order to grow the next population of teachers. The strategy behind the CTE work

program is to build a CTE teaching and leading pathway in addition to manufacturing, culinary, etc. Some schools have already implemented a CTE pathway. It is important for the department to collaborate with higher education to institute the program in every Nevada high school. Approximately 26 of the 100 high schools in the state currently have a CTE program. The benefits of those existing programs will not be realized for eight years.

In the work program, there is a program called *NV Epic*. If approved, $6 million will be used for cohorts of alternative route to licensure teachers. The department is working with the University of Nevada, Reno (UNR), University of Nevada, Las Vegas (UNLV), and Nevada State College to ensure they are prepared to build out the program.

Regarding S.B. 352 (2021 Legislative Session), paraprofessionals want to be in the K-12 environment and serve children. The question is how to support them in becoming an educator, school psychologist, or a similar type of profession. Building out that system locally and nationally is critical.

The department is addressing the problem at various levels to move Nevada forward. At present, school districts are thinking differently about their staff and how staff is allocated, which is important. The NDE has monthly meetings with district superintendents across the state on how to strategize in urban, rural and suburban schools, because it is a statewide issue.

ASSEMBLYWOMAN TOLLES:
The 2021 Legislature passed legislation to fund learning loss and literacy programs. I see that learning loss is addressed in Agenda Items E-9 and E-12. Do either of those work programs address the literacy piece?

MR. MOORE:
One project related to literacy is the Science of Reading professional learning project. The department is in the process of finalizing an agreement with the University of Minnesota for statewide professional learning on the science of reading. As the Committee is aware, the Read by Grade 3 legislation includes components of the science of reading. These are components that teachers should know that are proven parts of the methodology for improving literacy proficiency: comprehension, fluency, vocabulary, etc. With the statewide professional learning opportunity, the state will build cohorts of educators at no cost to the participant. Participants will go through a rigorous experience to improve their capacity to deliver effective literacy instruction. The program is optional and free. The NDE is hopeful all elementary school teachers will take advantage of the opportunity. As part of the proposal, the NDE worked with the University of Minnesota on a program evaluation, which will allow the NDE to gather data regarding teachers' perceptions of their ability to teach literacy effectively before and after completing the program. The data will also provide localized outcomes as it relates to participants.

ASSEMBLYWOMAN TOLLES:
I would like to see a breakdown of the $200 million for traditional public schools and $15 million for charter schools for the learning loss and literacy programs related to A.B. 495 (2021 Legislative Session). I am concerned that the money has not yet been expended. The goal was to get students ramped up early when they resumed in-person learning.

MS. EBERT:
The $200 million was to be allocated after the school districts submitted their plans for the $1.5 billion that was allocated by the federal government. The funds were issued by the federal government in March 2021. The U.S. Department of Education placed certain requirements on state plans and school district plans. School districts were required to receive community input in the development of their plans; therefore, the plans were submitted just last month, September 2021.

The items requested in the work programs today include a dashboard, which allows the Committee and the public to see every project that school districts are requesting and funding. Transparency is important as it relates to the funds.

In answer to your question, the $200 million and the $15 million have not been made available yet because certain requirements must be met first. The interrupted learning that occurred during the pandemic was taken into consideration by school districts when developing their plans.

ASSEMBLYWOMAN TOLLES:
In looking at Agenda Items E-15 and E-16, there are two different categories related to overtime and COVID-19. I would like additional details about overtime and how it relates to COVID-19. Is the overtime for hourly or salaried employees?

MS. EBERT:
Salaried employees do not receive overtime. In June 2021, the IFC approved the hiring of an Education Programs Supervisor to help oversee and manage the work associated with the $1.5 billion. The department received a list of candidates this week; therefore, the position has been vacant for months and the projects did not move forward. Also, the work is spread across the state. A full-time employee was not necessary in some of the areas requiring additional support. However, extra hours were necessary to complete the work, such as managing additional pieces within the grant. Lastly, it is important to note that staff overtime needs are not exclusive to managing projects that were approved or proposed under these specific funds. Any staff hours related to the pandemic response and recovery is allowable within the relief funds.

ASSEMBLYWOMAN TOLLES:
I know the dashboard will be appreciated by the public. It will provide a better understanding of how the funds are spent as well as details of the various programs and how they correlate to performance and outcomes for students.

ASSEMBLYWOMAN MILLER:
Earlier there was mention about the number of students who received stipends for student teaching and tuition reimbursement. However, constituents have indicated that many students do not receive stipends or are not aware of the programs at their colleges. There is also a struggle for the colleges themselves to access the funds. In both cases, it seems to be an issue of bureaucracy. What is the process for student teachers to receive a stipend? How can the process be streamlined to make it a reality for colleges and students?

MS. EBERT:
The institutions have not shared with the NDE that they are experiencing issues. I met with Dr. Pollard at Nevada State College last week as well as the provosts for UNR and UNLV. I would ask that they direct their concerns to the NDE.

The funds approved by the Committee were made available this summer. Over 700 students are currently participating in the programs. The newness of the program could be contributing to the lack of awareness; therefore, the NDE will increase outreach efforts. To have 700 students already participating in the program in the few months since the funding was approved is something to celebrate.

ASSEMBLYWOMAN MILLER:
Are all Nevada colleges with teaching programs receiving the funding?

MS. GONZALES:
All institutions with student teachers in Nevada are eligible to receive the funds. The awards have been disbursed and institutions can provide the funds to student teachers and request reimbursement. This is the first time these awards have been disbursed. Over the next three semesters, the process will be streamlined. The funding is retroactive for students nearing the end of their student teaching.

ASSEMBLYWOMAN MILLER:
Many of the work programs seem to support the projects of the NDE and its partners and vendors. Nevadans want to see programming, support and services directly in the classrooms. There is often a gap between what educators, students and families want.

Under Agenda Items E-13 and E-14, please describe how the programs will be evaluated. How will educators and parents be able to describe the effectiveness? Is there an accountability tool in place to see outcomes? As stated earlier, the desires of educators and community members should be delivered.

MS. EBERT:
What the department has presented to the Committee to date is only 10% of the entire allocation. Most of the funds are allocated to the school districts directly.

Regarding the social-emotional learning supports and early childhood, the NDE

sent a school climate survey to families. The department is expanding those surveys to include students and staff to ensure that social-emotional supports are provided to students and staff.

ASSEMBLYWOMAN PETERS:
I agree with the comments made by other Committee members regarding programs for teacher recruitment and retention. I look forward to reviewing the data breakdown to see how successful the programs are for the state.

One issue that I have not seen the NDE address relates to the increased cost of living in Nevada. I understand the workforce is low across the United States, but in Nevada it is creating problems in the housing and rental market. There are many single teachers who have a roommate or are considering a roommate because it is very difficult to find housing, especially in Northern Nevada.

Regarding Agenda Item E-14, there appear to be at least three other work programs related to providing care to children and supporting families. The earlier children are exposed to educational programs, the more successful they are at meeting and developing important skills. Early childhood is not limited to school-age children and pre-K is just a component of the larger effort. It is important that children and families are supported from birth onward. Looking further into recovery efforts, Nevada needs to stand up coordinated efforts that are larger in scale to address child care and early childhood education needs for communities. There is an underrepresented child care industry that needs attention and support. How does the department's early childhood education data collection efforts and expansion of pre-K program efforts work with other agencies that are working in this space? Please talk about the coordination efforts and how the department is working to enhance the programs.

MR. MOORE:
The NDE is partnering with the DHHS, Division of Welfare and Supportive Services to ensure that the needs of families with young children are met. That is also part of the department's data collection. Included in one of the NDE's proposals is an effort to significantly develop and support children from birth through third grade. The earlier that children and families are provided a system of support, the more successful their trajectory. Part of that work includes alignment with data collection across systems to ensure that the ways in which students and families are engaged are yielding positive outcomes. There is also a component modeled after the digital ambassadors, which will create a system of educators and administrators of the earliest learners, birth through third grade, to build capacity to support educators.

ASSEMBLYWOMAN PETERS:
I hope the efforts included in Agenda Item E-14 in particular will enhance the state's efforts in this area and that metrics will be defined to move the meter for accessibility to early childhood education for parents. As a parent of three children, the largest hurdle was finding affordable child care. My husband was a stay-at-home parent for eight years because one of our children was not in the

public education system during that time. As the state moves forward with these programs, and with the federal funds that will be provided related to child care issues and the coordinated efforts through different entities, I look forward to seeing how the issue is managed.

SENATOR SETTELMEYER:
It seems that some of the programs and projects will require ongoing funding. How will the NDE fund them after the federal funds expire?

MS. EBERT:
Most of the projects will not require funds beyond what was allocated. Regarding the teacher recruitment and retention program, the department will continue to work with the federal delegation because the issue is not limited to Nevada. It is important to work on college accessibility. The cost to attend college has increased significantly and resources such as PELL grants have not increased at the same rate. If the recruitment and retention program is demonstrated as successful, the department is hopeful that funding at the state or federal level will continue.

SENATOR SETTELMEYER:
Are you indicating there will be no need for an increase in the 2023-25 biennial budget to sustain any of the programs?

MS. EBERT:
The programs will not be funded in the next budget cycle unless the 2023 Legislature would like some of the components to continue. The department would have liked to propose additional projects during the 2021 Legislative Session; however, that was not possible due to the economic crisis.

SENATOR SETTELMEYER:
I would like to know what percentage of these are not one-shot programs. I will follow up with the NDE offline.

CHAIR BROOKS:
To follow up on Senator Settelmeyer's question, Agenda Items E-10 and E-11 include annual costs. If a program is shown to be successful and valuable, would the NDE include those costs in a future budget request?

HEIDI HAARTZ (Deputy Superintendent for Student Investment Division, NDE):
Many of the projects that have been proposed for funding through the COVID-19 federal relief dollars are one-time in nature. Therefore, the department has focused on projects that will allow the NDE to invest in a significant way and lay a solid foundation for the future. For individual projects that may have an ongoing funding need or could benefit the school districts, the department has identified those in the project proposals under the section titled *Off-Ramp*.

As the department begins to build its biennial budget requests for the 2023 and 2025 Legislative Sessions, the NDE will look at programs and services that are

proving to be successful and have a significant improvement in the school districts to determine if they warrant additional funding in the future. If they do, based on the results of the evaluations, the NDE would then consider recommending those in the agency request budget, which would be subject to recommendation in the Governor's recommended budget and approval by the Legislature.

ASSEMBLYWOMAN BENITEZ-THOMPSON:
Regarding Agenda Item E-8, I understand that specific to the funds for the non-public schools, the federal government has set certain requirements and parameters. I know that in other programs there have been similar requirements for non-public schools related to low-income students. How have those funds been expended? I understand that Agenda Item E-8 is forward looking, so at some point I will request the same thing, which is how are the funds being distributed to non-public school education settings and what are their needs as it relates to low-income students. That information can be provided to the Committee when it becomes available to the department.

Regarding Agenda Item E-12, I am excited about the Algebra I program knowing that there have been downward trends in Nevada due to low math scores. The program could improve the academic success of students. It appears to be a two-year funding request; however, if the program is successful, will the program be able to continue long term? It is not a large amount of funding, but it could be very meaningful.

SENATOR HAMMOND:
Regarding Agenda Item E-9, the department has likely evaluated how the money will impact student learning and improve the achievement gap that was created during the pandemic. If the department determines the program to be successful, how much money would be necessary in the 2023-25 biennium to ensure there is not a reduction in spending?

MS. EBERT:
The $200 million allocated by the Legislature will help the school districts. Also, it is estimated that $2 billion per year would be necessary to reach optimal funding for the state. That work is being done by the Commission on School Funding so that proposals can be brought before the Legislature for approval.

ASSEMBLYWOMAN CARLTON MOVED TO APPROVE AGENDA ITEMS E-7 THROUGH E-16.

SENATOR DENIS SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

17. State Public Charter School Authority - FY 2022
Addition of $1,848,401 in federal American Rescue Plan Act (ARP) Supplemental Individuals with Disabilities Education Act (IDEA) grant funds to address the disruption to teaching and learning resulting from the pandemic as well as taking

additional steps to safely keep schools open for in-person instruction. Requires Interim Finance approval since the amount added to the ARP IDEA category exceeds $75,000 each. **Work Program #C56610**

Refer to motion for approval under Agenda Item E.

18. State Public Charter School Authority - FY 2022

Addition of $433,985 in federal Coronavirus Aid, Relief, and Economic Security (CARES) Act - Elementary and Secondary School Emergency Relief funds transferred from the Nevada Department of Education to award funds to continue providing COVID-19 relief funding to eligible charter schools. Requires Interim Finance approval since the amount added to the CARES Act Emergency Relief category exceeds $75,000. **Work Program #C56966**

Refer to motion for approval under Agenda Item E.

19. Department of Agriculture - Agriculture Registration and Enforcement - FY 2022

Transfer of $62,213 from the Reserve category to the Information Services category to fund a contract for a web-based inspection, registration, and fee collection system. Requires Interim Finance approval since the amount transferred to the Information Systems category exceeds 10% of the legislatively approved amount for that category. **Work Program #C56534**

Refer to motion for approval under Agenda Item E.

20. Department of Agriculture - Agriculture Registration and Enforcement - FY 2022

Addition of $199,836 in federal U.S. Environmental Protection Agency (EPA) grant funds to ensure pesticides are properly maintained, sold, used, and stored in compliance with federal and state laws. Requires Interim Finance approval since the amount added to the EPA Pesticide Enforcement category exceeds $75,000. **Work Program #C56558**

Refer to motion for approval under Agenda Item E.

21. Department of Agriculture - Agriculture Registration and Enforcement - FY 2022

Addition of $500,000 in federal Farm and Ranch Stress Assistance Network grant funds to establish stress assistance programs for individuals who are engaged in farming, ranching, and other agriculture-related occupations. Requires Interim Finance approval since the amount added to the Farmer Ranch Assistance category exceeds $75,000. **Work Program #C56381**

Refer to motion for approval under Agenda Item E.

22. Department of Agriculture - Dairy Fund - FY 2022

Transfer of $75,249 from the Reserve category to the Personnel Services category to fund the Operations Manager position. Requires Interim Finance approval since the amount transferred to the Personnel Services category exceeds $75,000. **Work Program #C56380**

DOUG FARRIS (Administrator, Animal Industry Division, Department of Agriculture):

The purpose of Work Program #C56380 is to request the reinstatement of the Operations Manager position in the Dairy program, which was eliminated during the 2021 Legislative Session due to concerns about the reserve level in that program. The Department of Agriculture does not have any other positions that meet the required experience or expertise of this position. The Operations Manager position has specific qualifications that must be met, including licensure as an environmental health specialist and experience performing environmental health duties for a regulatory environmental health agency. Proper program management and oversight is vital in carrying out these programs and meeting state requirements and federal regulations by which the department is bound.

SENATOR GOICOECHEA:
I have been inundated with calls recently about the department's entry desk and livestock permitting and entry, especially the livestock going to the Indian National Finals Rodeo and the Professional Bull Riders (PBR) event in Las Vegas. I am sympathetic about the department's needs. It is important to ensure there is an Operations Manager to oversee the Dairy program. Everyone needs to understand this fee is on the product with the retailer rather than the dairy industry. It is there in place to support the dairy lab. If the Committee were to approve the position, will it free up the department's Animal Industry Division and State Veterinarian?

MR. FARRIS:
The duties of the Dairy program manager fall under the State Veterinarian who oversees the Dairy program. It takes a lot of time for the State Veterinarian as well as my own position to oversee operations and comply with all the regulations. By reimplementing the Operations Manager position, the position would still report to the State Veterinarian, but the Operations Manager would perform duties that the State Veterinarian is currently handling while also performing her own duties, such as entry permits.

SENATOR GOICOECHEA:
If the Committee approves the position, I will anticipate a reduced number of phone calls. I do not want events to be cancelled because people could not get entry permits.

ASSEMBLYWOMAN TITUS:
I am concerned about how the Department of Agriculture will pay for the Operations Manager position. The work program indicates the department will reinstate the milk/cream and butter assessment revenues in FY 2022. What is the

charge and is the industry aware the fee will be reinstated? Also, how will the assessments be managed?

MR. FARRIS:
The assessments were in place until 2014 when the Dairy Commission, which has since been dissolved, was taken over by the Department of Agriculture. At that time, the Dairy Commission had excess reserve; therefore, in 2014, the butter assessment was discontinued and in 2015, the milk/cream assessment was discontinued. Distributors of milk and butter products will pay the assessment, all of which were notified in May 2021 and June 2021 by the department. The department did not receive opposition from dairy producers. The main concern was that the Department of Agriculture was able to complete all its duties and requirements as a state agency.

ASSEMBLYWOMAN TITUS:
No fees are ever absorbed by an industry. They are usually passed down to the consumer. Will there be an increase in butter, milk, and cream prices as a consequence of reinstating the assessments?

MR. FARRIS:
I understand your concern. If the industry decides to pass on the assessment to the consumer, it could result in higher prices. The fee will not increase from what it has been historically. For example, the fee for butter is .01 cent per pound of butter distributed and the fee for fluid milk/cream is .0004 cents per pound.

CHAIR BROOKS:
Will the department be able to maintain sufficient reserve levels if the Operations Manager position is approved?

MR. FARRIS:
The fees were reimplemented on July 1, 2021, and have been collected for August, September, and October 2021. The projections by the department's fiscal staff were to ensure the program would remain solvent by funding the position and collecting the fees.

KATIE JAMESON (Fiscal Administrator, Department of Agriculture):
The department projected flat reserve levels based on actuals in the first six weeks of fee collections. The department added growth to the expenses and conducted a three- and four-year analysis to show the solvency of the program. The reserve levels exceed the department's 45-day reserve by 200 days in each year, even projecting it flat. There will be growth with the fees as a result of population growth. Therefore, the reserve levels will remain solvent with the restoration of the Operations Manager position.

SENATOR GOICOECHEA:
The department is very good at implementing regulations and collecting fees. It is important to note that service needs to be improved.

