

MINUTES OF THE APRIL 7, 2022
MEETING OF THE
INTERIM FINANCE COMMITTEE

Chair Chris Brooks called a regular meeting of the Interim Finance Committee (IFC) to order at 9:40 a.m. on April 7, 2022, online, and in Room 4100 of the Legislative Building, 401 South Carson Street, Carson City, Nevada.

COMMITTEE MEMBERS PRESENT:

Senator Chris Brooks, Chair
Assemblywoman Maggie Carlton, Vice Chair
Senator Nicole Cannizzaro
Senator Moises Denis
Senator Marilyn Dondero Loop
Senator Pete Goicoechea
Senator Scott Hammond
Senator Dallas Harris
Senator Heidi Seevers Gansert
Senator Don Tatro
Assemblywoman Teresa Benitez-Thompson
Assemblywoman Michelle Gorelow
Assemblyman Gregory Hafen
Assemblywoman Sandra Jauregui
Assemblyman Glen Leavitt
Assemblywoman Brittney Miller
Assemblywoman Daniele Monroe-Moreno
Assemblywoman Sarah Peters
Assemblyman Tom Roberts
Assemblywoman Robin Titus
Assemblywoman Jill Tolles
Assemblyman Howard Watts
Assemblyman Steve Yeager for Assemblyman Frierson

COMMITTEE MEMBERS EXCUSED:

Assemblyman Jason Frierson

LEGISLATIVE COUNSEL BUREAU STAFF PRESENT:

Brenda Erdoes, Director, Legislative Counsel Bureau
Wayne Thorley, Fiscal Analyst, Senate
Sarah Coffman, Fiscal Analyst, Assembly
Alex Haartz, Chief Principal Deputy Fiscal Analyst
Brody Leiser, Chief Principal Deputy Fiscal Analyst
Bryan Fernley, Legislative Counsel
Eileen O'Grady, Chief Deputy Legislative Counsel
Jessica Dummer, Deputy Legislative Counsel
Cheryl Harvey, Fiscal Analysis Division Secretary
Tom Weber, Fiscal Analysis Division Secretary

EXHIBITS:

- [Exhibit A:](#) Meeting Packet - Volume I
- [Exhibit B:](#) Meeting Packet - Volume II
- [Exhibit C:](#) Meeting Packet - Volume III
- [Exhibit D:](#) Meeting Packet - Volume IV
- [Exhibit E:](#) Meeting Packet - Volume V
- [Exhibit F-1:](#) Public Comment - Kent Ervin, Nevada Faculty Alliance
- [Exhibit F-2:](#) Public Comment - Bill Brewer, Nevada Rural Housing
- [Exhibit F-3:](#) Public Comment - Heidi McKendree, Executive Director, Reno Housing Authority
- [Exhibit F-4:](#) Public Comment - Katie Coleman, Communications Director, Nevada Rural Housing
- [Exhibit F-5:](#) Public Comment - Chris Daly, Nevada State Education Association
- [Exhibit F-6:](#) Public Comment - Tiffany Tyler-Garner, Children's Advocacy Alliance
- [Exhibit F-7:](#) Public Comment - David Goldwater, Nevada Home Builders Association
- [Exhibit F-8:](#) Public Comment - Nathaniel Waugh, Nevada Homeless Alliance
- [Exhibit F-9:](#) Public Comment - Tiffany Mayes Eholor, Children's Advocacy Alliance
- [Exhibit F-10:](#) Public Comment - Alyson McCormick, City of Sparks
- [Exhibit F-11:](#) Public Comment - Steven Cohen
- [Exhibit F-12:](#) Public Comment - Monica Gresser
- [Exhibit F-13:](#) Public Comment - Michelle Duggan and Kevin Melcher, Community Foundation of Northern Nevada
- [Exhibit F-14:](#) Public Comment - Oyinkansola Mogboyin
- [Exhibit F-15:](#) Public Comment - Mike Kazmierski, Economic Development of Western Nevada (EDAWN)
- [Exhibit F-16:](#) Public Comment - Rob Benner, Building and Construction Trades Council of Northern Nevada
- [Exhibit F-17:](#) Public Comment - Monica Dupea
- [Exhibit F-18:](#) Public Comment - Shyla Summers
- [Exhibit F-19:](#) Public Comment - Darlene Anderson and Mona Lane
- [Exhibit F-20:](#) Public Comment - Jeri Burton, Nevada NOW
- [Exhibit F-21:](#) Public Comment - Eileen Bidwell
- [Exhibit F-22:](#) Public Comment - Erik Pennell, D.O.
- [Exhibit F-23:](#) Public Comment - Terri Laird, Retired Public Employees of Nevada
- [Exhibit F-24:](#) Public Comment - Innies Bayewumi
- [Exhibit F-25:](#) Public Comment - Karan Mehtaji
- [Exhibit F-26:](#) Public Comment - Eric Novak
- [Exhibit F-27:](#) Public Comment - Barbara Paulsen, Nevadans for the Common Good
- [Exhibit F-28:](#) Public Comment - Kingkini Sengupta
- [Exhibit F-29:](#) Public Comment - Andy Romero, Make the Road NV
- [Exhibit F-30:](#) Public Comment - Nevada Chapter of the American Academy of Pediatrics
- [Exhibit G:](#) Tesla Nevada K-12 Investment Update
- [Exhibit H:](#) Department of Health and Human Services, Division of Child and Family Services, White Paper (Relates to Agenda Items G.2.93 and G.2.94. There was no discussion on these items).
- [Exhibit I:](#) Governor's Office of Science, Innovation and Technology Presentation (Relates to Agenda Items G.1.17, G.1.24 and G.2.1).

A. ROLL CALL.

Tom Weber, Secretary, Fiscal Analysis Division, Legislative Counsel Bureau (LCB), called the roll; all members were present except Assemblyman Frierson, who was excused.

B. PUBLIC COMMENT.

MATTHEW HAWN (Graduate Student Association [GSA], University of Nevada, Reno [UNR]):

I represent the GSA of the University of Nevada, Reno (UNR), which represents 3,671 graduate students. I am also the chair of the Nevada Student Alliance (NSA), which represents 110,000 students in the Nevada System of Higher Education.

Earlier this academic year, the GSA and NSA passed a resolution in support of affordable housing for graduate students of UNR and the University of Nevada, Las Vegas (UNLV), to help support graduate education programs.

Graduate students earn a fixed state salary between \$1,400 and \$1,900 per month, which makes them susceptible to increases in rates of inflation and rising housing costs. I do not want to see housing costs become a barrier to entry into higher education, especially graduate higher education. The GSA has been working with the universities' higher administration to try to fix the housing issue; however, the GSA is also seeking support from the IFC.

The graduation rate of graduate students is essential in determining UNR and UNLV's R1 status in the Carnegie Classification of Institutions of Higher Education. Graduate students work with professors on research for the State of Nevada and teach undergraduates and other graduate students. Graduate students are not only essential to the universities' R1 status, but also essential to the universities' structure and function.

The GSA applauds the Governor's investment in affordable housing that is on the IFC agenda today. The GSA invites all Committee members to come to campus to see the graduate education programs.

KENT ERVIN (Nevada Faculty Alliance) provided public comment for the record ([Exhibit F-1](#)).

ARTURO MACIAS FRANCO (GSA, UNR):

I am a GSA council member for the College of Agriculture, Biotechnology and Natural Resources. My former education was in the State of California. Although I was accepted to a university in California, affordability drove me to Nevada. I discovered the beauty of UNR as an undergraduate. When I continued to graduate education, I did not consider looking elsewhere.

One of the primary drivers of my education was affordability. I worked more than three jobs to get myself through college during my undergraduate years. I often had to decide between paying for food, tuition, or housing. Unfortunately, I often had to choose

tuition. I lived in my car and was homeless for a large part of my college education in California. I paid \$400 for a room in Nevada in 2016, which is unheard of in California. Unfortunately, at the present, it is also unheard of in Nevada as well, specifically in Reno.

Students like me who come to the university because of its beauty and services will no longer come if housing affordability is an issue. I would like to conclude by stating students trying to better themselves and their families through education should not have to choose between food, housing, or tuition.

FATEMA AZMEE (GSA, UNR):

I am a member of the GSA representing the College of Liberal Arts and Journalism. Recently, my fellow representatives and I sent a survey to the GSA constituents asking about barriers to education. Most students replied that they struggled with housing costs and the low graduate student stipend. The GSA would like to applaud the Committee for working to provide affordable housing for students.

The following are some responses to the survey:

- The price of housing in this area is more than what we are paid. One hundred percent of my stipend goes to rent, and I am still \$200 short every month.
- If there is no affordable housing, college students cannot afford to live here, and will go into massive debt to pay rent. This is a massive problem that the state and university need to address more robustly.

In addition to lack of affordable housing, many college students lack medical care. Between the cost of housing, food, and medical care, graduate students are left short. The GSA would like the Committee to know that this is a great opportunity to provide immediate solutions for college students and the state in general, and it will also be an investment for the future.

BILL BREWER (Executive Director, Nevada Rural Housing Authority) provided public comment for the record ([Exhibit F-2](#)).

HEIDI MCKENDREE (Interim Executive Director, Reno Housing Authority) provided public comment for the record ([Exhibit F-3](#)).

KATIE COLEMAN (Communications Director, Nevada Rural Housing) provided public comment for the record ([Exhibit F-4](#)).

MARC ELLIS (Communication Workers of America Local 9413):

Affordable housing is a critical issue, but I am here to talk about something else that is also important: broadband in Nevada. It became apparent during the COVID-19 pandemic just how important Internet access is to everyone. I am currently working in Austin, Nevada and have also worked in Eureka, Nevada, both of which are very rural areas. Every day, I see how the lack of reliable broadband hinders education

and medical care. It also prevents communication with friends, because many of these areas do not have cellular service either.

I have been talking with both AT&T and city representatives in the rural areas, and they are in agreement. Normally, the Communication Workers of America and AT&T do not see eye-to-eye, but both are in absolute lockstep on this issue. The Communication Workers of America has AT&T's agreement that there will be no contractors. The workers will be hired here in the state to fill good, union-paying jobs, which will help those workers afford housing, food, and other necessities. The union is trying to keep as much of this work as possible in the state.

ARIELLE EDWARDS (Government Relations Manager, Nevada Hand):

Nevada Hand is the state's largest 501(c)(3) nonprofit organization dedicated to the financing, development, construction and management of high-quality homes and supportive resident services for working families and seniors on fixed incomes.

There are 35 Nevada Hand communities housing 8,000 low-income residents in Southern Nevada. Across its portfolio, the average monthly rent is approximately \$730. Nevada Hand is proud to have over 700 units of affordable housing either under construction or being rehabilitated. However, the organization also recognizes that, according to the National Low-Income Housing Coalition, Nevada is 50th in the nation with the lowest statewide supply of affordable housing. Nevada has only 20 affordable units available for every 100 extremely low-income households. With the help of unprecedented federal relief dollars dedicated to housing, the state is positioned to begin closing the gap between affordable housing needs and house stock.

Nevada Hand relies on a variety of federal and state financing mechanisms to ensure a project can be funded adequately. The Home Means Nevada Initiative shows Nevada's vested interest in affordable housing throughout the state. There are many ways to support affordable housing, but access to American Rescue Plan Act (ARPA) funds for affordable housing developers and community partners will result in wide-reaching benefits for Nevadans across the state.

Nevada Hand is ready with projects in the pipeline that could potentially benefit from these funds. Investment in affordable housing is key to unlocking the door to opportunity as housing options are expanded throughout the state.

CHRISTINE SAUNDERS (Policy Director, Progressive Leadership Alliance of Nevada [PLAN]; Member, Nevada Housing Justice Alliance):

I am here in support of Agenda Item G.1.18 to invest \$250 million in affordable housing through the Governor's Home Means Nevada initiative. Nevada is facing a crisis due to skyrocketing rents and a limited supply of affordable housing.

The state must invest in housing options to ensure that all Nevadans have a safe and affordable place to call home. However, this is not a simple problem that can be solved through one vote. The Home Means Nevada Initiative is an important piece of the puzzle, but tenant protection legislation is also necessary to address the needs of the community. Nevada's communities cannot thrive when people are at risk of unfair displacement.

Housing stability is the foundation for safety and security, children's educational success, positive health outcomes, economic opportunity, and equitable vibrant communities.

Right now, families' budgets are being taken to the brink. Even if displacement does not occur, the lack of affordable housing means families spend more of their income on housing, and less on other necessities like food, medicine, and utilities. ARPA dollars are a once-in-a-lifetime opportunity to address housing affordability. There has never been a better time than now for the state to be bold in its actions. PLAN and the Nevada Housing Justice Alliance are thankful that the Governor has heard the call from constituents that this is the most pressing issue in their lives today. PLAN and the Nevada Housing Justice Alliance urge the Committee to continue to invest in affordable housing and adopt policies that ensure all Nevada residents can maintain safe and affordable housing.

SARAH ADLER (National Alliance on Mental Illness [NAMI], Nevada):

NAMI supports and appreciates the Committee's consideration of \$250 million for the Home Means Nevada Initiative. This initiative has five important parts, one of which is the development of affordable housing specifically for extremely low-income Nevadans. Ms. Edwards mentioned the extreme dearth of permanent and supportive housing for people at or below 30% or even at 50% of the area median income. This type of housing is necessary to address the state's homeless and substance addicted populations, whom need to be moved into recovery and the workforce.

This subsidy should be used to create affordable housing for extremely low-income Nevadans. The state's existing affordable housing system is working very well for people at 60% of the average median income and above, but the system is not reaching the lowest folks. With the ARPA funds, the state will be able to reach the people that need the most help.

People have referred to these ARPA funds as being a "once-in-a-lifetime" gift. Lifetimes go on, and so NAMI will be bringing forward proposals to create revenue to address this extreme gap. An enormous number of extremely low-income people pay more than 50% of their income for housing, as the Committee just heard from the UNR GSA.

LILITH BARAN (Policy Associate, American Civil Liberties Union [ACLU] of Nevada):

The ACLU of Nevada applauds this effort. An investment in housing is the most important choice the state can make for Nevada's future. According to the federal Department of Housing and Urban Development (HUD) Family Options Study, without stable housing, young people are more vulnerable to mental health problems, developmental delays, and poor cognitive outcomes. There is a correlation between housing instability and trauma, which can negatively impact future success.

Educational outcomes for children are also improved with housing stability. Young people in stable housing are less likely to repeat a grade or drop out of school. Ultimately, the lack of stable housing has long-lasting effects that can impact health, education, and employment throughout people's lives and for future generations.

The study demonstrated that access to affordable and supportive housing leads to substantial benefits like reducing food insecurity and school mobility. Housing stability improves well-being among adults as well as children. In addition, the study offers evidence that providing access to housing that is affordable strengthens family well-being and dramatically reduces separations, domestic violence, and family distress.

Previously, I was a teacher, as were some sitting members of the Committee. I have witnessed first-hand the effects of insecure housing on students. One student in particular was extremely angry and violent. Nobody could figure out what was wrong. She was on her last leg at the last school that would accept her. She used public transportation back and forth to school because the schools she was zoned for were no longer able to accept her. I took her home when she missed the bus one day to find that the family had no electricity. The mom had to choose between paying for electricity or rent. Eight people were living in a one-bedroom apartment. That was why the girl was unable to turn in her homework on time, and why she was angry at school.

I would like the Committee to make this investment and stand behind it for Nevada's kids and the state's future. The investment will allow community stakeholders to collaborate and creatively find a solution together.

CHRISTINE HESS (Executive Director, Nevada Housing Coalition):

I want to thank the Committee, the Governor and his team, the Department of Business and Industry, and the Nevada Housing Division for their commitment to affordable housing with the request to transfer \$250 million to the Home Means Nevada Initiative.

After the passage of ARPA and the release of the Governor's Every Nevadan Recovery Framework, the Nevada Housing Coalition pulled together a statewide taskforce of nearly 70 stakeholders with diverse perspectives from the public and private sectors and across the affordable housing spectrum, from the unhoused, to the American dream.

Through a months-long process, the commission asked and answered the following questions:

- How can this once-in-a-lifetime funding be used for long-lasting and meaningful impacts on Nevada's affordable housing crisis? By investing these dollars in long-term assets, efforts to address the state's affordable housing shortage will be catalyzed. The state needs more homes for Nevadans now.
- How much should Nevada leadership consider committing? The statewide taskforce concluded that a \$500 million investment matched the needs of struggling Nevadans. My eyes got wide when I heard that number too! The coalition listened, as the Committee is now listening, to the untenable situations of our neighbors, businesses, seniors, workers, students, and children.
- How should an allocation of funds be distributed among the various affordable housing priorities and initiatives for multi-family development, preservation of existing

affordable housing, home ownership, and land? Prioritize 20% of the funds for permanent supportive housing, and housing for extremely low-income Nevadans.

