MINUTES OF THE 2021-2022 INTERIM
LEGISLATIVE COMMISSION

April 8, 2022

The meeting of the Legislative Commission was called to order by Chair Yeager at 3:09 p.m. at the Grant Sawyer State Office Building, Room 4401, 555 East Washington Avenue, Las Vegas, Nevada, and via videoconference at the Legislative Building, Room 4100, 401 South Carson Street, Carson City, Nevada. The meeting was adjourned at 4:56 p.m.

All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

COMMITTEE MEMBERS PRESENT IN LAS VEGAS:

Assemblyman Steve Yeager, Assembly District No. 9; Chair
Assemblywoman Sandra Jauregui, Assembly District No. 41
Assemblywoman Daniele Monroe-Moreno, Assembly District No. 1 (Alternate for Assemblyman Jason Frierson)
Assemblyman Tom Roberts, Assembly District No. 13
Senator Nicole Cannizzaro, Senatorial District No. 6
Senator Moises Denis, Senatorial District No. 2
Senator Scott Hammond, Senatorial District No. 18
Senator Joseph Hardy, Senatorial District No. 12
Senator Dallas Harris, Senatorial District No. 11

COMMITTEE MEMBERS PRESENT IN CARSON CITY:

Assemblywoman Jill Dickman, Assembly District No. 31
Senator James Settelmeyer, Senatorial District No. 17

COMMITTEE MEMBERS PRESENT VIA WEBCONFERENCE:

Assemblywoman Lisa Krasner, Assembly District No. 26

LEGISLATIVE COUNSEL BUREAU STAFF PRESENT:

Brenda Erdoes, Director
Roger Wilkerson, Deputy Director
Kevin Powers, General Counsel, Legal Division
Asher Killian, Chief Deputy Legislative Counsel, Legal Division
Sarah Coffman, Assembly Fiscal Analyst, Fiscal Analysis Division
Wayne Thorley, Senate Fiscal Analyst, Fiscal Analysis Division
Daniel Crossman, Legislative Auditor, Audit Division

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Broadcast and Production Services Staff, Administrative Division
Angela Hartzler, Secretary, Legal Division
Jordan Haas, Secretary, Legal Division

OTHERS PRESENT:

Ann Barnett, Chief Executive Officer, Nevada Contractors Association
Gil Lopez, Executive Director, Charter School Association of Nevada
Warren Hardy, Associated Builders and Contractors of Nevada
Mac Bybee, President/Chief Executive Officer, Associated Builders and Contractors of Nevada
Alexis Motarex, Representative, Nevada Chapter, Associated General Contractors
Valerie White
Sean Sever, Deputy Administrator, Office of Project Management, Nevada Department of Motor Vehicles
Erik Jimenez, Chief Policy Deputy, Office of the State Treasurer
Dave Wuest, Executive Secretary, Board of Pharmacy
Sam Crano, Utilities Hearing Officer, Public Utilities Commission of Nevada
Unidentified Commenter

Assemblyman Steve Yeager (Assembly District No. 9; Chair):

Good afternoon, everyone. We are going to go ahead and get started with this fifth meeting of the Legislative Commission for this interim. As you'll see this afternoon, we have members attending at the Grant Sawyer Building here in Las Vegas, in the Legislative Building in Carson City and then we have one member who is participating via Zoom this afternoon. Again, just want to welcome those who are joining us here in Las Vegas, those in Carson City and those who might be watching on the internet. It feels a little strange to be back in person, so bear with us as we get through this new experience for the time being.

Just a few quick housekeeping matters—many of these will sound familiar, but I'd like to go over them just in case we have new people in attendance. Anyone who's going to testify today, could you please state and spell your name for the record before you testify? Then, if anybody would like to receive a copy of the Commission's agenda, minutes or reports, you may be added to our mailing list by following the links on the Legislature's website or by providing information to our staff. Contact information for staff is also listed on the legislative website. In addition, we accept written comments, which may be emailed or mailed before, during or after the meeting. The information regarding where to send written comments is also on the website and listed on the agenda for this meeting.

Before I get to public comment today, I just wanted to quickly note a couple of things for members, and really for members of the public who might be interested in today's meeting and might be intending to provide public comment. There are two regulations for consideration today that are going to be deferred. What that means is we are not going

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to discuss or vote on those two regulations in today's meeting, so I just want to tell folks which two items those are. The first one is the regulation dealing with newborn screening for newborns, the blood draw regulation. That one again is not going to be discussed or voted on today. We also have one from the Division of Industrial Relations of the Department of Business and Industry relating to heat-related illness. Those two will formally be deferred when we get to them on the agenda, but I wanted to let folks know just in case that impacts anybody who was intending to give public comment on one or both of those. Now, they could come up at future agendas; we never know. But if so, they would be posted like they were on this agenda, so you'd have ample notice for that.

With that being said, we're going to go to our next agenda item, which is agenda item II, public comment. We have three different ways to give public comment from folks who want to give public comment live. We have here down at the Grant Sawyer Building, those up in Carson City and then we'll take some public comment from those wishing to give public comment on the phone. As a reminder, there is a second period of public comment at the end of the agenda, so if you want to hold public comment until then, you certainly can do that. Public comment will be limited to two minutes per speaker, and I will be up here timing just to be fair to everybody. What we'll do is we'll start here in Las Vegas, take some public comment, then we'll go to Carson City, take some public comment, then we'll go to the phones, and so we'll see where we're at.

We're going to start here in Las Vegas, so if there's anyone who would like to give public comment here in the room in Las Vegas, we'd ask you to come forward to the table. I think we have two seats, so we can go ahead and fill both of those from anyone wanting to give public comment. If you'd like to do that, please come up now, and then just a reminder when you're going to give public comment to turn the microphone on and state and spell your name before providing public comment. Good afternoon. Please, go ahead.

Ann Barnett (Chief Executive Officer, Nevada Contractors Association):

Good afternoon. I am the CEO (Chief Executive Officer) for the Nevada Contractors Association (NCA). The Nevada Contractors Association represents close to 500 companies, and that's general contractors, subcontractors, suppliers. We are certainly diverse, representing most influential small to large businesses and signatory companies. I'm here to be on record that the Nevada Contractors Association opposes regulation R017-22. That's regarding the State Infrastructure Bank Fund, a regulation mandating project labor agreements, also known as PLAs—certainly limits competition, limiting what the State Infrastructure Bank was intended for. PLAs will also impact budget goals that are set within the regulation, making it difficult for any contractor to be successful. I want to thank our State Treasurer, Zach Conine, for meeting with us and listening to our concerns, but NCA requests that the Legislative Commission either vote no or delay action on these regulations to give stakeholders time to address remaining challenges. Thank you again for taking my comments into consideration today.

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Chair Yeager:

Thank you for your public comment. Is there anybody else here in Las Vegas? I see we have another gentleman coming to the table. When you're ready, please go ahead.

Gil Lopez (Executive Director, Charter School Association of Nevada):

Hello, Chair Yeager, Vice Chair, Interim Legislative Commission. I'm the Executive Director of the Charter School Association of Nevada, representing over 60,000 students in our public school system. We are here in support for R017-22, specifically the Public Charter Facility Loan Program. I do want to thank Treasurer Conine and also Mr. Jimenez on their leadership in this area. We had an opportunity to have a stakeholder meeting in early January where we brought school leaders, business leaders and advocates to discuss the program and provide feedback. This program will allow access to capital for our public charter schools and allow for the development of new and existing facilities with the ultimate goal of improving outcomes for our students. Once again, we want to thank the Treasurer and the members of the Board, the Infrastructure Bank Board, for investing in our children's future across the State of Nevada. Thank you.

Chair Yeager:

Thank you for your public comment. Please, go ahead.

Warren Hardy (Associated Builders and Contractors of Nevada):

Thank you, Mr. Chairman, members of the Commission. I'm here as well to express some concerns with regulation R017-22. I understand the importance of the Infrastructure Bank and what it means to our community. However, there is a provision in section 20 mandating a project labor agreement be used in conjunction with these funds. This is, as far as I know in my 30 years, the first time a project labor agreement would be mandated in a regulation. We have concerns over that. I do appreciate the Treasurer for meeting with us and helping us understand the reason he thinks they need to be included. I would submit that they don't need to be included in the legislation. If there's federal requirements, they can certainly be added after. I'll just quickly remind you that the concerns we have on behalf of the open shop construction industry, which represents 85 percent of the industry, including almost 100 percent of women, minority and small businesses, is that they put us at a competitive disadvantage in terms of our ability to use our own workers. Under the provisions of a project labor agreement, a company may only use seven of their own workers on an alternating basis, then they have to hire the remaining from the hall. You hire one from the hall, one of your own, one from the hall, up to a total of seven. That means if you're a company of, say, 25—you're a minority or small business who has 25 employees and you're awarded one of these contracts, you get to inform your 25 employees that only 7 of them get to work and the rest of them will be replaced by somebody from the labor union hall. In addition, there's provisions that have the net effect of requiring non-union contractors to pay double benefits because

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there's a mandate that they pay into the union trust fund, which these individuals will likely never vest in. The owner of the company has a choice either to discontinue the benefits that they have under the provisions of their company or pay double benefits in order to keep them insured and keep them under their benefit. Those are our concerns, and so we would like, if this does move forward, for those things to be considered as we move forward. I do appreciate the Treasurer; he's heard us on those things, and I look forward to continuing to work. Thank you, Mr. Chair. I hope I didn't go over.

Chair Yeager:

Thank you for your comment. It was just a couple of seconds over, so right there in the sweet spot. Anyone else here in Las Vegas who'd like to give public comment this afternoon? I don't see anyone coming forward in Las Vegas, so let's go up to Carson City. If anyone would like to give public comment in Carson City, would you please come to the table up there? I can see through the reflection that there is at least one person coming to the table. When you're ready, please go ahead.