ASSEMBLYWOMAN CARLTON MOVED TO APPROVE AGENDA ITEM E-22

SENATOR GOICOECHEA SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

23. Department of Business and Industry - Division of Industrial Relations - Safety Consultation and Training - FY 2022

Addition of $113,968 in American Rescue Plan Act funds through a U.S. USDOL Occupational Safety and Health Administration 23G/ARP grant. ***Transfer of $100,000 from the Personnel category to the ~~Information Services~~ Informational Safety Program category, $10,032 from the Personnel Services category to the Equipment category, and $3,960 from the Personnel Services category to the Operating category*** to fund activities aimed at protecting workers during the pandemic and post-pandemic recovery ***and provide a required match of funding***. Requires Interim Finance approval since the amount added to the American Rescue Plan category exceeds $75,000. **Work Program #C56313. REVISED 10-7-21.**

Refer to motion for approval under Agenda Item E.

24. Department of Business and Industry - Division of Mortgage Lending - FY 2022

Transfer of $336,012 from the Reserve category to the Mortgage Lending Division (MLD) Database category to fund the development of the division's database system. Requires Interim Finance approval since the amount transferred to the MLD Database category exceeds $75,000. **Work Program #C56390**

Refer to motion for approval under Agenda Item E.

25. Governor's Office of Economic Development - Nevada State Small Business Credit Initiative Program - FY 2022

Transfer of ~~$878,315~~ ***$150,000*** from the Reserves category to the Program Administration category ***and transfer of $728,315 from the Reserves category to the Battle Born Venture Capital Program category*** to match current projected investment activity and apply for additional State Small Business Credit Initiative funds. Requires Interim Finance approval since the amount transferred to the Program Administration category exceeds $75,000. **REVISED 10-08-21. Work Program #C56895**

Refer to motion for approval under Agenda Item E.

26. Department of Tourism and Cultural Affairs - Nevada Arts Council - FY 2022

Transfer of $25,000 from the Reserve category to the Arts Grant Awards category to utilize license plate fee receipts to fund arts education grants for children. Requires Interim Finance approval since the cumulative amount added to the Arts Grant Awards category exceeds $75,000. **Work Program #C56281**

Refer to motion for approval under Agenda Item E.

27. Department of Tourism and Cultural Affairs - Nevada Arts Council - FY 2022
Addition of $23,000 in Creative Aging grant funds to provide creative aging program advancement. Requires Interim Finance approval to accept a private grant in excess of $20,000. Work Program **#C55687. WITHDRAWN 9-27-21.**

28. Department of Health and Human Services - Director's Office - Developmental Disabilities - FY 2022
Addition of $235,843 in federal Developmental Disabilities Act State Councils on Developmental Disabilities grant funds to meet the goals and objectives of Nevada's Governor's Council on Developmental Disabilities. Requires Interim Finance approval since the amount added to the Developmental Disabilities Council category exceeds $75,000. **Work Program #C55799**

Refer to motion for approval under Agenda Item E.

29. Department of Health and Human Services - Director's Office - Grants Management Unit - FY 2022
Addition of $1,635,749 in a federal initiative to address COVID-19 Health Disparities Among Populations at High-Risk and Underserved Populations grant funds transferred from the Division of Public and Behavioral Health Chronic Disease account to provide guidance in addressing health disparities, facilitate equitable recovery in communities from the COVID-19 pandemic and improve systems to better address future public emergencies. Requires Interim Finance approval since the amount added to the Health Disparity Minority Health category exceeds $75,000. **Work Program #C55758**

Refer to motion for approval under Agenda Item E.

30. Department of Health and Human Services - Director's Office - Individuals with Disabilities Education Act Part C Compliance - FY 2022
Addition of $1,856,917 in federal Individuals with Disabilities Education Act (IDEA)-American Rescue Plan Act grant funds to continue to improve services for eligible infants, toddlers, and their families. Requires Interim Finance approval since the amount added to the IDEA American Rescue Plan category exceeds $75,000. **Work Program #C55797**

Refer to motion for approval under Agenda Item E.

31. Department of Health and Human Services - Aging and Disability Services - Senior Rx and Disability Rx - FY 2022
Transfer of $33,212 from the Disabled Rx Program category to the Senior Prescription Program category to implement program changes in Assembly Bill 35 of the 2021 Legislative Session. Requires Interim Finance approval since the cumulative amount transferred to the Senior Prescription Program category exceeds $75,000. **RELATES TO ITEM E.32. Work Program #C55756**

This item was withdrawn.

32. Department of Health and Human Services - Aging and Disability Services - Senior Rx and Disability Rx - FY 2022

Transfer of $55,000 from the Personnel Services category to the Senior Prescription Program category to fund a pharmaceutical program administered by community partners. Requires Interim Finance approval since the amount transferred from the Personnel Services category exceeds 10% of the legislatively approved amount for that category. **RELATES TO ITEM E.31. Work Program #C55840**

This item was withdrawn.

33. Department of Health and Human Services - Aging and Disability Services - Home and Community-Based Services - FY 2022

Addition of $729,486 in federal American Rescue Plan (ARP) for Adult Protective Services (APS) grant funds to enhance and improve APS. Requires Interim Finance approval since the amount added to the APS COVID-19 (ARP) category exceeds $75,000. **Work Program #C55922**

Refer to motion for approval under Agenda Item E.

34. Department of Health and Human Services - Aging and Disability Services - Home and Community-Based Services - FY 2022

Addition of $2,000,000 in Federal Epidemiology and Laboratory Capacity (ELC) Enhancing Detection Expansion grant funds transferred from the Division of Public and Behavioral Health Biostatistics and Epidemiology budget to create an incubator grant program to support building provider capacity to increase the number of residential setting beds available across the state and provide one-time funding to eliminate the Assistive Technology (AT) program waitlist. Requires Interim Finance approval since the amount added to the ELC COVID-19 AT category exceeds $75,000. **Work Program #C55942**

DENA SCHMIDT (Administrator, Aging and Disability Services Division [ADSD], DHHS):
Work Program #C55942 would transfer $2 million in federal Epidemiology and Laboratory Capacity (ELC) funds to the ADSD. The funds are focused on mitigating cases of COVID-19 as well as exposure to the virus. The division will use the funds for two projects, the first of which is related to the expansion of licensed residential beds.

During the pandemic, the ADSD has seen an increase in acute hospital and nursing home stays due to the lack of availability of community placement options for older adults and people with disabilities. The DHHS has been working actively to ensure timely transfer of patients from acute hospitals, but the department continues to be challenged by the lack of available beds. The program will be structured similar to the expansion of the Certified Community Behavior Health Clinics through the DHHS Division of Public and Behavioral Health. The program

will be done through a competitive grant process with funding open to residential facilities for groups and homes for individual residential care. The ADSD has been working with the industry to identify the appropriate criteria for these grants as well as strict outcome measures to ensure the division is increasing the quality and capacity of residential beds available. Grants will be available to currently licensed and new providers looking to increase the number of licensed beds in Nevada.

The second project is a reduction of the waitlist for the division's Assistive Technology for Independent Living (ATIL) program. Assisted technology, or home modifications, are often one-time expenditures to assist people with physical disabilities to remain in their home instead of being moved to an institution. The program has a current waitlist of 111 individuals with physical disabilities who need some type of home modification to remain independent. Providing these one-time expenditures will enable individuals to remain in their homes and avoid potential admission to congregate settings or hospital settings, which could increase their risk of COVID-19 exposure. The program provides technology and adaptive equipment to support independence and reduce the need for individuals to have additional caregiving staff in their homes, thereby also reducing potential exposure to COVID-19. The projects would be one-time costs, including but not limited to items such as home modifications, door widening, assistive devices for meal preparation, mobility devices, vehicle modifications and communication devices.

Finally, I would like to acknowledge the collaboration of Lisa Sherych, Administrator, Division of Public and Behavioral Health (DPBH), DHHS, and Julia Peek, Deputy Administrator, DPBH, DHHS as well as the entire DPBH team that worked with the ADSD and funding partners to identify projects that would reduce the risk of COVID-19 exposure to older Nevadans and people with disabilities.

ASSEMBLYWOMAN BENITEZ-THOMPSON:
I am appreciative of this work program. This is one of the best things that the state can do. Increasing capacity in residential group homes will free up critical care beds in hospitals. There is a critical need for available beds and increasing the number of available beds will ensure that medically fragile, elderly, and disabled people are moved to a safe and supportive location. The amount of money for this need is well beyond the $1 million requested in the work program. There is a significant demand for more residential group homes in Nevada. When the Governor was taking requests for projects, my request was increased funding for group homes and supports, because they free up critical care beds and ensure that people are not lingering in hospitals.

It appears the owners of the group homes will apply directly to the ADSD for funds to increase bed capacity or request a license for another home. Is that correct?

MS. SCHMIDT:
That is correct. The division would put out a competitive grant and the owners of the facilities would apply for the funds and outline the activity the funding would

support.

ASSEMBLYWOMAN BENITEZ-THOMPSON:
I understand that certain sets of group homes have been problematic. Specific to group homes for the elderly, those have done very well. They tend to be high-quality homes, a good investment of state funds, and helpful for families in the community. When you talk about measuring outcomes, what will be measured?

MS. SCHMIDT:
The division has been working with the industry to get a sense of how to measure outcomes. One of the metrics would be the number of beds increased. However, the division will also work with the DPBH Bureau of Health Care Quality and Compliance to ensure compliance in quality of care for the newly created beds. The division will likely consider licensure status, history, and any other information that can be obtained while evaluating the grants. The grants will be competitive, so the division is focused on increasing quality as well as capacity.

ASSEMBLYWOMAN BENITEZ-THOMPSON:
During the 2021 Legislative Session, the Legislature authorized funding to the DHHS to modernize and streamline the application process for individuals applying to live in the residential group homes for elderly and medically fragile. Please provide an update on the project.

MS. SCHMIDT:
The funds for that project were for the DHHS Division of Welfare and Supportive Services (DWSS) budget. The ADSD and the DWSS have had meetings to kick off the project; however, the divisions are still in the process of developing and reviewing the request for proposal process. I will follow up with the Committee with additional information.

ASSEMBLYWOMAN BENITEZ-THOMPSON:
I appreciate that. It speaks to the complexity of what it takes to qualify to help this population. An individual needs to have an immediate need and demonstrate they are at risk of being admitted to a nursing home because they are medically fragile or need significant support but want to continue living at home. From the time someone applies, the application must go through the DWSS and the ADSD. I believe the goal of the funds was to help streamline the process so that people could move through multiple agencies more quickly. The entire process will be improved by increasing the number of beds and streamlining the process to qualify. I look forward to seeing how the state has progressed in the next year.

ASSEMBLYWOMAN MILLER:
To what degree does the division anticipate the “incubator” grants will increase the number of residential setting beds available in Nevada? Also, will the increased capacity remain available after the grant period?

MS. SCHMIDT:
Yes, the intent is to fund agencies to increase their capacity or open a new home to serve more people. When the project is complete, it will be the responsibility of the group homeowner to continue the service. The division does not have a way to control that beyond the grant funding. The ADSD is hopeful that most providers in this business want to increase their capacity. They struggle with some of the one-time expenditures that are needed in a home so this grant program is a way to support them so they can serve more people in Nevada.

ASSEMBLYWOMAN MILLER:
Another very real issue that existed prior to the COVID-19 pandemic is the increasing aging population and the fact that people are living longer, which results in an increased need for residential settings. Will the funds assist owners of group homes and residential settings to obtain licensure?

MS. SCHMIDT:
Yes, that is correct. The division is hopeful the funds will assist people in meeting licensure requirements. The funds can be used for constructing buildings, increasing beds, making more rooms with single beds or home modifications for licensure purposes.

ASSEMBLYWOMAN MILLER:
Is $1 million enough money for all those purposes?

MS. SCHMIDT:
The division is grateful for the $1 million and it will be a good start. The division also submitted a request for ARPA funds. I am hopeful the program will be successful, and money can be added to the project.

CHAIR BROOKS:
Please discuss the primary factors contributing to the ongoing waitlist for assistive technology services.

MS. SCHMIDT:
The program has limited funding, which is one reason for the waitlist. Also, depending on the request, home modifications can be very expensive. The division may not be able to obtain the supplies needed for the project, which can add to the wait time.

JEFF DUNCAN (Social Services Chief, ADSD, DHHS):

I agree with Ms. Schmidt's comments. The limited funding and the ongoing supply costs and lack of supplies, especially during COVID-19, have extended the waitlist period for services.

> ASSEMBLYWOMAN BENITEZ-THOMPSON MOVED TO APPROVE AGENDA ITEM E-34.

SENATOR DENIS SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

35. Department of Health and Human Services - Health Care Financing and Policy - Health Care Financing and Policy Administration - FY 2022
Addition of $125,000 in federal Title XIX funds to fund actuarial and system update costs to implement Senate Bill 420 of the 2021 Legislative Session. Requires Interim Finance approval since the amount added to the Fiscal Agent category exceeds $75,000. **Work Program #C55457. WITHDRAWN 9-24-21.**

Refer to motion for approval under Agenda Item E.

36. Department of Health and Human Services - Health Care Financing and Policy - Health Care Financing and Policy Administration - FY 2022
Addition of $1,119,222 in Public Option Trust Funds transferred from the Office of the State Treasurer to cover the administration and implementation of the Public Option enacted in Senate Bill 420 of the 2021 Legislative Session. Requires Interim Finance approval since the amount added to the Public Option Trust Fund category exceeds $75,000. **Work Program #C55461**

DUANE YOUNG (Policy Director, Office of the Governor):
First, I would like to address an anomaly. It is not normal for the Office of the Governor to represent agencies and work programs; however, the Office of the Governor is doing so to show commitment to all stakeholders, remain engaged in the process, and support state agencies required to implement the tenants of the law.

This work program is requested through the DHHS Division of Health Care Financing and Policy (DHCFP). It is a request to transfer funds from the Public Option Trust Fund for staffing and contractual costs. The contractual costs include assistance with development of the waiver, actuarial analysis of the impact of the public option for the market for health care, and analysis of insurance risk pools. The fiscal note for S.B. 420 (2021 Legislative Session) contained a total of five positions; however, the work program only addresses the contract and one Social Services Chief 3 position, which will set the foreground for the work.

ASSEMBLYWOMAN JAUREGUI:
Is Manatt Health Strategies a Nevada-based company?

MR. YOUNG:
No, Manatt is a nationwide company.

ASSEMBLYWOMAN JAUREGUI:
Was there a request for proposal (RFP) for this project?

MR. YOUNG:
No. The prescription of S.B. 420 circumvents the RFP process.

ASSEMBLYWOMAN CARLTON:
In a few sections of the bill, money was allocated specifically for the items contained in those sections, including the actuarial study and implementation. It appears the funds requested in the work program will be used for the actuarial study and the implementation process. I believe $500,000 was allocated to the Silver State Health Insurance Exchange (SSHIX) for the project. Will that $500,000 still be needed, or is the cost of the study covered in the funds requested in the work program?

MR. YOUNG:
The second actuarial study and the $500,000 contained within the fiscal note will come later in the process. The $500,000 allocated to SSHIX will most likely be needed. Within the process, there are several guardrails and conditions within S.B. 420. That specific actuarial analysis focuses on SSHIX and the portion of the public option in Section 16.5 of S.B. 420 that looks at specific entities offering exchange-based programs for individuals who have not yet qualified for insurance through their employer or individuals who have been released by their employer, and it operates similar to a COBRA insurance plan. There has been correspondence with the federal government about what that looks like, but yes, the $500,000 was set aside for that purpose. I believe the funds are earmarked for the 2023-25 biennium; therefore, the agencies could return to the Legislature or the IFC if SSHIX thought the funds were not needed based on the work the DHCFP has done based on the first actuarial study.

ASSEMBLYWOMAN CARLTON:
I understand there has been a lot of confusion for the public on this issue. The state is conducting an actuarial study to look at the market to obtain input from the stakeholders and agencies involved in the public option. That is one component. Subsequently, there will be discussion and implementation in preparing to submit a waiver, followed by a potential actuarial study for SSHIX depending on the outcome of the first study. Is that correct?

MR. YOUNG:
Yes, that is correct.

ASSEMBLYWOMAN CARLTON:
Staff provided the Committee with a timeline, which has been helpful. The timeline includes various design sessions with stakeholders and agencies, many of which expressed an interest in being involved. Please discuss the planned activities related to implementing the public option.

MR. YOUNG:
Many people have reached out to the Governor about the process. It is to be made clear that the Governor's mission is to be innovative in health care but also smart in its approach. Many people do not think S.B. 420 received the robust discussion

it needed, but there are also many appropriate guardrails and possibly two more biennia and legislative sessions to continue the discussion.

As part of the immediate process, the DHCFP has committed to continuing the conversations that began in the Office of the Governor and translated to stakeholders. Also, the contractor has six engagement sessions planned outside of the project kickoff. The DHHS has one actuarial economist, but it would be difficult for a single person to handle the entire process. Many stakeholders want to engage their own actuaries. It would be appropriate to do that with the contracted vendor. The Office of the Governor and the agency have always been committed to having discussions and ensuring that other people are included in the process.

ASSEMBLYWOMAN CARLTON:
Health care in Nevada is a balancing act. The state has reached a point where the uninsured rate will hopefully be in the single digits soon. The health care system has been under stress the last couple of years due to the pandemic. Health care is one of the most important requirements in a job. It is important that people are involved in the conversation to ensure they can get health care.

CHAIR BROOKS:
I have also heard from people who were uncertain how the listening sessions, collaboration and input from stakeholders would be facilitated. I understand it will be facilitated through Manatt.

ASSEMBLYWOMAN BENITEZ-THOMPSON:
It appears the stakeholder and agency meetings are scheduled to occur in October and November 2021. Will those meetings be open to the public?

MR. YOUNG:
I do not believe the meetings will be bound by the Open Meeting Law; however, it is the intent of the Office of the Governor and the DHCFP to have open and transparent discussions, so yes, the meetings will be open to the public.