- Can the coalition deploy the funds? Absolutely. Our developers are ready, our local governments are ready, and our greatest stakeholder – Nevadans – are ready. The Nevada Housing Division already does this work well and manages compliance and accountability. The division has been leading collaborative and coordinated conversations throughout the pandemic and continues to lead these conversations as it looks ahead.

I urge the Committee to approve the transfer of \$250 million to the Home Means Nevada Initiative and activate these resources for affordable housing today. This investment will benefit Nevadans for generations to come.

JONATHAN NORMAN (Statewide Advocacy, Outreach and Policy Director, Coalition of Legal Service Providers):

The state is in an affordable housing crisis. The Coalition of Legal Service Providers represents low-income Nevadans through organizations such as the Legal Aid Center, Washoe Legal Services, Volunteer Attorneys for Rural Nevadans (VARN) and the Senior Law Program. The housing crisis affects all the clients the coalition's organizations serve, whether that client is a child in foster care in a fictive kin placement that is in jeopardy because of housing instability; children aging out of foster care; low-income seniors; or people fleeing domestic violence. Affordable housing is the issue that touches every one of the coalition's clients. The coalition supports the Governor's proposal on affordable housing. This issue will not be fixed by the ARPA funds, but it is a big step along the way.

AUSTIN BROWN (Associated Students of the University of Nevada (ASUN) Student Body President, UNR):

The Committee will vote on the transfer of \$250 million toward funding affordable housing. I would like the Committee members to know how impactful this funding would be to the students, staff, and faculty of UNR. I want to thank the Governor and legislators for investing in affordable housing in Nevada.

In 2020, 22% of UNR students who responded to a civic engagement survey identified as "not having a home over the last six months." These dollars would be critical in helping students succeed in completing their education in Nevada. Difficulty in finding a place to sleep at night should not hinder their education. By approving these funds, the state is one step closer to making the concept of affordable housing for students a reality.

Under the guidance of UNR President Brian Sandoval, and through collaboration with Mayor Hillary Schieve, UNR has taken steps this year to ensure students have what they need to succeed, including working toward more affordable housing units on or near campus. However, the ASUN is still hearing from students in need of help, as the Committee heard from many today. Today, I am asking the Committee to be a part of the solution.

I would love to continue these conversations during the 2023 Legislative Session. Please know that this is a big first step that the Wolfpack family would benefit from greatly, and the ASUN is extremely thankful for the Committee's consideration.

MAYOR HILLARY SCHIEVE (City of Reno):

First, I am so proud of all of the community members that spoke today. I am not going to read from my notes. I do not want to sound like a broken record. The Committee members all know this is a dire need for many Nevadans. The great thing is, Nevada truly works together. That is the state that we all know and love. Everyone who has spoken has made excellent points. What I am going to tell you is that Reno is ready.

I have worked with many of the Committee members for many years on housing issues. I have been fortunate enough to work with so many people in my community to build and develop housing. The City of Reno needs additional affordable housing units now more than ever. The city is putting shovels in the ground now. Providing affordable housing has always been incredibly challenging, but after the downturn in the economy in 2018, projects stopped; now the city is trying to play "catch up." This money is essential to make that happen.

Many Committee members know I am an advocate for mental health. I never realized the difference that housing could mean to a person's mental health until I spoke with a young man by the name of "Cowboy" whom I met at Reno's homeless shelter "Safe Camp." Cowboy was becoming hopeless about his future and looked defeated and tired. The man had been living on the street for five years, and all he wanted was a place to live. I told him the City of Reno would put him on the list for housing. I was concerned that for him to get housing it could take a very long time – months, if not years.

Three weeks ago, I attended the grand opening of 100 affordable housing units on Green Street. A man walked up to me with tears in his eyes and said, "You don't recognize me, do you? I'm Cowboy." He looked well rested and was clean-shaven. He said that he could not begin to describe how his life had changed. He had a job and was connecting with his family, which brought hope back into his life. I had no idea of the impacts of affordable housing on so many people in the community until I saw it first-hand. There was a striking difference in Cowboy, and it truly moved me.

The Committee's hard work means a lot to me, the community, and the state. The City of Reno has an opportunity to really make a difference with this money, and I am grateful that I get to partner with the Committee.

DORA MARTINEZ (Nevada Disability Peer Action Coalition):

I echo the previous public comments, especially the testimony of the NAMI representative. Most of the Nevada Disability Peer Action Coalition are people with disabilities, 30% of whom have incomes below the area median income. Accessible and affordable housing is needed. Inclusion, diversity, and disability must be included in that solution. At some point, as people age, everyone becomes part of the disabled population. Please do not forget those people. The disabled population is out of sight, but still exists. The disabled population suffers with things the non-disabled population takes for granted.

One member of the coalition almost always needs to use the food pantry. The woman receives \$900 in supplemental security income, and her rent is \$600. She cannot find a job because the available affordable housing is outside of transportation access. Sometimes she relies on friends and good Samaritans for transportation.

CHRIS DALY (Nevada State Education Association [NSEA]):

The NSEA has worked with Nevada educators for over 120 years. The NSEA offers its strong support of investment of ARPA dollars in the Home Means Nevada Initiative, which will be a big step toward fixing the housing crisis sweeping across the state. The NSEA stands united with its allies in the Nevada Housing Justice Alliance, because it understands the critical importance of housing availability for students, as well as NSEA members.

Before the pandemic, the lack of safe, decent, and stable housing was a significant obstacle to learning and success for Nevada's most at-risk students. On the heels of the pandemic's unemployment crisis, skyrocketing costs have fiercely compromised housing security for more and more Nevadans, which not only harms students and their families, but places additional pressures on already overburdened school communities.

The NSEA represents teachers, other licensed professionals, as well as education support professionals across the state. It is increasingly common to hear stories from new teachers about their struggle to find housing. A new teacher would have to spend nearly one-half of their salary to rent an average one-bedroom apartment in Reno. Home ownership is out of reach for most new educators, with the average sales price of over \$500,000.

These numbers are far more daunting for many of the workers who make Nevada's schools run. A new school bus driver in Clark County makes less than half of what is needed to afford the rent for an average one-bedroom apartment in Las Vegas. Buying a home is not even a remote possibility on that income.

The stark contrast between educator pay and the rising cost of living helps explain the unprecedented shortage of educators to teach Nevada's students and make the schools run. Right now, the Clark County School District alone lists nearly 2,000 vacant positions. Nevada needs bold action to address this crisis in public schools by both paying educators better and investing in affordable housing. The NSEA proposes a 20% increase in educator pay, and at least \$20 per hour for workers who make Nevada's schools run. Today's investment of ARPA funds for affordable housing needs to be a first step toward addressing the skyrocketing cost of living.

Mr. Daly provided public comment for the record ([Exhibit F-5](#)).

DR. TIFFANY TYLER-GARNER (Executive Director, Children's Advocacy Alliance):

Today the Committee has an opportunity to vote for children and families, while making a dent in some pressing social issues. Whether addressing dwindling housing affordability, food insecurity, or vital access to learning and services afforded by broadband, the Committee can vote for progress today. I implore the Committee to take the bold step of shoring up the state's mental health system, investing in health care

access, housing and child care, and addressing stagnant wages and the erosion of a number of the state's care systems. In support of this effort, the Children's Advocacy Alliance has submitted an exhibit detailing the work programs before the Committee today with the potential to positively improve conditions for children and families in the areas of health, education, child welfare and economic wellbeing ([Exhibit F-6](#)). The Children's Advocacy Alliance hopes the Committee will invest in our shared future by voting "yes" on these items today.

Dr. Tyler-Garner provided public comment for the record ([Exhibit F-6](#)).

EMILY PAULSEN (Housing Program Manager, Anthem Nevada Medicaid; Board Member, Nevada Housing Coalition):

I am providing public comment on Agenda Item G.1.18 on behalf of the Nevada Housing Coalition, where I sit on the board of directors. I also participated in the coalition's task force that provided recommendations on the need for \$500 million to be provided for multi-family housing, to preserve existing affordable housing stock, expand home ownership, and prioritize 20% for permanent supportive housing and housing for extremely low-income Nevadans.

As many of the Committee members know, housing access impacts the health of members. It is important to work together to develop creative strategies to keep people housed and healthy. The development of affordable housing, and in particular, supportive housing, is key to scaling up evidence-based housing intervention for the state's homeless and housing-insecure Medicaid members.

DAELA GIBSON (Director of Public Affairs, Planned Parenthood Mar Monte):

Planned Parenthood Mar Monte serves thousands of patients in Northern Nevada. The majority of patients are at or below the federal poverty level. Planned Parenthood sees people every day who are struggling to afford rent and food. Many people in Nevada's communities are struggling day-to-day to find stable, affordable housing.

During the pandemic, many people have been living under the constant fear that their housing will be taken away. Housing insecurity is terrifying. The Home Means Nevada Initiative is an important way to strengthen the safety net for communities, to help people regain their footing, and to give them a sense of security and stability when it comes to the basic human right of housing. It is not enough to say that we care about people; we must show that we care. That is what this initiative does. Housing is health care.

PAUL CATHA (Culinary Workers Union Local 226):

Nevada is experiencing a housing crisis that is destabilizing neighborhoods, making Nevadans less safe, and pushing working families out of their communities. The Culinary Union recently did a survey of hospitality workers. Twenty percent of those who responded said they were hit with a rent increase of over \$500 this year. One Culinary Union guest room attendant saw their rent double from \$900 to \$1,800 per month. Rent is too high.

The Culinary Union applauds Governor Sisolak's proposal to invest \$500 million in affordable housing. The Home Means Nevada Initiative is a worthy use of

once-in-a-lifetime ARPA funds to address housing affordability. The Culinary Union would like to thank the Governor and the Legislature for this historic investment. Furthermore, the Culinary Union encourages elected officials to work aggressively to find solutions that ensure Nevadans can afford their rent in the coming weeks and months. The state must protect Nevadans by preventing members of the community from being priced out of the housing market by wealthy corporations attempting to profiteer and gouge tenants with massive, unfair rent increases.

CHRIS FERRARI (Chief Executive Officer, Ferrari Reeder Public Affairs):

I am speaking on behalf of Dignity Health, St. Rose Dominican Hospital. As previous speakers have indicated, the initiative will lower the cost of housing and help seniors make repairs and accessibility retrofits, which will allow them to stay in their homes, and boost housing availability. Housing is an essential social determinant of health, and St. Rose Dominican Hospital is thankful that the Legislature and the Office of the Governor are taking action to address Nevada's affordable housing crisis.

DAVID GOLDWATER (former Nevada Assemblyman [1995-2001], representing Nevada Home Builders Association) provided public comment for the record ([Exhibit F-7](#)).

BENJAMIN CHALLINOR (Policy Director, Faith in Action, Nevada):

Faith in Action, Nevada, part of the Nevada Housing Justice Alliance, supports Agenda Item G.1.18, which would transfer \$250 million of ARPA funds to the Home Means Nevada Initiative. Faith in Action, Nevada would like to applaud Governor Sisolak and the Legislature. With eventual passage of this transfer, there will be an unprecedented investment of \$500 million for affordable housing in Nevada. This is an essential investment for all Nevadans experiencing housing insecurity. As many have mentioned today, people in different walks of life have been making difficult financial decisions. This is especially true when housing costs take up more than the recommended 30% of their budget, often more than 50%. Lack of affordable housing is the cause of many short and long-term ill effects on health, mental health, education, and much more.

Faith in Action, Nevada works closely with clergy and faith groups across Nevada. A major concern of their congregants is the fear of losing their homes because of rising costs. This housing crisis has been present in Nevada for years now but has been made much worse because of the pandemic. With this investment, significant steps will be taken to fix inequalities in housing access. This is the right and moral thing to do to make sure all Nevadans have access to affordable housing. Ultimately, the state must also consider tenant protections to keep Nevadans in their homes.

ZACH CONINE (Nevada State Treasurer):

I am calling in support of Agenda Item G.1.18, which is an investment in affordable housing in Nevada. The lack of affordable housing is an existential threat to Nevada's strong economic recovery. The Nevada Recovers Listening Tour included over 120 community meetings over 80 days. The Governor and I heard constantly that housing was the top concern for residents throughout the state. Nevada currently faces a deficit of over 105,000 affordable housing units, including 84,000 units for extremely low-income individuals. Compared to one year ago, rental prices in Nevada have

outpaced the national average, with 2020 rent increases in Las Vegas of 30% and 21.8% in Reno.

Housing is a human right, and every Nevadan should have access to an affordable place to live. To address Nevada's housing crisis, the state is doing everything it can to make strategic investments in housing across Nevada. The state has provided over \$280 million in emergency rental assistance to over 52,000 households. The current administration has issued more tax-exempt bonds to support affordable housing than any other administration in history, with an additional \$300 million in bonding to support 3,000 units by 2024.

The Nevada State Infrastructure Bank has partnered with the American Federation of Labor and Congress of Industrial Organizations Housing Investment Trust to develop a pipeline project supporting Nevada's first ever social bond issuance that would deliver an additional \$200 million in new affordable housing projects this year. Today's investment of an initial \$250 million to the Governor's Home Means Nevada Initiative demonstrates the state's long-term commitment to ensure that tackling the affordable housing crisis is a top priority at the highest levels of state government. With this investment, the state is investing more than a billion dollars toward making sure every Nevadan has a place to live and make a life for their family. I want to thank the Legislature, the Governor, and all the housing advocates the Committee has heard from today for their tireless support of these efforts. The support of the State Treasurer is behind you.

NATHANIEL WAUGH (Manager of Policy Advocacy in Training, Nevada Homeless Alliance): I am calling today in support of Agenda Item G.1.18. This historic investment of once-in-a-lifetime funds will go a long way toward addressing Nevada's equally historic underinvestment in affordable housing infrastructure. It will do much to help Nevadans across the state who are increasingly being shut out of the housing and rental market. It is a challenge to say "Home Means Nevada" when Nevadans cannot afford to live here.

Mr. Waugh provided public comment for the record ([Exhibit F-8](#)).

TIFFANY MAYES EHOLOR (Children's Advocacy Alliance) provided public comment for the record ([Exhibit F-9](#)).

FREDRICK HARON (Chief Administrative Officer, Southern Nevada Regional Housing Authority):

I thank the Committee for its time and service, and the Governor and his team for their commitment to affordable housing for their request to transfer \$250 million to the Home Means Nevada Initiative. The Southern Nevada Regional Housing Authority administers over 16,000 units, serving over 38,000 household members in Southern Nevada. The Southern Nevada Regional Housing Authority has a waiting list of approximately 29,634 for its programs. A physical needs assessment has identified approximately \$490 million in repairs. The housing authority has received approximately \$4 million in capital funds from the federal government.

Certainly, there is a need for affordable housing in Southern Nevada. Nevada has the greatest shortage among states in the nation, with only 20 available affordable housing

units for every extremely low-income household. Approximately 79% of those households are severely cost burdened by rent costs.

Because of the housing shortage, rents and security deposits have increased drastically. This has a direct effect on project participants. The state needs more affordable housing. The timing of these funds could not be better. I have worked at the Southern Nevada Regional Housing Authority for the past 20 years, and this is the first time I have seen an allocation of this size for affordable housing. The Southern Nevada Regional Housing Authority has experience using two project-based vouchers to maximize and leverage these funds to build more affordable housing.

Currently the housing authority has projects in the pipeline that could potentially benefit from all these funds. The authority has approximately 62 acres of vacant land on which to build affordable housing throughout the Las Vegas Valley. Lastly, with the support of the housing authority board, which consists of county commissioners and city council members for each of the jurisdictions, as well as working relationships with the Nevada Housing Division, these funds will put the region in a great position to increase affordable housing. I urge the Committee to approve the transfer of the \$250 million to the Home Means Nevada Initiative.

REVEREND MICHAEL WILLOUGHBY:

In just a few weeks, it will be the anniversary of my family being hours away from homelessness after a domestic violence situation. Chair Brooks and Assemblywoman Carlton are familiar with me, as I testify regularly.

The face of vulnerability through homelessness in Nevada is changing. I am a reverend, but I do not preach to a regular congregation. The closest thing that I have to a congregation are the people that I see at the intersection where Fifth Street splits off to Main Street in downtown Las Vegas. Each time I am there, I see new faces. I see my neighbors and your neighbors. I see scrappy Nevadans who have done everything right and worked hard.

My family narrowly avoided homelessness by getting into a rental. It was an absolute miracle. We were paying twice the amount for a house about one-third of the size. When that one-year lease was up, the landlord attempted to nearly double the rent.

Nevadans need help. It is our responsibility to take care of each other. This \$250 million is an impressive amount of money, and, in my eyes, a miracle.

The Committee heard an amazing outpouring of support for the funding this morning. Please approve the allocation of \$250 million in unprecedented windfall money for the Home Means Nevada Initiative so that other people who are not able to fight like my family, or are not as privileged as my family, have a chance at a normal life with a roof over their heads.