Mac Bybee (President/Chief Executive Officer, Associated Builders and Contractors of Nevada):

Thank you, Chairman Yeager and members of the Legislative Commission. I'm the President/CEO of the Associated Builders and Contractors of Nevada, more often referred to as ABC. ABC is a trade association primarily comprised of open shop contractors. I'm here to express my opposition to the draft regulations from the Nevada State Infrastructure Bank, LCB (Legislative Counsel Bureau) File Number R017-22. In particular, ABC is opposed to the requirements in the regulation to utilize project labor agreements. At the most basic level, PLAs require all contractors to agree to hire through a union hall for bid eligibility instead of utilizing their own employees. In Nevada, union workforce in construction is less than 16 percent, according to the US Bureau of Labor Statistics. The vast majority of construction workforce in Nevada chooses to work without union affiliation. PLA mandates are not about equity and opportunity, they are exclusionary. It is a system that has nothing to do with who is best trained or qualified. It is a political tool, not a construction management tool. For these reasons, I humbly request that the Legislative Commission oppose this regulation. Thank you.

Chair Yeager:

Thank you for your public comment. We'll stay up in Carson City. I think we had at least one more person at the table. Please, go ahead with your public comment.

Alexis Motarex (Representative, Nevada Chapter, Associated General Contractors):

Thank you, Mr. Chair. My name is Alexis Motarex with the Nevada Chapter of Associated General Contractors (AGC), representing both signatory and non-signatory companies in

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the commercial construction industry in Northern Nevada, and we too are opposed to regulation R017-22 as it is currently drafted due to the project labor agreement mandates in section 20. We have no objection to the PLA mandate when using the AFL-CIO (American Federation of Labor and Congress of Industrial Organizations) funds for the affordable housing component. As those are private dollars, rules should be adopted to honor the wishes of the donor. While AGC has participated in the workshops, there was no request for industry input as these regs were being developed. Had commercial construction been consulted, we may have been able to discuss our concerns and find language that accomplished the goals of the Infrastructure Bank while minimizing the unintended consequences we are fearful of now. The language approved by the State Infrastructure Bank in January encouraged the use of project labor agreements but stopped short of mandating them. This was fine with us, but the draft considered at the workshops had changed "should" to "must" with no exemptions, thus prompting our opposition. AGC has expressed concern and opposition to the PLA mandate as it would require out-of-state contractors to be utilized to build these projects because Northern Nevada does not have construction agreements in place for several scopes of work: teamsters, roofers and glazers, to name a few. We requested and were denied language offering the same exemptions provided in President Biden's executive order mandating PLAs on federal construction projects. Even the interim final rule guidelines only encouraged PLAs—the federal interim final rule guidelines only encouraged PLAs. It's our understanding through our national office that the final regs will not be released until June at the earliest and will not be finalized until late this year or early next year at the soonest. Inconsistent policy decisions seem to have been applied to this regulation. We request the language be returned to its original draft. If the regs adopted by the federal government require additional action by this body, there will be time to do so. In the interim, placing non-mandatory restrictions to access this money will only be damaging to the hard-working Nevadans working in the construction industry, of which over 80 percent of whom are not affiliated with a union. Thank you.

Chair Yeager:

Thank you for your public comment. In addition, we wanted to wish you a happy birthday, Ms. Motarex. We hope you're having a very good birthday and we're sorry you had to spend a couple of minutes with us here at Legislative Commission.

Anybody else in Carson City who would like to provide public comment? All right, I see a few people there, but I don't see anybody coming forward. At this time, we'll go to the phone lines. If you've called in and you'd like to speak during this meeting, I believe Broadcast and Production Services (BPS) will advise you about how to do that. Just please remember that if you'd like to provide comment to state and spell your name before you speak, and then you will be limited to two minutes. BPS, could you check to see if there's anybody who has called in on the phones and would like to give public comment, please?

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Valerie White:

I know that R088-20, the baby blood samples, was removed from today's agenda, but I'd still like to give public comment on this. Number one, I believe that taking these blood samples from babies is an absolute infringement of privacy and I don't understand why it's necessary from birth. Two, I'm concerned about the privacy of the DNA that will be collected from those blood samples and how much public access will there be to that. Three, who and what is going to control who has access to that information? I'm really opposed to it. Taking privacy away from a baby from their first breath is just wrong. I would just remind all the legislators on this call that I don't believe you would be comfortable with having your blood samples and DNA information available on public record for who knows who to access. I appreciate the opportunity to speak, and please consider my comments if and when this topic again hits your agenda. Thank you.

Chair Yeager:

Thank you for your public comment. BPS, could we see if there are other callers on the phone, please?

Broadcast and Production Services Staff (Administrative Division, Legislative Counsel Bureau):

Chair, there are no more callers wishing to participate at this time.

Chair Yeager:

Thank you so much, BPS. Again, by way of reminder, we will have a second opportunity for public comment. It is the last agenda item. But for now, we will go ahead and close agenda item II, which was public comment. That will take us to agenda item III, approval of the minutes. Committee members, you will have found in your packet the draft minutes from our February 28, 2022 Legislative Commission meeting (Agenda Item III). They're also available on the Legislature's website. Let me first ask if there's any changes or corrections to the minutes. Let me just look here. I don't see anyone here in Las Vegas. My screen's dark for Carson City, so I'm not sure if someone has any corrections. Please just unmute yourself and let me know. Otherwise, I'd be looking for a motion to approve.

SENATOR DENIS MOVED TO APPROVE THE DRAFT MINUTES OF THE MEETING HELD ON FEBRUARY 28, 2022.

ASSEMBLYWOMAN MONROE-MORENO SECONDED THE MOTION.

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THE MOTION PASSED (ASSEMBLYWOMAN KRASNER WAS ABSENT FOR THE VOTE).

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Chair Yeager:

That'll finish up agenda item III. We're going to next go to agenda item IV. This is our court-mandated status report regarding the Nevada Department of Motor Vehicles' (DMV) Technology Fee Refund Project. I believe we have Sean Sever with us virtually today online, and if so, if we could cue him up—

Senator James Settelmeyer (Senatorial District No. 17):

Mr. Chairman, I believe he's here in Carson City.

Chair Yeager:

Okay, great. Mr. Sever, please come forward to the—there we go. It's a little tricky because the camera was not on the audience, so I apologize for not seeing you. But, Mr. Sever, if you have anything you'd like to say initially on the update, we'll give you a chance to do that, and then we'll have a chance for Commission members to ask questions. Thanks again for joining us, and please proceed.

Sean Sever (Deputy Administrator, Office of Project Management, Nevada Department of Motor Vehicles):

Thank you, Chair. Good afternoon, Chair and Commission members. I'm the Legislative Liaison and Deputy Administrator at the DMV. Today I'm filling in for our hard-working Director, who has also taken the day off for her birthday. First of all, I wanted to thank all of you for your support on our transformation effort at the DMV to move most of our services online in the next 4 years and for your recognition of how important this is for our agency. Second, I'd like to update you on the Technology Fee Refund Program, which is going very smoothly so far. There are two parts to this program. The first part are the business checks, which were sent out on February 22. More than 61,000 business refunds were issued for a total of almost $2.2 million. More than 36,000 business refunds have cleared through March 31 for a total of more than $1.36 million, or 62 percent of the business checks. The second part of the program is the customer refunds, which were made available to the public last Monday on April 4. The cash refunds are available weekdays in all of our offices, and you don't need an appointment or need to visit the same office where you paid them. We also have temporary staff in place in our call center to assist customers with questions and concerns. A trial test run for the customer refund program was conducted starting on March 23 with DMV employees, because they are

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our customers too, to make sure everything was running well, and it is. Over 1,000 of those refunds have been issued through March 31, and we have not seen any issues thus far. The amount of the customer refunds available are just over $3.6 million, so spread the word to people to come in to the DMV and get their refund on their next DMV visit. Thank you for your time today, and I'd be happy to answer any questions you have at this point.

Chair Yeager:

Thank you, Mr. Sever. Commission members, this is essentially an informational item, so we do not have to approve it, but is a chance for Commission members to ask questions. We'll start here in Las Vegas. Let's go to Senator Hardy for a question.

Senator Joseph Hardy (Senatorial District No. 12):

Thank you, Mr. Chair. Simple question: if a person buys a car at a dealership and the dealer says, "I'll go get your registration done for you," how does that $1—I think it's still $1—come back to the person, or does the person go separately and distinctly to get the $1 refund?

Mr. Sever:

All of the individual refunds, the customers have to come in and pick those up from us. For example, I registered three cars during the time period. I went into a DMV office physically and got my $3 cash back. It's up to the customers to go through that process.

Senator Hardy:

Thank you. Thank you, Mr. Chair.

Chair Yeager:

We'll stay down here in Las Vegas for just a moment. Any other questions from Commission members here? Okay, I'm not seeing any other questions. I believe Senator Settelmeyer has a question or two up in Carson City, so we'll go there next.

Senator Settelmeyer:

Thank you, Mr. Chairman. I was just curious how it works for individuals who do it online.

Mr. Sever:

We are not offering refunds for people online or any of our satellite offices, such as AAA (American Automobile Association) or kiosks. The best way we found to refund the money was in cash at our offices. We do have designated windows set up in all of our offices,

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our urban offices. No need to make an appointment; you just go in to the desk and head right over to the desk and we'll get you your refund.

Senator Settelmeyer:

Thank you. Thank you, Mr. Chairman.

Chair Yeager:

Thank you. Any additional questions in Carson City? Or Assemblywoman Krasner, if you have a question, just feel free to unmute and ask it. Okay, I'm not hearing anyone—Senator Hardy, please go ahead.

Senator Hardy:

Thank you. That brings the other question then up. Do you need registration, to bring your registration for all three vehicles, or do they have a record of who you are and can pull that up and give you your $3?

Mr. Sever:

All you need is your physical ID and we can do the rest. We look up your name, find out all the transactions you made over that time period and refund your money.

Chair Yeager:

Last call for questions on this item. Okay, don't see any additional questions. Thank you for being here, Mr. Sever, and please let Director Butler know that we also wish her a happy birthday as well.

Mr. Sever:

Will do. Thank you.