ASSEMBLYWOMAN BENITEZ-THOMPSON:
Will the date and location of the meetings be made public?

MR. YOUNG:
Yes, the DHCFP has a public information officer who will make that information publicly available.

ASSEMBLYWOMAN BENITEZ-THOMPSON:
In looking at the work program, there will be two times in two different years when money will be spent on actuarial costs. I would like a better understanding of the work products related to those costs. In 2023, $500,000 will be used for the impact of the public option on the market for health care insurance and risk pool analysis, which is a one-time cost. In 2025, an actuarial rate review and negotiation will occur. What can the Committee expect to see from the 2023 funding and the

2025 funding?

MR. YOUNG:
The 2023 product is to produce the study of the impacts on the market and will be based through the DHCFP, Nevada Medicaid program. The second actuarial study will deal specifically with Section 16.5 of S.B. 420 that looks to offer a public plan for employees in trade organizations that are newly hired and do not have insurance or have been terminated/laid off and do not have insurance coverage. All Section 1332 waivers, which is part of the initial submission through Medicaid, require actuarial analysis per the Centers for Medicare and Medicaid Services (CMS).

The second portion is to understand what the public option would do to that specific health market, how it would interact with the 1332 waiver, and how it would impact the Exchange market. Subsequently, a second actuarial analysis will be required that takes into effect the first actuarial analysis. Therefore, the two actuarial analyses are separate work products, but they are both intrinsically linked. This is what I was referring to when I spoke about the guardrails within the bill that will allow the state to study the effect on Nevada in its current market and the second option presented in the bill regarding the impacts on the existing market and what was assessed in the first actuarial analysis.

ASSEMBLYWOMAN BENITEZ-THOMPSON:
Will the contract with Manatt cover the multi-year work?

MR. YOUNG:
That is correct.

ASSEMBLYMAN ROBERTS:
The DHCFP will allow the individuals who spoke today during public comment to be part of the process, correct?

MR. YOUNG:
I think there is concern that a process was overlooked. During the 2021 Legislative Session, the bill as approved was allowed to bypass the normal purchasing process. Even through the normal purchasing process, there is a chance to review the RFP, but there is not a chance for stakeholders to weigh in on that part of the process. The contract was approved at the most recent meeting of the Board of Examiners. There was an opportunity at that meeting for stakeholders to comment on the contract itself.

However, there will be an opportunity for stakeholders to be involved in the process, but the opportunity to comment on the actual selection of the vendor occurred during the process in which the bill was debated during the legislative session.

ASSEMBLYMAN ROBERTS:
To clarify, will the contract include an opportunity for stakeholders to facilitate their ability to be part of the process? This will be in a public setting, correct?

MR. YOUNG:
Yes, that is correct.

SENATOR SEEVERS GANSERT:
There is a timeline for the six meetings, but how will the division notify stakeholders about the meetings?

MR. YOUNG:
Medicaid holds public workshops and hearings on a monthly basis. The division has the infrastructure to make information public. I am certain that as part of the contract, engagement is required. The division will use its resources to notify individuals about participation. Also, all stakeholders who testified during public comment have my contact information and they will contact me if they miss a meeting.

SENATOR SEEVERS GANSERT:
Section 20 of the bill discusses the exempted rules and policies governing the public option from provisions governing notice and comment rulemaking. Please discuss that further. The state is going to spend a lot of money to implement the public option.

CHAIR BROOKS:
The bill sponsor is not before the Committee.

SENATOR SEEVERS GANSERT:
The process is outside the normal state processes, which is extremely unusual.

SENATOR CANNIZZARO:
The contract requires and provides for six stakeholders meetings. Regarding the public comments about stakeholder engagement and public participation, that is provided for within the terms of the contract, correct?

MR. YOUNG:
Yes, that is correct.

SENATOR CANNIZZARO:
Notice will be given to everyone who has interest in the bill to participate in the meetings as provided for in the contract. I think that complies with the intent of S.B. 420, which allowed enough time and required the actuarial analysis, which is also required with respect to the waiver, to allow the process to take place to assess what is feasible and what makes sense in implementing the public option. I appreciate that because I think that is in direct alignment with the bill.

There is another area in Section 16 of S.B. 420 that relates to an actuarial study,

which is different than the actuarial study presented by the division today.

> SENATOR DENIS MOVED TO APPROVE AGENDA ITEM E-36.
>
> ASSEMBLYWOMAN CARLTON SECONDED THE MOTION.

SENATOR GOICOECHEA:
I will support the motion; however, I still have reservations about the program.

SENATOR SEEVERS GANSERT:
It is important to recognize that all Nevadans should have health care, but in looking at this, the state is starting off by exempting the usual processes, such as RFPs. I think given the potential magnitude of this program, the state needs to follow the procedures that are in place, which were established for a reason. I will not support the motion, because I think this program is getting started in the wrong direction and the legislation exempts the process from the usual procedures. I also want to make sure the process is a very open process, and it is my understanding that it has not been to date. I believe the processes that have been established over the years should be observed to ensure that the money spent for the program is done so appropriately, with accountability, and as effectively as possible.

> THE MOTION PASSED. (Senator Hammond, Senator Seevers Gansert, Senator Settelmeyer, Assemblyman Hafen, Assemblyman Leavitt, Assemblyman Roberts, Assemblywoman Titus, and Assemblywoman Tolles opposed the motion.)

Chair Brooks called a recess 12:42 p.m. The meeting reconvened at 1:17 p.m.

37. Department of Health and Human Services - Public and Behavioral Health - Biostatistics and Epidemiology - FY 2022
Addition of $17,904 in federal HIV Prevention grant funds transferred from the Communicable Diseases budget, $35,811 in federal Coronavirus grant funds transferred from the Public Health Preparedness Program budget, and transfer of $44,670 from the RX Drug Overdose Prevention category to the Personnel Services category, $44,670 from the Epidemiology and Laboratory Capacity (ELC) category to the Personnel Services category and $14,890 from the ELC COVID-19 Component category to the Personnel Services category to support one new Health Bureau Chief and one new Administrative Assistant position in the Community Health Section of the division. Requires Interim Finance approval since the amount added to the Personnel Services category exceeds $75,000. **Work Program #C55868. WITHDRAWN 10-14-21.**

38. Department of Health and Human Services - Public and Behavioral Health - Maternal Child and Adolescent Health Services - FY 2022

Addition of $147,383 in federal Prevention Maternal Deaths: Supporting a Maternal Morality Review Committee grant funds to provide and conduct a comprehensive multidisciplinary review of maternal deaths and severe maternal morbidity, to determine factors contributing to maternal mortality and severe maternal morbidity, and to identify public health and clinical interventions to improve systems of care. Requires Interim Finance approval since the amount added to the Preventing Maternal Deaths category exceeds $75,000. **Work Program #C55768**

Refer to motion for approval under Agenda Item E.

39. Department of Health and Human Services - Public and Behavioral Health - Maternal Child and Adolescent Health Services - FY 2022

Addition of $206,649 in federal Sexual Risk Avoidance Education (SRAE) grant funds to provide services to the youth population using a Positive Youth Development framework as part of risk avoidance strategies for adolescents. Requires Interim Finance approval since the amount added to the NV SRAE Grant category exceeds $75,000. **Work Program #C55807**

Refer to motion for approval under Agenda Item E.

40. Department of Health and Human Services - Public and Behavioral Health - Office of Health Administration - FY 2022

Addition of $603,780 in federal Epidemiology and Laboratory Capacity Enhancing Detection Expansion (EDX) grant funds transferred from the Office of Public Health Informatics and Epidemiology (OPHIE) budget to support increased cyber security and technology due to the COVID-19 pandemic. Requires Interim Finance approval since the amount added to the Transfer from OPHIE EDX category exceeds $75,000. **Work Program #C56311**

Refer to motion for approval under Agenda Item E.

41. Department of Health and Human Services - Public and Behavioral Health - Community Health Services - FY 2022

Addition of $209,314 in federal Immunization and Vaccines for Children grant funds transferred from the Immunization Program budget to ensure safe and equitable access to the COVID-19 vaccine for high-risk and underserved populations in rural counties. Requires Interim Finance approval since the amount added to the Personnel Services category exceeds $75,000. **Work Program #C54993**

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 2022

Transfer of $1,461,731 from the Personnel Services category to the Professional Services category to continue services with contracted physicians

and mid-level practitioners to meet the needs of clients. Requires Interim Finance approval since the amount transferred to the Professional Services category exceeds $75,000. **Work Program #C55791**

Refer to motion for approval under Agenda Item E.

43. Department of Health and Human Services - Welfare and Supportive Services - Administration - FY 2022
Addition of $572,345 in federal Supplemental Nutrition Assistance Program (SNAP) Third-Party Income Databases for Verification Project grant funds to add real-time functionality to the current income verification system. Requires Interim Finance approval since the amount added to the SNAP Income Verification Grant category exceeds $75,000. **Work Program #C56415**

Refer to motion for approval under Agenda Item E.

44. Department of Health and Human Services - Welfare and Supportive Services - Administration - FY 2022
Addition of $3,996,019 in Federal Supplemental Nutrition Assistance Program (SNAP) Income Verification grant funds to improve client access to SNAP benefits by investing in technology, infrastructure, equipment, employee training, improving reporting systems and service delivery, and overtime for development of SNAP system application and for Field Services staff to assist in reducing the case processing backlog. Requires Interim Finance approval since the amount added to the SNAP ARPA Grant category exceeds $75,000. **RELATES TO ITEM E.48. Work Program #C55987**

Refer to motion for approval under Agenda Item E.

45. Department of Health and Human Services - Welfare and Supportive Services - Administration - FY 2022
Addition of ~~$909,072~~ ***$549,072*** in federal Low-Income Household Water Assistance Program (LIHWAP), American Recovery Plan Act of 2021 grant funds, and deletion of $164,813 in Universal Energy Charge funds and $77,516 in federal Low-Income Household Energy Assistance Program grant funds to plan, develop, and administer the new LIHWAP. Requires Interim Finance approval since the amount added to the LIHWAP ARPA Grant category exceeds $75,000. **Work Program #C56061. REVISED 10-8-21.**

ROBERT THOMPSON (Deputy Administrator, DWSS, DHHS):
With me today is Maria Wortman-Meshberger, Social Services Chief, DWSS, DHHS, who is the division's subject matter expert on energy assistance, including the new Low-Income Household Water Assistance Program (LIHWAP).

The American Recovery Plan Act (ARPA) of 2021 approved a new needs-based program to assist low-income households with water and sewer bills. This program will mirror the division's current Low-Income Home Energy Assistance Program (LIHEAP), targeting the same households with similar eligibility requirements, and

provide assistance with water and sewer charges in addition to the current program, which assists with heating and cooling costs.

With the Committee's approval, the division plans to implement the program by March 2022. The division is still working through the state plan with the division's federal partners, but the March timeline is the current target, with all funds being utilized by September 30, 2023, when the program funding sunsets.

ASSEMBLYWOMAN PETERS:
Please discuss the anticipated timeframe to plan, design and implement the new program.

MARIA WORTMAN-MESHBERGER (Social Services Chief, DWSS, DHHS):
The division is required to submit a state plan for the LIHWAP. The first plan was submitted on August 20, 2021. The division submitted a revised plan on September 24, 2021, to address questions by the federal government. The division is still awaiting approval. Although the DWSS is making system changes, the program is still on target for implementation by March 2022, when benefits will start being issued.

SENATOR GOICOECHEA:
Does the program include assistance related to domestic wells and septic systems?

MS. WORTMAN-MESHBERGER:
The federal regulation does not allow for private wells. The benefits must be issued to public water and sewer entities.

ASSEMBLYWOMAN BENITEZ-THOMPSON:
It appears that the division will modify the LIHEAP application to allow people to apply for both programs in a single application. Is that correct?

MS. WORTMAN-MESHBERGER:
Yes, that is correct. The division is modifying the application to allow individuals to apply for both programs simultaneously.

ASSEMBLYWOMAN BENITEZ-THOMPSON:
Will the eligibility requirements be the same for both programs?

MS. WORTMAN-MESHBERGER:
The division has requested that the eligibility requirements be aligned as closely as possible with the LIHEAP. If someone is eligible for the LIHEAP, they will be categorically eligible for the LIHWAP.

ASSEMBLYWOMAN BENITEZ-THOMPSON:
By "categorically eligible," that means individuals will automatically qualify for both programs if they apply for one program. Whomever is helping an individual apply for one of the programs would need to explain that the applicant will qualify for both

programs.

ASSEMBLYWOMAN MILLER:
Regarding people who reside in an apartment, some apartments have individual meters for each tenant, while other apartments include water in the rent, have a separate monthly flat rate, or shared water. In the case of people who share water, often that amount fluctuates each month. Will those individuals be eligible for the LIHWAP?

MS. WORTMAN-MESHBERGER:
The division tried to build the LIHWAP to serve as many renters as possible. When the utility is in the landlord's name, but the tenant receives a separate bill, the program will be similar to the LIHEAP, where the landlord will need to authorize the division to pay the account on behalf of the renter. Then the division would be able to determine benefits. In many cases, the program will be able to help renters. One big difference is that the division must pay the vendor directly versus the LIHEAP, which allows the division to pay the recipient.

ASSEMBLYWOMAN MILLER:
I have some concerns about the ability of individuals to access the program based on authorization by the owner or landlord.

ASSEMBLYWOMAN TITUS:
It appears the average caseload for the LIHEAP in FY 2022 was 2,230 households. Is the same amount projected for the LIHWAP?

MS. WORTMAN-MESHBERGER:
The division believes the LIHWAP caseload will be similar to the LIHEAP caseload because of the eligibility requirements.

ASSEMBLYWOMAN TITUS:
Is there a waiting list? Two thousand households seems like a very low number.

MS. WORTMAN-MESHBERGER:
The division's projection for FY 2022 LIHEAP is 22,255 cases; therefore, the caseload for the LIHWAP is expected to be similar. Individuals do not need to receive energy assistance to be eligible for the water assistance program. For outreach efforts, the division will work with water and sewer companies to distribute information to all customers who will qualify.

ASSEMBLYWOMAN TITUS:
Please provide clarification on who will receive the payments.

MS. WORTMAN-MESHBERGER:
The division will pay the water and sewer companies directly. For the LIHEAP, the majority of payments are paid to the energy companies; however, one flexibility with the LIHEAP that is not permissible in the LIHWAP is that payments can be made directly to individuals.

ASSEMBLYWOMAN TITUS:
The LIHWAP will only cover water and sewer bills and will not provide for things such as bottled water?

MS. WORTMAN-MESHBERGER:
That is correct.

ASSEMBLYWOMAN TITUS:
People may not know about this program. Will the division work with water and sewer companies to inform people about this state program, especially individuals who are behind in payments?

MS. WORTMAN-MESHBERGER:
To be able to pay water and sewer companies, the division will enter into vendor agreements with those companies. In August, before the division completed the state plan, the DWSS had a meeting with as many water and sewer companies as possible to discuss the program. The program will have an arrearage assistance component as well for people who are behind on payments.

SENATOR GOICOECHEA:
Most of the rural areas are covered by municipal water companies. Do city and county water companies qualify under the program?

MS. WORTMAN-MESHBERGER:
Yes, they do.

ASSEMBLYWOMAN CARLTON MOVED TO APPROVE AGENDA ITEM E-45.

SENATOR DENIS SECONDED THE MOTION.

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

46. Department of Health and Human Services - Welfare and Supportive Services - Temporary Assistance for Needy Families - FY 2022
Addition of $96,000 in federal Temporary Assistance to Needy Families (TANF) block grant funding for system modifications to the TANF portion of Nevada Operations of Multi-Automated Data Systems to resolve issues impacting TANF eligibility. Requires Interim Finance approval since the amount added to the TANF System Maintenance category exceeds $75,000. **Work Program #C55764**

Refer to motion for approval under Agenda Item E.

47. Department of Health and Human Services - Welfare and Supportive Services - Temporary Assistance for Needy Families - FY 2022
Addition of $6,500,000 in federal Temporary Assistance to Needy Families (TANF) block grant funds to provide supportive services to Nevada families. Requires

Interim Finance approval since the amount added to the TANF Transfers category exceeds $75,000. **Work Program #C55955**

Refer to motion for approval under Agenda Item E.

48. Department of Health and Human Services - Welfare and Supportive Services - Welfare Field Services - FY 2022
Addition of $981,374 of federal Supplemental Nutritional Assistance Program (SNAP) grant funds to improve client access to SNAP benefits by investing in technology infrastructure and equipment, employee training, improving reporting systems, service delivery, and pay for overtime for Field Services staff to assist with reducing the SNAP case processing task backlog, and information services staff overtime for the development and modification of SNAP system applications. Requires Interim Finance approval since the amount added to the Personnel Services category exceeds $75,000. **RELATES TO ITEM E.44. Work Program #C55989**

Refer to motion for approval under Agenda Item E.

49. Department of Health and Human Services - Welfare and Supportive Services - Welfare Field Services - FY 2022
Addition of $1,125,592 in Coronavirus Aid, Relief and Economic Security Act, Coronavirus Relief Funds transferred from the COVID-19 Relief Programs account to provide projected overtime for various eligibility staff to mitigate the current backlog impacted by the pandemic. Requires Interim Finance approval since the amount added to the Personnel Services Category exceeds $75,000. **Work Program #22CBL3233**

Refer to motion for approval under Agenda Item E.

50. Department of Health and Human Services - Welfare and Supportive Services - Child Care Assistance and Development - FY 2022
Addition of $133,056 Federal Child Care Mandatory/Matching of the Child Care and Development Fund grant funds to support the addition of an Agency Manager position to manage the childcare system in Nevada. Requires Interim Finance approval since the amount added to the Personnel Services category exceeds $75,000. **RELATES TO ITEM E.51. Work Program #C55961**

Refer to motion for approval under Agenda Item E.