DONNA BATH (White Pine County Main Street Housing Committee):

I am speaking to the Committee today regarding Agenda Item G.1.18. White Pine County, like many other counties in Nevada, is facing a critical need for housing. The White Pine County Main Street Housing Committee has been actively working on housing issues for several years. Through this process, the White Pine County Main Street Housing Committee has identified many roadblocks it is trying to work through. I would expand on these obstacles, but it would take much longer than the two minutes I have to speak.

I have tried to seek information on the agenda item to gain a better understanding of where the money will go, what the criteria is, and what the White Pine County Main Street Housing Committee needs to do as a community to share that money.

I understand the funding is related to the COVID-19 pandemic. The local hospital has been on the front lines of COVID over the last two and a half years. The hospital's staffing levels are critical. There are professionals willing to move to work in White Pine County, but there are absolutely no houses or apartments available in the community. Professionals are living in motels and, in some cases, camp trailers.

The White Pine County Main Street Housing Committee has a shovel-ready project that would build 12 much-needed units for hospital professionals with \$4 million of the \$250 million. The problem is that the hospital professionals would not qualify under the 60% average median income criteria for the Home Means Nevada Initiative. A needs assessment shows that White Pine County critically needs a minimum of 300 apartment units and 100 single family homes. One of the Nevada Recovers priorities is to strengthen secure housing for all Nevadans. Housing is an essential basic need that is not only vital to safety and health, but is critical to the recovery of the economy, education, and health care.

The dollar allocation proposed would severely limit access to most rural Nevada communities. I would appreciate reconsideration of the proposed criteria for allocation of the money on the Committee's agenda today.

NEOMA JARDON (Vice Mayor, City of Reno):

The City of Reno is very excited about the prospect of moving \$250 million to the Home Means Nevada Initiative. The city has focused an enormous amount of time, energy, and resources to bring about more housing options in Reno. Reno has dedicated over half of its allocation of ARPA money to affordable housing.

The city is starting to see projects "go vertical." That is very exciting, but there is still so much need. One example is the Nevada Cares Campus, which Governor Sisolak, along with many other federal and local elected leaders brought to fruition to provide emergency shelter for the city's homeless population. Individuals are having difficulty exiting the emergency shelter into any form of transitional or supportive housing, simply because it does not exist.

The City of Reno asks the Committee to support Agenda Item G.1.18 to invest more funds into this critical need for the region. The funding would allow the city to leverage federal funding along with the state to get more projects – real projects – over the finish line. This

is the opportunity of a lifetime to make a monumental change across the state. The City of Reno has a laser focus on increasing the number of available housing units for rent at affordable rates. Deposit and rental assistance have been provided to more than 2,600 households to date, and that number continues to grow. The city is incentivizing infills and land contributions to reduce development costs, which has helped create 467 new affordable units. The city is making progress, but the need is immense and immediate.

I ask the Committee to partner with the City of Reno by approving this important funding. Together, we can make a significant difference.

OLIVIA DIAZ (Former Nevada Assemblywoman [2011-2015], Las Vegas City Council Member, Ward 3):

Ward 3 includes most of downtown Las Vegas and the east side of the city. I also serve as the chair of the Southern Nevada Regional Housing Authority. The affordable housing challenges that are facing Southern Nevada are becoming a crisis that is too big for any one city, agency, or organization to address. Our residents - our shared constituents - are suffering.

Increasingly, people come to housing authority board or city council meetings pleading for something to be done about rent control. That is why I am here today to offer my support for Agenda Item G.1.18, that would make the first allocation of funds to the Nevada Housing Division to support the Home Means Nevada Initiative.

Focusing that level of funding on the challenges faced in Nevada is significant. Make no mistake, this is a challenge that must be addressed together. With Mayor Goodman's leadership, the Las Vegas City Council has dedicated 20% of its ARPA funds to affordable housing. Unless we work together locally and regionally, and with the state, residents will not get the maximum benefit of the funding being directed toward expanding availability of affordable housing options in communities. We all need to act quickly, and we all need to act together.

AARON WEST (Chief Executive Officer, Nevada Builders Alliance):

On behalf of the Nevada Builders Alliance board of directors and over 1,000 member companies representing Nevada's construction industry, I am calling in support of the investment in the Home Means Nevada Initiative. In the interest of brevity, I echo the comments from the Nevada Housing Coalition and Nevada Rural Housing.

MARLENE WALKER (Service Employees International Union [SEIU]):

I represent SEIU, and the nearly 13,000 homecare workers in Nevada. During the 2021 Legislative Session, this body had the foresight to create the Nevada Home Care Employment Standards Board (HCESB) to address the critical need for recruitment and retention of essential home care workers. There are several work programs on the agenda today requesting to accept federal ARPA dollars designed to increase the number of home health care workers in Nevada. The SEIU strongly urges the Committee's support and direction that these funds be used to implement the recommendations being made by the HCESB.

ANNETTE DAWSON OWENS (School Readiness Policy Director, Children's Advocacy Alliance):

Thank you for all your work and service, especially regarding the students in the great State of Nevada. I support Agenda Items G.2.21 through G.2.30, regarding the State Public Charter School Authority. The Children's Advocacy Alliance believes all students deserve access to high-quality schools. The Children's Advocacy Alliance supports both district and charter schools, which are public entities, who give choices and options for education to some of the most underserved individuals. At the Children's Advocacy Alliance, the goal is to advocate for those living in poverty, those with limited English language acquisition, those navigating disabilities, those impacted by the juvenile justice system, and all Nevada children.

I will highlight a few of the Children's Advocacy Alliance's priorities on today's IFC agenda. Agenda Item G.2.21 will provide access to high-quality pre-kindergarten education, which is the foundation for a student's future success by providing them with a strong start in skills such as literacy, social and emotional learning, and early education in general. The Children's Advocacy Alliance supports Agenda Item G.2.22 to provide students living in poverty with additional individualized support to provide equity and access so that they are receiving the same high-quality education. Agenda Item G.2.24, for students with limited English proficiency, and Agenda Item G.2.26, related to special needs, both provide increased supports critical for these individuals' educational success, which were probably not as readily available during the pandemic.

In addition, the Children's Advocacy Alliance supports Agenda Items G.2.103 and G.2.105 related to the Division of Child and Family Services. These services are necessary to provide all students with continuous access to high-quality education, despite being housed in different settings. Their education must be continuous. Finally, the Children's Advocacy Alliance supports Agenda Item G.1.24 related to the Governor's Office of Science, Innovation and Technology, which will provide equitable access to broadband services across Nevada to effectively facilitate educational learning for all students. Thank you for all you do for Nevada students, and for valuing education as a top investment and priority for the future of the state.

CEDRIC CREAR (Las Vegas City Council, Ward 5):

Ward 5 covers the historic westside of Las Vegas. My constituents face many challenges, which is why I have been laser-focused on The Hundred Plan (Historic Urban Neighborhood Design Redevelopment) since I have been in office. The Hundred Plan has consistently addressed the most pressing and persistent issues in Ward 5. Among the most significant challenges is affordable housing, both the quantity, and the ever-increasing cost.

An estimated 70,000 units of affordable housing is needed right now throughout the Southern Nevada region. That number will continue to increase. I offer my support for Agenda Item G.1.18 that seeks the first allocation of funding for the Home Means Nevada Initiative. This funding will make a considerable difference in the regional efforts to substantially improve access to affordable housing for the constituents shared by the Committee members and the Las Vegas City Council.

I mentioned regional efforts because this issue is much bigger than any one jurisdiction. To that end, the Las Vegas City Council has worked continuously with its colleagues in Southern Nevada to assure every dollar is stretched as far as possible. As Councilwoman Diaz mentioned, the Las Vegas City Council has dedicated 20% of its direct ARPA funding toward affordable housing, and other jurisdictions have followed suit. The council believes that by working cooperatively and collaboratively with other jurisdictions, and now with the Nevada Housing Division, together we can make significant progress on affordable housing issues on behalf of all constituents.

I want to thank the Chair, members of the Committee, and Governor Sisolak for their thoughtful consideration of this important initiative. The best time to plant a tree was 20 years ago, and the next best time to plant a tree is today. I urge the Committee to support Agenda Item G.1.18 today.

NICOLE ROURKE (Director of Government and Public Affairs, City of Henderson):

The City of Henderson enthusiastically supports the allocation of \$500 million to the Home Means Nevada Initiative to increase and preserve the supply of affordable housing in Nevada. This first tranche of \$250 million is critical to fund and implement projects quickly and effectively. The city adopted its housing and community development strategy in 2020 as part of its comprehensive plan. This strategy was started with a housing market study performed by Applied Analysis, which found that in Henderson alone, 15,000 households spend more than 50% of their income on housing. This forecast also showed that within a decade, all household income groups earning less than \$100,000 per year would see a shortage. For households earning less than \$50,000 per year, over 75% are expected to struggle to find affordable options without additional market intervention.

Although the recent ARRA stimulus bills contained much-needed funding for rental assistance, that funding did not increase the inventory of affordable housing in the long term. The Home Means Nevada Initiative is an important opportunity to increase the supply of affordable housing units. The City of Henderson has a long history of working with the Nevada Housing Division on affordable housing efforts through a variety of funding sources. The City of Henderson strongly supports allocating the funds to the division and looks forward to the continued partnership with Mr. Aichroth and his team to implement projects and make progress in addressing Nevada's housing crisis.

ALAN MORALES:

I am speaking as a volunteer on behalf of Planned Parenthood. I am currently a student at UNLV, and I work in Henderson. I am here to support the Governor's proposal to invest \$500 million in ARPA funds to increase the availability of affordable housing. This historic investment will significantly help the most vulnerable to secure housing, and help seniors make much needed repairs to their homes. This program helps to address the Nevada housing affordability crisis, which is worse due to the pandemic.

MICHAEL CULLEN (Chief of Staff, Office of the Lieutenant Governor):

The Office of the Lieutenant Governor is supportive of this historic investment by the Governor. Nevada faces a critical shortage of affordable housing as it builds back from the economic effects of the pandemic. Teachers, nurses, police officers, hospitality workers and all Nevadans deserve to live in, and thrive in, the communities they serve.

TAMARA FAVORS (Make It Work Nevada):

I am a member of the Housing Justice Alliance. I am calling in support of Agenda Item G.1.18. Currently the average income being \$31,000 and with rising rent costs, it is harder for Nevadans to feel like it is home. People are being priced out. For years, Nevada has been known for its affordable housing. Investing in affordable housing will keep Nevadans in homes and fewer families will fear homelessness. The state can fit this piece into the puzzle and solve the housing crisis.

JOANNA JACOB (Government Affairs Manager, Clark County):

I am calling in support of Agenda Item G.1.18. Clark County recognizes the profound and pressing need for affordable housing.

Earlier this week, the Clark County Board of County Commissioners approved \$160 million for the Clark County Community Housing Fund. The funding is intended to support and accelerate the development of affordable workforce housing programs in Southern Nevada. It is estimated that approximately 86,000 housing units are required in Clark County to meet the need of very low and extremely low-income households. In addition, home ownership is out of reach for very low to moderate-income households due to rising home prices in the community. Many fixed income and minimum wage earners that provide critical services to the community and upon whom the local economy depends on are in jeopardy of becoming chronically homeless. The efforts of the county go hand-in-hand with the efforts of the Nevada Housing Division. Clark County would like to thank the Governor and Mr. Aichroth of the Nevada Housing Division for their ongoing collaboration. The county is committed to working together as partners on this allocation and programming and asks the Committee for its support.

MARY KERNER (Chief Executive Officer, Rural Nevada Development Corporation):

One of the mechanisms listed related to Agenda Item G.1.18 is down payment assistance (DPA). The Rural Nevada Development Corporation currently administers a DPA program funded by the Nevada Housing Division. A common issue that impedes the Rural Nevada Development Corporation's ability to help is the maximum purchase price. For example, in White Pine County the purchase price cannot exceed \$170,000, and in Elko County the purchase price cannot exceed \$238,000. Those amounts need to be aligned with the market so the Rural Nevada Development Corporation can help families obtain the dream of home ownership. There is far more demand than there are funds available. Each year the corporation allocates just \$150,000. The maximum project cost per home is \$30,000. That means only five homes can be rehabilitated within 16 counties. The current wait list is more than three years. Applicants often pass away or are forced into terrible situations, such as hiring unlicensed contractors that make things worse, or abandoning the home. It is not unusual to see abandoned homes in rural areas.

I respectfully ask that the Committee reevaluate the allocation and earmark funds specifically for rural areas in Nevada for rehabilitation. The critical housing shortage in White Pine County has reached an all-time high. The county is in desperate need of workforce housing. I recognize affordable housing is also important, but I am asking the Committee to carve out a portion of the \$500 million initiative to address the crucial need

for workforce housing as well. Please do not leave out the rural counties in today's decision.

SUSY VASQUEZ (Executive Director, Nevada State Apartment Association):

The Nevada State Apartment Association, which represents 67% of multi-family owners and managers in Nevada, echoes previous supportive comments to approve the first tranche of funding for the Home Means Nevada Initiative.

The Nevada State Apartment Association would also like to recognize Christine Hess and the Nevada Housing Coalition Task Force for their hard work in making this moment possible. It was a huge lift to gather feedback from a wide range of stakeholders and even more work to bring forward a well-rounded initiative with a comprehensive look forward.

The Nevada State Apartment Association would also like to recognize Treasurer Conine for his efforts in supporting affordable and attainable housing for Nevadans. Funding is the first step. It is exciting to see so many stakeholders from both the public and private sector bringing forward solutions and committing to continue to come together and address the road ahead. I have no doubt many great opportunities and solutions will be created using these lifechanging funds.

SERENA EVANS (Public Policy Coordinator, Nevada Coalition to End Domestic and Sexual Violence):

The proposed investment in the Home Means Nevada Initiative is a once-in-a-lifetime opportunity to address the lack of safe and affordable housing in Nevada. This will create opportunities for victim survivors and their families. Access to affordable and safe housing is routinely listed as the most significant barrier for victim survivors of domestic and sexual violence when leaving an abusive relationship. Without being able to access housing, victim survivors cannot achieve long-term stability. The lack of available housing jeopardizes their safety by forcing them to either stay with their abuser, return to their abuser, or become homeless.

Additionally, financial abuse occurs in 99% of domestic violence cases, making it impossible for a victim survivor to obtain housing. Simply stated, affordable housing is violence prevention. Nevada Coalition to End Domestic and Sexual Violence thanks the Committee for prioritizing affordable housing in Nevada and looks forward to seeing the positive impacts that this initiative will have on survivors and marginalized communities across the state.

LORRI MURPHY (Vice President of Real Estate Development, Ovation Development):

Ovation Development is one of Las Vegas' largest developers of market-rate and affordable housing communities. I want to thank the Committee for the opportunity to speak today in support of Agenda Item G.1.18 and the Home Means Nevada Initiative. Affordable housing has always been complex, but current market conditions have made development even more difficult. Construction costs, land, operating costs, operating expenses, and interest rates have risen astronomically recently. For example, construction costs have risen 25% and interest rates 100 basis points in just the past six months. This creates a financing gap that makes many projects infeasible without

additional help. Ovation Development has six projects in the pipeline that would create over 1,000 units of affordable housing. This includes 40 units of permanent supportive housing, which is sorely needed. The funds would help these important projects go forward.

Nevada has a very engaged affordable community in which Nevada Housing Division and local governments collaborate with developers to come up with housing solutions. The Nevada Housing Division does an excellent job of allocating and monitoring affordable housing resources and would be an excellent steward of the ARPA funds.

SCOTT BLACK (North Las Vegas City Council, Ward 3; Commissioner, Southern Nevada Regional Housing Authority):

I will not reiterate all the awesome comments made in support of the allocation. I support fully what was said by Olivia Diaz, chair of the Southern Nevada Regional Housing Authority Board of Commissioners, regarding the significant deficit of affordable housing in Southern Nevada. There are more than 29,000 individuals on the wait list, which represent families' struggles in their quest for safe, clean affordable housing. As the previous chair of the Southern Nevada Regional Housing Authority Board of Commissioners for three years, I regularly heard compelling stories of families and individuals who struggled to find affordable housing within their budget, even with government subsidies. I support this allocation of \$250 million to the Home Means Nevada Initiative.

As Fredrick Haron, Chief Administrative Officer, Southern Nevada Regional Housing Authority, said earlier, we have the land, partners, and opportunities to make significant inroads in bridging the gap for those that need affordable housing. I am excited about the first step the Committee is taking today to address this dire situation.

CATHERINE NIELSEN (Executive Director, Nevada Governor's Council on Developmental Disabilities):

I echo the supportive comments that have been offered today. I also want to echo what was stated by Dora Martinez of the Nevada Disability Peer Action Coalition. Across the nation, people with developmental disabilities face a severe crisis in the availability of decent, safe, affordable, and accessible housing. The Nevada Governor's Council on Developmental Disabilities continues to promote inclusion for people with developmental disabilities to live in their communities, and guard against a return to congregate facilities or other institutions. The council believes that citizens with developmental disabilities should live in inclusive, safe, and affordable communities of their choice. The council applauds the state's efforts to use these funds to provide more affordable housing options in the state.