Chair Yeager:

Okay, Commission members, that takes us through agenda item IV. We are now on agenda item V, which is administrative regulations. Chief Deputy Legislative Counsel Asher Killian is with us in Carson City at the end of the teleconference line today to assist us with this item. Just by way of reminder, we have two types of proposed approvals for regulations under item V today. We're going to start with item V-A, which is a request for early review pursuant to NRS (Nevada Revised Statutes) 233B.0681. That section provides for the early review of a proposed permanent regulation after the agency has given notice of a hearing on the regulation but before the hearing is held. If this Commission approves a regulation under this early review section and the permanent

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regulation adopted after the agency's hearing is identical to the regulations submitted for early review, the Legislative Counsel is required to promptly file the regulation with the Secretary of State and notify the agency of the filing. If the regulation as adopted by the agency is not identical to the one submitted for early review, the regulation must come back to this Commission for approval in the same manner as if early review had not occurred.

The Board of Directors of the Nevada State Infrastructure Bank submitted regulation R017-22 for early review at this meeting (Agenda Item V-A). A copy of that proposed regulation is posted on the Nevada Legislature's website under the tab for this meeting, which you will find by hitting the button in the upper-right corner of the homepage which says "View Events." Commission members, you should have a copy of that proposed regulation on your desks. I believe we have Erik Jimenez, who is Chief Policy Deputy Treasurer and Secretary to the Nevada State Infrastructure Bank Board of Directors, up in Carson City to answer any questions we may have regarding R017-22. I'll give him a second to come to the table, and it looks—the benefit to the plexiglass is it reflects a little bit, so I think he's at the table up there in Carson City, best I can tell on the television. At this time, we'll open it up for questions from Commission members on R017-22, and we'll start down here with Senator Hammond.

Senator Scott Hammond (Senatorial District No. 18):

Thank you, Mr. Chair. I believe you said Senator Hammond, I'm not sure.

Chair Yeager:

I did. I said Senator Hammond, so please go ahead.

Senator Hammond:

Okay, thank you. I think we have Mr. Jimenez there at the table. I guess I better put my glasses on to make sure. Good afternoon, Mr. Jimenez. The question I have, again—you heard a lot of early testimony. Folks came in from the construction industry talking about their concern with I believe it was section 20(2), which talks about "must." The PLA agreement, the language is "must" include a PLA agreement. My question is, yesterday we were at IFC (Interim Finance Committee) and there was a letter submitted by the Building and Construction Trade Council of Northern Nevada, and in that they talked quite plainly about the intent of the Treasury Department at the federal level, talking about the need for, as they put in here, "Treasury encourages the recipients to ensure that water, sewer and broadband projects be used. Strong labor standards, including project labor agreements and community benefit agreements that offer wages at or above the prevailing rate and include local hire provisions," and it goes on and on. The language that they used was "encourages," and so my question then is, when we're putting the language in our regulation that we're going to be using going forward—which is very strong language. We don't have that anywhere else where it says "must" have a project

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labor agreement. One might assume that it's because we need to have it in there in order to get the money from the federal government, yet when I read this, it just says that it seems to be more of a factor, that if you have the language it increases your chances but may not be the way that you get the money. We could probably do without that. That's the question I had for you. Do you have to have the language in there, or is it just merely a factor that might help you to actually earn that award from the federal government?

Erik Jimenez (Chief Policy Deputy, Office of the State Treasurer):

Thank you for the question, Senator Hammond. I think you brought up a lot of points, so rather than giving you just a yes or no answer, I think it's important that we differentiate between the different types of money that you talked about. Initially, you would refer to the Treasury Final Rule on American Rescue Plan dollars. No dollars from this Bank are being used from the American Rescue Plan, so the Treasury guidance there doesn't really apply in this situation. There is $75 million which was approved with bipartisan support from the Legislature in general obligation debt, so the state can set requirements there. Regarding the PLA requirement in section 20, I think it's important to note that there are two sections in this that we are not requiring PLAs on after talking with the charter schools and in a general infrastructure account as well. So, there would be an off-ramp in a circumstance where we weren't talking about a federal match of infrastructure dollars contained within the Infrastructure Investment and Jobs Act. We know that there are going to be massively competitive operations that are going to need to take place very, very rapidly, which is why the Governor appointed a new infrastructure advisor, Nelson Araujo, who's coming on board next Monday, and we're trying to set ourselves up with this particular $40 million fund which was approved by the Board of Finance on March 8 to leverage as much federal dollars into this state. For far too long, we have left billions—hundreds of millions of dollars in just regular budget enhancements, but when it comes to infrastructure, we leave billions of dollars on the table because we are not competitive. We do believe this is a necessary factor and we do believe that the Biden White House is going to prioritize organizations that emphasize strong labor standards, strong working conditions for people, dignified wages for people who've been out of work for too long in order to get those grants. The provisions of section 20 are entirely designed to leverage hundreds of millions of dollars into this state, and we believe it's going to be a requirement.

Senator Hammond:

Thank you. If I could, Mr. Chair? I can't tell—because there's a reflection and I can't tell, you could be telling me no, cutting me off, but I just wanted to follow up. Again, the regular requirements you saw here for—money may not apply, but you're indicating through your testimony that you believe that we need the language in order to be more competitive because other states are going to put it in there. Again, the question though is without it—again, I come back to the word "factor," right? It's a factor. If we have it in there, your chances may go up, but it may not also. It may just be that we applied for the money and it's there and it comes to us. I want to make sure you tell us, is it you have to have it in

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there or is it a factor, because it sounded like you were saying it doesn't have to be in there and it could be a factor. I have one last little thing to say after that.

Mr. Jimenez:

Of course. Thank you, Senator, for the question. I would refer you to—and we're happy to submit it for the record—the Executive Order on Use of Project Labor Agreements for Federal Construction Projects which was signed by the President on February 4, 2022. There is a requirement that all federal projects over $35 million have a project labor agreement. In order to ensure that we have the ability to compete for those grants, which I imagine most are going to be over $35 million, we believe it's going to be a requirement, which is why it was put in this section.

Senator Hammond:

So what you're saying, and I think this is the way it goes right now, any time you have a very large project that involves federal dollars or any kind of tax dollars, you have to include a PLA in that, and so if we were to get the money without the language in the regulation as it is right now, many of the projects that would go forth would still need a PLA, and I think there would be an agreement then between the contractor who bid out and the labor then that would be brought in. My concern is that, in Northern Nevada in particular, you have many of the contractors, both signatory and non-signatory, or especially the ones who are union, who are telling us that it's not easy to find those workers who would actually be used or fit the need or fit the contract, and therefore you'd have to go out of state to probably get them, which again, in the way I look at a lot of the contracts out there, that increases the cost of whatever project we're talking about, and that was one of the—if I'm not mistaken, the language that was used in the letter was to make sure that we keep the cost down as much as possible. Anyway, that will be the last thing I say, and I appreciate your testimony.

Chair Yeager:

I know we have a number of questions, and I know we have some questions up in Carson City, but I think what we'll do to just keep this orderly is we'll take the questions in Vegas and then we'll go to Carson City. I think we have a question next from Assemblywoman Jauregui.

Assemblywoman Sandra Jauregui (Assembly District No. 41):

Thank you, Chair, and thank you, Mr. Jimenez, for being here. I had a quick question too along the same lines as Senator Hammond, but it was my understanding as I read through the regulation that there was an off-ramp, right, for, say, areas where we couldn't find people, like I think the example that was used was glazers and roofers, so that was one of my concerns too. Does this mean that we'd have to go out of state instead of putting Nevadans to work, right, because the priority is always to put Nevadans to work first. In

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the case that there isn't anyone here in Nevada to fill that role in a union, there's an off-ramp built in where the Bank can then decide that there doesn't have to be a PLA, correct?

Mr. Jimenez:

Correct. Thank you for the question, Assemblywoman. I think this is an incredibly important point. There are a couple of different off-ramps. First, I would direct you to section 17, which is the apprenticeship and local-hire requirements (Agenda Item V-A). We worked really, really hard—we started this journey in developing these regs in January. We held months of meetings. We held an additional 30-day public comment period for industry representatives to give us feedback. We held two workshops on this, unprecedented for a regulation of this size, and we came to a number on a local-hire provision because, like you, I remember testifying in the Subcommittee for the CIP (Capital Improvement Program). I told Assemblywoman Carlton this, and when you tell Assemblywoman Carlton something, you'd better hold true to your word, that we were going to do everything we could to make sure that local residents were hired on this job. To ensure that we had some flexibility, we felt that the right number was 50 percent of local residents to meet that exact situation that Ms. Motarex was describing, if there wasn't individuals within a specific trade, that we could potentially use out-of-state workers to meet that one example.

The second off-ramp, I would refer you to section 21 of the regulation, which is a catch-all section to fund eligible projects, which this body and the Legislature approved through Senate Bill (SB) 430 last session, expanding the use of eligible projects under the guise that a PLA couldn't be reached on a particular project or the number of workers that needed to be required to perform work under a given craft or trade couldn't be reached, the Board could decide to divert funds into that account within section 21 and then the PLA requirements wouldn't apply. We've done a lot of work to create off-ramps here, but I think at the same time also balancing—the workers deserve a dignified wage and good working conditions as well. That was long-winded, but I hope that answers your question.

Assemblywoman Jauregui:

Thank you, Chair, and I just want to make it clear. So, if they can't hire under a PLA, then the Bank can waive the requirement?

Mr. Jimenez:

That is correct.

Assemblywoman Jauregui:

Thank you.

DRAFT

Chair Yeager:

Okay, we have a question next from Senator Hardy.

Senator Hardy:

Thank you, Mr. Chair. Again, at section 20(2) and (3), I heard the word "billions" of dollars, so I'm curious if this $40 million—I'll call it a teaser—is put in there really not as a limit but actually because the next verbiage is unless they justify a larger loan or financial assistance is more. The $40 million obviously isn't $1 billion, so is there a max, and is there a project that is envisioned now or are there projects envisioned now that could take advantage of this in order to get that quick start that you're talking about so we don't leave billions of dollars unused? I'm just kind of curious what those projects are, and the $40 million sounds like it's not really a limit at all.