51. Department of Health and Human Services - Welfare and Supportive Services - Child Care Assistance and Development - FY 2023
Addition of $177,851 Federal Child Care Mandatory/Matching Funds of the Child Care and Development Fund grant funds to support the addition of an Agency Manager position to manage the entire childcare system in Nevada. Requires Interim Finance approval since the amount added to the Personnel Services category exceeds $75,000. **RELATES TO ITEM E.50. Work Program #C55965**

Refer to motion for approval under Agenda Item E.

52. Department of Health and Human Services - Welfare and Supportive Services - Energy Assistance Program - FY 2022

Addition of $96,570 in Universal Energy Charge funds and $289,710 in federal Low-Income Home Energy Assistance Program grant funds to integrate the Energy Assistance Program Application with the division's FileNet and Document Imaging System. Requires Interim Finance approval since the amount added to the Information Services category exceeds $75,000. **Work Program #C55219**

Refer to motion for approval under Agenda Item E.

53. Department of Health and Human Services - Child and Family Services - Children, Youth and Family Administration - FY 2022

Transfer of $128,030 from the Personnel Services category to the Temporary Contract Staffing category to contract with temporary employees through the remainder of the fiscal year. Requires Interim Finance approval since the amount transferred to the Temporary Contract Staffing category exceeds $75,000. **Work Program #C54917**

Refer to motion for approval under Agenda Item E.

54. Department of Health and Human Services - Child and Family Services - Children, Youth and Family Administration - FY 2022

Addition of $1,084,208 in federal Family Violence Prevention and Services Act (FVPSA) grant funds for community-based organizations to provide services to victims of family violence, domestic violence, and dating violence, as well as their dependents. Requires Interim Finance approval since the amount added to the Federal FVPSA ARPA Grant category exceeds $75,000. **Work Program #C56076**

Refer to motion for approval under Agenda Item E.

55. Department of Health and Human Services - Child and Family Services - Review of Death of Children - FY 2022

Transfer of $196,278 from the Reserve category to the Review of Death of Children category to fund a projected shortfall for the remainder of the fiscal year. Requires Interim Finance approval since the amount transferred to the Review of Death of Children category exceeds $75,000. **Work Program #C55751**

Refer to motion for approval under Agenda Item E.

56. Department of Health and Human Services - Child and Family Services - Juvenile Justice Services - FY 2022

Addition of $66,000 in National Center for State Courts (NCSC) Juvenile Justice Reform and State Courts Initiative funds to provide supplementary resources for the Evidence-Based Resource Center as required by NRS 62B.635. Requires Interim Finance approval since the amount added to the NCSC Grant category

exceeds 10% of the legislatively approved amount for that category. **Work Program #C55655**

Refer to motion for approval under Agenda Item E.

57. Department of Health and Human Services - Child and Family Services - Northern Nevada Child and Adolescent Services - FY 2022
Transfer of $481,932 from the Personnel Services category to the Professional Contract Services category to fund an increase in temporary contracted employees. Requires Interim Finance approval since the amount transferred to the Professional Contract Services category exceeds $75,000. **Work Program #C55688**

Refer to motion for approval under Agenda Item E.

58. Department of Health and Human Services - Child and Family Services - Southern Nevada Child and Adolescent Services - FY 2022
Transfer of $248,717 from the Personnel Services category to the Temporary Contract Staffing category to fund a projected shortfall for the remainder of the fiscal year to maintain sufficient staffing levels. Requires Interim Finance approval since the amount transferred to the Temporary Contract Staffing category exceeds $75,000. **Work Program #C55974**

Refer to motion for approval under Agenda Item E.

59. Department of Employment, Training and Rehabilitation - Rehabilitation Division - Services to Blind or Visually Impaired - FY 2022
Addition of $115,970 in Fund for Healthy Nevada funds transferred from the Department of Health and Human Services to provide training in soft skills and job-seeking skills to clients. Requires Interim Finance approval since the amount added to the Fund for a Healthy Nevada category exceeds $75,000. **Work Program #C55669**

Refer to motion for approval under Agenda Item E.

60. Department of Employment, Training and Rehabilitation - Rehabilitation Division - Blind Business Enterprise Program - FY 2022
Transfer of $311,992 from the Reserve category to the Business Enterprise category to continue construction of a new vending facility in the Las Vegas Symphony Park. Requires Interim Finance approval since the amount transferred to the Business Enterprise category exceeds $75,000. **Work Program #C56886**

Refer to motion for approval under Agenda Item E.

61. Department of Employment Training and Rehabilitation - Governor's Office of Workforce Innovation - FY 2022
Deletion of $106,320 in Transfer from Employment Security funding and transfer of $2,541 from the State Apprenticeship Council category to the Reserve for

Reversion category to support the transfer of the State Apprenticeship Director associated costs to the Labor Commission and to revert the funds established for the State Apprenticeship Council. Requires Interim Finance approval since the amount deleted from the Personnel Services category exceeds $75,000. **Work Program #C55522**

Refer to motion for approval under Agenda Item E.

62. Department of Employment Training and Rehabilitation - Governor's Office of Workforce Innovation - FY 2022

Addition of $3,955,916 in federal Accelerating Nevada Apprenticeships for All (ANAA) grant funds to create new and expand existing Registered Apprenticeship Programs to connect underrepresented individuals to career pathways in high-demand sectors, strengthen the skilled workforce pipeline, meet employer's needs and align educational and economic security for Nevadans. Requires Interim Finance Approval as the amount added to the ANAA category exceeds $75,000. **Work Program #C56858**

ISLA YOUNG (Executive Director, GOWINN):
The Accelerating Nevada Apprenticeships for All (ANAA) grant is from the U.S. Department of Labor (USDOL). The purpose of the ANAA grant is to create new and expand existing registered apprenticeship programs to connect underrepresented individuals, many of whom were affected greatly by the COVID-19 pandemic, to career pathways in high-demand sectors as a means of strengthening the skilled workforce pipeline and meeting employers' needs; aligning educational and economic outcomes; and increasing economic security for Nevadans.

GOWINN was awarded this four-year grant of approximately $4 million. The agency will provide assistance to 500 individuals including women, people of color, individuals with disabilities, and veterans. The focus areas of the grant include health care, information technology and advanced manufacturing.

There are four project goals: develop, expand, diversify and modernize the registered apprenticeship programs in health care, information technology and advanced manufacturing; strengthen partnerships and align career and technology education programs to expand the registered apprenticeship programs to underrepresented populations; increase the number of apprentices enrolled in registered apprenticeship programs from underrepresented populations as well as those adversely affected by the pandemic; and introduce innovative registered apprenticeship program expansion efforts around online opportunities and virtual reality opportunities.

Regarding program activities, GOWINN will be working to strengthen the infrastructure, provide related technical instruction by using grant funds to support apprenticeship readiness programs and apprentices. GOWINN will make available $4,000 in tuition assistance per apprentice, totaling approximately $2 million in ANAA grant funds for tuition assistance. The agency plans to reimburse employers

for on-the-job training, up to $2,100 per apprentice, totaling approximately $500,000 in grant funds. In addition, the agency will modify some of the existing registered apprenticeship classroom-based instruction so the instruction can be offered virtually to increase access to rural populations and explore ways to leverage ongoing efforts to offer training programs using virtual reality. GOWINN has set aside approximately $20,000 for that purpose.

The largest portion of the grant funds will be used to engage employers to build capacity. GOWINN will be working with navigators and intermediaries to leverage some of the existing partnerships and develop new ones to ensure youth, women, people of color, veterans, and people with disabilities get into the programs.

GOWINN serves as the program lead for this work. The agency is partnering with the Nevada System of Higher Education (NSHE), including Caleb Cage, Craig von Collenberg, and Cheryl Olson, who serves as the apprenticeship director and navigator for NSHE. The agency is also partnering with the Department of Employment, Training and Rehabilitation (DETR), including Lynda Parven and Karlene Johnson; the Nevada Department of Education, Career and Technical Education program, which is headed by Craig Statucki; the College of Southern Nevada, including Dr. Federico Zaragoza and Frank Woodbeck; and the City of Las Vegas and the Westside Training Center, which will provide access to many people who are eligible for the program. Approximately 12 health care and information technology companies have agreed to participate and open their doors to apprentices.

CHAIR BROOKS:
Regarding on-the-job training and reimbursement for employers, how would that work knowing that the majority of people enrolled in a registered apprenticeship program in Nevada are operating under a collective bargaining agreement that defines compensation and the employer's contribution for the apprentice.

MS. YOUNG:
GOWINN will bring on an intermediary who is an expert in working with companies around reimbursement and ensuring that all legal requirements are met. GOWINN will be working with experts to ensure the specifics with the employer concerning if job training, time and pay is worked out properly. I will obtain more information and provide it to the Committee.

SENATOR DENIS:
Please describe how GOWINN will partner with other entities, businesses, and industry organizations to create new registered apprenticeship programs.

MS. YOUNG:
The partnership building is key to apprenticeship development. One of the most important pieces is creating an inclusive environment where employers, higher education, trainers, and community partners are included in the process. There is a desire for apprenticeship programs in Nevada, in particular, programs aligned with high-growth and high-demand areas of the state. As Nevada is

diversifying its economy and helping the workforce enter exciting career paths, being able to help companies understand the value of apprenticeship programs and how they might utilize the program for their company is very important. One of the largest pieces with partnership development that GOWINN has been utilizing is partnering with NSHE. The community colleges around the state are providing robust training programs, which has allowed companies to understand how that aligns with the type of skills and pathways that should be available within their businesses.

Another piece is building the capacity within companies and partners to understand how to develop a high-quality apprenticeship program. GOWINN is mirroring and modeling the union's gold standard of apprenticeship programs, which has expanded into other approaches, such as competency-based, hybrid models and traditional time-based apprenticeship programs. Much of the process involves educating GOWINN's partners, helping them understand how this will benefit Nevada in general, and empowering the state's workforce to have access to high-quality career paths.

SENATOR DENIS:
Please explain what GOWINN intends by "modernizing" existing registered apprenticeship programs, and how the agency plans to pursue that goal.

MS. YOUNG:
By "modernizing," I mean that GOWINN is aligning with some of the new and high-growth areas of focus for Nevada. All the work that the agency is doing in identifying the proper types of non-construction apprenticeship programming is done in conjunction with the Governor's Office of Economic Development (GOED) to understand where Nevada stands as a state. GOWINN is also working closely with the USDOL. The term "modernizing" comes from the USDOL, National Governors Association, Urban Institute, and Jobs for the Future. All these national organizations are working diligently to build out the best practices around these new types of apprenticeship programs. For many years, union-based, construction-based apprenticeship programs were the gold standard. Anytime there is a shift into new areas, it is important to ensure they are just as high quality as other options.

ASSEMBLYWOMAN CARLTON:
The jurisdiction for apprenticeships, under the Nevada State Apprenticeship Council (NSAC), was moved to the Office of the Labor Commissioner (A.B. 459, 2021 Legislative Session). Why is GOWINN asking for permission to use grant funds related to apprenticeships? The Legislature was clear that apprenticeship issues were to be dealt with through the NSAC. Also, these programs do not sound like true apprenticeship programs.

MS. YOUNG:
You are correct, the NSAC and the State Apprenticeship Director were moved back to the Office of the Labor Commissioner. The grant was awarded prior to the change. All approvals and reviews will remain with the NSAC and the

State Apprenticeship Director. However, the actual creation of apprenticeship programs is a statewide effort with multiple partners across the state participating in the development of these programs. It requires quite a few people to come together.

ASSEMBLYWOMAN CARLTON:
The Legislature moved apprenticeships back to the Office of the Labor Commissioner; therefore, the program should have been moved to that agency. GOWINN no longer has jurisdiction over apprenticeships. Apprenticeships now belong with the NSAC, not GOED or NSHE. Why was the program not moved to the NSAC along with all the other apprenticeship responsibilities?

MS. YOUNG:
Yes, A.B. 459 was very clear that the Office of the Labor Commissioner and the NSAC have jurisdiction over apprenticeships. However, apprenticeship program development still needs to occur. The grant was awarded prior to the change in jurisdiction. When a federal grant is approved and given to an agency, it cannot be moved to another agency. GOWINN had conversations with the USDOL specifically around this issue to ensure clarity.

ASSEMBLYWOMAN CARLTON:
When was the grant was awarded?

MS. YOUNG:
I believe the grant was awarded in April 2021; however, I do not have the information directly before me.

ASSEMBLYWOMAN CARLTON:
I have some serious concerns. I have not heard anything today about GOWINN partnering with the NSAC or the Office of the Labor Commissioner. The state does not want to put any of the registered apprenticeship programs at risk for lack of compliance.

CHAIR BROOKS:
I also have concerns. The grant is $4 million, correct?

MS. YOUNG:
Yes, slightly less than $4 million.

CHAIR BROOKS:
Of that amount, GOWINN's internal administrative costs and payment to contractors for the implementation and administration of the program is about $1.3 million. It seems very heavy on the administrative side. Direct payments in support to apprentices, pre-apprentices and employers is about $2.5 million. Why is such a large portion of the funds being used to create new programs as opposed to supporting existing programs?

MS. YOUNG:
I would like Ansara Martino, Senior Program Administrator and Officer, GOWINN, to address your question.

ANSARA MARTINO (Senior Program Administrator and Officer, GOWINN):
The numbers that you stated are correct. Approximately $1.5 million will be used for support staff within NSHE, GOWINN and the Nevada Department of Education (NDE). A small amount will be used for curriculum development. Also, tuition and stipends to employers is about $2.5 million.

SENATOR DONDERO LOOP:
Please describe how GOWINN would ensure compliance with the newly created and modernized apprenticeship programs with the USDOL standards for the registered apprenticeship programs.

MS. YOUNG:
Apprenticeship programs in Nevada must be approved by the State Apprenticeship Director and the NSAC. The NSAC is responsible for verifying that apprenticeship programs meet the following requirements:

- Program must have the correct amount of related technical instruction.
- Program must have a sponsor.
- Wages must be correct, livable, and stackable with the ability to increase.
- Apprentices must meet all program components and demonstrate that their acquired skills meet the threshold of excellence.

There are very defined rules with apprenticeship programs, which applies to all types of programs, including traditional time-based; hybrid, which has not been done in Nevada; and competency-based, which involves successful demonstration of acquired skills and knowledge by an apprentice as verified by the program sponsor with an on-the-job learning component and related technical instruction. When all those requirements are met and the program is approved, NSAC will follow up to ensure the apprenticeship program continues to provide excellence and all requirements are continuing to be met.

SENATOR DONDERO LOOP:
It is very important to have standards, especially as it relates to federal funding.

CHAIR BROOKS:
Is the plan that was presented to the Committee the exact plan that was used in obtaining the grant?

MS. YOUNG:
Yes, that is correct. It was submitted in approximately October 2020.

MS. MARTINO:
I believe the grant application was submitted in March 2021. The USDOL reviewed grant applications in April or May 2021, and the award notice was received in June 2021, with an effective date of July 1, 2021.

CHAIR BROOKS:
That is where some of the concern stems. There was a very clear effort in the bill and there were conversations during the 2021 Legislative Session and during several IFC meetings in the prior interim related to GOWINN, apprenticeships, and the role of the NSAC and the Office of the Labor Commissioner as it relates to apprenticeship. During the timing of the grant application process, hearings were in progress for A.B. 459, which should have made it clear to GOWINN the direction the state was headed with apprenticeships.

ELISA CAFFERATA (Director, DETR):
I would like to provide some additional background information about A.B. 459. In that bill, GOWINN was transferred to DETR and the State Apprenticeship Director, and the NSAC were transferred back to the Office of the Labor Commissioner. Since that time, DETR has come before the Board of Examiners and the IFC regularly. DETR has signed a memorandum of understanding (MOU) and transferred funds and personnel for the State Apprenticeship Program to the Department of Business and Industry (B&I) as outlined in the legislation. DETR has since identified additional costs that were not covered in the original MOU, which will come before the Committee to finalize the transition. In the future, the apprenticeship program will be included in the B&I budget request.

Sometimes it is difficult to know how much information to provide to the Committee when answering questions. DETR and B&I continue to have conversations regarding multiple apprenticeship-related grant applications that were submitted over the past few years. Some components of those grants fall under the administration and approval of apprenticeship programs. DETR is awarding subgrants to transfer those funds to B&I. DETR staff can provide the Committee with an inventory.

The piece that remained with GOWINN is the development aspect of apprenticeships. The way I would describe it is that the State Apprenticeship Director and the NSAC are the accreditation body, which determines whether an apprenticeship program is official and meets state and federal requirements. At the same time, other programs can develop training for apprentices. That piece is the future of developing the state's workforce and creating training opportunities that have work-based components where partnerships are necessary in the collaborations that were described to create programs that meet the criteria to train people for newly created jobs.

I thought it was important to note that DETR and GOWINN have ongoing conversations with the Office of the Labor Commissioner, which began when the legislation was proposed. Again, an inventory of the agreements and transfer of funds can be provided to the Committee.

CHAIR BROOKS:
I am trying to imagine an apprenticeship that charges a tuition. I think there is a philosophical disconnect about apprenticeship. I think the term "apprenticeship" is being used interchangeably in cases where it is not appropriate.

What is the geographic distribution of the funds?

MS. YOUNG:
To clarify, tuition is covered. Fees related to apprenticeship programming are not permissible, so support funds are built in to cover everything that apprentices will need.

Regarding geographic distribution, the focus of the grant is Southern Nevada due to the impact of the pandemic on the southern portion of the state.

CHAIR BROOKS:
Some of the grant funds will be used for tuition support; however, apprentices do not pay tuition. That is the concept of apprenticeship. What is the tuition support line item intended to accomplish?

MS. YOUNG:
The tuition support will specifically be used to pay the tuition of the apprentice as they go through the related technical instruction required with the program. The apprentice will not have to use their own funds. The $2 million has been set aside for things such as training courses at the College of Southern Nevada. The funds will be used to pay for the associated costs related to apprenticeship programs.

CHAIR BROOKS:
What is the expiration date of the grant funds?

MS. YOUNG:
The grant is a four-year grant ending in 2025.