DEACON TOM ROBERTS (President and Chief Executive Officer, Catholic Charities of Southern Nevada):

I echo my support for Agenda Item G.1.18. Catholic Charities of Southern Nevada has the privilege of serving tens of thousands of some of the most vulnerable people in the community who often are silent sufferers. It is unfortunate that in our throwaway society, they are often pushed aside. Working with partners like the Southern Nevada Housing

Authority and Nevada Hand, Catholic Charities of Southern Nevada is prepared to build permanent supportive housing for the people it serves.

Often, after people are helped by the Catholic Charities of Southern Nevada's 16 programs and services, they fall back into homelessness because there is nowhere to live. The result of the affordable housing shortage can be seen on streets and sidewalks. These people end up being the largest user of social services dollars, including in the legal system. The recommendation is financially and fiscally responsible and creates an opportunity to take care of some of the most vulnerable of God's children.

SHELLY SPECK:

I am speaking today in support of Agenda Item G.2.43 regarding the Aging and Disability Services Division Early Intervention Services. If the work program is approved, it will allow the transfer of grant funds from the Department of Health and Human Services to provide oversight and services to infants and toddlers with disabilities and their families.

I am a mother to a child diagnosed under the Nevada Child Find program. I am forever grateful that these services were available to my family, and I will continually be a supporter of this program. My child currently utilizes special education in kindergarten. I will always do my best to keep him caught up with his peers. My son was three-and-a-half years old when he was diagnosed with a developmental delay. I often wonder what would have been different if he received intervention before then.

First-time parents do not always see things as they are, but rather how we wish them to be. Perhaps if parents had better access to toddler screening, children would receive better support, and the opportunity to be discharged before their first day of kindergarten. There would be less need for special education services within the schools, which encompasses a heavy workload for many teachers, some of whom are choosing to leave special education altogether.

It is my hope that additional funding would provide better support for infants and toddlers with disabilities in Nevada to continue receiving services, including speech and occupational therapy to address physical development, cognitive development, communication, social and emotional development, and adaptive development. Nevada can provide additional opportunities for parents to seek guidance with a clinician other than their pediatrician who has limited time to see their children.

I ask that the Committee please consider the benefit to children and approve this funding for special needs infants and toddlers with disabilities.

BROOKE PAGE (Director, Corporation for Supportive Housing; Member, Advisory Committee on Housing):

As a member of the Advisory Committee on Housing, I advocate for supportive housing for the state's community members who need services to access and remain stably housed. I am calling in support of Agenda Item G.1.18. Thank you to the Governor and Treasurer for an historic commitment to affordable housing. The Corporation for Supportive Housing supports the first tranche of \$250 million being transferred to the Home Means Nevada Initiative. I would like to echo the comments by Sarah Adler,

Christine Hess, and Emily Paulson regarding the important need to prioritize investment for affordable housing for individuals and families who have extremely low incomes and need services to obtain housing and remain stably housed. The state must understand the needs of this population for each jurisdiction throughout Nevada, and work across state agencies and local jurisdictions to leverage resources, and coordinate and maximize funding. The Corporation for Supportive Housing is here to support building the capacity in the state to ensure that these resources go to people in need.

DORIAN STONEBARGER (Chief Policy Advisor, City of Las Vegas):

I am the Chief Policy Advisor for City of Las Vegas Councilman Brian Knudson. I am concluding my doctorate in public policy at UNLV with a focus on affordable housing in Las Vegas. It is in the latter capacity that I speak to the Committee today in support of Agenda Item G.1.18.

First, I want to thank the Committee for responding to the need of the development community and the rising demand on them to build. Second, I want to thank the Committee for supporting students, teachers, firefighters, and other essential workers who struggle to afford a home to buy or rent in Nevada. The number of people struggling to afford housing is growing. Providing affordable housing now not only prevents the gap from growing, but it will also save the government from being relied upon to provide a host of additional wraparound services down the line. Therefore, housing is one of the key social determinants of health.

Finally, when tenants spend no more than the recommended 30% of their income on housing, more of their annual income is available for other goods and services, which benefits the government through sales tax. That and all the other impactful reasons that were heard today are why this important investment in affordable housing is ultimately a “win-win.” That is why support of this item is critical.

NAT HODGSON (Chief Executive Officer, Southern Nevada Home Builders Association [SNHBA]):

I would like to briefly express the SNHBA’s support for Agenda Item G.1.18, the transfer of ARPA funds for affordable housing. The transfer of these once-in-a-lifetime funds is vital to ensuring there is a continual pipeline of affordable housing construction and maintenance. The SNHBA has been a member of the Nevada Housing Coalition since its inception. The SNHBA would like to applaud the efforts of the Southern Nevada Housing Coalition under the leadership of Christine Hess, and the recommendations set forth to the Office of the Governor.

The lack of affordable housing is a community-wide problem that should be addressed through community-wide revenue streams. Additional funding to the Nevada Housing Division’s existing programs will ensure the dollars are used in a transparent, efficient, and timely manner to continue to make housing attainable for working Nevadans. The SNHBA looks forward to continuing to support implementation at the local government level by finding affordable housing targets, setting up land trusts, and working through the Nevada Housing Division’s application process so that affordable housing projects can be processed as quickly as possible.

DASHUN JACKSON (Director of Children's Safety and Welfare Policy, Children's Advocacy Alliance):

As my colleagues Dr. Tiffany Tyler-Garner and Annette Dawson Owens stated, the safety and welfare of children are important in the State of Nevada. The Children's Advocacy Alliance supports Agenda Item G.2.43 with the hope that the funding goes toward the Aging and Disability Services Division's Early Intervention Services. The Children's Advocacy Alliance believes this is a vital service that is needed in the state.

DEE DEE FOREMASTER (Executive Director, Rural Center for Independent Living, Carson City):

I am asking the Committee to put this funding toward housing. I have worked the last 25 years in the area of housing for people with disabilities, the elderly, and people on the streets. Without stable housing, nonprofit organizations cannot provide adequate services to people to be successful. Without adequate housing, people are forced to educate their children from a motel room where those kids are exposed to drugs, alcohol, and domestic violence. Without proper housing, the elderly cannot get services such as oxygen delivery or people to assist them. Those services cannot be provided to people while they are living on the streets. Without adequate housing, the jails and justice system will be overrun by people constantly cycling through the system. Without stable housing, Nevada cannot survive as a state.

Low-income workers keep casinos open. They provide culinary staff for the hospitality industry and help the economy of Nevada survive. Without low-income housing, Nevada cannot survive. I am asking the Committee to please put this money toward housing. I am now receiving phone calls from state employees who cannot find housing. This is no longer a housing crisis; it is an absolute necessity for the survival of the state.

TESS OPFERMAN (Nevada Women's Lobby):

I am here today regarding two financial allocations on the agenda. On behalf of the Nevada Women's Lobby, I want to thank the Committee for its understanding of the dire housing crisis in Nevada. Recent college graduates are being forced to leave the state to go elsewhere. Seniors on fixed incomes are forced to choose between paying for groceries or rent. Even middle wage earners struggle to pay rent, let alone buy property of their own. The Nevada Women's Lobby is thankful for the allocation of \$250 million for the Home Means Nevada Initiative, which is a critical program helping to address the housing crisis currently facing the state.

The second item I would like to address is on behalf of SEIU Local 1107. I would like to thank the Committee for the proposed allocation of nearly \$1 million to the Desert Willow Treatment Center, which directly helps Child Haven as well as other children in the state by ensuring there are beds and staff at appropriate treatment facilities. Thank you for your understanding of this situation. The Nevada Women's Lobby urges the Committee to allocate the funds.

ALYSON MCCORMICK (City of Sparks) provided public comment for the record ([Exhibit F-10](#)).

STEVEN COHEN provided public comment for the record ([Exhibit F-11](#)).

MONICA GRESSER provided public comment for the record ([Exhibit F-12](#)).

MICHELLE DUGGAN (Board and Community Land Trust Administrator), and KEVIN MELCHER (Community Foundation Board, Chair, Community Foundation of Northern Nevada), provided public comment for the record ([Exhibit F-13](#)).

OYINKANSOLA MOGBOYIN provided public comment for the record ([Exhibit F-14](#)).

MIKE KAZMIERSKI (Economic Development of Western Nevada [EDAWN]) provided public comment for the record ([Exhibit F-15](#)).

ROB BENNER (Building and Construction Trades Council of Northern Nevada) provided public comment for the record ([Exhibit F-16](#)).

MONICA DUPEA provided public comment for the record ([Exhibit F-17](#)).

SHYLA SUMMERS provided public comment for the record ([Exhibit F-18](#)).

DARLENE ANDERSON and MONA LANE provided public comment for the record ([Exhibit F-19](#)).

JERI BURTON (Nevada NOW) provided public comment for the record ([Exhibit F-20](#)).

EILEEN BIDWELL provided public comment for the record ([Exhibit F-21](#)).

ERIK PENNELL, D.O. provided public comment for the record ([Exhibit F-22](#)).

TERRI LAIRD (Retired Public Employees of Nevada) provided public comment for the record ([Exhibit F-23](#)).

INNIE BAYEWUMI provided public comment for the record ([Exhibit F-24](#)).

KARAN MEHTAJI provided public comment for the record ([Exhibit F-25](#)).

ERIC NOVAK provided public comment for the record ([Exhibit F-26](#)).

BARBARA PAULSEN (Nevadans for the Common Good) provided public comment for the record ([Exhibit F-27](#)).

KINGKINI SENGUPTA provided public comment for the record ([Exhibit F-28](#)).

ANDY ROMERO (Make the Road NV) provided public comment for the record ([Exhibit F-29](#)).

The Nevada Chapter of the American Academy of Pediatrics provided public comment for the record ([Exhibit F-30](#)).

C. APPROVAL OF THE MINUTES OF THE JUNE 22, 2021, MEETING.

Refer to motion for approval under Agenda Item D.

D. APPROVAL OF THE MINUTES OF THE AUGUST 18, 2021, MEETING.

ASSEMBLYWOMAN CARLTON MOVED TO APPROVE THE MINUTES OF THE JUNE 22, 2021, MEETING, AND THE AUGUST 18, 2021, MEETING.

SENATOR DENIS SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

E. STATEMENT OF AMERICAN RESCUE PLAN ACT, CORONAVIRUS STATE FISCAL RECOVERY FUND OBLIGATIONS AND REMAINING RESERVE BALANCES WITHIN THE COVID-19 RELIEF PROGRAMS BUDGET ACCOUNT.

BRODY LEISER (Chief Principal Deputy Fiscal Analyst, Fiscal Analysis Division, LCB):
The Committee members may recall that this statement was first presented at the February 9, 2022, IFC meeting. The statement can be found on page 173 in Volume I of the meeting packet ([Exhibit A](#)).

The statement begins with a one-page summary. There have been two minor updates to the layout, which will also carry over to the detailed statement pages.

First, a new reserve column has been added to the right side of the statement to reflect the \$500 million for the Home Means Nevada Initiative for affordable housing, as discussed by the Governor in his State of the State address on February 23, 2022, and during public comment this morning. Agenda Item G.1.18 recommends the allocation of \$250 million to the Nevada Housing Division and to reserve \$250 million for a future allocation request. Funding for this program will be discussed when Agenda Item G.1.18 is presented to the Committee today.

The second update to the statement presentation is that the net total obligation for each section is displayed within the gray boxes, as shown on the summary page. The gray boxes show the total amounts obligated through the actions of the 2021 Legislative Session; the total obligations authorized under the authority of NRS 353; and the total of the amounts that are submitted for consideration at today's meeting.

If all items submitted for consideration totaling \$584,943,802 are approved by the Committee, the remaining unobligated balance of Coronavirus State Fiscal Recovery Funds would be approximately \$1.3 billion. That is shown on the bottom of the summary page, along with the amounts that would remain in the four identified reserve categories.

The detailed statement is on pages 174 through 177 of Volume I of the meeting packet ([Exhibit A](#)). As mentioned, the two formatting updates carry over to the detail statement. Pages 174 and 175 detail obligations approved to date. Beginning on page 176 are the items that are submitted for presentation and/or consideration at today's meeting. I would note that there are a total of 50 items on the agenda relating to this funding, with

Agenda Items F.1 and F.2 having already been approved as 15-day expeditious action items, pursuant to NRS 353.220.

I would note that the statement was finalized before the order of the agenda was finalized. The reference to Agenda Item E.1 and E.2 at the top of page 176 ([Exhibit A](#)) should be Agenda Items F.1 and F.2.

Each of the items that are submitted for today's meeting are presented under the lists for Agenda Items F and Agenda Items G.1, which, in total, amount to approximately \$585 million in funding.

Finally, I would like to draw attention to pages 178 and 179, which provide a breakdown statement for select obligations of Coronavirus State Fiscal Recovery Funds, understanding that there may be interest in where and when certain funding was obligated, which was not clearly delineated on the detailed statement. This new section of the report will display how funding for the following obligations have been allocated. It will break down the \$54 million that was approved through Assembly Bill 484 (2021 Legislative Session) for the Department of Employment, Training and Rehabilitation unemployment compensation system and the \$20.9 million that was approved within Senate Bill 461 (2021 Legislative Session) for the public health emergency. The statement shows that the entire \$20.9 million has been allocated at this point. The statement also breaks down the allocations for the \$7.6 million that was approved within Senate Bill 461 to address food insecurity as the statement reflects the entire \$7.6 million will be allocated if Agenda Items G.1.32 and G.1.41 are approved by the Committee today. The fourth item in this section of the statement is regarding \$100 million requested to be set aside for state agencies, which will be presented to the Committee for consideration today. I would note that there are five allocations requested from that set-aside at today's meeting.

There is a correction to the final item on page 179 ([Exhibit A](#)). The dollar amount of \$55,123 is correct; however, the agenda item referenced in the description is not correct. It should read that Agenda Item G.1.46 is the transfer of \$55,123 to the Department of Agriculture Administration budget to implement a state meat inspection program. The description will be corrected following today's meeting, and if approved, will be reflected as such on the statement that is presented at the May meeting of the IFC.

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

1. Office of the Governor - COVID-19 Relief Programs - FY 2022

Transfer of \$8,184,418 from the Reserve category to the American Rescue Plan Act (ARPA) Projects category to provide an allocation to the Department of Health and Human Services, Division of Public and Behavioral Health to fund COVID-19 test kits, community-based testing sites, and a testing call center. Requires Interim Finance approval since the amount transferred to the ARPA Projects category exceeds \$75,000. **RELATES TO ITEM E.2. Work Program #22FR132714**

ASSEMBLYWOMAN CARLTON:

Some of these programs have started to wind down. I would request in the future to have a follow-up report as an informational item. At the time the Committee supported the funding, the timeframes were unclear. Now the situation has improved slightly, but it is unknown whether another COVID-19 surge will occur.

There was no further discussion on this item.

2. Department of Health and Human Services - Public and Behavioral Health - Public Health Preparedness Program - FY 2022

Addition of \$17,559,408 in federal American Rescue Plan Act, State Fiscal Recovery Funds (FRF) transferred from the COVID-19 Relief Programs account to fund COVID-19 test kits, community-based testing sites, and a testing call center. Requires Interim Finance approval since the amount added to the FRF COVID Test Kits category exceeds \$75,000. **RELATES TO ITEM E.1. Work Program #22FR321803**

There was no discussion on this item.

3. Department of Corrections - Prison Medical Care - FY 2022

Transfer of \$1,398,590 from the Reserve for Reversion to General Fund category to the Coronavirus Aid, Relief and Economic Security (CARES) Act category to reimburse costs for temporary medical staff required to respond to the COVID-19 pandemic. Requires Interim Finance approval since the amount transferred to the CARES Act category exceeds \$75,000. **Work Program #222CRF3706**

There was no discussion on this item.

G.1 APPROVAL OF GIFTS, GRANTS, WORK PROGRAM REVISIONS AND POSITION CHANGES IN ACCORDANCE WITH CHAPTER 353 OF NRS - WORK PROGRAM REVISION REQUESTS FOR THE EXPENDITURE OF AMERICAN RESCUE PLAN ACT (ARPA), CORONAVIRUS STATE FISCAL RECOVERY FUNDS.

WAYNE THORLEY (Senate Fiscal Analyst, Fiscal Analysis Division, LCB):

The following agenda items have been identified for additional discussion: Agenda Item G.1.29, Department of Administration, Division of Human Resource Management. Agenda Item G.1.2, Office of the Governor, will be heard with G.1.19, Office of the Governor; G.1.41, Department of Agriculture; G.1.44, Department of Agriculture; and G.1.46, Department of Agriculture. As Mr. Leiser mentioned previously, all these requests relate to the \$100 million requested to be set aside for agency requests. Agenda Item G.1.4, Office of the Governor, will be heard with Agenda Item G.1.39, Department of Health and Human Services (DHHS), Division of Child and Family Services. Agenda Item G.1.16, Office of the Governor, will be heard with G.1.36, DHHS, Division of Public and Behavioral Health. Agenda Item G.1.17, Office of the Governor will be heard with G.1.24, Office of the Governor. Agenda Item G.1.18, Office of the Governor has also been identified for further discussion.