Mr. Jimenez:

Thank you for the question, Senator Hardy. We use—the dollar amount thresholds that you'll see in sections 18, 19 and 20 are mirrored after the approval from the State Board of Finance in this first tranche of money, which is why they match the corresponding dollar amounts. The State Board of Finance approved an issuance of bonds for $20 million to support affordable housing. We could talk about what the structure of that program and the leveraging might look like: a $15 million SLG (State and Local Government series) for charter school capital construction, which is the largest investment in charter school capital needs from the state in history, and then also this $40 million SLG, which we can spend a bit of time on. We know that it's not going to be enough, but I think there's a couple mechanisms that the Board is planning on employing to make sure it goes as far as possible. All of these funds are designed to serve as revolving funds, Senator. When a loan goes out, whether that's for $1 or $20 million, the intention is that they are paid back with interest into the account. For the case of the Federal Infrastructure Matching Account under section 20, we're really contemplating applicants here being local governments, tribal governments and state agencies. The idea here is in the interest-rate-setting methodology that will be adopted by the Board, figuring out a way for those loans to be repaid quicker, much shorter-term. If I'm an agency and I need $5 million to come up with a match, how do we figure out a structure to have that agency get the dollars that they need upfront to leverage the match, then pay them back over a shorter period of time so the matching account continues to exist in perpetuity? In the IIJA (Infrastructure Investment and Jobs Act), you'll know that the projects are outlined over a 5-year time horizon. The idea here was how could we create a structure that would allow us to use these dollars, continue to use them, and if we find there are specific needs or greater needs, we can go back in a legislative session and say, "We know that we don't have enough to leverage these billions of dollars," and we can come back to this group and the members of the Finance Committee and Ways and Means and figure out a better dollar amount to ask for during the legislative session.

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Senator Hardy:

If I may? That's a long answer to say you don't have in mind specific projects nor do you have in mind how to get the billions of dollars on the table that we're leaving unused.

Mr. Jimenez:

I think that's a misrepresentation, Senator Hardy. You may recall that the Governor in his State of the State address asked local governments to submit lists of projects that could be accelerated. The Bank has a list of hundreds of projects valued at billions of dollars that could be accelerated. We've also matched those projects within funding within the IIJA. I had a call two days ago for a water treatment plant out in Elko County that they need to help build some housing. We have not launched the application period yet so I don't want to go into specific projects, but we have hundreds of projects from local governments directly that could utilize this fund.

Senator Hardy:

That would equal billions of dollars?

Mr. Jimenez:

Yes.

Senator Hardy:

Can you name five of them?

Mr. Jimenez:

Yes. There's the G-20 Bridge in Lovelock, a very important project to Mayor Giles out there. There's the project in Elko County for the water/sewer treatment plant that I just mentioned. There are the Energy Efficiency Revolving Fund dollars which are coming through the IIJA. It's about $1.6 million that we're working with the Green Bank on figuring out if we could leverage those dollars further. There's the electrification of school buses that the Green Bank is working on as well that they need additional match-dollars for. There is a major project with the individuals that wrote the State Rail Plan and NDOT (Nevada Department of Transportation) and the Governor's Office of Economic Development to do about a $1 million award from the Bank that could be used to leverage, again, hundreds of millions of dollars in rail investment as well. If you'd like a list, Senator, I'm happy to send it to you.

Senator Hardy:

I would love a list. Thank you. Thank you, Mr. Chair.

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Chair Yeager:

Okay, we'll stay down here in Las Vegas for the moment. Do we have additional questions from Commission members? Assemblyman Roberts, please go ahead.

Assemblyman Tom Roberts (Assembly District No. 13):

Thank you, Chair. You just mentioned about you haven't opened the application process up. Is that waiting for these regs to be published before you do that?

Mr. Jimenez:

Thank you, Assemblyman. Absolutely. We're in a chicken-and-the-egg situation. After consulting with the Legislative Counsel Bureau and the Attorney General's Office, It was determined that the Bank needed to promulgate regulations to make investments in qualified projects since the statute itself sets forth that the Bank must establish a criteria for that. We cannot loan without the approval of these regs.

Assemblyman Roberts:

Thank you. Then, once these are approved, how quick would you open up the application process?

Mr. Jimenez:

Very, very soon. Our Board will meet—assuming the Legislative Commission promulgates this regulation, we will meet on Monday to formally adopt it. We are planning to do a bond issuance on April 27 or 28, and the application is ready for final approval at the next Board meeting. I would say within the next 30 days we'd be ready with dollars ready to come in the Bank and applications gone live for a queue projects.

Assemblyman Roberts:

Thank you very much. Thanks, Chair.

Chair Yeager:

Do we have further questions in Las Vegas? All right, I don't see further questions down here. We'll go up to Carson City. I know so far we have Assemblywoman Dickman and Senator Settelmeyer. Assemblywoman Dickman, if you want to lead off and then we'll go to Senator Settelmeyer and anyone else who might have a question.

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Assemblywoman Jill Dickman (Assembly District No. 31):

Thank you so much, Mr. Chair. Thank you, Mr. Jimenez. I just wondered if you—a lot of people don't understand what a PLA is, so could you explain exactly what a project labor agreement is and why it's in the best interest of Nevada taxpayers for us to be mandating this?

Mr. Jimenez:

Sure, and PLAs are defined in section 3 of the regulation, which references 29 U.S.C. § 158(f) (Agenda Item V-A). They are a pre-construction agreement for the labor on a particular project. Why they are important for our purposes: we have put some requirements in these regs in section 5 that projects should be completed 3 years after the financing decision is made from the Bank. One thing that project labor agreements do a very good job in is making sure that there are clear decisions and guidelines and agreements on labor within a particular project. That means the projects get done on time; that means projects get done on budget. It's very important for the financial stability of this Bank.

Assemblywoman Dickman:

Thank you. Is it okay if I do one quick follow-up?

Chair Yeager:

Yes. Please, go ahead.

Assemblywoman Dickman:

Thank you. My other question is, it doesn't seem to be very specific that the Bank can wave the PLA, and if we're okay with an off-ramp, why don't we just include the Biden exemptions, because I think 50 percent is a ridiculously low number requirement for Nevada employees.

Mr. Jimenez:

The off-ramp on the—so I understand your question—

Assemblywoman Dickman:

The off-ramp for the PLA.

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Mr. Jimenez:

The off-ramp for the PLA? Well, on section 18—this is a requirement based on an organization that we are leveraging funds on. The Interim Finance Committee approved $500 million in housing to build about 3,000 units. Yesterday—this is a separate bucket of funds—that PLA requirement is leveraging $20 million of general obligation debt to leverage $200 million in private pension fund capital to build about the same number of units in multi-family affordable housing. On section 18, we believe that's a requirement to leverage those funds. On section 20, the PLA requirement again, as I stated with Senator Hammond, we think it's going to be a requirement and we think the federal government's going to expect applicants to adhere to the standards that they've set forth in the executive order.

Assemblywoman Dickman:

Thank you, and thank you, Mr. Chair.

Chair Yeager:

Thank you. Senator Settelmeyer, if you want to go next, please.

Senator Settelmeyer:

Thank you, Mr. Chairman. I understand your belief that this is going to be a requirement, but why not just simply state that we will follow the federal requirement?

Mr. Jimenez:

Thank you for the question, Senator. After consultation with counsel, with the Infrastructure Bank Board and many of the stakeholders, this was the best path forward that—

Senator Settelmeyer:

I guess I disagree. Because you don't have a crystal ball, you can't guarantee it, so why not just say we will follow the federal requirements? I won't make you repeat your answer, so let me ask you another question. Of the 31 states that currently have infrastructure banks, how many of them have this mandatory PLA requirement?

Mr. Jimenez:

I am not aware of any that have the mandatory PLA requirement. However, in states like California, Massachusetts, Connecticut, Delaware, most of the time, the PLAs are the dominant form of construction agreements in those states.

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Senator Settelmeyer:

But in that respect, if we have 31 states that don't have mandatory PLA requirements, we're not putting ourselves at a competitive disadvantage by just saying we would follow the federal rule.

Mr. Jimenez:

Again, I think the 31 states that have infrastructure banks, most of those are defunct. We talked about this during the Legislative Session as well. There's really three states that are doing incredible work with their infrastructure banks: California, Florida, New Jersey.

Senator Settelmeyer:

Thank you, appreciate that. That even brings it up further then. If there's only three, we won't be at a competitive disadvantage, especially with how strong Nevada's NRS 338 is in regulation of contracts. All right, appreciate the answers. Thank you.

Chair Yeager:

Okay, do we have any other questions up in Carson City—actually, no, I take that back. I know that you have a question, Assemblywoman Krasner, but I just remembered we only have two members in Carson City and they both asked questions already, so we'll go next to Assemblywoman Krasner on Zoom. Please, go ahead.

Assemblywoman Lisa Krasner (Assembly District No. 26):

Thank you, Chair Yeager. Thank you, Mr. Jimenez. I've heard from multiple persons in the building and construction industry and they're very concerned. They're saying that these project labor agreements, or PLAs, are just political tools to funnel taxpayer-funded construction projects to labor unions, number one, and number two, they're saying that this will exclude more than 84 percent of the construction workforce from access to these projects, and I'm just wondering if you could please comment on that. Thank you.

Mr. Jimenez:

Yeah, thank you for the question, Assemblywoman. It's so nice to see you. I think it's important to note, despite what was said in some of the public comment, there is no union membership requirement in this regulation, in the plain text of this regulation. There's no union requirement for the completion or the signing of a project labor agreement, so a non-union contractor could commit to a project labor agreement—a union contractor, a signatory contractor could commit to that, those same things. I'm not really sure how to address that, in that I would disagree on the premise that this was just a union-facilitated tool.

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Assemblywoman Krasner:

Thank you.

Chair Yeager:

Okay, last call for questions on this regulation. Let me just take a look here in Las Vegas. I don't see anyone else with questions. If any of our three members up north have additional questions, just unmute and let me know. All right, I don't hear questions, so at this point I would be looking for a motion to approve R017-22 subject to the provisions of NRS 233B.0681.

SENATOR DENIS MOVED TO APPROVE REGULATION R017-22.

ASSEMBLYWOMAN JAUREGUI SECONDED THE MOTION.

Chair Yeager:

We will now open it up for discussion. We'll go first to Senator Hammond down here in Las Vegas.