ASSEMBLYWOMAN CARLTON:
There has been a lot of confusion over the years about the true definition of "apprenticeship." This program sounds more like a work study. I do not believe any other apprenticeship program allows for contractors to be paid to hire apprentices. Also, the tuition component is concerning. I would like more time to think about this and gather additional information. There are too many unanswered questions for me at this time.

CHAIR BROOKS:
I agree, there are too many unanswered questions. I would like to have a discussion with Assemblywoman Carlton and other Committee members, along with GOWINN, DETR, the NSAC and the Office of the Labor Commissioner to gain a better understanding. The description provided by the agency does not sound like an apprenticeship program. If that is the case and this is different, that is fine. It sounds like there is a tremendous amount of value that could be achieved with this

program, but I am struggling with the use of the terminology as well as the jurisdiction issues.

I would ask for a motion to deny the request and allow the agency to resubmit the work program to the next IFC meeting after more discussion. Mr. Thorley, is that permissible?

MR. THORLEY:
The work program was submitted under the 45-day work program process. If the Committee takes no action, the item would be deemed approved after 45 days. If the Committee does not want to approve the work program, a motion to deny would be required.

CHAIR BROOKS:
The agency can resubmit the work program after further discussions, correct?

MR. THORLEY:
Yes, that is correct.

> ASSEMBLYWOMAN CARLTON MOVED TO DENY AGENDA ITEM E-62 AND ALLOW THE GOVERNOR'S OFFICE OF WORKFORCE INNOVATION TO RESUBMIT A REVISED WORK PROGRAM AFTER FURTHER DISCUSSION.
>
> SENATOR DENIS SECONDED THE MOTION.

SENATOR DENIS:
Is the state in danger of losing the grant funds?

MS. YOUNG:
With any grant there are defined goals and timelines, so a delay is not ideal. However, if that is the consensus of the Committee, then the agency will resubmit the work program at a later date.

SENATOR DENIS:
Is the state at risk of losing the grant funding?

MS. YOUNG:
I do not think the state will lose the grant funds, but the agency will inform the federal government that the work has been postponed.

ASSEMBLYWOMAN TITUS:
According to the information provided to the Committee, the monetary support is for 500 apprentices. Will those apprentices and pre-apprentices be impacted by the delay?

MS. YOUNG:
Partners have been lined up and GOWINN is ready to move forward with the next steps. The 500 apprentices have not yet been lined up; however, I do not anticipate it will be difficult to find interested participants.

ASSEMBLYWOMAN TITUS:
I see businesses all over advertising for employees. Is the delay going to exacerbate the workforce issue?

MS. YOUNG:
Yes, it will delay implementation of the grant without the Committee's approval, which impacts the ability to help the workforce.

> THE MOTION PASSED. (Assemblyman Hafen, Assemblyman Leavitt, Assemblyman Roberts and Assemblywoman Titus opposed the motion.)

63. Department of Employment, Training and Rehabilitation - Employment Security - Special Fund - FY 2022
Transfer of $1,550,076 from the Reserve category to the Bank of America Expense category to reimburse Bank of America for fraudulent Unemployment Insurance pre-paid debit cards. Requires Interim Finance approval since the amount transferred to the Bank of America Expense category exceeds $75,000. **Work Program #C56840**

TROY JORDAN (Senior Counsel, DETR):
Agenda Item E-63 is essentially a contractual obligation incurred by DETR's Employment Security Division related to the Bank of America debit card contract.

For historical context, DETR has used Bank of America for approximately five years. In September 2020, Bank of America announced it would not sign the two-year extension that was negotiated. Bank of America said it would have its legal staff review the extension; however, the bank ultimately decided it would no longer issue the agency's prepaid debit cards. Nevada was one of the first states impacted by this because the state's contract was due to expire in December 2020. To get through the time period between vendors, DETR signed an emergency extension, which has since passed through the Board of Examiners, along with another amendment and the Global Financial Crimes (GFC) agreement, which is the payment agreement in which DETR would absorb the costs. These are costs normally incurred in the debit card program. The GFC costs are incurred when a card that is believed to have suspicious activity or other disqualifying factors must be frozen.

During the investigation, the bank is required to extend that person a line of credit that is equal to the amount of the benefit on the debit card. If that person drains the credit and essentially disappears, Bank of America has traditionally taken the loss. However, Bank of America's demand to initiate a six-month contract extension resulted in DETR and the State of Nevada taking the losses on behalf

of the bank. After some discussion, the contract was approved. DETR has reached an agreement on the amount, which is approximately $1.5 million, and must be paid within 120 days. To put that amount in context, DETR paid out $12 billion in benefits during the pandemic and recovered $150 million from the Bank of America in other funds; therefore, the $1.5 million is a relatively small administrative cost. It is the cost of conducting investigations, which was a requirement of the contract extension with Bank of America.

DETR is requesting authority on two fronts. First, DETR has asked the USDOL to allow the department to use Pandemic Emergency Unemployment Compensation funds. Unfortunately, DETR has not yet received approval from the USDOL. In the alternative, DETR is requesting authority to pay the $1.5 million using penalties and interest funds, because given the regulations regarding "buckets" of money related to the program and the various pandemic programs, those are the only two options for paying the $1.5 million.

ASSEMBLYMAN ROBERTS:
Under the Bank of America contract, the bank typically absorbed some of the costs but also recouped some of the money. During the six months that the state was responsible for costs outside the contract, was the state or Bank of America responsible for recouping fraudulent claims? If the state is responsible, what is being done to recoup those funds?

MR. JORDAN:
To clarify, there is a difference between these fees and recouping money for fraudulent claims. Fraudulent claims are claims that were paid out. The fees that are being discussed are associated with investigations related to fraud. The state is always obligated to try to recoup the funds, which DETR is actively doing.

I do not know the total amount of funds the state has recouped, but the $150 million is part of that amount. DETR's Benefit Payment Control Unit manages that on a daily basis. The unit staff is responsible for recouping funds, referring cases for prosecution, etc.

ASSEMBLYMAN ROBERTS:
It would be helpful if the agency would provide the total amount to the Committee.

ASSEMBLYWOMAN MILLER:
Please provide an update on the request to the USDOL to utilize Pandemic Emergency Unemployment Compensation funds. Have any other states received approval by the USDOL to use those funds?

JOSH MARHEVKA (Chief Financial Officer, DETR):
DETR has been working with the USDOL since early September 2021. The department has not yet received a response beyond additional questions. Nevada is the only state that has requested to use Pandemic Emergency Unemployment Compensation funds for this purpose. DETR is hopeful the USDOL will give approval to utilize the funds.

MS. CAFFERATA:
DETR has an obligation to pay the administrative fees within 120 days. The department has identified two potential sources of funding. Historically, the department has paid these types of fees with Penalties and Interest funds. Over the past year and a half, the federal government has granted the state additional Pandemic Emergency Unemployment Compensation administrative funds. If DETR receives approval from the USDOL to use the Pandemic Emergency Unemployment Compensation funds, the department will be able to replenish the Penalties and Interest account.

ASSEMBLYWOMAN MONROE-MORENO:
What steps are being taken to recover funds from fraudulent unemployment claims?

MS. CAFFERATA:
All states were hit hard with fraudulent and imposter claims because of the way the programs were established. DETR has been working since the beginning of the pandemic at several levels to stop fraudulent applications and payments before they could be processed and then recover the funds. The department has participated in a very extensive audit with the Office of the Inspector General, as well as the U.S. Department of Justice and the USDOL. Those agencies are pursuing significant fraudulent rings that are comprised of people who have committed fraud in Nevada and other states. There are several large investigations and prosecutions occurring at the federal level. DETR is working with the U.S. Attorney, the Nevada Department of Public Safety and the Office of the Attorney General to pursue cases that occur in Nevada. Any time local law enforcement initiates a fraud case, DETR provides the background information required to prosecute. As mentioned by Mr. Jordan, DETR's Benefit Payment Control Unit works continually to recover funds. Also, the department is working with the vendor in partnership with the Bank of America to recover funds. DETR has recovered more than $150 million in funds. Those funds were returned to either the trust fund in Nevada or to one of the federal programs depending on how the benefits were originally paid.

Efforts to recoup funds related to fraudulent claims has been an ongoing activity for DETR. The department has initiated a contract to increase staff in the DETR Fraud Unit. The department believes that efforts to recoup funds will be ongoing for several years. DETR is doing everything possible to recover funds and return them to taxpayers.

ASSEMBLYWOMAN MONROE-MORENO:
The additional funds that were provided for unemployment during the pandemic were recently discontinued. Some people who had been receiving those additional funds discovered that their regular unemployment benefits were also discontinued. Has that situation been rectified?

MS. CAFFERATA:
Congress approved the extended benefits; however, those benefits expired on September 4, 2021. Because Nevada's unemployment rate was very high, a state extended benefit program was also initiated, which continued one week beyond the federal extensions. Some people could see in their accounts that they still had weeks of unemployment benefits due to them; however, when the federal benefits ended, those balances also expired, which was confusing for many people.

People who are now eligible for unemployment benefits are those in the regular program, which is for 26 weeks of benefits. There is also another group of people who may be eligible, which may be referred to as a "double dip issue." When someone's first unemployment claim expires, the individual must open a new claim. If the criteria are met, which requires working a certain number of weeks between the two claims, the individual can initiate a second claim. The unemployment system for both of those groups functioning correctly.

Unemployment is complicated. Unfortunately, the system erroneously showed that some people still had unemployment benefits after the federal extended benefits expired.

ASSEMBLYWOMAN CARLTON MOVED TO APPROVE AGENDA ITEM E-63.

SENATOR DENIS SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

64. Department of Corrections - Prison Ranch - FY 2022
Transfer of $1,040,517 from the Retained Earnings category to the Wild Horse Program category and addition of $200,000 in Wild Horse Boarding fees to fund livestock feed expenditures through the remainder of the fiscal year. Requires Interim Finance approval since the amount added to the Wild Horse Boarding category exceeds $75,000. **Work Program #C55568**

Refer to motion for approval under Agenda Item E.

65. Department of Motor Vehicles - System Technology Application Redesign - FY 2022
Transfer of $6,010,347 from the Reserve category to the State Fiscal Year 2021 (SFY21) Technology Fee Refund category to process refunds to Department of Motor Vehicles customers for the Technology Fee collected in FY 2021 and FY 2022. Requires Interim Finance approval since the amount transferred to the SFY21 Technology Fee Refund category exceeds $75,000. **Work Program #C55413**

ANGELA SMITH (Administrator, Administrative Services, Department of Motor Vehicles [DMV]):
Regarding Work Program #C55413 for budget 4716, System Technology Application and Redesign (STAR), the DMV requests a transfer of $6,010,347, from the Reserve category to the Technology Fee Refund category to refund technology fee collections deemed unconstitutional.

CHAIR BROOKS:
There has been a lot of conversation about this issue. There were various legal opinions from different agencies and branches, and a conclusion was reached. The Committee heard about the department's plan at the August 2021 IFC meeting. The LCB Legal and Fiscal staff have reviewed the plan. I would like Fiscal staff to summarize the course of action since that August meeting and then have Legal staff discuss the opinion.

WAYNE THORLEY (Senate Fiscal Analyst, Fiscal Analysis Division, LCB):
Two documents were provided by the DMV (Exhibit F) and (Exhibit G). The first document is the department's Refund Plan Overview (Exhibit F) and the second document is a stipulation agreement that was filed with the district court, which outlines the department's plan and indicates that an agreement has been reached between all parties involved in the lawsuit that the DMV's plan is acceptable (Exhibit G). However, the stipulation agreement requires the IFC to approve the work program before the Committee today to carry out the refund plan.

Based on a conversation with the DMV on October 20, 2021, it is the understanding of Fiscal staff that the department has agreed to make the following modifications to the refund plan and include them in an amended stipulation agreement to be filed with the district court.

1. An individual who paid the technology fee during FY 2021 and FY 2022 will be able to obtain a refund of the technology fee by presenting proof of payment of that fee at a DMV field office.
2. An individual who paid the technology fee during FY 2021 or FY 2022 will be able to obtain a refund of the technology fee as the DMV verifies the number of transactions and the amount of technology fee paid by the individual.
3. An individual who did not pay the technology fee during FY 2021 or FY 2022, as determined through a check of the individual's transaction history, will not be able to receive a technology fee refund payment.

MS. SMITH:
The department agrees with Mr. Thorley's comments.

ASSEMBLYWOMAN TITUS:
As someone with multiple vehicles, am I required to bring my registration receipts for the last two years to the DMV to show proof that I paid the technology fee, or can the process be done online?

MS. SMITH:
Bringing the receipts into a DMV office will expedite the process; however, DMV staff can look up the information using the individual's identification. A cash refund will be provided in that amount.

ASSEMBLYWOMAN TITUS:
Individuals requesting a refund must go to a DMV office, which is already overcrowded. Is there an option to request a refund online?

MS. SMITH:
There is not an online option.

SENATOR GOICOECHEA:
The DMV field offices in various counties will also be able to provide refunds to customers. Is this correct?

MS. SMITH:
That is correct. Refunds will be issued at all DMV offices.

CHAIR BROOKS:
This has been a long process. I think the plan as modified addresses many of the concerns expressed by the Committee, Legal staff, and other legislators. It is important that the modified plan be included in the stipulation.

> ASSEMBLYWOMAN CARLTON MOVED TO APPROVE THE PROGRAM TO TRANSFER $6,010,347 FROM THE RESERVE CATEGORY TO THE TECHNOLOGY FEE REFUND CATEGORY TO PROCESS REFUNDS TO CUSTOMERS OF THE DEPARTMENT OF MOTOR VEHICLES FOR TECHNOLOGY FEES PAID IN FY 2021 AND FY 2022 WITH THE APPROVAL OF THE WORK PROGRAM CONTINGENT UPON THE APPROVAL OF THE DISTRICT COURT OF AN AMENDED STIPULATION AGREEMENT CONTAINING THE FOLLOWING MODIFICATIONS PRESENTED BY THE DEPARTMENT OF MOTOR VEHICLES:
>
> 1. An individual who paid the technology fee during FY 2021 and FY 2022 will be able to obtain a refund of the technology fee by presenting proof of payment of that fee at a DMV field office.
> 2. An individual who paid the technology fee during FY 2021 or FY 2022 will be able to obtain a refund of the technology fee as the DMV verifies the number of transactions and the amount of technology fee paid by the individual.
> 3. An individual who did not pay the technology fee during FY 2021 or FY 2022, as determined through a check of the individual's transaction history, will not be able to receive a

technology fee refund payment.

SENATOR DENIS SECONDED THE MOTION.

SENATOR SETTELMEYER:
For clarification, it is the duty of the DMV to determine whether an individual is owed a refund, it is not that the customer must request that DMV staff look up the information, correct?

MS. SMITH:
Yes, the DMV will look up the information.

ASSEMBLYMAN LEAVITT:
I thought the $6 million was for the DMV to investigate and return the money. I do not understand how it will cost $6 million to have customers go to the DMV on their own volition to request a $1 refund.

MS. SMITH:
The $6 million is the total amount of technology fees collected. The DMV is requesting to transfer those funds from the Reserve category into a category that will allow the department to process the refunds.

THE MOTION PASSED UNANIMOUSLY.

66. Department of Public Safety - Nevada Highway Patrol Division - FY 2022
Transfer of $475,881 from the Operating category, $38,559 from the In-State Travel category, and $2,674 from the Information Technology category to the Contract and Uniformed Traffic Control Services category to consolidate contracted services provided by the agency into a centralized special use category to enhance the agency's ability to manage, report, and track the costs for these services. Requires Interim Finance approval since the amount transferred to the Contract and Uniformed Traffic Control Services category exceeds $75,000. **Work Program #C56522**

Refer to motion for approval under Agenda Item E.

67. Department of Conservation and Natural Resources - Division of Forestry - Administration - FY 2022
Addition of $275,000 in Restricted Stonegate Settlement funds for the preservation of the Ivesia Webberi, which is a Nevada critically endangered plant species. Requires Interim Finance approval since the amount added to the Stonegate Bond Funds category exceeds $75,000. **Work Program #C55834**

Refer to motion for approval under Agenda Item E.

68. Department of Wildlife - Director's Office - FY 2022
Deletion of $166,215 in federal Sportfish Restoration grant funds and $17,361 in federal State Wildlife grant funds and addition of $85,936 in federal Wildlife

Restoration grant funds, $895,890 in federal Boating Access grant funds, and $271,990 in Sportsmen Revenue funds transferred from the Wildlife Fund to realign the state authority with federal authority and continue funding wildlife programs. Requires Interim Finance approval since the amount added to the Boating Access Improvement category exceeds $75,000. **Work Program #C56228**

Refer to motion for approval under Agenda Item E.

69. Department of Wildlife - Data and Technology Services - FY 2022

Deletion of $77,340 in Sportsmen Revenue funds transferred from the Wildlife Fund account and addition of $111,340 in federal Wildlife Restoration and Basic Hunter Education grant funds to support wildlife conservation and recreation. Requires Interim Finance approval since the amount added to the Geographic Information Systems category exceeds 10% of the legislatively approved amount for that category. **Work Program #C55361**

Refer to motion for approval under Agenda Item E.

70. Department of Wildlife - Game Management - FY 2022

Deletion of $779,483 in Sportsmen Revenue funds transferred from the Wildlife Fund and addition of $637,501 in federal Wildlife Restoration grant funds, $126,972 in Federal Small Grants funds, and $193,381 in Federal U.S. Fish and Wildlife Service Assistance Listings Program grant funds to align state authority with federal authority and continue funding game management activities. Requires Interim Finance approval since the amount added to the Deer and Antelope category exceeds $75,000. **Work Program #C55774**

Refer to motion for approval under Agenda Item E.

71. Department of Wildlife - Fisheries Management - FY 2022

Deletion of $1,086,868 in federal Sport Fish Restoration grant funds and addition of $109,124 in Cooperative Endangered Species Conservation grant funds, $205,386 in federal Small Grant funds, and $1,670,068 in Sportsman Revenue funds transferred from the Wildlife Fund to align state authority with federal grant authority and continue funding the management of Nevada's fisheries. Requires Interim Finance approval since the amount added to the Aquatic Invasive Species Outreach and Inspection category exceeds $75,000. **Work Program #C55752**

Refer to motion for approval under Agenda Item E.