ASSEMBLYWOMAN CARLTON MOVED TO APPROVE THE REMAINING WORK PROGRAM REVISIONS AND POSITION RECLASSIFICATIONS UNDER AGENDA ITEMS G.1 AND G.2.

SENATOR DENIS SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

1. Office of the Governor - FY 2022

Addition of \$114,190 in federal American Rescue Plan Act, State Fiscal Recovery Funds transferred from the COVID-19 Relief Programs account to fund a database to maintain the Governor's appointments to the 250 boards and commissions. Requires Interim Finance approval since the amount added to the Boards Tracking category exceeds \$75,000. **RELATES TO ITEM G.1.6. Work Program #22FRF10002**

Refer to motion for approval under Agenda Item G.1.

2. Office of the Governor - FY 2022

Addition of \$75,174 in federal American Rescue Plan Act, State Fiscal Recovery Funds transferred from the COVID-19 Relief Programs account to fund two positions to support the administration of the Infrastructure and Jobs Act. Requires Interim Finance approval since the cumulative amount added to the Personnel category exceeds \$75,000. **RELATES TO ITEM G.1.19. Work Program #22FRF10003**

Agenda Items G.1.2, G.1.19, G.1.41, G.1.44, and G.1.46 were discussed jointly. Refer to discussion and motion for approval under Agenda Item G.1.46.

3. Office of the Governor - COVID-19 Relief Programs - FY 2022

Transfer of \$35,002 from the Loss Revenue Reserve category to the American Rescue Plan Act (ARPA) Administration category to support an allocation to the Department of Agriculture for contracted fiscal staff and equipment. Requires Interim Finance approval since the cumulative amount transferred to the ARPA Administration category exceeds \$75,000. **RELATES TO ITEM G.1.30. Work Program #22FR132715**

Refer to motion for approval under Agenda Item G.1.

4. Office of the Governor - COVID-19 Relief Programs - FY 2022

Transfer of \$916,718 from the Loss Revenue Reserve category to the American Rescue Plan Act (ARPA) Projects category to support an allocation to the Department of Health and Human Services, Division of Child and Family Services to fund the Desert Willow Treatment Center hardening project. Requires Interim Finance approval since the amount transferred to the ARPA Projects category exceeds \$75,000. **RELATES TO ITEM G.1.39. Work Program #22FR132716**

Agenda Items G.1.4 and G.1.39 were discussed jointly. Refer to testimony and motion for approval under Agenda Item G.1.39.

5. Office of the Governor - COVID-19 Relief Programs - FY 2022

Transfer of \$652,618 from the Community Recovery Grant Reserve category to the American Rescue Plan Act (ARPA) Projects category to support an allocation to the Department of Health and Human Services, Aging and Disability Services Division to fund subawards to the Carson City Senior Center and Helping Hands of Vegas Valley. Requires Interim Finance approval since the amount transferred to the ARPA Projects category exceeds \$75,000. **RELATES TO ITEM G.1.34. Work Program #22FR132717**

Refer to motion for approval under Agenda Item G.1.

6. Office of the Governor - COVID-19 Relief Programs - FY 2022

Transfer of \$114,190 from the Loss Revenue Reserve category to the American Rescue Plan Act (ARPA) Projects category to support an allocation to the Office of the Governor for a database to manage appointments to the 250 boards and commissions. Requires Interim Finance approval since the amount transferred to the ARPA Projects category exceeds \$75,000. **RELATES TO ITEM G.1.1. Work Program #22FR132718**

Refer to motion for approval under Agenda Item G.1.

7. Office of the Governor - COVID-19 Relief Programs - FY 2022

Transfer of \$2,600,323 from the Community Recovery Grant Reserve category to the American Rescue Plan Act (ARPA) Projects category to support an allocation to the Office of the Attorney General to fund a subaward for Legal Aid Center of Southern Nevada. Requires Interim Finance approval since the amount transferred to the ARPA Projects category exceeds \$75,000. **RELATES TO ITEM G.1.28. Work Program #22FR132719**

Refer to motion for approval under Agenda Item G.1.

8. Office of the Governor - COVID-19 Relief Programs - FY 2022

Transfer of \$3,960,000 from the Loss Revenue Reserve category to the American Rescue Plan Act (ARPA) Projects category to support an allocation to the Department of Health and Human Services, Division of Welfare and Supportive Services to fund system modifications to support the ex-parte renewal for Medicaid clients. Requires Interim Finance approval since the amount transferred to the ARPA Projects category exceeds \$75,000. **RELATES TO ITEM G.1.37. Work Program #22FR132720**

Refer to motion for approval under Agenda Item G.1.

9. Office of the Governor - COVID-19 Relief Programs - FY 2022

Transfer of \$107,619 from the Reserve category to the American Rescue Plan Act (ARPA) Administration category to support an allocation to the Governor's Office of Finance, Budget Division to fund three state positions and associated costs. Requires Interim Finance approval since the amount transferred to the ARPA Administration category exceeds \$75,000. **RELATES TO ITEM G.1.25. Work Program #22FR132721**

Refer to motion for approval under Agenda Item G.1.

10. Office of the Governor - COVID-19 Relief Programs - FY 2022

Transfer of \$169,565 from the Community Recovery Grant Reserve category to the American Rescue Plan Act (ARPA) Projects category to support an allocation to the Department of Health and Human Services, Division of Public and Behavioral Health to fund a subaward to Moxy Up. Requires Interim Finance approval since the amount transferred to the ARPA Projects category exceeds \$75,000. **RELATES TO ITEM G.1.35. Work Program #22FR132722**

Refer to motion for approval under Agenda Item G.1.

11. Office of the Governor - COVID-19 Relief Programs - FY 2022

Transfer of \$33,161 from the Reserve category to the American Rescue Plan Act (ARPA) Administration category to support an allocation to the Governor's Office of Finance, Division of Internal Audits to support one state position to provide audit support for the ARPA, State Fiscal Recovery Funds. Requires Interim Finance approval since the cumulative amount transferred to the ARPA Administration category exceeds \$75,000. **Work Program #22FR132723**

Refer to motion for approval under Agenda Item G.1.

12. Office of the Governor - COVID-19 Relief Programs - FY 2022

Transfer of \$100,000 from the Community Recovery Grant Reserve category to the American Rescue Plan Act (ARPA) Projects category to support an allocation to the Department of Health and Human Services, Division of Child and Family Services to fund a subaward to Safe Nest. Requires Interim Finance approval since the amount transferred to the ARPA Projects category exceeds \$75,000. **RELATES TO ITEM G.1.38. Work Program #22FR132724**

Refer to motion for approval under Agenda Item G.1.

13. Office of the Governor - COVID-19 Relief Programs - FY 2022

Transfer of \$300,000 from the Reserve category to the American Rescue Plan Act (ARPA) Projects category to support an allocation to the Office of the Military to fund the Purple Resolve Program. Requires Interim Finance approval since the amount transferred to the ARPA Projects category exceeds \$75,000. **RELATES TO ITEM G.1.40. Work Program #22FR132725**

Refer to motion for approval under Agenda Item G.1.

14. Office of the Governor - COVID-19 Relief Programs - FY 2022

Transfer of \$604,730 from the Loss Revenue Reserve category to the American Rescue Plan Act (ARPA) Projects category to support an allocation to the Nevada Supreme Court to fund a projected shortfall in administrative assessments. Requires Interim Finance approval since the amount transferred to the ARPA Projects category exceeds \$75,000. **Work Program #22FR132726**

Refer to motion for approval under Agenda Item G.1.

15. Office of the Governor - COVID-19 Relief Programs - FY 2022

Transfer of \$893,800 from the Loss Revenue Reserve category to the American Rescue Plan Act (ARPA) Projects category to support an allocation to the Administrative Office of the Courts to fund a projected shortfall in administrative assessments. Requires Interim Finance approval since the amount transferred to the ARPA Projects category exceeds \$75,000. **Work Program #22FR132727**

Refer to motion for approval under Agenda Item G.1.

16. Office of the Governor - COVID-19 Relief Programs - FY 2022

Transfer of \$4,972,547 from the Loss Revenue Reserve category to the American Rescue Plan Act (ARPA) Projects category to support an allocation to the Department of Health and Human Services, Division of Public and Behavioral Health to fund renovations to Stein Forensic Hospital. Requires Interim Finance approval since the amount transferred to the ARPA Projects category exceeds \$75,000. **RELATES TO ITEM G.1.36. Work Program #22FR132728**

Agenda Items G.1.16 and G.1.36 were discussed jointly. Refer to testimony and motion for approval under Agenda Item G.1.36.

17. Office of the Governor - COVID-19 Relief Programs - FY 2022

Transfer of \$203,580,768 from the Reserve category to the American Rescue Plan Act (ARPA) Broadband Initiatives category to support an allocation to the Office of the Governor, Office of Science, Innovation and Technology to fund broadband projects throughout the state. Requires Interim Finance approval since the amount transferred to the ARPA Broadband Initiatives category exceeds \$75,000. **RELATES TO ITEM G.1.24. Work Program #22FR132731**

Agenda Items G.1.17, G.1.24 and G.2.1 were discussed jointly. Refer to testimony and motion for approval under Agenda Item G.2.1.

18. Office of the Governor - COVID-19 Relief Programs - FY 2022

Transfer of \$250,000,000 from the Reserve category to the Home Means Nevada Reserve category and transfer of \$250,000,000 from the Reserve category to the American Rescue Plan Act (ARPA) Home Means Nevada category to support an allocation to the Department of Business and Industry, Housing Division to fund the Home Means Nevada Program. Requires Interim Finance approval since the amount transferred to the ARPA Home Means Nevada category exceeds \$75,000. **Work Program #22FR132732**

BAILEY BORTOLIN (Deputy Chief of Staff, Office of the Governor):

Housing could not be a higher priority for the Governor Sisolak. When Nevada's federal delegation worked to secure ARPA dollars, Governor Sisolak, Treasurer Conine and many of the Committee members partnered to ensure that all Nevadans had an opportunity to provide feedback on how to best utilize this opportunity to move Nevada forward.

Overwhelmingly, the Governor and the Treasurer heard from teachers, students, families, small business owners, and tribal members that the state must act on housing issues. The feedback was universal, much like what the Committee heard in public comment this morning.

More than half of the total dollars requested were for housing investments and assistance. The request before the Committee is a result of those conversations, a study of federal U.S. Department of the Treasury rules and applicable state laws, and the expertise of the subject matter experts and doers in the state. Three of those experts are here today: Terry Reynolds, Director, Department of Business and Industry; Steve Aichroth, Administrator, Nevada Housing Division; and Michael Holliday, Chief Financial Officer, Nevada Housing Division.

I would be remiss if I did not take this opportunity to thank the staff of the Nevada Housing Division for their willingness to take on this additional work, on top of the tremendous work the division is already doing for the state. The division has worked closely with the Office of the Governor and the community to ensure this plan delivers on the needs of the state, complies with all rules and requirements, and can respond at the speed necessary to expend these funds under the federal timeline.

STEVE AICHROTH (Administrator, Nevada Housing Division):

Thank you for your consideration of allowing \$250 million of ARPA State and Local Fiscal Recovery funding to be used by the Nevada Housing Division for the implementation of the Home Means Nevada Initiative. This initiative will allow for the new construction and preservation of desperately needed affordable homes, create and reenforce homeownership opportunities for Nevada families, and secure land opportunities for future development of affordable homes.

I will not go over the statistics on the need for affordable housing in Nevada; the Committee heard a number of those statistics during public comment. Essentially, Nevada does not have the needed supply of homes. The lack of supply combined with increased demand is causing an escalation in home prices and dramatic rent increases that have been making headlines all over the state.

According to the National Low-Income Housing Coalition research, Nevada has a deficit of more than 84,000 available and affordable units for extremely low-income Nevadans. This affects seniors, veterans, those with disabling conditions, and workers. In the past three years, with over \$800 million in bonding authority provided by the Department of Business and Industry, along with the 9% tax credit program, the division helped to create and preserve over 6,400 units of affordable

housing. From May through September of 2021, the Nevada Housing Division participated in an advisory role with the Nevada Housing Coalition Task Force. I cannot thank the task force enough for their work. The task force represented the public and private sectors, with active participation by nearly 70 stakeholders, including economic development agencies, nonprofits, advocates, developers, builders, health care organizations and finance representatives.

In concert with the statewide Nevada Recovers Listening Tour, spearheaded by the Office of the Governor and the State Treasurer, in collaboration with local jurisdictions, which are also using State and Local Fiscal Recovery Funds for affordable housing, the division has a unique opportunity for Nevada to address this affordable housing shortage, and catalyze efforts to grow the state's affordable housing inventory.

Today, the Nevada Housing Division presents for the Committee's consideration the initial request of funding for the \$500 million for the Home Means Nevada Initiative. I would note this is not associated with Home Means Nevada, Inc., the nonprofit established by the Department of Business and Industry, which deals primarily with foreclosure mediation. The division received several calls just over the past couple of days in that regard.

ASSEMBLYWOMAN MONROE-MORENO:

During public comment today, the Committee heard personal stories from community stakeholders on this vital issue. The lack of affordable housing was an issue before the COVID-19 pandemic, and it is an even larger issue now. I am happy the Committee is hearing this request today.

Committee members have commented that this is not the traditional way of handling business; however, the pandemic has required the Committee to do several things differently. There are families who are hurting. Because the Committee is considering the request in a way that is not normal for its process as a legislative body, it is important to recognize that by requesting regular reports about the expenditures of the Home Means Nevada Initiative. The reports to the Committee could potentially correspond with the agencies' federal semi-annual reporting requirements to ensure the dollars are being used as the Committee intended. Is that something the division can commit to?

MR. AICHROTH:

Absolutely. There will be oversight by the U.S. Department of the Treasury, and the division is required to report on compliance within that program. The division will provide that information to the Committee.

ASSEMBLYWOMAN JAUREGUI:

I have had many conversations with Mr. Aichroth, and I appreciate his patience with my many questions. I am very excited to see this money go into affordable housing.

Approximately 3,000 households are being preserved in the affordable housing

development area. How will the money be used to preserve the units, and how many years will the homes be designated as affordable housing?

MR. AICHROTH:

The term “preservation” refers to homes that are already in the tax credit program. The affordability period is typically 30 years. At the end of the 30 years, the homeowner may exit the program. Certain tax credit mechanisms would allow the owner to exit the program before the 30-year period.

Preservation would keep those units in the state’s current inventory of affordable homes. The homes would be refreshed and rehabbed, which could involve things like energy efficiencies, cabinetry, or appliances. At that time, an additional 30 years would be added to the home’s time in the affordability program.

ASSEMBLYWOMAN JAUREGUI:

Please explain how and when the additional 30 years in the affordable housing program is triggered. Could that happen after just 5 years?

MR. AICHROTH:

In theory that is correct, but in reality, it is not. The units will need rehabilitation in about 18 or 20 years. If a home does not have rehabilitation for 30 years, there would be a need for a lot of deferred maintenance. At that time, the clock would restart for another 30-year period.

ASSEMBLYWOMAN JAUREGUI:

When does the division expect to begin seeking preapplications for potential projects?

MR. AICHROTH:

The division’s preapplication process was drafted and submitted to the Office of the Governor and the GFO for review. The division hopes to receive that review within one or two weeks.

ASSEMBLYWOMAN JAUREGUI:

That is for both new construction and preservation?

MR. AICHROTH:

That is correct.

ASSEMBLYWOMAN JAUREGUI:

The Committee approved the first 10% of funding for the Nevada Homeowner Assistance Fund at its August 18, 2021, meeting. The remainder of the funding is in this work program.

Please provide an update on the Nevada Homeowner Assistance Fund. How many homeowners have reached out to the Nevada Affordable Housing Assistance Corporation (NAHAC) for assistance?

MR. AICHROTH:

Michael Holliday, Chief Financial Officer, Nevada Housing Division, is prepared to provide an update when the Committee discusses that agenda item.

ASSEMBLYWOMAN TITUS:

The affordable housing situation in the state is drastic. The Committee heard about the funding for multi-family construction, multi-family preservation, home ownership and land acquisition. However, many of my constituents live in modular homes in a park. Lot fees for modular homes are also increasing. An owner of a modular home may not be able to afford the rental fee on the lot it occupies but cannot afford to move the modular home elsewhere. Will there be any relief for these people?

MR. AICHROTH:

There are a couple of ways to broach that situation. Modular homeowners are eligible for lot rent assistance through the CARES Housing Assistance Program (CHAP). The Nevada Rural Housing Authority would determine if the program has been implemented in the rural spaces, and if it is an eligible use of the rental funds. That would at least temporarily take care of the situation.