Senator Hammond:

Thank you, Mr. Chair, and I do appreciate the work that's gone into this. Believe me, when we passed this, my name was on the bill when we created the Infrastructure Bank, so I was really interested in getting funding in there and some structure to it because I think it does have the potential to help out and really put some dollars into our infrastructure here and effort. I do like it. I like the charter portion of it, and I understand the AFL-CIO putting in money and the PLA agreement and that section of it as well. I just cannot get myself to go to a place where we already have—I think Senator Settelmeyer, he mentioned the statutes that we have now that really guarantee the ability to go to a PLA when it's needed and when it makes sense, so I think we already have that, and why we're not doing the reverse or trying to make sure we have competitive advantage and then bring a PLA in when it's needed, I think that that might be the avenue to go to. We wouldn't have to worry about the off-ramps and we wouldn't have to worry about the language that might come from the federal government. Because I can't get there—I just really like all the other stuff. I like this too; I just wish we could get rid of the language that says "must" have the PLA in there and change that language. For that reason, I'm just not going to be able to vote yes on the measure. Thank you.

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Chair Yeager:

Thank you, Senator Hammond. We'll stay down here in Las Vegas. Assemblyman Roberts, please.

Assemblyman Roberts:

Thank you, Chair. I had some concerns about the PLA language, and as I've talked to folks and from the testimony today, it seems that there's several off-ramps that are available and it's not necessarily union labor that has to be in the labor agreement. The other thing that I thought was very compelling in today's testimony is that we passed this infrastructure bill almost a year ago and we're still not up to the point where we're able to leverage those dollars and start projects. We have a bunch of people that have submitted them, and if we hold this up any longer, we could miss matching funds. I just believe that we're going to be behind the eight ball, and we need to be competitive. I think they put together a competitive regulation, and I really am impressed with the charter school portion. I know there's federal dollars that we could leverage that could actually multiply the amount of money that we're going to put into charter schools by maybe 10 to 1 or even more. I'd like to be competitive moving forward, so therefore I'm going to support this.

Chair Yeager:

Thank you, Assemblyman. Do we have further comments? Let's go to Assemblywoman Jauregui.

Assemblywoman Jauregui:

Thank you, Chair. I had concerns after meeting with stakeholders about the possibility of bringing in other state workers into Nevada. My goal is always to put Nevadans to work first, and after conversations with the Treasurer's Office and them walking me through the off-ramps that were available and knowing that Nevadans will always get the priority and always be put to work first, I am comfortable with voting for this measure, so I'm going to be happy to support it.

Chair Yeager:

Thank you. Anyone else down here in Las Vegas? Okay, I don't see further discussion here. Let's go up to Carson City. Either Senator Settelmeyer or Assemblywoman Dickman, if you have any discussion, now would be the time.

Senator Settelmeyer:

Thank you, Mr. Chairman. I appreciate that. It's obvious from the testimony that we had the ability to just utilize language stating that we'll follow the federal requirements, which

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would give us far more flexibility to go either direction depending on how the rules change or potentially how Congress changes in upcoming elections or how the rules change, and I think that flexibility would be the best way to ensure that Nevada is competitive. By doing this, we have set ourselves on a path that will not allow that. I realize that there's only three other states that have infrastructure banks now, thus we really don't need to worry about that level of competition. To me, the whole concept of a free market economy is based upon competition, and therefore I cannot support this piece. Thank you.

Chair Yeager:

Thank you, Senator Settelmeyer. Assemblywoman Dickman, do you have any discussion on this item before we vote?

Assemblywoman Dickman:

Yes, please. Just quickly, the 50 percent number, if we're putting roadblocks in the way of getting more than 50 percent of our workers on these jobs, that's the issue for me. If we could've made that a "may" instead of a "must," or as Senator Settelmeyer said, follow the guidelines, the federal guidelines, and have that kind of language, I would've loved to support it, but right now I just can't. Thank you.

Chair Yeager:

Thank you. Assemblywoman Krasner, any discussion?

Assemblywoman Krasner:

I'm just not—support this legislation as written. Thank you.

Chair Yeager:

Okay, thank you. Let's go to a final discussion point from Senator Denis down here in Las Vegas.

Senator Moises Denis (Senatorial District No. 2):

I just want to make a point. I know this issue of the Nevada workers has come up before, and I think it's a legal issue that we can't do much more than 50 percent, because we've had some issues across the country where they've tried to do it at a higher number and they were sued. So, I'm comfortable that we're trying to get as many Nevada workers without getting into a legal situation where we can't finish that. I'm good with the motion. Thank you.

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Chair Yeager:

Thank you, Senator Denis. Again, we have a motion and we have a second. We'll go ahead and take the vote.

THE MOTION PASSED (SENATORS HAMMOND, HARDY AND SETTELMEYER AND ASSEMBLYWOMEN DICKMAN AND KRASNER VOTED NO).

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Chair Yeager:

That regulation is approved by a vote of seven to five. Thank you, Committee members, for that robust discussion. I do believe that's going to be the longest agenda item today, so things should speed up a little bit from here. Up next is agenda item V-B, and we have 19 regulations submitted pursuant to NRS 233B.067 and 1 regulation submitted pursuant to NRS 233B.0675. These regulations are all posted on the Legislature's website under the tab for this meeting, which you'll find by hitting the "View Events" button in the upper-right corner of the homepage. As is our usual practice, I'm going to let you know the regulations I have been asked to hold for questions, and after we identify those, I'll ask Commission members if there are additional regulations you would like held for further discussion. Once we pull all those out, we'll take a motion and approve what remains, and then we will come back to those regulations that we pulled one at a time to discuss those.

Before we get started on that list, I did mention this at the beginning of today's meeting but I wanted to formally mention it now that we're under the correct agenda item, that there are two regulations that I'm going to defer. The first deferral is R088-20. That's the State Board of Health, a regulation establishing provisions relating to newborn screenings. That will be deferred to sometime in the future. It will not be discussed or voted on today. The second regulation is the very last one listed. That will be deferred. That's R053-20, the Division of Industrial Relations of the Department of Business and Industry, a regulation requiring employers to provide employees with certain protections against heat-related illnesses. Those two will not be considered.

Now, let me get back to the regulations that have been identified to be pulled for further discussion, and I'll take them from the top of the list (Agenda Item V-B). As of right now, I just have two that have been asked to be pulled, and the first one is R025-21. Again that's R025-21. That's the State Board of Pharmacy regulation relating to Senate Bill 408. The next one is the very next regulation listed on the regulation list, R031-21, from the Public Utilities Commission of Nevada (PUCN). Those are the only two that I have been asked to pull for discussion, but I want to give Commission members a chance if there

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are other regulations you'd like to have pulled and discussed. We'll start here in Las Vegas. Any members who would like additional regulations pulled beyond the two that I mentioned? I'll give you all a second to look at that list, because I know there's a few of them on there. Okay, I'm not seeing anyone in Las Vegas asking for other regulations to be held. We'll go up to Carson City. Senator Settelmeyer, Assemblywoman Dickman, Assemblywoman Krasner, any additional regulations you'd like pulled for discussion beyond those two?

Senator Settelmeyer:

Mr. Chairman, I believe that it'd been requested earlier, unless Doc no longer has a question on R031-20, for you to pull that one for discussion.

Chair Yeager:

Thank you, Senator Settelmeyer. I think I did mention that we're going to pull that one, R031-21, Public Utilities Commission, so that one is on the discussion list.

Senator Settelmeyer:

Mr. Chairman, I believe he also wished R031-20 as well as R031-21.

Chair Yeager:

Oh, did I mention the wrong number? Okay, let me make sure I get this right. I'm going to give the two again that we are pulling: R025-21, which is the State Board of Pharmacy. That's the first one we're pulling, and the second one is R031-21, which is the Public Utilities Commission of Nevada. Okay.

Senator Settelmeyer:

Mr. Chairman, could I please pull R031-20, also from the Public Utilities Commission?

Chair Yeager:

Okay, I understand now. There's a lot of numbers on this agenda today. We'll pull R031-20, Public Utilities Commission of Nevada, as well. Sorry for the confusion on that. It's been a long week. Any other ones?

Senator Settelmeyer:

Mr. Chairman, if there's no other regulations, would you like a motion?

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Chair Yeager:

Please, if you'd be willing to make a motion, I'd appreciate it, Senator.

SENATOR SETTELMEYER MOVED TO APPROVE REGULATIONS R049-20, R069-20, R074-20, R086-20, R099-20, R108-20, R157-20, R178-20, R180-20, R039-21, R040-21, R045-21, R049-21, R067-21 AND R076-21.

ASSEMBLYWOMAN MONROE-MORENO SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

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Chair Yeager:

All of those regulations have been approved, and now we'll come back to consider the three regulations that were pulled off the list for discussion. We'll start at the top. Let's go ahead and start with R031-20. That's the Public Utilities Commission of Nevada, a regulation revising provisions relating to operator reports on sub-surface installations. I'm not entirely sure who we have here. It looks like there might be somebody at the table in Carson City. Who would like to ask a question on this one? Senator Settelmeyer, did you have a question on this one?

Senator Settelmeyer:

I originally thought that Senator Hardy had requested this one to be discussed. If I'm incorrect, I do apologize.

Chair Yeager:

We shall see.

Senator Hardy:

That's the beauty of getting less young, I can't remember my question anyway.

Chair Yeager:

Okay, so I don't think Senator Hardy has a question, but does anyone else have a question on the regulation while we have it pulled? Okay, I don't see questions, so I would take a motion to approve this one.

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SENATOR SETTELMEYER MOVED TO APPROVE REGULATION R031-20.

ASSEMBLYWOMAN MONROE-MORENO SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

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Chair Yeager:

That will take us next to the second regulation that we pulled, and that's R025-21 from the State Board of Pharmacy (Agenda Item V-B). This is a regulation implementing requirements of Senate Bill 408 relating to applicants and licensing. I believe Senator Hardy has a question on this one, so please go ahead.

Senator Hardy:

Thank you, Mr. Chair. I just want to make sure, because every time I see the word written "euthanasia," I want to make sure that doesn't deal with anybody human.