72. Department of Wildlife - Fisheries Management - FY 2022

Deletion of $1,510,565 in Restricted Revenue transferred from the Wildlife Fund and addition of $1,630,105 in Trout Stamps Fees transferred from the Wildlife Fund to continue infrastructure repairs to the Gallagher Hatchery's electrical circuits and fund a feasibility study for the new deep well at the Spring Creek Rearing Station. Requires Interim Finance approval since the amount added to the Hatchery Refurbishment category exceeds $75,000. **Work Program #C56019**

Refer to motion for approval under Agenda Item E.

73. Department of Wildlife - Diversity Division - FY 2022
Addition of $113,406 in federal Wildlife Restoration grant funds, $277,202 in federal Section 6 Grant funds, $4,920 in federal Clean Vessel Act Region 8 Competitive Grant funds, $68,326 in federal Small Grant funds, and $102,793 in Sportsmen Revenue funds transferred from the Wildlife fund account to realign the state authority and federal authority and continue funding wildlife programs. Requires Interim Finance approval since the amounts added to the Section 6 Endangered Species category exceeds $75,000. **Work Program #C55972**

Refer to motion for approval under Agenda Item E.

74. Department of Wildlife - Habitat - FY 2022
Addition of $371,823 in Dream Tags Charitable Fund grant funds to support wildlife rehabilitation and restoration projects. Requires Interim Finance approval since the amount added to the Dream Tags Projects category exceeds $75,000. **Work Program #C56329**

Refer to motion for approval under Agenda Item E.

75. Department of Wildlife - Habitat - FY 2022
Addition of $475,304 in Industrial Development funds transferred from the Wildlife Fund to support wildlife rehabilitation and research projects. Requires Interim Finance approval since the amount added to the Industrial Development Projects category exceeds $75,000. **Work Program #C55779**

Refer to motion for approval under Agenda Item E.

76. Department of Wildlife - Habitat - FY 2022
Addition of $120,909 in Duck Stamp Fees and $367,430 in Upland Game Stamp Fees transferred from the Wildlife Fund to continue projects approved by the Nevada Board of Wildlife Commissioners. Requires Interim Finance approval since the amount added to the Upland Game category exceeds $75,000. **Work Program #C55785**

Refer to motion for approval under Agenda Item E.

77. Department of Wildlife - Habitat - FY 2022
Deletion of $237,903 in Sportsmen Revenue funds transferred from the Wildlife Fund and $20,035 in federal Sportfish Restoration grant funds and addition of $1,370,512 in federal Wildlife Restoration grant funds to realign state authority with federal authority and continue funding wildlife restoration, conservation, and recreation projects. Requires Interim Finance approval since the amount added to the Wildlife Management Area System category exceeds $75,000. **Work Program #C56246**

Refer to motion for approval under Agenda Item E.

78. Department of Wildlife - Habitat - FY 2022

Addition of $434,075 in Habitat Conservation Fees transferred from the Wildlife Fund to support wildlife rehabilitation and restoration projects. Requires Interim Finance approval since the amount added to the Habitat Rehabilitation and Restoration category exceeds $75,000. **Work Program #C56333**

Refer to motion for approval under Agenda Item E.

79. Silver State Health Insurance Exchange - Administration - FY 2022

Transfer of $1,718,325 from the Qualified Health Plan (QHP) Reserve category to the Exchange Platform category to support technology improvements and consumer assistance call center expenses to provide increased subsidies to consumers and allow enrollment into QHPs under provisions mandated by the American Rescue Plan Act. Requires Interim Finance approval since the amount transferred to the Exchange Platform category exceeds $75,000. **Work Program #C56613**

Refer to motion for approval under Agenda Item E.

80. Public Employees Benefit Program - FY 2022

Addition of $5,000,000 in Coronavirus Aid, Relief and Economic Security (CARES) Act, Coronavirus Relief Funds (CRF) transferred from the COVID-19 Relief Programs account to reimburse unbudgeted eligible COVID-19 medical claim costs for testing and emergency and non-emergency medical care. Requires Interim Finance approval since the amount added to the State Employee Insurance Cost category exceeds $75,000. **Work Program #221CRF1338.**

Refer to motion for approval under Agenda Item E.

81. Department of Business and Industry - Division of Mortgage Lending - FY 2022

Transfer of $50,038 from the Reserve category to the Department Cost Allocation category to support an Administrative Assistant position to facilitate the increased Mortgage Lending Division licensing needs. Requires Interim Finance approval since the amount transferred to the Department Cost Allocation category exceeds 10% of the legislatively approved amount for that category. **Work Program #C57052. RECEIVED AFTER SUBMITTAL DEADLINE, 9-23-21.**

Refer to motion for approval under Agenda Item E.

82. Department of Health and Human Services - Health Care Financing and Policy - Administration - FY 2022

Addition of $615,937 in federal American Rescue Plan Act State Planning Grants for Qualifying Community-Based Mobile Crisis Intervention Services to develop a payment model for mobile crisis intervention services through the Medicaid program. Requires Interim Finance approval since the amount added to the Mobile Crisis Intervention Grant category exceeds $75,000. **Work Program #C57063. RECEIVED AFTER SUBMITTAL DEADLINE, 9-23-21.**

Refer to motion for approval under Agenda Item E.

83. Department of Health and Human Services - Child and Family Services - Southern Nevada Child and Adolescent Services - FY 2022
Addition of $87,808 in Coronavirus Aid, Relief and Economic Security (CARES) Act, Coronavirus Relief Funds (CRF) transferred from the COVID-19 Relief Programs account to support temporary staff costs for the Mobile Crisis Response Team. Requires Interim Finance approval since the amount added to the Transfer from CRF category exceeds $75,000. **Work Program #22CRF3646. RECEIVED AFTER SUBMITTAL DEADLINE, 10-08-21.**

Agenda Items E-83 and E-84 were discussed jointly. Refer to testimony and motion for approval under Agenda Item E-84.

84. Department of Health and Human Services - Child and Family Services - Northern Nevada Child and Adolescent Services - FY 2022
Addition of $88,439 in Coronavirus Aid, Relief and Economic Security (CARES) Act, Coronavirus Relief Funds (CRF) transferred from the COVID-19 Relief Programs account to support temporary staff costs for the Mobile Crisis Response Team. Requires Interim Finance approval since the amount added to the Transfer from CRF category exceeds $75,000. **Work Program #22CRF3281**. **RECEIVED AFTER SUBMITTAL DEADLINE, 10-08-21.**

Agenda Items E-83 and E-84 were discussed jointly.

ROSS ARMSTRONG (Administrator, Division of Child and Family Services [DCFS], DHHS):
The two work programs will allow the division to utilize Coronavirus Aid, Relief and Economic Security (CARES) Act, Coronavirus Relief Funds (CRF) to contract for additional staff for the DCFS children's Mobile Crisis Response Teams (MCRTs) in Northern and Southern Nevada.

ASSEMBLYWOMAN CARLTON:
Both work programs are for similar amounts; however, the workload in Southern Nevada is different from the workload in Northern Nevada. Why are the amounts similar knowing there is a difference in population and need?

CINDY PITLOCK (Deputy Administrator, DCFS, DHHS):
For the staff in Southern Nevada, clinicians for the MCRT, there are currently 52.5 positions. In Northern Nevada, there are 14.5 MCRT positions. Most staff are already in the southern region of the state. Those staff carry out the majority of telehealth visits and supplement the northern team. If the division were to improve and increase the response in Northern Nevada, it would free up clinicians in Southern Nevada for deployment.

ASSEMBLYWOMAN CARLTON:
What will it take to get both teams fully staffed, and what are the true needs for this service? I understand both teams will each receive a set amount, which is

temporary.

MR. ARMSTRONG:
This was an opportunity to use CRFs for immediate assistance. The division has developed a larger, more substantive ARPA request to expand the MCRTs. The MCRTs for children are very effective and help the division reach families. As for determining the exact need in Nevada, currently the state is in a dire situation with children's mental health; therefore, the need is substantial. The DCFS continues to monitor the caseloads and determine ways to more efficiently deploy MCRTs into the community.

DR. PITLOCK:
The division is also looking at workforce development and stabilization. The MCRT positions tend to be challenging positions to recruit for; therefore, my team is considering methods of supplementing recruitment. For example, using crisis Registered Nurses to expand the pool of candidates. The division has a global view of improving access and diversifying teams.

ASSEMBLYWOMAN CARLTON MOVED TO APPROVE AGENDA ITEMS E-83 AND E-84.

SENATOR DENIS 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
Nevada Department of Transportation	800/4660	110002	Highway Project Manager, R.P.E. Code: 6.101 Grade: 44/01 Employee/Employer Paid Retirement: $76,170.24	Assistant Chief, Right-of-Way Code: 7.406 Grade: 42/01 Employee/Employer Paid Retirement: $69,739.20

F. STATEMENT OF CONTINGENCY ACCOUNT BALANCE.

WAYNE THORLEY (Senate Fiscal Analyst, Fiscal Analysis Division, LCB):
The Statement of Contingency Account Balance begins on page 195 in Volume III of the meeting packet (Exhibit C). The overview of the Contingency Account balance is located on page 195. The beginning balance, located in the *Total* column, was $25.5 million as of July 1, 2021.

There were $8.6 million worth of appropriations made to the Contingency Account as a result of various legislation passed by the 2021 Legislature. The funds were appropriated to the restricted Contingency Account. There was also a total of $6.8 million in reversions to the Contingency Account as a result of allocations made but not spent. The total funding available is $40.9 million.

After reducing some costs related to meetings and prior allocations from the Committee in the current fiscal year, the balance prior to the actions of the Committee today is $40.5 million. There is one Contingency Account request on the agenda for approximately $300,000. If approved, the balance will be reduced to $40.2 million.
Additional information concerning the unrestricted General Fund and Highway Fund and the restricted General Fund and Highway Fund allocations are located on pages 197 and 200 of the meeting packet (Exhibit C).

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

1. Office of the Controller – Request for an allocation of $31,557 for unbudgeted personnel costs related to the issuance of refunds for the Technology Fees collected by the Department of Motor Vehicles in Fiscal Years 2020 and 2021 pursuant to Senate Bill 457, Section 4.7. **WITHDRAWN 9-20-21**.

2. Office of the Military - Division of Emergency Management - Request for an allocation of $303,601 to cover projected Division of Emergency Management and Nevada National Guard costs associated with providing supplemental security and medical triage capacity during the 2021-22 New Year's Eve activities in Clark County. **WITHDRAWN 9-20-21. RESUBMITTED AFTER DEADLINE 9-28-21**.

   DAVID FOGERSON (Emergency Manager and Homeland Security Chief, Division of Emergency Management [DEM], Office of the Military):
   The DEM is requesting $303,601 from the Contingency Account. Nevada National Guard members will support Clark County and its cities, Las Vegas Metropolitan Police Department, and area hospitals for the 2021-22 New Year's Eve event in Clark County.

   The division has performed this mission since 2001, except for 2020 to avoid tourism during the outbreak of the COVID-19 pandemic. Prior to 2015, the event was used as a training event and funded through the Office of the Military. Changes in federal rules caused the DEM to use state coffers to pay for Nevada National Guard employees to be state active-duty members. The Deputy Chief of Staff of the division and I have a plan for the 2023-25 biennium budget to eliminate the need to request funding from the Contingency Account.

   At DEM, every incident is executed locally, state guided and federally supported. The New Year's Eve event is no different. All the division's Southern Nevada partners are with the DEM in this event and have asked the division to support

them in areas where they lack resources.

Nevada National Guard members will serve as a force multiplier to assist with an estimated 400,000 participants in the New Year's Eve event. The requests were vetted based upon the analysis of the threats and risks to the public. The Nevada National Guard will support law enforcement and crowd management at what the division believes is the nation's second largest New Year's Eve celebration. The Nevada National Guard will also support the health care system at various hospitals across the Las Vegas Valley. These are both areas where resources are stretched thin over New Year's Eve celebrations.

Las Vegas is a great tourist destination, and much like Times Square, additional resources are required to accomplish the task of maintaining public health and safety. The event presents unique risks, threats, and opportunities to protect tourists, locals, and the economy.

SENATOR HARRIS:
The DEM indicated it has a plan to fund costs during the 2023-25 biennium. Please provide details about the plan.

MR. FOGERSON:
Each year the DEM alters the amount of the request based on the needs of Clark County. The division did not want to inflate the DEM budget; therefore, the plan is to increase the Contingency Account amount by the amount the division would expect on the high end. Thus, whatever funds are not used by the division can be used by other state agencies.

SENATOR HARRIS:
Why does Clark County continue to require a high level of supplemental security provided by the Nevada National Guard when the Department of Homeland Security changed its event assessment from a Special Event Assessment Rating (SEAR) 1 to a SEAR Rating 2?

MR. FOGERSON:
The Las Vegas New Year's Eve event is a SEAR level 2 event, not a level 1 event. The SEAR rating indicates at what level the federal government would begin to assist the state. The federal government has determined there is less of a terrorist event possible when it conducted the assessment. The division still needs to be concerned about other activities, including crowd control. Las Vegas is a community of two million people for which the Las Vegas Metropolitan Police Department, Clark County Fire and Las Vegas Fire and Rescue continue to provide day-to-day services. The community will experience an influx of approximately 400,000 additional people. It is important to attend to the extra people in the community in addition to daily duties. Even though there is not a large terrorist event threat, which is determined by the SEAR rating, there is still a lot to consider when adding 400,000 people to a smaller area. Those people will be outside the casino core and on the Las Vegas Strip. Roadways will need to be closed to traffic. Something such

as a “lone wolf” gunman is not considered a terrorist event, but rather a criminal event. It is important to be prepared for every potential incident to protect residents, tourists, and the economy.

CHAIR BROOKS:
I think this is an appropriate use of state funds. The New Year’s Eve event is important to the state’s economy. The safety of residents, tourists and first responders is the highest priority.

I am concerned with the method by which this is funded. I think the expenses for this service should be more predictable. I think there is a more appropriate way to fund these costs and requesting the funds so close to the event date ties the hands of the Committee. If the request is approved by the Committee, I think it should be based on the recommendation that Clark County, the DEM and the Governor’s Office of Finance develop an alternative funding mechanism outside the unrestricted Contingency Account.

ASSEMBLYMAN ROBERTS:
As the incident commander for several Las Vegas New Year’s Eve events, these events could not have gone smoothly without the help of the Nevada National Guard. When the funding moved from training to other sources, everyone worked hard to increase the SEAR rating to a level 1, which only lasted a year before decreasing to a SEAR level 2. There is a high risk of terrorism and incidents. I concur that the expense is predictable and there is probably a better way to appropriate the funds other than the Contingency Account; however, I encourage the Committee’s support of the current request.

ASSEMBLYMAN CARLTON:
In 2019, I made a similar statement as Chair Brooks. I would encourage the DEM to work with Fiscal staff and the Governor’s Office of Finance to include this expense in the division’s budget. Some of these costs are predictable. Also, the plan to use any unused funds that are set aside for this purpose is not as easy as it seems.

> ASSEMBLYWOMAN CARLTON MOVED TO APPROVE AGENDA ITEM G-2 AND REQUEST THAT THE DIVISION OF EMERGENCY MANAGEMENT, GOVERNOR’S FINANCE OFFICE AND CLARK COUNTY DEVELOP AN ALTERNATIVE FUNDING MECHANISM OUTSIDE THE UNRESTRICTED CONTINGENCY ACCOUNT FOR CONSIDERATION BY THE 2023 LEGISLATURE TO SUPPORT FUTURE SECURITY EFFORTS FOR NEW YEAR’S EVE EVENTS.
>
> SENATOR DENIS SECONDED THE MOTION.
>
> THE MOTION PASSED UNANIMOUSLY.

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

1. Department of Tourism and Cultural Affairs - Nevada Arts Council - Request for approval to accept Creative Aging grant funds from the National Assembly of State Arts Agencies in the amount of $23,000 to provide creative aging program advancement. **RECEIVED AFTER SUBMITTAL DEADLINE 9-27-21.**

   TONY MANFREDI (Executive Director, Nevada Arts Council, Department of Tourism and Cultural Affairs):
   The Nevada Arts Council is requesting approval to accept Creative Aging grant funds from the National Assembly of State Arts Agencies in the amount of $23,000. The funding will be used to provide professional development training throughout the state to create opportunities for seniors to benefit from meaningful creative expression through the arts. This work addresses one of the focus areas of the Nevada Arts Council's strategic plan for building healthy communities through collaborating with health care providers and partners to increase and support the understanding, value and use of the arts in the healing quality of life initiatives and well-being, and the creative aging of Nevada's residents.

   ASSEMBLYWOMAN CARLTON MOVED TO APPROVE AGENDA ITEM H-1.

   SENATOR DENIS SECONDED THE MOTION.

   THE MOTION PASSED UNANIMOUSLY.

2. State Department of Conservation and Natural Resources - Division of Environmental Protection
   a) Request for approval to accept grant funds from the U.S. Environmental Protection Agency in the amount of $11,399,629 to continue to fund the Safe Drinking Water Revolving Loan Fund program.

      Agenda Items H-2a and H-2b were discussed jointly. Refer to discussion and motion for approval under Agenda Item H-2b.

   b) Request for approval to accept grant funds from the U.S. Environmental Protection Agency in the amount of $9,428,042 to continue to fund the ~~Municipal Bond Bank~~ ***Clean Water*** Revolving Loan Fund program. **REVISED 9-21-21**

      Agenda Items H-2a and H-2b were discussed jointly.