Another component of the funding is \$30 million for homeowner assistance. The homeowner would be eligible for certain improvements to their house such as weatherization.

ASSEMBLYWOMAN TITUS:

Can an owner of a modular home access that program?

MR. AICHROTH:

Yes, as long as the homeowner is below 65% of the AMI.

ASSEMBLYWOMAN TITUS:

Citizens of Nevada are the most mobile in the nation. They move frequently. Is there an obligation for a homeowner receiving assistance to remain in the home?

MR. AICHROTH:

The funds are not necessarily going directly to the homeowner or the tenant. The funds for multi-family rental units will be used for construction. The funds for preservation would go to the apartment complex development team

Except for the down payment assistance program, which would either be administered through Nevada Rural Housing, or through the Nevada Housing Division, it is anticipated the funding would go through entities like Habitat for Humanity or Rebuilding Together. Those entities would use the funds to modify homes, which would allow homeowners to stay in their homes, perhaps to "age in place."

ASSEMBLYMAN WATTS:

The Committee has heard much about how important this issue is to the state's residents. It is important that members of the public know how seriously the Committee takes this issue. The division has undertaken other affordable housing initiatives that total over \$1 billion. That does not include the \$300 million in bonding authority that was recently allocated.

On top of the \$500 million the Committee is considering today, there have been substantial efforts to address this issue. Some of those efforts have already been mentioned, for example, CHAP, the CARES Act Emergency Solutions Grant, the Homeowner Assistance Fund, and Emergency Rental Assistance (ERA). Please provide a brief update the status of these pandemic housing assistance programs.

MR. AICHROTH:

The division has created and preserved about 52,000 affordable units through its traditional 9% and 4% tax credit programs over the past three years. The division has helped more than 6,000 homebuyers purchase homes over the past three years. As a whole, the state received \$208 million in emergency rental assistance from ERA 1 funds. The expenditure rate for those funds is 83%, or roughly \$160 million. Prior to that, the state collectively received federal rental assistance of \$108 million. Approximately \$164 million came into the state or will come into the state through ERA 2, which is part of the ARPA. That funding is being used now as the division runs through the balance of the ERA 1 assistance. The Homeowner Assistance Fund that will be discussed later has provided \$121 million in assistance to homeowners. As Assemblywoman Jauregui indicated, 10% of the funding was approved by the IFC in August 2021. That money is already being distributed to people. The balance of the 90%, \$108 million, will be discussed by the Committee today.

The Committee will hear about other funds available to the division, such as the COVID Emergency Service Grant (ESGCV) and Home Investment Partnerships Program (HOME ARP) at its meeting in May 2022. The Committee has heard that state agencies are strapped. The division is receiving a lot of funding. The good news is that the division is the conduit agency that gets the money out the door. The division is the pass-through entity that is able to do this work.

ASSEMBLYMAN WATTS:

That information helps to illustrate all the work the division is doing and puts the different work programs discussed at different meetings in perspective.

CHAIR BROOKS:

It does demonstrate all the work being done by the division, the Legislature, and the Office of the Governor toward fixing the housing issue. At times, the Committee can get "lost in the weeds" when agencies are allocated a little bit of funding here and there. Thank you for concisely describing the division's work on housing issues.

SENATOR SEEVERS GANSERT:

Thank you for all the work being done by the division. The Committee recognizes the need for affordable housing. I have spoken with Mr. Aichroth and the Deputy Chief of Staff, and some developers on this issue.

Information provided to the Committee indicated 15,000 units needed to be preserved in Clark County, 5,700 in Washoe County, and about 2,900 in rural counties. How many units need to be preserved in the state?

MR. AICHROTH:

Those are the total number of current affordable properties within those jurisdictions. Those units would all be eligible for preservation. The subset of those units that are 18 years and older would likely need preservation.

SENATOR SEEVERS GANSERT:

The IFC is the steward of this money. I want to make sure the life of these properties is extended and kept up to par. I understand that a property is rehabbed at 18 to 20 years, then the 30-year clock restarts.

Looking at the numbers, \$130 million would rehabilitate 3,000 units, at about \$43,000 per unit. The life of a home can be extended for \$43,000. Right now, new housing costs between \$222,000 and \$250,000 per unit. That is projected to increase to between \$250,000 and \$350,000. For \$300 million, 1,700 new units could be built. A new unit costs multiple times the cost to rehabilitate an existing unit. Four existing units can be preserved for the cost of one new unit.

The Committee wants to maximize the impact of this funding. Is there enough housing in need of preservation across the state to expand the use of the funds? Should the division look at more preservation opportunities? Ultimately, the goal is to provide more housing opportunities for people.

MR. AICHROTH:

Effectively, both approaches are needed. The Committee heard this morning about the shortage of affordable housing. If there was only the preservation of units, the total number of units would not increase. Increasing the number of preservation units would partially eliminate the drain on affordable properties, but it would not add new units. The approach needs to be two-fold.

The Committee heard this morning about the need for supportive housing, transitional housing, and housing for people with intellectual disabilities, which are difficult to build with traditional sources of funding. This funding can really be of use to increase that inventory.

SENATOR SEEVERS GANSERT:

Spending for that type of housing makes sense. Seniors and people with disabilities need suitable housing to fit their need.

The rate of drain in the existing affordable housing stock may be faster than the ability to build new units. Should there be a larger investment to ensure the existing

units are well maintained, and to prevent losing existing affordable properties? The division does not want there to be thousands of run-down houses because they were not preserved. Those houses will not be good places for people to live.

Should the funds be focused toward reducing the drain of existing affordable housing rather than building new units? What is the most cost-effective way to use the dollars?

MR. AICHROTH:

The division can preserve existing units and support new development through the traditional 9% and 4% programs.

TERRY REYNOLDS (Director, Department of Business and Industry):

Senator Seevers Gansert brought up a good point. It is equally important to preserve projects to keep people in affordable housing as it is to build new ones.

The division put \$300 million into tax free bonds, part of which typically goes toward preservation projects. In addition, volume cap authorization for bonding is used for preservation projects. The division will balance the two approaches using funds from both sources, which provides a little more leverage for preservation projects.

SENATOR SEEVERS GANSERT:

Part of the reason this transaction is in a nonexecutive budget was the urgency to expend the funds within the federal timeframe. However, some people who work in this industry report that the application process for Home Funds in Washoe County begins in December and is completed in May. That is a six-month period in which the developers are trying to secure the property and begin a project. That is an obstacle that could be fixed.

There is a limited amount of funds. How can those funds be used to provide affordable housing to as many people as possible? How can the division assure the state is not losing too many existing affordable housing units? How can the division remove obstacles so the issues can be addressed in a timelier manner?

The state needs more affordable housing, but a nonexecutive budget work program should not be used to expedite the timeline when other processes like the Home Funds application are slowing down construction. Is there anything that can be done to speed up the application process for Home Funds?

MR. AICHROTH:

The Committee heard Reno Mayor Hillary Schieve speak about accelerating the process of building affordable housing in the City of Reno. Much of that work, such as planning and zoning, is done at the local jurisdiction level. Most of the local entities mentioned today are in some sort of discussion, or have taken action, to accelerate the process. Clark County approved its Community Housing Trust yesterday. The division is involved diligently with the local jurisdictions in trying to be more flexible and make that process quicker.

Home Funds are a unique component of the capital stack project in Nevada. Because the funds trigger a property tax exemption, the counties are very cognizant to make sure the projects are going to serve their constituents. The developers will not begin a project without the property tax exemption. Washoe County and Clark County both have a process for developers to obtain those funds. Clark County's process may be a little quicker. It does not necessarily have the same obstacles that exist in Reno.

Developers in the Truckee Meadows already know the obstacle exists. Many of them get approval for the Home Funds long before building begins. The division would like to see the process cleaned up. If it is determined that the process does need to be changed, the Legislature will be considering it during the 2023 Legislative Session.

SENATOR SEEVERS GANSERT:

I would be willing to offer a bill draft request for that purpose if the Housing Advisory Committee does not put one forward.

SENATOR GOICOECHEA:

There is no doubt there is a need for more affordable housing. My big concern is that the funds would be in a nonexecutive budget. How big of an impairment would it be to the division to submit work programs for each project for approval by the IFC?

MR. AICHROTH:

The ARPA funds need to be obligated by December 2024. As mentioned by Senator Seevers Gansert, there are some obstacles to getting that done timely.

Mayor Schieve mentioned the property in Reno that recently opened. That project was started well before the pandemic. Granted, there were pandemic-related issues that delayed construction, but the project began long before that. If everything is clear, it takes roughly 18 to 24 months for a project to go from funding to occupancy.

The division will need to get the preapplications and applications out, and vet the processes and projects. That will take time before even considering releasing funds for a particular project. Then the project must be constructed. The ARPA State Fiscal Recovery Funds are built on a very short timeline from the development standpoint.

MICHAEL HOLLIDAY (Chief Financial Officer, Nevada Housing Division):

The largest obstacle for the division is the number of work programs that would be required for the Committee to approve each project individually. As Mr. Aichroth pointed out, the division will have processes for preapplication, application, and underwriting. The lenders would need to sign off, but none would do that before they know there is funding available from the state. The developers will not take on the risk of the project before the funding is approved.

The division does not have the bandwidth to prepare work programs for each project, on top of all the extra work needed to get the projects started. There are approximately 10 to 12 multi-family construction projects, and 30 to 40 preservation projects involved. Each project would need to be a work program.

The funds are in a separate budget account simply because of the size of the program. The U.S. Department of the Treasury will oversee the funds. It will eventually have oversight by the federal Office of the Inspector General or another agency that oversees the U.S. Department of the Treasury. Keeping the money in one budget account is far more transparent than using separate budgets for each project. This approach will allow the division to provide reporting not only to the IFC, but to the bodies like the U.S. Department of the Treasury. The information needed by the auditors is all in one place.

SENATOR GOICOECHEA:

I am struggling to support this, and in fact I will not support moving the funds to a nonexecutive budget.

The funds must be obligated by 2024. There will be an election in November 2022, which will result in changes to the Committee membership. There is nothing constant except for this Committee in that timeframe. The Committee is moving away from its duty as elected legislators by not providing oversight to the expenditure of the funds.

I am not convinced that the timeframes are so critical. The Committee could discuss and approve the work programs at its May 5, 2022, meeting. The division is doing a great job, and there is no doubt there is a need for more affordable housing, but the Committee needs to provide oversight. This is a large amount of money: \$500 million. This is federal dollars, but it is still taxpayer money.

MS. BORTOLIN:

This is an important conversation. As Mr. Holliday mentioned, the division has undertaken a robust analysis of the U.S. Department of the Treasury's rules. It is inevitable that there will be an audit, and the General Fund could be on the hook to pay back funds to the federal government. For that reason, we are doing due diligence repeatedly to the best of our ability.

There are very specific rules in the U.S. Department of the Treasury guidance as to how the funds can be used for housing. Some of the current Nevada Housing Division processes do not necessarily meet those requirements. By having two different budget accounts, the state is prepared for the expected audit from the federal government.

Senator Goicoechea mentioned that the Committee membership would change because of the November 2022 election. The dollars in this budget account would still come before the Legislature in the Governor's Recommended budget. The budget account that would be created if this request is approved today will come back before the 2023 Legislature.

SENATOR GOICOECHEA:

Why not bring the requests to the Committee in 30 days? There are many unanswered questions. The division is scrambling to figure out whether preservation or new construction is the best approach.

MS. BORTOLIN:

The Office of the Governor and the division would be happy to have this topic as a standing item on each IFC agenda to make sure the Committee is informed of the progress. There is a timeline issue that requires the Committee's approval of the work program in one budget account. Mr. Holliday has not provided the most robust version of the timelines of the different projects. The division cannot afford to be tripped up by one of the projects, which could result in the loss of the federal funds.

There are extraordinary obstacles; there is also an extraordinary need. The division has found a way to deliver affordable housing, because that is what it was asked to do by Nevadans.

CHAIR BROOKS:

Are local government approvals required before the funds can be obligated?

MR. AICHROTH:

Home Funds must be approved by the counties because there are planning and zoning questions. As the Committee heard earlier, Clark County has put its Fiscal Recovery funds toward affordable housing, as have the Cities of Las Vegas and Reno. The division has frequent conversations with these jurisdictions and will continue to do so. The local government approvals are not necessarily an obstacle that would prevent the use of these funds anywhere in the state, other than typical jurisdictional ordinances.

CHAIR BROOKS:

I wonder if the same level of trepidation from the investment community would exist if approvals were needed at a local level on a piece of the funding.

MR. AICHROTH:

The division will have those discussions, but I do not believe the approvals exists currently.

ASSEMBLYMAN HAFEN:

I see the need for affordable housing, but I have a number of outstanding questions. There was a lot of fraud in Nye County with the COVID-19 relief money. If there is fraud, the State of Nevada will be on the hook for it. What kind of precautionary measures will be taken to prevent fraud?

MR. AICHROTH:

Through the preapplication and the application period, the division will determine the eligibility of the project and the residences. The division will review the history and financial stability of the entity requesting the funds.

There are certain requirements the recipients must abide by when receiving over \$1 million in State Fiscal Recovery Funds. One of those requirements is a single audit requirement.

The funds will not go to individuals. Large amounts of funding will go to single entities rather than being spread out over many people.

MR. HOLLIDAY:

The biggest requirement is the single audit. Anyone who receives over \$750,000 of these funds will be required to not only have an audit, but to have a single audit that meets the federal requirements. Most of these projects will receive over \$750,000. If there is a lender, there will be oversight of the lender doing underwriting as well. There will be ongoing compliance with the division for the entire period of affordability for income restrictions as well as the physical appearance, health, and safety of the property. On top of that, the recipients of the funds will be required to undergo a single audit for receiving those federal funds.

ASSEMBLYWOMAN MILLER:

The experts have determined this is an appropriate approach to relax some of the challenges to providing affordable housing in Nevada. Will this funding provide individuals with down payment support?

MR. AICHROTH:

Ultimately, this funding will benefit individuals in every category. The division could supplement its current down payment assistance programs administrated by the division or Nevada Rural Housing.

ASSEMBLYWOMAN MILLER:

Will these funds supplant funding of existing programs?

MR. AICHROTH:

This funding would not supplant funds. It would add funds for existing programs.

ASSEMBLYWOMAN MILLER:

Will priority be given to existing Nevadans and existing Nevada companies to ensure the housing is used for primary residences?

MR. AICHROTH:

Typically, Nevada-based businesses and contractors would do most of the work. The funding will not be used to build second homes. Supportive or transitional housing is not primary housing, but it puts a roof over someone's head for 30, 60 or 90 days. The division anticipates some construction of that type. The funds will increase the state's affordable housing stock across the spectrum for a long period.

SENATOR TATRO:

I appreciate all the work the division has put into this, and I recognize there is an extraordinary need. Will the state compete with the private sector for the purchase

or land, or will existing state lands be used first?

MR. AICHROTH:

The division could potentially be competing with the private sector, but that has not been determined yet. There are several possible options. First, the division envisions using land acquisition to assist developments that might already be planned to get the development off the ground quicker. Funds could be used to supplant some of the developers' land costs, so those properties could be developed.

Second, the division could potentially hold land for future development that is an allowable use under the final rule. The land that could probably be purchased with jurisdiction buy in. Then, if the jurisdictions want to hold the land for an additional period, it would be deed-restricted for specific affordable housing purposes. That would be a little more difficult, and the division will need to work through that idea.

Third, the division is working with the Division of State Lands on other projects that could be eligible for this funding. The state could potentially use that land to facilitate getting jurisdictional land into the hands of developers.

SENATOR TATRO:

I am concerned that competition for land with the private sector could drive up the cost of housing even more.

How will the funds be distributed between the rural areas and Northern and Southern Nevada?

MR. REYNOLDS:

That is a good point. First, I would like to clarify that the division is not in the business of competing with the private sector. Second, there is a lot of interest from local governments that are determining how to use their ARPA allocations. The local governments are considering purchasing land or properties that can be rehabilitated for multi-family housing or even transitional housing. As Mr. Aichroth said, the division is also considering using Division of State Lands properties that have been surveyed. Some of the land is suitable, and some is not.

The division has had many conversations with the City of Reno, Clark County, the City of Las Vegas, and the City of North Las Vegas about potential properties that could be purchased, rehabilitated, and converted into housing. These are long-term projects within the transit corridors, or downtown corridors of these cities. Mr. Aichroth is accurate when he says these projects are not settled. There will be planning work in terms of zoning and permitting.

As to the balance of properties, the division works with Nevada Rural Housing to identify properties that can be worked on with the funds.

MS. BORTOLIN:

The team before the Committee today is uniquely situated to do this work. The

reason the Committee heard from so many people and local governments this morning is a product of the relationships that have developed and the stakeholder groups that have been initiated. The process is incredibly collaborative. This does not happen with every policy issue that the Office of the Governor tackles. Clark County, the City of Las Vegas and the City of Reno are ready to work with the division.