Dave Wuest (Executive Secretary, Board of Pharmacy):

Dave Wuest, the Executive Secretary of the Board of Pharmacy, and yeah, these are—we have just a handful of them, and they're for animals. We're just clarifying the drugs that they could be able to have so they couldn't have other controlled substances. Thank you for your question, and thanks for working so late on a Friday.

Chair Yeager:

Senator Hardy, any other questions on that one? Would you like to make a motion to approve?

SENATOR HARDY MOVED TO APPROVE REGULATION R025-21.

ASSEMBLYWOMAN MONROE-MORENO SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

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Chair Yeager:

That'll take us next to the third regulation that was pulled and that is R031-21 (Agenda Item V-B). That's the Public Utilities Commission of Nevada, a regulation relating to discounted electric rates that an electric utility shall charge, and this comes out of Senate Bill 448 in the 2021 Session. Senator Hardy, did you have a question on this one?

Senator Hardy:

Yes, I did. Thank you, Mr. Chair. If I may? My question basically is, we're looking at, as I understand it, new businesses having a utility break in their costs. My simple question is, if we recognize that coming out of COVID, for instance, and having all of the challenges that we've had with businesses, is this something that this discounted rate could be applied to, or should be applied to, other businesses that in essence have to reinvent themselves and are thus new businesses? Thank you.

Sam Crano (Utilities Hearing Officer, Public Utilities Commission of Nevada):

Thank you, Senator. I'm the Hearing Officer with the Public Utilities Commission. That is an interesting idea. I think the statutes would have to be changed further for that. Right now it is only applicable per statute to new businesses, and they have to go to the Governor's Office of Economic Development and get a letter from them, and then they bring it to us and they qualify and we set up the discount with the electric utility through that. So, the statute would have to change. I think, just based on the definition of "new business" that's in there, I don't know if they reformulated their—I don't want to give unsolicited legal advice. At this point, the statute defines "new business" and I don't think that that's an area that would fit, but I don't see why it couldn't be if the statute were changed. Thank you.

Senator Hardy:

Mr. Chair? If I could go after your unsolicited legal advice, I would say to a business that has struggled and needs to reinvent themselves—they changed their logo, they changed their affiliation in some way with the Secretary of State, do they become a new business or do they have to go through hoops to qualify for the business development arm of the state to qualify?

Mr. Crano:

That's probably a better question for the Governor's Office of Economic Development, but I would think they might need to be a new legal entity, form a new LLC (limited liability company) or something like that. Again, I'm not a corporate lawyer, and this legal advice is worth everything you're paying for it, which is nothing—just wanted to make that clear—but I think if it were a new legal entity, it could apply to the State Office of Economic

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Development. Whether or not they issue the letter we need to fund it is up to them, and I have no control over that. Thank you.

Senator Hardy:

Mr. Chair, thank you. Appreciate the frankness of your reply. I'm sitting next to an attorney who works for some of the legal arm of the government and wondering if the legal arm of the government could have some power exertion on the executive branch of the government to have a business say, "I'm now out of business, and tomorrow I'm in another business," and thus they would qualify.

Chair Yeager:

I think we have Mr. Killian available somewhere—not in Las Vegas, either in Carson City or online—so we can throw that question over to him.

Asher Killian (Chief Deputy Legislative Counsel, Legal Division, Legislative Counsel Bureau):

Thank you, Mr. Chair. The relevant requirement is in NRS 704.7876, which requires for a business to be eligible to receive this kind of incentive, it must locate or intend to locate a new commercial or industrial business in this state, and then there's a requirement that the Office of Economic Development determine that the applicant has demonstrated that they will be, or intend to be, a new commercial or industrial customer of an electric utility in this state. It's difficult to speculate on whether particular changes of form of business would be sufficient to satisfy that requirement. The statute pretty plainly expresses an intent that this is supposed to be an incentive to encourage new businesses to come to this state. In the absence of any precedent, I wouldn't want to speak for what the courts may conclude, but the intent of this section seems to be to solicit new business rather than to encourage existing businesses to go through arcane reorganizations to qualify.

Senator Hardy:

Thank you. Were you describing me or the business?

Chair Yeager:

Okay. Any additional questions on R031-21? If so, just let me know in some fashion.

SENATOR HARDY MOVED TO APPROVE REGULATION R031-21.

ASSEMBLYWOMAN MONROE-MORENO SECONDED THE MOTION.

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THE MOTION PASSED UNANIMOUSLY.

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Chair Yeager:

Thank you to those who joined us to answer those questions on the regulations here this afternoon. I think that takes us through agenda item V-B, and that means we have arrived at agenda item VI, which is a summary of audit reports submitted to the Legislative Commission's Audit Subcommittee pursuant to NRS 218G.240 and 6-month audit reports. I think we have our Legislative Auditor, Mr. Dan Crossman, in Carson City to present these items, and so we'll go ahead and give him a chance to do that and then we'll have questions. Please, go ahead.

Daniel Crossman (Legislative Auditor, Audit Division, Legislative Counsel Bureau):

Good afternoon, Chair Yeager and members of the Commission. Under agenda item VI-A, you'll see a letter from Assemblywoman Jauregui, Chair of the Audit Subcommittee, indicating that on March 22 of 2022, a meeting of the Audit Subcommittee of the Legislative Commission was held in which four reports were presented and accepted by the Subcommittee (Agenda Item VI-A). During that meeting, we presented a summary of the audits to the Subcommittee. We answered questions of the Subcommittee members. Representatives from agencies provided remarks and answered questions as well. Today, in the interest of time, I'll briefly go over the key findings from those reports. I did want to note that our full reports are available on our website, as you all know, where there's many more details and additional information on our findings and recommendations. Additionally, if any of the members of the Commission desire to have us discuss in greater detail any of these reports, we'd be happy to meet with you at any time. We're also available to present any of these reports to any of the interim committees if desired.

Turning to the next page is a summary for the audit of the Department of Health and Human Services' Division of Child and Family Services, "Management of Maltreatment Reports and Child Health." The purpose of this audit was to evaluate whether the Division adequately ensured the safety and welfare of children for certain Division activities, including maltreatment report response and the supervision of medical care of children in state custody. We found that the Division did not completely process certain maltreatment reports and was unaware some reports lacked supervisory review. In addition, Division staff and management did not always employ adequate report recordkeeping practices and had the opportunity but did not complete some investigations in response to certain maltreatment reports. Furthermore, the Division could enhance its processes by assessing comprehensive Medicaid claims of children in state custody to identify injuries or medical conditions or evaluations indicating potential abuse and neglect. Effective

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management of the maltreatment reports and incidents is critical to ensuring the safety of children.

We also found that the Division could improve its monitoring of health care for children in state custody. For instance, the Division did not always ensure that children received the required preventative health care and dental care—visits and they were not properly documented in UNITY (Unified Nevada Information Technology for Youth). In addition, the Division's prescribed health care schedule for children in state custody was not updated to align with medical standards. Maintaining complete records of health care for children in state custody facilitates continuity of care and supports the welfare of children. For this audit we made 11 recommendations, which the Division accepted and is actively implementing.

Turning to the next page in the packet is the summary of our review of governmental and private facilities for children (Agenda Item VI-A). This report includes the results of our work at 20 different children's facilities. In 5 of the 20 facilities, we identified certain health, safety and/or welfare issues and, as a result, contacted their respective licensing agency to share our concerns. As a result of our reviews and based on the licensing agencies' actions, one facility was eventually closed, one facility's license was revoked, and in the three other cases, corrective actions were taken for the facilities and homes to ensure that standards of care were adequate and being met. During this last year, our processes included remote surveys of facilities due to the COVID restrictions. In most cases, we followed up those surveys with in-person observations. Once the safety restrictions associated with COVID-19 were eased, the combination of those surveys and observations equate to what we consider to be an inspection of a facility. Additional details on this report are available on our website.

Turning to the next page is our summary of the audit of the Department of Corrections entitled "Use of Force." The purpose of this audit was to evaluate the Department's processes over use-of-force reporting and certain related activities. We found that the Department needs to enhance processes over the review and investigation of use-of-force allegations and incidents. For instance, inmate grievances alleging excessive use of force were not always adequately reviewed by the Inspector General's Office. In addition, review panels were not always convened to determine if the use of force was appropriate and justified. When convened, review panels were often untimely. Proper review of inmate grievance allegations and investigation of the use-of-force incidents help ensure that the Department is complying with the requirements to provide a safe and humane environment free of cruel and unusual punishment.

Next, we found that prospective officers worked in the Department's facilities without adequate training or supervision prior to completing POST training, or Peace Officers' Standards and Training Academy. Additionally, better tracking is needed to ensure refresher and weapons training for certain peace officers is up to date. Finally, the Department needs to routinely review administrative regulations to ensure that changes in legislation are being incorporated into their regs. Proper training and accurate

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regulations are necessary to ensure officers only use force in the appropriate circumstances to both protect peace officers and inmates and to ensure compliance with state and federal laws.

Finally, we noted that the Department spent about $192,000 on a body camera program that has not been implemented. As a result, the Department did not collect and report incident data or develop performance measures, which were requested by the Legislature, regarding the effectiveness of this monitoring equipment. Based on our findings in this report, we issued 16 recommendations to the Department, which they accepted and are actively working on.

Last, on the next page, we included in the packet the information security audit of the Department of Health and Human Services' Division of Health Care Financing and Policy. The purpose of this audit was to determine if the Division has adequate controls to ensure user access controls protect its sensitive information and monitor its MMIS (Medicaid Management Information System) change management process. We found background investigation processes at the Division could be strengthened. Specifically non-Division state employees and Division information technology contractors were given access to MMIS without verifying or documenting a background check was completed. In addition, some fiscal agent employees' user accounts were enabled before the Division received background check investigation information. Finally, new-hire Division employees also were given access to MMIS prior to submitting their background check packet. Background check investigations are important to reduce the risk of sensitive data being accessed by disreputable individuals. The Division could also improve how it actively manages MMIS's user controls. Specifically, the Division does not ensure that MMIS access is still needed for non-Division state employees. In addition, the Division does not ensure that user accounts of former state employees and its fiscal agent are disabled timely. Finally, the Division does not also ensure documentation used to authorize user MMIS access is complete or reviewed periodically. Accounts still valid after a user leaves an enterprise makes it easier for an external or an internal threat factor to gain unauthorized access to enterprise data using someone's valid user credentials.