      JENNIFER CARR (Deputy Administrator, Division of Environmental Protection, Department of Conservation and Natural Resources):
      These two items are requests to accept grants from the U.S. Environmental Protection Agency (EPA) for the Safe Drinking Water Revolving Loan Fund program and the Clean Water Revolving Loan Fund program. This grant

funding has been discussed in the past and has been part of the division's programs for many years. In 2021, the division was informed that *Nevada Revised Statutes* 353.335 requires the agency to bring the funds into the programs via the IFC. The grant funds have always gone into the non-Executive Budget account that holds the funds for which the division provides infrastructure loans, which will continue. Due to the fact that the grant funds exceed $150,000, the division was advised by the Governor's Office of Finance that the division must request the Committee's approval to accept the funds. The grant funds are received by the division annually and used to capitalize the state revolving funds.

CHAIR BROOKS:
How do these two grants relate to grants in previous years?

MS. CARR:
The amount of the grant awards vary each year; however, the amounts are relatively consistent.

ASSEMBLYWOMAN CARLTON MOVED TO APPROVE AGENDA ITEMS H-2a AND H-2b.

SENATOR DENIS SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

3. Department of Indigent Defense - Request for approval to accept grant funds from the State Bar of Nevada in the amount of $26,000 to support law school student externship stipends in rural areas to increase indigent defense services.

MARCIE RYBA (Executive Director, Department of Indigent Defense):
The agency is requesting approval to accept grant funds from the State Bar of Nevada in the amount of $26,000 to create a rural indigent defense externship program. *Nevada Revised Statutes* 180.320 requires the department to work with Boyd School of Law at the University of Nevada, Las Vegas to determine incentives for law students to encourage them to provide indigent defense services, especially in the rural counties of Nevada. The grant funds will allow the department, in cooperation with Boyd School of Law, to create a summer externship program, which will serve as a pipeline to encourage law students to experience and consider a career opportunity in indigent defense in the rural counties.

ASSEMBLYWOMAN CARLTON MOVED TO APPROVE AGENDA ITEM H-3.

SENATOR DENIS SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

I. REQUEST FOR APPROVAL OF EXPENDITURE FROM THE ACCOUNT FOR RENEWABLE ENERGY, ENERGY EFFICIENCY AND ENERGY CONSERVATION PURSUANT TO NRS 701.585(3) - Office of the Governor - Governor's Office of Energy - Request for approval to award $200,000 from the Account to the Walker River Paiute Tribe for support of energy resiliency efforts.

JENNIFER TAYLOR (Deputy Director, Governor's Office of Energy [GOE], Office of the Governor):
The GOE is requesting approval to award $200,000 from the Account to the Walker River Paiute Tribe (budget 4875, category 11). The funding comes from American Recovery and Reinvestment Act (ARRA) funds previously established as a loan program and converted to a grant program in 2019 under S.B. 536 (2019 Legislative Session). This is the first notice of funding opportunity under this new grant structure. The notice was issued earlier this year. The funding targets grants focusing on tribal energy resilience that could support the state's climate goals and reduce greenhouse gas emissions on tribal lands and provide the opportunity for Nevada's tribal nations to develop planning, analysis and/or infrastructure projects centering on energy resilience, economic recovery opportunities, and energy equity.

The grant from the Walker River Paiute Tribe would be used to conduct continued exploratory geothermal drilling on its tribal lands. Preliminary approval was issued in the spring of 2021, but the GOE advised the recipient the award was contingent upon legislative approval.

ASSEMBLYWOMAN TITUS:
Looking at the maps that were provided in the backup document, areas such as Salt Wells and Wabuska are included, which are not tribal lands but are active geothermal locations. Will the project occur strictly in the boundaries of the Schurz Indian Reservation?

MS. TAYLOR:
Yes, the work will occur within the boundaries of the Walker River Paiute Tribal lands.

ASSEMBLYWOMAN TITUS:
It appears the work will involve exploration only, not the use, production or selling of geothermal energy.

MS. TAYLOR:
Yes, the work will focus on exploration. The Walker River Paiute Tribe is hopeful it will find geothermal resources and then be able to take the next steps for the sale of those resources.

ASSEMBLYWOMAN TITUS:
Are these state or federal funds that will be used for the work?

MS. TAYLOR:
The funds are federal ARRA funds that were previously part of a loan program that were converted to grants available for approved funding opportunities in 2019.

ASSEMBLYMAN WATTS:
I recall when the 2019 Legislature took action to convert the funds to a grant program. I remember the GOE indicating that the first priority was to support renewable energy efforts on tribal lands. How much funding continues to be available? If the request is approved, what are the GOE's future plans, aside from helping the tribe establish a geothermal facility through the additional research?

MS. TAYLOR:
I believe approximately $2 million remains; however, I will provide the exact amount to the Committee. The notice of funding opportunity was for $500,000. Two grants were preliminarily approved that fell under that cap.

ASSEMBLYMAN WATTS:
Does the GOE have a timeline for a future grant cycle and what is the focus?

MS. TAYLOR:
The GOE is currently discussing the next funding opportunity. I do not have a timeline available; however, I will provide it to the Committee.

ASSEMBLYMAN WATTS MOVED TO APPROVE AGENDA ITEM I.

SENATOR DENIS SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY. (Senator Seevers Gansert, Senator Settelmeyer, Assemblyman Leavitt, and Assemblywoman Peters were not present for the vote.)

J. DEPARTMENT OF ADMINISTRATION - State Public Works Division - Request to accept and expend $316,000 in federal funds from the Office of the Military for CIP Project 21-C10, Aircraft Storage Hangar and Sitework, Harry Reid Training Center, pursuant to NRS 341.121.

WARD PATRICK (Administrator, State Public Works Division [SPWD], Department of Administration):
The funding will be used to design a hangar for Black Hawk helicopters located near Stead, Nevada.

CHAIR BROOKS:
These are additional funds that became available for this project. The request is for an expansion of the project scope to match the new funds, correct?

MR. PATRICK:
The funds were available, and the intention was to begin early design work prior to the 2021 Legislative Session. However, the federal government would not allow both the Military Construction Collaborative Agreement and the Standard Military Agreement to occur; therefore, the SPWD is requesting funding to kick off the design process of the hangar project.

ASSEMBLYWOMAN CARLTON MOVED TO APPROVE AGENDA ITEM J.

SENATOR DENIS SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY. (Senator Seevers Gansert, Senator Settelmeyer, Assemblyman Leavitt, and Assemblywoman Peters were not present for the vote.)

K. INFORMATIONAL ITEMS.

WAYNE THORLEY (Senate Fiscal Analyst, Fiscal Analysis Division, LCB):
The following items were identified for further discussion: Agenda Items K-1b, Office of Project Management, Silver State Modernization Approach for Resources and Technology in the 21st Century; K-11, DHHS, Division of Child and Family Services; and K-12, Status Update Regarding the Coronavirus State Fiscal Recovery Funds.

1. OFFICE OF THE GOVERNOR - Governor's Office of Finance
   a) Budget Division
      1) Report of the agency activity relating to contracting with current or former employees of the state for the period July 1, 2021, through September 30, 2021, pursuant to NRS 333.705.
      2) Report of the agency activity relating to contracting with current or former employees of the state for the period April 1, 2021, through June 30, 2021, pursuant to NRS 333.705.

      There was no discussion on these items.

   b) Office of Project Management - Silver State Modernization Approach for Resources and Technology in the 21st Century (SMART 21) - Semiannual report on the efforts to replace the state's existing financial and human resource information systems for the period January 1, 2021, through June 30, 2021 (letter of intent, 2019 Legislature).

      PAUL NICKS (Director, Office of Project Management [OPM], Office of the Governor):
      The report is a status update for the SMART 21 project for the period January 1, 2021, through June 30, 2021. During that time, waves relating to employee central recruiting, learning and onboarding, went live. The OPM is working toward wave 1.3 (payroll), wave 1.4 (talent management), and wave 2.0 (finance).

      Prior to submitting the report, the OPM delayed the start of wave 1.4 to focus on wave 1.3 and stabilize wave 1.2. Since that time, the office has revisited the schedule for wave 1.3 and is currently working with a six-month delay on wave 1.3. Regarding wave 2.0, the OPM is currently working with LSI Consulting on the timelines to ensure the deadlines can be met. If not,

adjustments will be made as necessary to ensure the products are implemented correctly and that state resources are ready to utilize.

As mentioned, the project is behind schedule; however, the project is underbudget. The project is deliverable-based; therefore, payment is not due until deliverables are completed. In addition, during the travel restriction period, LSI Consulting provided the state with credits totaling approximately $1 million, which would have been used for traveling. Due to the delay of wave 1.3 and potential delays for waves 1.4 and 2.0, the OPM expects the travel credits to be absorbed with internal costs.

With the go live for waves 1.1 and 1.2, there are some challenges to be worked through, primarily with wave 1.2. The key issues related to the recruiting piece involves the search criterion that is utilized to identify regional areas. It is not inherent in the system. The functionality in the system that the SAP SuccessFactors developed does not work as intended. The SAP indicated that the functionality works as designed because the functionality is utilized for different areas within the system. The OPM is working with LSI Consulting to address the issue.

Regarding training and experience evaluations, those are not working as designed; therefore, they are being reconfigured to ensure they work for the Human Resource (HR) team, which will create additional work for that team.

Another issue relates to recruiting without a position control number (PCN), which cannot be created until the position is created. When a position is established by the Legislature with a start day of October 1, the PCN cannot be immediately created. Final testing is in progress to correct the problem.

Lastly, a center of capabilities will be built within the system, which is a library of all classification information, minimal qualifications, special requirements, etc. All of that will facilitate the creation of recruitments as well.

ASSEMBLYWOMAN JAUREGUI:
Prior to January 2021, there were not any concerns or delays with the project. How is LSI Consulting addressing the issues identified in the Gartner reports and by the Executive Committee?

MR. NICKS:
Not all the delayed deliverables impact the project itself. Approximately half of the deliverables were late. The number of late deliverables on the critical path, which impacts the flow of the project, was 24 of 133 total deliverables, 11 of which were resolved in the first week. Eight additional deliverables related to the finance piece were resolved during the summer of 2021. The impact of those 8 deliverables would not really affect the project until December 2021. Given that many of the deliverables were related to the formal documentation for payment, the delay did not rise to a high level of concern for Gartner or the

Executive Committee. The main concern were the deliverables on the critical path to ensure the project was moving forward.

The OPM had weekly conversations with LSI Consulting about addressing the quality and timeliness of the project. The result of those conversations was an increase in resources to address the backlog of outstanding deliverables. In the past, when late or low-quality deliverables were mentioned to the vendor, there would be a temporary improvement. The OPM worked with the vendor to resolve the issue.

ASSEMBLYWOMAN JAUREGUI:
Earlier it was noted that the SMART 21 project was delayed by six months. Will the human resource, payroll and finance modules be completed within that timeframe? Will the entire project be completed by then? The original completion date was July 2022.

MR. NICKS:
The first two waves were delayed by three months. They were supposed to go live in January 2020, but they actually went live in March 2020. Wave 1.3 (payroll) and wave 1.4 (talent management) were supposed to go live in January 2022. Currently, wave 1.3 is targeted to go live in July 2022. The schedules for the finance piece and the second part of the talent management piece are being assessed to determine when they will go live. The current concern is that even if the financial system was fully configured by July 1, 2022, that would not allow sufficient time for agencies to update their internal controls to ensure that staff are fully trained on the new system. It would also not allow sufficient time for agencies to fully integrate their systems into the financial system. As noted, the finance schedule is currently being assessed. I will share the information with the Committee when it is available. Currently, there is a low level of confidence that the finance piece will go live in July 2022.

ASSEMBLYWOMAN JAUREGUI:
What are the operational ramifications of the delays to the SMART 21 project? Will existing human resource information systems continue to be supported during project delays?

MR. NICKS:
Currently, the existing systems that will be impacted are Advantage HR and Advantage Financial. Advantage HR and the Nevada Employee Action and Timekeeping System (NEATS) will need to remain operational until the payroll piece goes live, after which time Advantage HR and NEATS will be retired but remain functional. After the finance piece goes live, the Advantage Financial system will be retired but remain functional. In previous conversations with the Department of Administration, Division of Human Resource Management, the division indicated it wanted to keep Advantage HR operational for at least six months to access historical data. The system may remain in mothball status to allow information to be extracted as needed.

Regarding the finance side, the Office of the State Controller wants to ensure the financial system is operational for a full year prior to retiring the old system for the purposes of the Annual Comprehensive Financial Report to ensure the data is correct.

The individuals currently supporting HR Advantage and NEATS were transferred to the OPM during the 2021 Legislative Session to begin learning the new system. The resources that are supporting the finance system reside within the Office of the State Controller. The Office of the State Controller already has plans for using those resources when the financial system is retired.

From an operational standpoint, the biggest concern related to delays involves the payroll system. There are issues every time payroll is run, which then results in overtime to resolve the problems and complete the payroll process. It is important that payroll is disbursed to employees in a timely manner.

ASSEMBLYWOMAN JAUREGUI:
What steps are being taken to ensure there are no further delays?

MR. NICKS:
With the last delay related to wave 1.3, the Executive Committee sent a corrective action letter to LSI Consulting outlining outstanding tickets for wave 1.2, which has reduced functionality, and identifying the future steps required to account for the impacts of the delay to wave 1.3 as it applies to waves 1.2 and 1.4. The letter also addressed inconsistent quality and missed milestones. In addition, LSI Consulting was asked to bring on a platinum consultant to conduct an overview of the wave 1.1 and 1.2 configurations to ensure both were functional. Also addressed in the letter was the replacement of LSI Consulting's project manager. The current interim project manager has not yet been approved by the SMART 21 team. Upon approval, the individual will become the project manager.

Since the letter from the Executive Committee to LSI Consulting, there has been an improvement in performance. LSI Consulting brought on more resources to resolve the existing tickets and there is better focus on timelines and schedules.

CHAIR BROOKS:
I would request that LSI Consulting provide a status report and give a presentation at the February 2022 IFC meeting.

There was no further discussion on this item.

c) Special Appropriations
   1) Nevada Atomic Museum - Report of expenditures for the period July 1, 2019, through June 30, 2021, pursuant to Senate Bill 501, Section 1 (2019 Legislative Session).

2) Nevada Partners, Inc. - Report of expenditures for the period July 1, 2019, through June 30, 2021, pursuant to Assembly Bill 495, Section 1.5 (2019 Legislative Session).
3) Nevada Center for Civic Engagement - Final report of expenditures for the period July 1, 2020, through June 30, 2021, pursuant to Senate Bill 193, Section 1 (2019 Legislative Session).

There was no discussion on these items.

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

There was no discussion on this item.

3. DEPARTMENT OF EDUCATION
Report on the expenditures received by the Clark County Public Education Foundation, Inc. through June 30, 2021, pursuant to Senate Bill 555, Section 19 (2019 Legislature).

There was no discussion on this item.

4. NEVADA SYSTEM OF HIGHER EDUCATION
a) Biannual report on any additional fees and any additional non-resident tuition fees received by each institution beyond the authorized amounts for the period January 1, 2021, through June 30, 2021, pursuant to Senate Bill 553, Section 11 (2019 Legislature).
b) Semiannual report demonstrating how the capacity funding is being expended by each of the institutions in each of the program areas supported, for the period January 1, 2021, through June 30, 2021 (letter of intent, 2019 Legislature).
c) Quarterly report on the progress made by the University of Nevada, Reno School of Medicine in obtaining federal approval for the research program on the medical use of marijuana, as well as the status of activities and information received through the program for the period April 1, 2021, through June 30, 2021, pursuant to NRS 453A.600.

There was no discussion on these items.

5. DEPARTMENT OF AGRICULTURE
a) Quarterly report on travel and training expenses for the period April 1, 2021, through June 30, 2021 (letter of intent, 2019 Legislature).
b) Report on financial sustainability of the Dairy Fund budget, including an update on fluid milk and butter assessments (letter of intent, 2021 Legislature).

There was no discussion on these items.

6. DEPARTMENT OF HEALTH AND HUMAN SERVICES
   a) Division of Health Care Financing and Policy - Annual report concerning Health Information Technology (HIT) activities for the period July 1, 2020, through June 30, 2021 (letter of intent, 2019 Legislature).
   b) Aging and Disability Services Division - Quarterly report for the Senior Rx and Disability Rx Prescription programs for the period April 1, 2021, through June 30, 2021, pursuant to NRS 439.630.

   There was no discussion on these items.

7. DEPARTMENT OF MOTOR VEHICLES
   a) System Technology Application Redesign (STAR) - Semiannual report on the status of the STAR project for the period January 1, 2021, through June 30, 2021 (letter of intent, 2019 Legislature).
   b) Fiscal Year 2021 report on the use of funds received by each local air pollution control agency from the quarterly and annual distribution from the Pollution Control Account, pursuant to NRS 445B.830.
      1) Clark County Department of Environment and Sustainability.
      2) Washoe County Health District, Air Quality Management Division.

   There was no discussion on these items.

8. DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES - Division of Water Resources - Semiannual report on the progress of work performed at the South Fork Dam for the period January 1, 2021, through June 30, 2021 (letter of intent, 2019 Legislature).

   There was no discussion on this item.

9. CLARK COUNTY SCHOOL DISTRICT - Final progress report, which describes each expenditure incurred for a human resource management information system for the three-year period ending June 30, 2021, pursuant to Senate Bill 550, Section 2 (2017 Legislature).

   There was no discussion on this item.

10. CLARK COUNTY SALES AND USE TAX ACT OF 2005 - Las Vegas Metropolitan Police Department - Report regarding a governing body that has approved expenditures pursuant to Section 13 of this act shall submit the periodic reports and such other information required pursuant to this section of the act for the period ending June 30, 2021.

    There was no discussion on this item.

11. DEPARTMENT OF HEALTH AND HUMAN SERVICES - Division of Child and Family Services - Immediate relocation of the Psychiatric Residential Treatment Facility-Oasis program to the vacant units within Desert Willow Treatment Center. **RECEIVED AFTER SUBMITTAL DATE 9-27-21.**

ROSS ARMSTRONG (Administrator, DCFS, DHHS):
This week, the American Academy of Pediatrics (AAP), the Children's Hospital Association, and the American Academy of Child and Adolescent Psychiatry came together to declare a national emergency in child and adolescent mental health. The agencies noted that young people have soaring rates of depression, anxiety, trauma, loneliness, and suicidality. Among other things, the agencies called for increased federal funding and access to care to address ongoing challenges of acute care needs and workforce development.