The team and the stakeholder groups are having detailed conversations that will be more robust when authorization is given to act as the state's stakeholder. These groups are coming together statewide to use the funds as a force multiplier to best ensure the greatest number of units are created. The unity on this issue is unmatched.

SENATOR TATRO:

I am concerned that the Committee is being asked to authorize the purchase of land, but the division does not have that piece figured out.

What mix of market rate housing and affordable housing will be targeted? I would hope the developments are not 100% affordable housing. All the studies show the mix should be 80% market rate with 20% affordable, or 90% market rate with 10% affordable.

Lastly, how many affordable housing units are needed, and how many units will the funding create?

MR. AICHROTH:

The state needs an additional 105,000 units. Of that number, 84,000 are needed to house those below 50% of the AMI. The funding will help, but it would take billions of dollars to solve the problem.

Some of the properties will be 100% affordable. A development with a mix of income is also an eligible use, but the funds can only be applied to the part that will support affordable units for people at 65% and below the AMI.

SENATOR HARRIS:

Not all programs are created equal. For example, I support drug abuse prevention, but I would not support providing a lot of dollars for Drug Abuse Resistance Education, which has been shown to be ineffective.

Will these programs actually lead to Nevadans feeling the effect of the additional affordable housing? Are the existing programs doing well? Would it be better not to put \$250 million into the existing programs?

Assemblyman Watts mentioned that Nevada has already put \$1 billion into affordable housing programs, but Nevadans are not feeling that. Not to say the division is not doing a great job or working hard. Can you give the Committee some assurance that this is the right thing to do with this money? This is especially important since a large amount will be used by third parties, and the Committee

may or may not have oversight.

MR. AICHROTH:

When ARPA State Fiscal Recovery Funds were first introduced, there was talk about the potential use for affordable housing. The division had many discussions, internally and externally, with the Nevada Housing Coalition and its stakeholders. Much thought has gone into this use of the funds. Some of the ideas were developed by the division and the stakeholders. Other ideas emulate the best parts of existing programs.

The bulk of the developments will be multi-family space. Between construction and preservation, \$430 million of the \$500 million will be used for multi-family housing. The division's programs are successful in making a difference for Nevadans. The Committee heard about that this morning from Nevada Hand, other developers, and the community.

The division knows that the programs work. The question is how to replicate that success using these dollars. Ultimately, the division landed with this proposal. The programs proposed to be funded will provide the "biggest bang for the buck." The division's 9% and 4% tax credit programs are working well in creating affordable units. The division would like to put more dollars toward those programs but is limited either by bond cap authority or the number of 9% tax credits the division gets per capita. The division developed a parallel path for the use of the funds. Instead of two "trains leaving the station" to create affordable housing, there will be three. The funds will be used for the same purposes as the two other tracks but will potentially provide units for those with lower AMIs that cannot be reached by the other two tracks.

After much thought and discussion, including discussions with other states and the U.S. Department of the Treasury, the division has determined that this will be the highest and best use of the funds. This will probably be my last great act professionally, and I want to see this through to fruition.

SENATOR HARRIS:

I would like to reiterate some of the concerns of the other Committee members in saying I do not want to rely on the oversight of the federal government. The result of that oversight could be to say that the state owes money to the federal government on the back end. Please keep the Committee updated on the use of these funds, not just after the funds are spent, but also before.

ASSEMBLYWOMAN BENITEZ-THOMPSON:

Three of the programs are well established. The division works well with these projects every day. However, land acquisition is new to the division. Mr. Aichroth responded to Senator Tatro that the land acquisition process would need to be developed. Other than the land acquisition piece, do you imagine any of these dollars moving programmatically in a way that has not been done before?

MR. AICHROTH:

This is a very good question. The division must consider what is currently allowable under the guidance the U.S. Department of the Treasury has given for use of these funds. As the U.S. Department of the Treasury updates its guidance, other avenues may open that the division has not considered.

Because of the affordable housing situation in the state, the division is moving quickly to use the funds. The division is in contact with other states nationwide to discuss the use of the funding. If the division learns another state is using the funds in a different way that seems to work, the division would be happy to try to replicate that.

ASSEMBLYWOMAN PETERS:

There are a lot of federal rules for the use of the funds. The division has had to quickly become experts on new rules and policies. The proposed developments would also create jobs. The labor component is an important piece in the Committee's consideration. What are the federal rules for labor with this funding? How might those rules be negotiated within the frameworks of the different partners in the process?

MR. AICHROTH:

The ARPA fund rules encourage, but do not require, adherence to the Davis-Bacon Act. However, at certain dollar amounts there are different federal wage and reporting requirements. Also, if the ARPA funds are being used with other funds, the Davis-Bacon Act might apply.

SENATOR SEEVERS GANSERT:

Will the State of Nevada impose labor, wage or union requirements that are not usually required for these types of projects?

MR. AICHROTH:

To my knowledge, unless the project involves another source of funding, the state would not impose such requirements. As was mentioned by Treasurer Conine, the State Infrastructure Bank might be used for these developments, which may have different requirements.

SENATOR SEEVERS GANSERT:

Is it correct that the division does not anticipate the requirement of prevailing wage, project labor agreement and so forth, unless there is another pool of funds involved that does require them?

MR. AICHROTH:

That is correct.

CHAIR BROOKS:

I apologize to the Committee for taking so much time on this agenda item. However, this work program proposes to approve \$500 million for which the Committee will have no oversight. The Committee will ask as many questions as

needed to get answers.

SENATOR HAMMOND:

Ms. Bortolin offered to report on the funding at each IFC meeting. That may not assuage the concerns of everyone on the Committee, but it would give a better level of understanding.

MS. BORTOLIN:

The Office of the Governor and the division are excited for the opportunity to do this work, and both agencies want to talk discuss it with the Committee. The Office of the Governor and the division would be happy to present updates whenever the IFC meets.

I would also encourage Committee members to contact me by phone or email if there are additional questions after today. I am available whenever Committee members would like to have those conversations. This is a collaborative process. The Office of the Governor and the division cannot do this without the partnership of the Committee.

CHAIR BROOKS:

A robust report on the expenditures will be on every IFC agenda moving forward until the money is spent.

ASSEMBLYMAN YEAGER MOVED TO APPROVE AGENDA ITEM G.1.18, WITH THE REQUIREMENT THAT THE NEVADA HOUSING DIVISION PROVIDE REGULAR PROJECT UPDATES AT EVERY MEETING OF THE INTERIM FINANCE COMMITTEE ABOUT THE STATUS AND EXPENDITURES OF THE HOME MEANS NEVADA INITIATIVE.

SENATOR DENIS SECONDED THE MOTION.

ASSEMBLYWOMAN TITUS:

When the division presents the project updates, will the Committee members have the opportunity to discuss and approve them? My concern is that the division might report back, but the Committee might not have any recourse.

CHAIR BROOKS:

No, the Committee members would not approve expenditures at future meetings.

ASSEMBLYWOMAN TITUS:

I will be opposing the motion.

SENATOR SEEVERS GANSERT:

Assemblyman Yeager offered some broad requirements of the reporting. I would hope the report would include details like the number of units, the cost per unit, the category, and location. Sometimes the Committee receives numerous tables of

information. It would be easier to view the information as a dashboard showing the progress, the expectations, how much has been spent, and the outcomes. Those details will make the Committee feel assured that the money is being spent effectively.

SENATOR GOICOECHEA:

I am struggling with this. I would prefer for the Committee to consider the funds at its May 2022 meeting. I see the need and I know the state needs to move the dollars, but I have too many questions about the project. I am looking forward to working with Ms. Bortolin, and hope that she can answer those questions.

SENATOR TATRO:

I support 90% of this, but I am concerned that some of the questions could not be answered. I know this is well intentioned, and it is going to happen, but I am concerned about voting on something without a plan in place.

ASSEMBLYMAN ROBERTS:

Over the last few months, I have been in my community in a variety of forums – the topic of affordable housing never ceases to come up. It is a major issue in Clark County. I have spoken with Ms. Hess over the past two months and have steered stakeholders to the Southern Nevada Housing Coalition Task Force. I have talked to many people who participated in the task force, and I am very comfortable with the proposals it has come forward with. With the requirement to report to the Committee at each meeting, I am comfortable with the plan and the oversight that is provided. I will support the motion.

ASSEMBLYWOMAN MONROE-MORENO:

I will echo the comments from my colleague from Assembly District 13, which is next to my assembly district. Affordable housing was a problem in the community long before the COVID-19 pandemic.

There is an affordable housing issue in the state. People are talking about the lack of affordable housing and rent increases in lines at grocery stores and banks. While this may not be the perfect program, it is a move in the right direction. The state has the buy in of the counties, cities, nonprofits, and the people who will build the housing. All those parties came before the Committee today to express the urgent need for affordable housing right now.

One of my colleagues commented that this is not an emergency. Tell that to the mom who is living in her car with four kids. This is an emergency. The time to do this is now. The division will provide detailed reporting to the Committee on how this money is being spent to help families in this state. I will be supporting the motion.

ASSEMBLYWOMAN CARLTON:

I have had maybe a dozen really tough votes in my life, and this is one of them. I did not agree with this approach for a very long time, even after many discussions. I do not like it, and I am very apprehensive of it, but there is a crisis in this state

that needs to be addressed. The people I encounter in my job at the food pantry are in desperate need.

Nevada is a citizen's legislature. Sometimes bureaucracy must be set aside. I have concerns, but I also have faith in the people running the division. I know the division will do an excellent job, and I look forward to the reports. I will be supporting this today, but I want to watch it very closely.

CHAIR BROOKS:

It is important to realize these are public funds. It is the people's money, not the Executive Branch or Legislative Branch's money. This money came in during the 2021 Legislative Session. This interim committee is a result of not having a full-time professional legislature. My frustrations are with the state government. It does not serve the people the way it should, because of the part-time nature of its citizen's legislature.

This is an incredibly important topic, and I will support it. I trust the team of individuals who will manage the funds.

This is the last thing I will ever vote on in this Committee that tries to circumvent the role of the Nevada Legislature in the process. The Nevada Constitution is crystal clear. This is obviously an emergency, but it is an incredibly tough vote. I am frustrated with the process. Please do not do this again. There needs to be a level of oversight. Everyone on the Committee was elected by Nevadans, and the Nevada Constitution says the Committee is supposed to have oversight. Moving forward, this is the last vote I will take that circumvents the Nevada Legislature, and I do feel that it circumvents the Nevada Legislature.

THE MOTION PASSED. (Assemblywoman Titus, Senator Goicoechea and Senator Tatro opposed the motion).

Chair Brooks called a recess at 2:37 p.m. The meeting reconvened at 3:12 p.m.

19. Office of the Governor - COVID-19 Relief Programs - FY 2022

Transfer of \$100,000,000 from the Loss Revenue Reserve to the American Rescue Plan Act (ARPA) State Agency Allocations category to set aside funding for state agency ARPA programs. Requires Interim Finance approval since the amount transferred to the ARPA State Agency Allocations category exceeds \$75,000. **RELATES TO ITEMS G.1.2, G.1.29, G.1.41, G.1.44 and G.1.46. Work Program #22FR132733**

Agenda Items G.1.2, G.1.19, G.1.41, G.1.44, and G.1.46 were discussed jointly. Refer to discussion and motion for approval under Agenda Item G.1.46.

20. Office of the Governor - COVID-19 Relief Programs - FY 2023

Transfer of \$129,275 from the Reserve category to the American Rescue Plan Act (ARPA) Administration category to support an allocation to the Department of Agriculture to fund contracted fiscal staff and related costs. Requires Interim

Finance approval since the amount transferred to the ARPA Administration category exceeds \$75,000. **RELATES TO ITEM G.1.32. Work Program #23FR132702**

Refer to motion for approval under Agenda Item G.1.

21. Office of the Governor - COVID-19 Relief Programs - FY 2023

Transfer of \$137,291 from the Reserve category to the American Rescue Plan Act (ARPA) Administration category to support an allocation to the Department of Agriculture to fund contracted grant positions and related costs. Requires Interim Finance approval since the amount transferred to the ARPA Administration category exceeds \$75,000. **RELATES TO ITEM G.1.33. Work Program #23FR132703**

Refer to motion for approval under Agenda Item G.1.

22. Office of the Governor - COVID-19 Relief Programs - FY 2023

Transfer of \$284,218 from the Reserve category to the American Rescue Plan Act (ARPA) Administration category to fund the Office of the Lieutenant Governor's Office of Small Business Advocacy personnel and operating costs. Requires Interim Finance approval since the amount transferred to the ARPA Administration category exceeds \$75,000. **RELATES TO ITEM G.1.27. Work Program #23FR132704**

Refer to motion for approval under Agenda Item G.1.

23. Office of the Governor - COVID-19 Relief Programs - FY 2023

Transfer of \$151,458 from the Reserve category to the American Rescue Plan Act (ARPA) Administration category to support an allocation to the Governor's Office of Finance, Division of Internal Audits to support one state position to provide audit support for the ARPA, State Fiscal Recovery Funds. Requires Interim Finance approval since the amount transferred to the ARPA Administration category exceeds \$75,000. **RELATES TO ITEM G.1.26. Work Program #23FR132705**

Refer to motion for approval under Agenda Item G.1.

24. Office of the Governor - Office of Science, Innovation and Technology - FY 2022

Addition of \$203,580,768 in federal American Rescue Plan Act (ARPA), State Fiscal Recovery Funds transferred from the COVID-19 Relief Program account to support broadband projects throughout the state. Requires Interim Finance approval since the amount added to the Federal Grants ARPA category exceeds \$75,000. **RELATES TO ITEM G.1.17. Work Program #22FRF10034**

Agenda Items G.1.17, G.1.24 and G.2.1 were discussed jointly. Refer to testimony and motion for approval under Agenda Item G.2.1.

25. Governor's Office of Finance - Budget Division - FY 2022

Addition of \$107,619 in federal American Rescue Plan Act (ARPA), State Fiscal Recovery Funds (FRF) transferred from the COVID-19 Relief Programs account to fund three state positions and associated costs to help with the management of the ARPA FRF. Requires Interim Finance approval since the amount added to the Personnel Services category exceeds \$75,000. **RELATES TO ITEM G.1.9. Work Program #22FRF13402**

Refer to motion for approval under Agenda Item G.1.

26. Governor's Office of Finance - Division of Internal Audits - FY 2023

Addition of \$151,458 in federal American Rescue Plan Act (ARPA), State Fiscal Recovery Funds (FRF) transferred from the COVID-19 Relief Programs account to fund an Executive Branch Auditor 4 position to provide audit support for the ARPA FRF. Requires Interim Finance approval since the amount added to the Personnel Services category exceeds \$75,000. **RELATES TO ITEM G.1.23. Work Program #23FRF13421**

Refer to motion for approval under Agenda Item G.1.

27. Office of the Lieutenant Governor - Office of Small Business Advocacy - FY 2023

Addition of \$284,218 in federal American Rescue Plan Act, State Fiscal Recovery Funds transferred from the COVID-19 Relief Programs account to support the continuation of the Office of Small Business Advocacy pursuant to Assembly Bill 184 (2021 Legislative Session). Requires Interim Finance approval since the amount added to the Personnel category exceeds \$75,000. **RELATES TO ITEM G.1.22. Work Program #23FRF10211**

Refer to motion for approval under Agenda Item G.1.

28. Office of the Attorney General - Administrative Budget Account - FY 2022

Addition of \$2,600,323 in federal American Rescue Plan Act (ARPA), State Fiscal Recovery Funds transferred from the COVID-19 Relief Programs account to provide a subaward to the Legal Aid Center of Southern Nevada for the Legal Advocacy to Address Pandemic Educational Deficiencies for Vulnerable Youth with Disabilities project. Requires Interim Finance approval since the amount added to the ARPA category exceeds \$75,000. **RELATES TO ITEM G.1.7. Work Program #22FRF10301**

Refer to motion for approval under Agenda Item G.1.

29. Department of Administration - Division of Human Resource Management - FY 2022

Addition of \$320,000 in federal American Rescue Plan Act (ARPA), State Fiscal Recovery Funds transferred from the COVID-19 Relief Programs account to fund a contract to evaluate the recruitment and retention situation within the state. Requires Interim Finance approval since the amount added to the ARPA category

exceeds \$75,000. **RELATES TO ITEM G.1.19. Work Program #22FR136301**

LAURA FREED (Director, Department of Administration):

I will turn the presentation over to the administrators of the Division of Human Resource Management and the Administrative Services Division who will discuss the work program, which is designed to improve the state's staffing situation, which is dire.

DANIEL MARLOW (Administrator, Administrative Services Division):

This work program is a request for ARPA funding of \$320,000 to provide a study of compensation and classification to better analyze recruitment and classification issues within the state.