On a positive note, we found that the Division's Medicaid Management Information System, or MMIS—I've been using that acronym—the enhancement process is effective in ensuring that changes to the system are prioritized and completed. A documented change management plan is utilized and monitored. In addition, the Division monitors hours charged to individual enhancement projects. Proper management of this process helps ensure that changes to the MMIS meet the needs of the project stakeholders and align with available resources. For this audit we issued six recommendations, and they were accepted by the Division of Health Care Financing and Policy.

As a reminder, we're available any time to meet and discuss any of these in more detail as needed. That would conclude my summary of the audit reports that we issued on March 22 of this year. As noted in the cover letter, the Audit Subcommittee recommends that the Legislative Commission accept these four reports. Thank you.

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Chair Yeager:

Thank you for that presentation. Appreciate that. Are there any questions from Committee members? Assemblyman Roberts, please.

Assemblyman Roberts:

On the follow-ups that are recommended by LCB on these reports, what is the process for when they return their recommendations, and when will we be briefed on their completion of those recommendations?

Mr. Crossman:

Assemblyman Roberts, there's actually a rather robust process for follow-up. I'll just quickly run through that. Sixty days after the reports have been issued, the agencies are required to submit a plan of corrective action that details in some cases what they've already done and what the long-term plans are and timelines for completing that information and correcting those findings. Six months after that 60-day plan is due, the Governor's Finance Office, their Division of Internal Audits is required to go out and to review the status of implementation. They do issue a report to our office. We then review that, and then we'll provide that information to a future Audit Subcommittee meeting, where we then brief them on the status of those recommendations. But today, the next agenda item, VI-B, will be a high-level summary of—I won't go into detail on the actual recommendations, but we present a summary of the status of those after that 6-month report has been completed. As far as follow-up, within the Audit Subcommittee, often if recommendations are not completed after that 6-month report, we will ask them to return again to future Subcommittee meetings and provide additional detail until the recommendations have been satisfied to the satisfaction of the Chair of the Audit Subcommittee as well as my office.

Assemblyman Roberts:

Thank you very much for the explanation. I probably should already know that, but I just wanted to kind of get an idea for the timeline. So, for the Department of Corrections' report specifically is what I'm concerned about. There's some alarming things in it. We should hear back something in the next—that report was at least probably 3 weeks ago roughly, so maybe 4 or 5 months we should be hearing back on the completion of those, roughly?

Mr. Crossman:

The schedule for the 60-day plan is 60 working days, and so it actually falls on June 15 is when that plan is due, and then 6 months after that would take us to December of 2022 for the 6-month report.

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Assemblyman Roberts:

Okay, copy. Thank you, appreciate it.

Mr. Crossman:

Thank you.

Chair Yeager:

Thank you. Do we have any other questions on, I guess this is agenda item VI-A? Assemblywoman Krasner, please.

Assemblywoman Krasner:

Thank you, Chair Yeager. I just wanted to say to Mr. Crossman, thank you so much for your thorough deep dive and audits and sharing your findings with us. I can't tell you how much I appreciate the work that you do, so thank you.

Chair Yeager:

Thank you, Assemblywoman Krasner. Any additional questions on item VI-A? Okay, before we approve those, Mr. Crossman, I think it would make sense to have you just do that high-level overview of item VI-B, and then we can take a motion to accept both item VI-A and VI-B. So, if you want to proceed with that, please?

Mr. Crossman:

Thank you, Chair. Under agenda item VI-B, you'll see another letter from Assemblywoman Jauregui, Chair of the Audit Subcommittee, which indicates that 10 6-month reports were reviewed at our last meeting on March 22 (Agenda Item VI-B). The letter shows the implementation status of those recommendations, noting that 72 of 81 recommendations were fully or partially implemented as assessed by the Division of Internal Audits. On the following page is a schedule that shows an update to those recommendations as of March of 2022. Prior to our meeting, we reevaluated and followed up with those agencies, and you'll see that a few more of those recommendations were fully implemented. We will continue to monitor the status of every recommendation until it is successfully remedied. That's one of the things we enjoy doing and following up with agencies because, like you, when we put our effort into making constructive changes, we want to see results eventually. Based on the process we have and working together with the state agencies to ensure that our recommendations are feasible and realistic, we expect to have all recommendations eventually fully implemented, even if it takes a little time. In some cases, as you'll see on the schedule, there's a couple that show no action, and in those cases it is generally an agency that is in the process of making a change to a system that would require some additional time so that additional controls or corrective

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measures can be taken to fully implement the recommendations. With that, I'll note that on the cover letter, the Audit Subcommittee does recommend that these 10 6-month reports be accepted by the Legislative Commission. Thank you.

Chair Yeager:

Thank you. Any questions, Commission, on the 6-month reports under agenda item VI-B? Okay, I don't hear questions. Before I take a motion to approve, I did want to repeat the comments of Assemblywoman Krasner. I think our Legislative Auditor and our Audit Department does an incredible job, so just thank you for the work you do. I remember when I was first elected, I would get the email with those reports, and frankly I didn't really know what they were, but now that I've had a little more time behind me, I think it's one of the most valuable things that we do at LCB because they can be the eyes and ears of what's going on in some of these agencies. As Assemblyman Roberts noted, it's particularly disturbing when we fund a project and it doesn't get implemented at a state agency, and we're just not able to know that all the time, so want to thank you for the work that you do, and then wanted to recognize the members of our Legislative Commission Audit Subcommittee because, as was noted, Assemblywoman Jauregui is the Chair of that Subcommittee. Also on the Committee are Assemblywoman Brittney Miller, Assemblywoman Jill Dickman, Senator Marilyn Dondero Loop and Senator Scott Hammond. They meet when we're not meeting to get these reports approved and sent over to us, so I want to recognize them and thank them for the work that they do to make this happen and make sure our state government is working the way that we intend. With that being said, I would be looking for a motion to approve the reports presented under item VI-A and B.

ASSEMBLYWOMAN KRASNER MOVED TO APPROVE THE SUMMARY OF AUDIT REPORTS PRESENTED TO THE LEGISLATIVE COMMISSION'S AUDIT SUBCOMMITTEE AND THE SUMMARY OF 6-MONTH STATUS REPORTS ON THE IMPLEMENTATION OF THE AUDIT RECOMMENDATIONS BY THE LEGISLATIVE AUDITOR AS SUBMITTED TO THE LEGISLATIVE COMMISSION'S AUDIT SUBCOMMITTEE.

SENATOR DENIS SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

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Chair Yeager:

Again, thank you, Mr. Crossman, and thank you, Assemblywoman Jauregui, for your work chairing the Audit Subcommittee. Okay, that takes us to our next agenda item, which is item VII. This is the consideration of a Legislative Commission Resolution celebrating the sister-state relationship between the State of Nevada and Taiwan, and our LCB Director, Ms. Erdoes, will present this item. Please, go ahead.

Brenda Erdoes (Director, Legislative Counsel Bureau):

Thank you, Mr. Chair. I think most of you are aware of the periodic resolutions that the Legislature during session will enact and then also those that are done by the Legislative Commission during the interim. This particular resolution highlights the contributions that Taiwan made to the COVID-19 pandemic both globally and to Nevada of a lot of equipment and other things that really helped out during that time (Agenda Item VII). Also, there was a recent Taiwan and US initiative on education, so that is highlighted here as well. The resolution also includes the history of the sister-state relationship. I'm happy to answer any questions about it before you approve.

Chair Yeager:

Thank you, Ms. Erdoes. Members, you do have a copy of that Legislative Resolution on your desk, at least, I think. We have them down here in Las Vegas and hopefully up in Carson City as well. Assemblywoman Krasner, it might be online if you want to take a look at that. But it has been vetted to be in line with what we've done in the past. Before we take a motion, would just ask if there are any questions from Committee members on this particular item. Just so you know as well, I think the plan is, if we approve this, we'll—probably myself and probably Senator Hammond, who has in the past—we will present this to the appropriate officials probably later this month. They wanted to be here today but could not be here in person, so we're going to find a time to do that probably later in April. Okay, I don't see any questions, so I would be looking for a motion to approve.

SENATOR HAMMOND MOVED TO APPROVE THE RESOLUTION CELEBRATING THE SISTER-STATE RELATIONSHIP BETWEEN THE STATE OF NEVADA AND TAIWAN.

SENATOR DENIS SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

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Chair Yeager:

Thank you, Commission members. We are almost to the end of this agenda. We're going to go next to agenda item VIII, which is a report from our General Counsel, Kevin Powers, regarding litigation. As you can see on the screen, Mr. Powers is joining us virtually today to present this item. Mr. Powers, we'll give you a chance to present, and then I'm sure there will be some questions. So, thanks for joining us, and please proceed.

Kevin Powers (General Counsel, Legal Division, Legislative Counsel Bureau):

Thank you, Mr. Chair. We have seven cases to report on this afternoon. The first two cases involve the two-thirds majority requirement in the Nevada Constitution, and in both of these cases, actions have occurred that have ended the litigation in each case. Starting off with *Morency v. State Department of Education*, Nevada Supreme Court case 81281, the plaintiffs challenged the constitutionality of Assembly Bill 458 of the 2019 Regular Session. That bill revised the amount of tax credits that are available under the Nevada Educational Choice Scholarship Program. On October 7, 2021, the Nevada Supreme Court issued a published opinion in this case, which is reported at 137 Nevada Advance Opinion 63. The Court held that AB 458 was not subject to the two-thirds majority requirement. Specifically, the Court determined that AB 458 did not create, generate or increase public revenue for the purposes of that requirement because the total public revenue collected under the Modified Business Tax had not changed. Instead, the bill just simply redirected existing funds previously designated for one specific use, the Nevada Educational Choice Scholarship Program, and redirected those funds back to the State General Fund. Therefore, the Court found that there was no increase in public revenue that required a two-thirds supermajority vote. On October 25, 2021, the plaintiffs filed a petition for a rehearing with the Nevada Supreme Court. On December 23, 2021, the Nevada Supreme Court denied plaintiffs' petition for rehearing, and the case is now closed.