Nevada is not immune from this national emergency. Even as COVID-19 seemed to trend in a positive direction over the summer of 2021, it became clear that Nevada's delicate mental health systems were facing their greatest test.

As the DCFS assessed its current services, the division observed an increase in acuteness and seriousness of need across residential programs. As the Committee is aware, the DCFS has tried different strategies over the years to fully utilize the space at Desert Willow Treatment Center (DWTC). Considering staffing challenges, concerns about patient safety at the Oasis Home program, and a need for higher quality of care, it became clear to the division that relocating the Oasis Home program to the DWTC made sense.

In addition to that decision, I have asked DCFS leadership to assume an emergency operating posture to be as flexible as possible to meet the ongoing need. Richard Whitley, Director, DHHS, designated Dr. Megan Freeman, Licensed Psychologist, DCFS, DHHS, to coordinate efforts across multiple DHHS divisions. The DCFS has also submitted ARPA concepts for consideration to support children, youth and families as Nevada continues the long emotional response and recovery from the COVID-19 pandemic.

Through the process of proposing to move the Oasis Home program to the DWTC, the division heard from concerned community partners about the relocation of the program. In response to those concerns, the DCFS slowed the transition timeline. The division is committed to operating two of the four Oasis Home program buildings until replacement services are securely in place. The end result of this proposal will mean increased inpatient and bed capacity for children and youth facing significant mental health challenges. The combination of increased need, increased severity of that need, continued disruption of the everyday normal, the difficulty in the general labor market and non-competitive wages, have merged into this crisis in Nevada and throughout the nation. The concept of relocating the Oasis Home program to the DWTC will not resolve all the issues, but it was an area where the division could be flexible with its resources to face the historic challenges.

This item was submitted as part of the division's commitment to be transparent with the Nevada Legislature about the issues related to children's mental health and the division's attempt to address those issues.

CHAIR BROOKS:
I want to thank the DCFS for being proactive and keeping the Committee updated on the issue.

ASSEMBLYWOMAN GORELOW:
Please confirm whether there is a fiscal impact resulting from the move of the Oasis Home program to the DWTC.

MR. ARMSTRONG:
The division determined there is no fiscal impact greater than the allocation of personnel by the Legislature. There does not appear to be a scenario where the cost of the relocation would go beyond that.

ASSEMBLYMAN WATTS:
There appears to be staffing issues in both facilities. Because of those staffing issues, there has been lower occupancy than legislatively approved. How will the move of the Oasis Home program personnel and resources to the DWTC allow the division to support 58 youth?

SUSIE MILLER (Residential Deputy Administrator, DCFS, DHHS):
At the time the division started reconsidering the relocation, the Oasis Home program had a 40% vacancy rate and the DWTC had a 25% vacancy rate. In addition, due to COVID-19, an average of 10% of staff were out due to illness with the virus or exposure to the virus. When considering the relocation, the Oasis Home program was down to three operational homes and the DWTC went from three units to two units. The relocation would allow the acute unit to reopen and possibly have a unit dedicated to youth ages 6 to 11 years, a population with high-risk behaviors which motivated the relocation to ensure they are safe.

ASSEMBLYMAN WATTS:
I think that is helpful in terms of understanding the different populations. Will the move to the DWTC allow the division to better serve some of those specific populations, or will it help reduce the vacancy rates and serve more patients?

MR. ARMSTRONG:
It will allow the division to more appropriately serve the children currently in the Oasis Home program in the facility at the DWTC. Ms. Miller spoke about the 6- to 11-year-old population, many of the patients in that age group ran away from the facility, which led to the safety concerns. Also, the relocation will free up building space for community providers or other entities to create new services on the campus. The DCFS will be able to serve an expanded number of youth at the DWTC (equivalent to the combined capacity of both facilities), and bring on community partners at the campus.

With enough staff, it will likely reduce burnout. Staff will be able to adjust their daily schedules and have support from additional team members within the same facility.

ASSEMBLYWOMAN PETERS:
This is an interesting issue and there are situations like this across the state. Not necessarily specific to unit, but with regard to beds and limited medical providers. Please discuss how the Oasis Home program will be operated once the two facilities are consolidated within the DWTC.

MR. ARMSTRONG:
Currently, two Oasis Home cottages are operational and will continue until replacement services are confirmed to avoid a decrease in overall bed capacity. The state has been working with the local government, specifically Clark County, to consider utilizing the two remaining cottages: one focused on children with developmental and intellectual disabilities and one as a qualified residential treatment program. The qualified residential treatment program service is new under the Families First Prevention Services Act, which allows for a residential setting that has certain clinical components. The division is working through that process now.

ASSEMBLYWOMAN PETERS:
There are two cottages that will remain operational with occupied beds, and there are two additional cottages, which are stagnate until the DCFS determines a path forward. Is that correct?

MS. MILLER:
Yes, two cottages are available for repurposing. The other two cottages with 10 to 11 beds will be maintained by the Oasis Home program.

ASSEMBLYWOMAN PETERS:
What is the timeline for repurposing the cottages?

MR. ARMSTRONG:
Currently, the division does not have a specific timeline; however, there is strong interest from Clark County on two of the Oasis buildings. The division still needs to explore and match up the need for services with providers to utilize the Oasis buildings.

ASSEMBLYWOMAN GORELOW:
What type of staff are needed at the facilities, and what education is required?

MS. MILLER:
The facilities utilize mental health technicians, mental health counselors, treatment home providers and Registered Nurses. The DWTC is required to staff Registered Nurses specifically because the facility is certified through the Joint Commission on Accreditation of Healthcare Organizations.

The mental health technician positions do not require higher education. They are afforded an opportunity to gain certification through a community college, which could allow them to advance from a level 1 technician to a level 2 and/or level 3.

The current nursing shortage is significant because nursing staff are required at psychiatric residential treatment facilities and psychiatric hospitals. The lack of nursing staff is the main challenge, and the shortage of mental health technicians follows closely behind.

ASSEMBLYWOMAN MONROE-MORENO:
I agree that the state is facing an emergency. Yesterday, there was a protest at Child Haven in Clark County because the facility is being utilized in a way for which it is not licensed.

It is important to obtain the necessary staffing and utilize funding to get past this emergency. I would request the division provide updates to the Committee at future meetings.

CHAIR BROOKS:
I agree the DCFS should provide a status update at the next meeting of the IFC.

ASSEMBLYWOMAN CARLTON:
This issue involves many different entities. I know it is unusual to invite a local entity to testify at an IFC meeting, but I believe it would give the Committee a better frame of reference. I would like a representative of Clark County to be invited to present at the next meeting about the county's plans.

ASSEMBLYWOMAN CARLTON:
I know there have been ongoing conversations with the state about the issues at Child Haven. The Committee is aware that Clark County is being proactive in trying to ensure that children have a safe, secure, and healthy place to receive treatment. Please provide the Committee with an update and future plans.

KEVIN SCHILLER (Deputy County Manager, Clark County):
As the Committee is aware, there are deficiencies related to mental health, which has been an ongoing discussion for many years. COVID-19 in combination with the resulting staffing issues and rates has led to a convergence of a "perfect storm."

I speak to you from two perspectives: Clark County child welfare and community resources. If the community cannot obtain access to the necessary levels of care and services, the issues escalate into programs such as those that the Oasis Home program and the DWTC are experiencing. Reducing capacity within those programs and community-based services results in a storm.

Regarding Child Haven, the mental health issue is an hourly crisis. Child Haven has patients with intellectual disabilities, highly acute mental health issues, and patients who come to Child Haven due to abuse and neglect who are not demonstrating those other behaviors. I would argue that those services are provided in a licensed child care facility, which is four levels down from the programs offered through the Oasis Home program and the DWTC. As noted earlier, staffing is a significant need for both facilities.

To provide the community perspective, 25 parents came to the county within a 60-day period to relinquish their children because they could not manage the behaviors or mental health issues. In a population of 70 children at Child Haven, 20 to 25 children on any given day have assaultive behaviors, acute mental health, and service needs.

The county meets regularly with state representatives about the mental health crisis. The call to action focuses on how to address community-based treatment, but more urgently, residential treatment, in lockdown and non-lockdown facilities.

Child Haven is trying to bring services into the facility. I would like to thank the DHHS Aging and Disability Services Division, which provided Clark County with an emergency lease for two buildings this week. Those buildings incentivize the county to obtain a provider that will be available on an emergency basis over an 18-month contract to provide Oasis-level services in an unlocked setting.

One thing that must be determined related to levels of care is that by moving Oasis to the DWTC, the capacity for residential treatment services will be reduced. It is a question of how to manage capacity and recruit providers.

Lastly, from a budgetary perspective, Child Haven does not provide residential treatment; therefore, it is important to note that the county has been working collaboratively. This is an emergency for all the child populations noted previously, as well as staff who are in danger when dealing with behaviors they are not equipped to handle. Clark County is working diligently to ensure that children in need of higher levels of care will receive that care. It is also important to discuss how to obtain community-based services to avoid children escalating to the level of a crisis.

In response to the Committee's questions related to the timeline, the emergency subleases for the two buildings mentioned earlier is currently under review. When the buildings are available, the county has two providers enlisted to provide services to the intellectual and developmentally delayed population. There will also be a residential treatment program, which would fit into one of the Oasis buildings. Although each of those programs will only accommodate six children individually, something is better than nothing. The county is trying to execute things as quickly as possible during this emergency. Clark County will provide updates to the Committee.

CHAIR BROOKS:
The Committee would like an update from the DCFS in February 2022.

MR. ARMSTRONG:
The division will provide an update in February.

There was no further discussion on this item.

12. STATUS UPDATE REGARDING THE CORONAVIRUS STATE FISCAL RECOVERY FUNDS.

BRYAN FERNLEY (Legislative Counsel, Legal Division, LCB):
The Legal Division was asked to provide further information to the Committee to explain the legal mechanism by which the money received by the State of Nevada from the Coronavirus State Fiscal Recovery Fund (CSFRF) may be spent (Exhibit E).

As the Committee is aware, the federal ARPA created the CSFRF, which included an appropriation of approximately $200 billion for provision to the states to mitigate the effects stemming from the public health emergency with respect to COVID-19. The State of Nevada received approximately $2.7 billion from the CSFRF.

Because the money was provided to Nevada under a federal law, the expenditure of those funds will be governed by federal and state law. It is important to note that Congress, under the supremacy of the U.S. Constitution, has the power to preempt state laws, and because federal agencies are charged with administering and interpreting those federal laws, federal regulations and administrative interpretations implementing the laws enacted by Congress have the same preemptive force as federal law. Therefore, where state law conflicts with federal law, regulations or administrative interpretations, Nevada will be required to comply with the federal laws, regulations or administrative interpretations, notwithstanding any of the provisions in state law.

With respect to the expenditure of funds received by the state from the CSFRF, the federal regulations and administrative interpretations from the U.S. Department of the Treasury (Treasury) will guide how the state is able to expend the funds.

Regarding state laws governing the expenditure of the CSFRFs, the starting point is Article 4, Section 19 of the Nevada Constitution, which states that no money shall be drawn from the Treasury but in consequence of appropriations made by law. The Nevada Supreme Court has interpreted the term “appropriation” to mean “the setting aside from the public revenue of a certain sum of money for a specified object in such manner that the executive officers of the government are authorized to use that money, and no more, for that object and no other.” Thus, the term “appropriation” in the Nevada Constitution includes any authorization from the Legislature which is approved by the Governor to expend money received as public revenue from sources other than the State General Fund or Highway Fund, including grants of federal money such as the CSFRF money.

Senate Bill (S.B.) 459 (2021 Legislative Session) is the Authorizations Act that was passed by the Legislature and approved by the Governor to provide this authorization for expenditures by various state agencies for the 2021-23 biennium. Section 1 of S.B. 459 authorizes the Office of the Governor to expend approximately $2.8 billion in FY 2022 and $2.7 billion in FY 2023 from the CSFRF for COVID-19 relief programs. To carry out the authorized spending of S.B. 459, the CSFRF money received by the state was placed in budget 1327, which was

made an executive budget account by the money committees during the 2021 Legislative Session and as such, is subject to the requirements of the State Budget Act.

Another relevant bill to the expenditure of the CSFRF money is S.B. 461 (2021 Legislative Session), which essentially created two categories of CSFRF money to comport with the requirements of federal law that established different authorized uses for certain portions of the CSFRF money. Subsection 1 of Section 1 of S.B. 461 required a calculation of the amount of lost revenue as a result of the COVID-19 pandemic. Under the ARPA, this portion of the CSFRF money may be used by the State of Nevada to provide government services. Despite this broad authorization to use the lost revenue portion of the CSFRF money to provide government services, the ARPA does contain restrictions, such as a prohibition against depositing CSFRF money in a state pension plan. The Treasury has concluded that there are other restrictions, including that the use of CSFRF money to provide government services would not include replenishing financial reserves in a rainy day account. Thus, the portion of the CSFRF money that was calculated to be lost revenue could not be used to replenish the state Rainy Day Fund.

After the adjournment of the 2021 Legislative Session, the Governor's Office of Finance (GFO) in consultation with the Assembly Fiscal Analyst and Senate Fiscal Analyst, calculated an amount of $1.086 billion as lost revenue that the State of Nevada could spend for the provision of government services in accordance with the ARPA and regulations and administrative interpretations to implement that act.

Senate Bill 461 required this lost revenue amount to be transferred to the State General Fund. By state statute and accounting policy, the State General Fund is used to receive all revenues and account for all expenditures not otherwise required to be accounted for in another fund. Also, the State General Fund contains both money that is restricted for a particular use and money that is unrestricted because it has not been appropriated or authorized for use and is thus, available to the Legislature to be appropriated.

According to the Office of the State Controller's policies and procedures that implement the state accounting procedures law, unrestricted revenue is revenue which does not meet the definition of restricted revenue. Restricted revenue is a financial resource that is subject to constraints imposed by law. According to these definitions, all CSFRF money received by the state, including the lost revenue CSFRF, must be characterized as authorized and restricted revenue because it was authorized for expenditure in the Authorizations Act of the 2021 Legislative Session. As noted, Section 1 of that act authorizes the Office of the Governor to spend the entire amount of CSFRF money for COVID-19 relief programs over the next two fiscal years. Because of this, the CSFRF money is not part of the unrestricted balance of the State General Fund and is not eligible to be transferred to the Rainy Day Fund pursuant to the calculation performed under NRS 353.288. That is consistent with the federal law and administrative interpretations that prohibit the lost revenue portion from being used to replenish a rainy day account.

As noted earlier, the entire amount of CSFRF money was authorized for expenditure in the Authorizations Act of the 2021 Legislative Session. The entire amount of this money is in budget 1327 in a reserve allotment. Although the lost revenue portion was separated out by S.B. 461 because it has different federal restrictions on its use, the lost revenue portion is authorized for expenditure by the Authorizations Act because the entire amount of the CSFRF money was included in the authorized expenditures.

To transfer the CSFRF money out of the reserve allotment in budget 1327, Section 5 of the Authorizations Act would require compliance with NRS 353.150 to NRS 353.246, which would include compliance with the work program revision process. Thus, because the entire amount of the CSFRF money was authorized for expenditure, the CSFRF money, including the lost revenue portion, would be transferred out of the reserve allotment in budget 1327 for expenditure through the process of approving work program revisions, including the submission to IFC for consideration of work program revisions that met the threshold.

ASSEMBLYWOMAN TOLLES:
The State of Nevada is authorized to expend the CSFRF money through IFC work programs. The entire Legislature is not required to approve the expenditure of those funds, correct?

MR. FERNLEY:
That is correct. Because the money was authorized for expenditure in the Authorizations Act, it can be expended through the work program revision process.

CHAIR BROOKS:
If there were to be a specific expenditure that was not already approved, it would require an act of legislation, therefore requiring a legislative session or special session; however, if it was an approved expenditure that needed to be modified, it could be modified through the work program revision process, correct?

MR. FERNLEY:
Senate Bill 459 authorizes the expenditure of the entire amount of CSFRF money, which is in budget 1327. The funds could be transferred to other budget accounts through the work program revision process. Therefore, the transfer from budget 1327 would have to be to an existing budget account, but it would be a question of whether proposed expenditures could be made by moving the funds to an existing budget account.

SUSAN BROWN (Director, GFO, Office of the Governor):
In consultation with the Fiscal Division, in light of this legal opinion, the GFO has reversed the transfer to the General Fund and placed the funds into a separate reserve category within budget 1327, so the funds are separate from the other CSFRF money. The amount placed in the reserve category was reduced by the expenditures that fall under the revenue loss category, including the positions that were funded through the legislative process that were held vacant as a result of the pandemic, as well as the expenditures for education and the $54 million for the

Department of Employment, Training and Rehabilitation for a system upgrade. To move those funds, it will require work programs to go before IFC.

There was no further discussion on this item.

L. PUBLIC COMMENT.

PRISCILLA MALONEY (American Federation of State, County and Municipal Employees [AFSCME] Retiree Chapter):
Regarding Agenda Item K-12, it is good to have clarification on the mechanics of disbursing the ARPA funds and the CSFRF money.

It is the position of the AFSCME Retiree Chapter that regardless of the legal mechanics, there are legal paths to restore the cuts to the Public Employees' Benefits Program that were taken in A.B. 3 (31st Special Session) and through the budget process of the 2021 Legislative Session.

TRISHA LOZANO submitted written testimony for the record (Exhibit H).

M. ADJOURNMENT.

CHAIR BROOKS:

Earlier in the meeting there was discussion regarding the T-Mobile settlement and the expenditure of those settlement funds. I would note that the settlement was the result of a merger between T-Mobile and Sprint, not AT&T as misstated earlier.

Chair Brooks adjourned the meeting at 4:44 p.m.

_____
Senator Chris Brooks, Chair
Interim Finance Committee

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