The next case involving the supermajority requirement is *Legislature of the State of Nevada v. Settelmeyer*. That's Nevada Supreme Court case 81924 and Nevada Supreme Court case 83597. In the underlying litigation, the Nevada Supreme Court found that Senate Bill 542 and parts of Senate Bill 551 in particular were unconstitutional because they were passed without the required two-thirds vote under the supermajority requirement. The Supreme Court issued that decision in reported case 137 Nevada Advance Opinion 21. After the Nevada Supreme Court's decision, the case returned to the Carson City District Court. The District Court awarded the plaintiffs attorney fees and costs against the Department of Taxation and the Department of Motor Vehicles. The Departments appealed the award of attorney fees and costs through the Nevada Supreme Court. While that appeal was pending, the parties agreed to a stipulation dealing with the refund procedure for the DMV technology fees, and as the Commission heard earlier in today's meeting, the DMV is proceeding with the refund of those technology fees. At the same time that the parties were dealing with the refund of the DMV technology fees, they entered into a settlement agreement with regard to the amount of the attorney

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fees. The District Court had awarded $169,621 in attorney fees to the plaintiffs. In the settlement agreement, the parties agreed to reduce the amount of attorney fees to $150,000 and to dismiss the appeal. On March 8, 2022, the State Board of Examiners approved the payment of the attorney fees under the settlement agreement, and on March 25, 2022, the Nevada Supreme Court dismissed the appeal, so this case is now closed.

The next cases to report on are the ones involving challenges to state legislators holding positions of public employment with the state executive branch and with local governments. Those cases are *State of Nevada v. Eighth Judicial District Court (Plumlee)*, case number 82236, and S*tate of Nevada v. Eighth Judicial District Court (Molen)*, case number 82249. On September 9, 2021, the Nevada Supreme Court heard oral arguments in those cases and the parties are still awaiting a decision from the Nevada Supreme Court. The other case involving that same issue, that the state legislators are being alleged to be prohibited by the separation of powers provision from holding positions of public employment with the state executive branch and local governments, is *Nevada Policy Research Institute v. Cannizzaro*, Nevada Supreme Court case number 82341. In this case, the District Court held that NPRI (Nevada Policy Research Institute) lacks standing to bring its constitutional claims. On November 3, 2021, the Nevada Supreme Court heard oral arguments in the case and the parties are awaiting a decision.

The next case to report on is *Killebrew v. State of Nevada*. That's Nevada Supreme Court number 83830. This case involves SB 512 of the 2017 Legislative Session, which amended and revised the statutory authority of the State Land Registrar to charge fees for the use of piers and mooring buoys or similar devices for mooring vessels in the navigable bodies of water in this state. Under the statutory authority of SB 512, the State Land Registrar promulgated regulations with annual use fees, and that regulation, designated LCB File Number R167-18, was approved by the Legislative Commission. The petitioners filed their petition for declaratory relief challenging the validity of the annual use fees in the District Court. LCB Legal filed an amicus brief on behalf of the Legislative Commission defending its approval of the regulation and the annual use fees against several constitutional and statutory challenges. On October 19, 2021, the District Court upheld the regulation and the annual use fees. The petitioners filed an appeal with the Nevada Supreme Court. Their opening brief on appeal is due on April 11, 2022. Pursuant to its authorization in this case, LCB Legal will be filing an amicus brief on appeal on behalf of the Legislative Commission arguing in favor of affirmance of the District Court's decision.

The next case to report on is *Nevada Hospital Association v. State of Nevada*. This case is in the First Judicial District Court in Carson City. In this case, plaintiffs challenged the constitutionality of section 20.9 of SB 329 of the 2021 Regular Session, which prohibits providers of health care from including certain anti-competitive contractual provisions in their contracts with third-party health care coverage providers. The plaintiffs filed a motion for a preliminary injunction and the state defendants and the Legislature filed motions to

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dismiss. On March 10, 2022, the District Court upheld the challenged provisions of SB 329 and granted the state defendants' and the Legislature's motions to dismiss. The plaintiffs now are in a period of determining whether or not to file a notice of appeal with the Nevada Supreme Court. They have not done so yet, but they still have time to file such an appeal, and it is likely that the plaintiffs will file such an appeal with the Nevada Supreme Court.

The final case to report on is a new case that we have not reported on in the past. It is *Koenig v. State of Nevada* in the First Judicial District Court, Carson City. In this case, the plaintiffs challenged the constitutionality of SB 1 of the 33rd Special Session held in November of 2021. SB 1 is the redistricting bill which revised the legislative districts for the election of members of the Legislature following the 2020 United States census. Under the authority of SB 1, the Chair of the Legislative Commission directed the LCB Director to contract with the services of outside legal counsel to represent the Legislature in this redistricting litigation. LCB contracted with attorneys for the law firm of Wolf, Rifkin, Shapiro, Schulman and Rabkin to provide such legal representation on behalf of the Legislature. After entering into the contract, outside legal counsel filed a motion to intervene on behalf of the Legislature. The plaintiffs in the case filed a motion to disqualify outside legal counsel from representing the Legislature. Those motions are still pending before the District Court. In the meantime, the plaintiffs also filed a motion for preliminary injunction to enjoin the state from using the new legislative districts enacted by SB 1 in the 2022 election cycle. On March 24, 2022, the District Court denied the plaintiffs' motion for preliminary injunction. As a result, unless the plaintiffs seek and obtain appellate relief, the new legislative districts enacted by SB 1 will govern during the 2022 general election cycle and the primary election as well. That covers the legislative report for those seven cases. Mr. Chairman, I'm certainly open to any questions. Thank you.

Chair Yeager:

Thank you for that report, Mr. Powers. We'll open it up for questions. Any questions down here in Las Vegas? I don't see questions in Las Vegas. I'll hand it up to Carson City. Senator Settelmeyer, Assemblywoman Dickman, any questions for Mr. Powers? How about Assemblywoman Krasner, any questions? I think you might be getting off easy this time, Mr. Powers. Doesn't look like we have any questions for you, but certainly appreciate the update, and thank you for sticking with us through a late meeting on Friday. Thank you again, and hope you have a great weekend.

Okay, that will take us through agenda item VIII, which was the litigation report. That means we have arrived at the second to last agenda item, agenda item IX, which is public comment. As noted, this is our second period of public comment. I will note that we don't appear to have anybody left here in Las Vegas other than legislators and legislative staff. I don't know if we have anyone in Carson City, but I will open it up for public comment. If there is somebody in Carson City who'd like to give public comment, please come to the table, and then we'll go to the phones to see if there's any public comment. If someone up there could let me know if there's anyone coming to the table, that would be helpful.

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Assemblywoman Dickman:

There isn't anyone.

Chair Yeager:

I don't think anyone's with us still this late. I don't see any in-person public comment. BPS, could we go to the phone lines to see if there's anybody on the phone who'd like to give public comment?

Unidentified Commenter:

Yes, hello. I'm a registered voter in Nevada here, been in Washoe County since the 1970s. I'm calling to comment on this legislative issue regarding newborn screening of blood samples, and I want to oppose this. I just joined the meeting. I just learned about this meeting and I believe there needs to be—this does not need to be legislation. This should be an optional choice for parents, and we do not need to be collecting DNA samples of all the babies born in Nevada. This is an outrage to me, and especially since there is no real, satisfactory opt-out clause. There's nothing clear in it that's an opt-out clause. There should at least be religious and philosophical exemptions at the least. However, I'm opposed to making this any kind of mandatory issue whatsoever. Keep out of our babies' lives. When we need your help, we'll ask for it. It would be great to have it as an option if parents so desire to have their baby tested for genetic issues or whatever it may be, but why does the state need to mandate this kind of an issue? This is pure overreach. You people need to get a clue and get out of our lives, get out of our—you have no right to reach into our bodies and extract our babies' blood. It's appalling that you would even consider such an issue as a law. Thank you.

Chair Yeager:

Thank you for your public comment. BPS, do we have anyone else on the line who'd like to give public comment?

Broadcast and Production Services Staff:

Chair, there are no more callers wishing to give public comment at this time.

Chair Yeager:

Thank you so much, BPS. Before we adjourn, I just wanted to recognize that it's been a long week and many of the members on this Committee have had long meetings. We had IFC yesterday, and many of us were there, but I wanted to recognize Senator Harris, who I think maybe has had the worst schedule of all of us with a marathon IFC yesterday, flight delays on the way home, Judiciary most of today and then capping it off with Legislative Commission. Thank you, Senator Harris, for your service.

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Senator Dallas Harris (Senatorial District No. 11):

It’s a pleasure to serve, Chair. Thank you.

Chair Yeager:

I want to recognize our staff, of course, as we try to get this back to in-person and Zoom and phone. We really appreciate all that you’re doing, and it sure is good to see all of you in person here in Las Vegas. With that being said, it’s almost 5 p.m. on Friday, so I hope you all have a wonderful weekend. I’m sure we will see you soon. Until then, this meeting is adjourned.

RESPECTFULLY SUBMITTED:

_____
Jordan Haas, Secretary

APPROVED BY:

_____
Assemblyman Steve Yeager, Chair

Date: _____

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Agenda Item	Witness/Agency	Description
Agenda Item III	Jordan Haas, Commission Secretary	Draft Minutes of the Meeting Held on February 28, 2022
Agenda Item V-A	Bryan Fernley, Legislative Counsel	R017-22 for Early Review
Agenda Item V-B	Bryan Fernley, Legislative Counsel	Administrative Regulations for Review
Agenda Item VI-A	Dan Crossman, Legislative Auditor	Summary of Audit Reports Presented to the Audit Subcommittee
Agenda Item VI-B	Dan Crossman, Legislative Auditor	Summary of 6-Month Status Reports on the Implementation of the Audit Recommendations by the Legislative Auditor as Submitted to the Audit Subcommittee
Agenda Item VII		Resolution Celebrating the Sister-State Relationship Between the State of Nevada and Taiwan

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