SENATOR HARRIS:

The consultant's work will be completed in January 2024. In the meantime, what is the plan for training and retention?

FRANK RICHARDSON (Administrator, Division of Human Resource Management):

Over the past nine months, the Division of Human Resource Management (DHRM) has engaged in many programs for retention, succession planning and recruitment. The Committee members may have seen the division's recent efforts in succession planning and emergency regulations.

The DHRM expects to roll out an apprenticeship program very soon that will develop a career pipeline, which will include most of the colleges in the state. The DHRM has begun to look at other options that may draw more candidates to the state, including the remote work program. The division recently instituted an improvement team, which is starting to work on many of these projects. The improvement team has done extensive research in remote work programs. The division has many different things going on and does not have the bandwidth to reach out and dig deep into activities such as team onboarding programs and career lines to succession.

SENATOR HARRIS:

This is not part of the work program request, but it is very important. Being that UNLV is one of the most diverse universities in the country, the state employment pool is not as diverse. I would encourage the division to try its best to make an intentional effort to ensure the state workforce reflects the diversity of the state.

ASSEMBLYWOMAN TITUS:

Thank you for recognizing the significant dearth of employees. The statement that was submitted with the work program indicates the funding will address challenges in recruiting and retaining state employees in Nevada resulting from the COVID-19 pandemic. The state had an issue retaining state employees prior to the pandemic.

I am frustrated by this request to allocate \$320,000 to study why there are not enough state employees. The consultant will be paid \$100 per hour to do yet

another study, when the DHRM just said it has already done studies on some of the issues. Thus, the issues are known. State police officers are not paid enough. It is frustrating to learn that another study will be conducted when known issues are not being resolved.

Finally, how many employees left state employment during the pandemic? How many left due to vaccine requirements, the extra cost of health insurance, or other pandemic-related mandates?

MR. RICHARDSON:

Wages and benefits are the leading factors that cause employees to change employers; however, the DHRM does not have much control over wages and benefits. The division can control what it works on within the state. For example, the division is developing a “stay” culture, which involves finding career pathways and making sure the new work demographic is highly engaged. The new work demographic appreciates being given projects, having more involvement, and more opportunity.

The division is challenged because it has a limited number of staff. The division is implementing collective bargaining again for the second year, and working on success factors, both of which has created more work for staff. The DHRM staff working on these projects volunteer two hours every two weeks to put together these studies. Not much headway is being made, because there is not enough time to work on the projects.

The DHRM would like to look at the things that it can change, such as the culture. That would involve meeting with staff, talking about retention, designing a career plan for employees to advance so they know where they are going, and highly engaging employees. I know the DHRM can do that, but the division needs help. There are roadblocks in the *Nevada Revised Statutes* (NRS) and the *Nevada Administrative Code* (NAC) that are challenging. The division would like to address the issues holistically.

In 1992 and 1993, a very small study was done by an outside consultant to look at two class series. The division needs to look at all the class series in one piece to develop career progression plans to create a culture, develop succession plans, and promote employees.

Over the last year, more than twice as many workers left state employment than in a normal year. The division does not know why employees leave unless they self-report. The vast majority do not report a reason for leaving. Those that do provide a reason for leaving say it is because of the COVID-19 policies or because they do not want to be tested for COVID-19.

Compared to 2015, the state has a 24% vacancy rate, which is significant. In 2015, the vacancy rate was 7.9%. In the next four years, 22% of state staff will be eligible for retirement. In less than nine years, that will increase to 40%. Nevada is losing institutional knowledge across the state. The division needs to be able to

train existing employees for high-level jobs, to build pathways so that when a new hire is onboarded, they move through the process, become successful and are promoted to higher-level jobs. Without this approach, the state will lose valuable knowledge, lose the ability to retain staff, and struggle with continuous operations. The DHRM is looking at the situation holistically. That is why the division would like to take this approach.

ASSEMBLYWOMAN TITUS:

I heard you say the state had a 7.9% vacancy rate before the pandemic, a 24% vacancy rate after the pandemic.

MS. FREED:

There is a higher vacancy rate in the law enforcement classes and some health care classes. In general terms, retaining workers was a problem before the pandemic. That has gotten worse because people have chosen to retire. Overall, the state is at a 20% vacancy rate. That means 20% of the state's business is not getting done, because the state cannot recruit people at the current wages, particularly compared to local peers.

I want to underline what Mr. Richardson said about digging into the order of the classified pay structure and determining how to organize class codes. This is a large project that the DHRM does not have the staff or time to handle. That is why ARPA funds are being requested to hire a consultant to do the work. Just like any other department or division, the DHRM has a significant vacancy rate.

ASSEMBLYWOMAN TITUS:

I have been sitting on this Committee for four terms now. The state has always had a staff shortage and has done studies to address that shortage. There has been an increase of almost 100% in the staff shortage from when I started as a legislator in 2015. I am concerned about spending money on another study to determine why there is a staff shortage when both Mr. Richardson and Ms. Freed have noted the reasons why there is a shortage of state employees. I am concerned about paying \$100 per hour for yet another study to tell the state what is already known.

ASSEMBLYWOMAN TOLLES:

Did I understand correctly that part of the reason for this request is that the DHRM has vacancies, and the data being collected will help manage the human resources side of state employees?

MS. FREED:

Yes, that is correct. As Mr. Richardson mentioned, the division has been performing the normal DHRM duties while also working on the Silver State Modernization Approach for Resources and Technology in the 21st Century Enterprise Resource Planning transition, which has taken a lot of staff time. Just like other departments and divisions, the DHRM has trouble recruiting at the classified pay scale.

ASSEMBLYWOMAN TOLLES:

There have been similar discussions in the private sector. The “Great Resignation” does not just affect the public sector.

Are the results of the focus group meetings available to the Committee? Ms. Freed and Mr. Richardson said wages and benefits are the number one issue, but out-of-date regulations are also barriers to recruitment. I am curious to know if there are occupational licensing barriers. In addition, the Committee heard testimony about the lack of workforce housing. I would like to know if that was mentioned in the focus group, and whether that would fall under wages and benefits.

MR. RICHARDSON:

The division is working on the shortage of Department of Public Safety (DPS) staff. Division staff are reaching out to the Department of Defense to work on the SkillsBridge Program, which will provide a pathway from military service to DPS service. Once that is operational, housing for the new hires will be a real challenge. Most of the officers will not be able to afford to rent a house with the current wages, particularly in Northern Nevada. There may be a way to support new hires through the housing authority. There are a lot of challenges to recruitment, and housing price inflation is one of them.

The department has surveys that can be shared with the Committee. Notes were taken during one of the focus group meetings, and much of the outreach was recorded. I am happy to share that information with the Committee.

Regarding occupational licenses as a barrier, the division has been working with the Department of Health and Human Services (DHHS) with some of the occupational licensed positions the department is struggling to fill. That has become a real problem. The DHHS is not able to offer services to everyone who needs them, because there is not enough staff to meet those needs. The division is also working diligently on that.

ASSEMBLYMAN LEAVITT:

People are often not forthcoming with information during onboarding and exit interviews. That is data the department needs. A successful study can only be done with accurate data that can be built upon to improve things. It does not seem like the division is getting that data. How will the study be effective?

The division has some data but has found it hard to improve using the existing information. Previous studies have not been effectively implemented. If the department does not have the staff resources to conduct a study, that is one thing, but conducting another study to build upon previous studies just seems too cyclical.

MR. RICHARDSON:

The department is eager to look at the NAC and NRS that are impacting the ability to be agile in recruitment. Some of the existing codes and statutes really slow

down the division. It is not possible to implement some of the programs being considered without changing those regulations or statutes. The department wants to make sure the NAC and NRS align with best practices.

There are class specifications that have not been reviewed for over four decades. The department does not have the bandwidth to modernize every one of those 1,170 classes.

The problem is not just the information available about what is causing the Great Resignation; the department needs to be agile in addressing classification specifications going forward.

ASSEMBLYMAN LEAVITT:

What I am hearing is that the department already has information that needs to be implemented, rather than conducting more studies.

MR. RICHARDSON:

There is information on class specifications, but the division has not been able to perform the work due to bandwidth. The DHRM is not a large division. The division certainly has its challenges going forward with recruitment, success factors, and collective bargaining.

While some of that information exists, the department needs to have fresh eyes on it. More importantly, the department wants the class specifications to align with the overall holistic approach to career pathways, building succession plans, and finding ways to develop feeder resources from the colleges into the state. One example is using apprenticeship programs or underfills. The department needs to combine all of this and put it together.

Many of the NRS and NAC regulations could be considered complex to the average person. The division sometimes has trouble deciding how to apply those regulations to the situations it is facing today as it tries to recruit people. Some of those issues are challenging, and the division needs help. That is the purpose of the study.

ASSEMBLYWOMAN PETERS:

I hope the department has been in touch with the people working on the S.B. 209 COVID-19 Response Study regarding impacts to the workforce across the state, including State of Nevada employees.

I understand that the division is planning in Phase 1 of the study to review NRS to identify things that need to be fixed so that bill draft requests can be prepared before the 2023 Legislative Session. Phase 2 is to develop a plan for recruitment and outreach using available data. Phase 3 is to pull together the changes to the NRS, then identify the NAC updates. That would include a plan for recruitment and retention. There would be a wage study and implementation of a new wage classification system to ensure that what was previously committed to is implemented in Phase 3. This is an implementation program that the division is

requesting, not really a new study.

MR. RICHARDSON:

Yes, that is correct. I appreciate that comment.

ASSEMBLYWOMAN CARLTON MOVED TO APPROVE
AGENDA ITEM G.1.29.

SENATOR DENIS SECONDED THE MOTION.

ASSEMBLYWOMAN TITUS:

After much discussion on this item, I will support it with the understanding that there will be a process to put the changes into action. The State of Nevada employee workforce has been decimated by this pandemic, as has the rest of the state's workforce. I look forward to a process of solutions, just not studies. Thank you, Assemblywoman Peters, for making the process toward implementation clear.

THE MOTION PASSED UNANIMOUSLY.

30. Department of Agriculture - Commodity Foods Distribution Program - FY 2022

Addition of \$35,002 in federal American Rescue Plan Act (ARPA), State Fiscal Recovery Funds transferred from the COVID-19 Relief Programs account to fund contracted fiscal staff and equipment. Requires Interim Finance approval since the cumulative amount added to the ARPA Contract Staffing category exceeds \$75,000. **RELATES TO ITEM G.1.3. Work Program #22FR136203**

Refer to motion for approval under Agenda Item G.1.

31. Department of Agriculture - Commodity Foods Distribution Program - FY 2022

Transfer of \$2,000,000 from the American Rescue Plan Act (ARPA) SB 461 Reserves category to the ARPA SB 461 Funds expenditure category to implement the Home Feeds Nevada program. Requires Interim Finance approval since the amount added to the ARPA SB 461 Funds category exceeds \$75,000. **Work Program #22FR136205**

Refer to motion for approval under Agenda Item G.1.

32. Department of Agriculture - Commodity Foods Distribution Program - FY 2023

Addition of \$129,275 in federal American Rescue Plan Act (ARPA), State Fiscal Recovery Funds transferred from the COVID-19 Relief Programs account to fund contracted fiscal staff and related costs. Requires Interim Finance approval since the amount transferred to the ARPA Contract Staffing category exceeds \$75,000. **RELATES TO ITEM G.1.20. Work Program #23FR136201**

Refer to motion for approval under Agenda Item G.1.

33. Department of Agriculture - Commodity Foods Distribution Program - FY 2023

Addition of \$137,291 in federal American Rescue Plan Act (ARPA), State Fiscal Recovery Funds transferred from the COVID-19 Relief Programs account to fund contracted grant staff and related costs. Requires Interim Finance approval since the amount transferred to the ARPA Contract Staffing category exceeds \$75,000. **RELATES TO ITEM G.1.21. Work Program #23FR136202**

Refer to motion for approval under Agenda Item G.1.

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

Addition of \$652,618 in federal American Rescue Plan Act (ARPA), State Fiscal Recovery Funds (FRF) transferred from the COVID-19 Relief Programs Account to fund subawards to the Carson City Senior Center to continue the Senior Nutrition Program while the kitchen is closed for critical repairs and to Helping Hands of Vegas Valley to continue the Rural Home Delivered Meals Program. Requires Interim Finance approval since the amount added to the ARPA FRF Community Recovery Grant category exceeds \$75,000. **RELATES TO ITEM G.1.5. Work Program #22FRF32661**

Refer to motion for approval under Agenda Item G.1.

35. Department of Health and Human Services - Public and Behavioral Health - Behavioral Health Prevention and Treatment - FY 2022

Addition of \$169,565 in federal American Rescue Plan Act (ARPA), State Fiscal Recovery Funds transferred from the COVID-19 Relief Programs account to fund a subaward to Moxy Up to provide increased staff to serve additional middle and high school youth who need a safe space to complete distance learning and receive mentoring. Requires Interim Finance approval since the amount added to the ARPA Community Services Grant category exceeds \$75,000. **RELATES TO ITEM G.1.10. Work Program #22FRF31702**

Refer to motion for approval under Agenda Item G.1.

36. Department of Health and Human Services - Public and Behavioral Health - Southern Nevada Adult Mental Health Services - FY 2022

Addition of \$4,972,547 in federal American Rescue Plan Act (ARPA), State Fiscal Recovery Funds transferred from the COVID-19 Relief Programs account to fund renovations to Stein Forensic Hospital to improve mental health programming and safety and reduce the spread of COVID-19 and other communicable diseases. Requires Interim Finance approval since the amount added to the ARPA Stein Renovations category exceeds \$75,000. **RELATES TO ITEM G.1.16. Work Program #22FRF31612**

Agenda Items G.1.16 and G.1.36 were discussed jointly.

JO MOLAY (Deputy Administrator for Clinical Services, DPBH, DHHS):

These work programs request the addition of \$4,972,547 for the renovation of the Stein Hospital, a forensic facility in Las Vegas with multiple small units that are crowded spaces with poor ventilation. During the pandemic, the division found that these units are counterproductive in mitigating the spread of disease.

Renovations include removing a wall between the two units, which allows for a larger, less crowded space, social distancing, and improved ventilation. The renovation includes a private restroom in the seclusion room to seclude clients that have COVID-19 or other infectious diseases.

ASSEMBLYWOMAN MILLER:

Please explain how the requested renovations would mitigate the spread of COVID-19, or impact facility capacity.

MS. MOLAY:

The units are very small. Six or seven clients are confined in a very small area. It does not allow for social distancing recommended by the Centers for Disease Control and Prevention to reduce the spread of diseases. Removal of the wall would allow for a larger space with better ventilation and room for social distancing.

The renovations will be done in incremental stages, one unit at a time. There is another unit available for those clients so that programming and treatment will not be affected.

ASSEMBLYWOMAN MILLER:

Will doing the improvements one unit at a time allow the division to manage the existing facility occupants?

MS. MOLAY:

The division does not expect any impact to clients. The clients will be moved to another unit within the same facility. The units are very similar to each other. Programming and treatment would continue.

ASSEMBLYWOMAN CARLTON MOVED TO APPROVE
AGENDA ITEMS G.1.16 and G.1.36.

SENATOR DENIS SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

37. Department of Health and Human Services - Welfare and Supportive Services - Administration - FY 2022

Addition of \$3,960,000 in federal American Rescue Plan Act, State Fiscal Recovery Funds transferred from the COVID-19 Relief Programs account to fund a system modification to support ex-parte renewals for Medicaid clients. Requires Interim Finance approval since the amount added to the XIX Ex-Parte Renewals category exceeds \$75,000. **RELATES TO ITEM G.1.8. Work**

Program #22FRF32281

Refer to motion for approval under Agenda Item G.1.

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

Addition of \$100,000 in federal American Rescue Plan Act (ARPA), State Fiscal Recovery Funds transferred from the COVID-19 Relief Programs account to fund a subaward to Safe Nest to provide mental health services to victims of domestic violence. Requires Interim Finance approval since the amount added to the Community Recovery Grant category exceeds \$75,000. **RELATES TO ITEM G.1.12. Work Program #22FRF31452**

Refer to motion for approval under Agenda Item G.1.

39. Department of Health and Human Services - Child and Family Services - Southern Nevada Child and Adolescent Services - FY 2022

Addition of \$916,718 in federal American Rescue Plan Act (ARPA), State Fiscal Recovery Funds transferred from the COVID-19 Relief Programs account to fund the Desert Willow Treatment Center (DWTC) hardening project. Requires Interim Finance approval since the amount added to the Transfer from ARPA for DWTC category exceeds \$75,000. **RELATES TO ITEM G.1.4. Work Program #22FRF36462**

Agenda Items G.1.4 and G.1.39 were discussed jointly.

JENNIFER OUELLETTE (Deputy Administrator, Division of Child and Family Services [DCFS], DHHS):

This work program transfers ARPA funding in the amount of \$916,718 to harden the ceilings in one unit at the Desert Willow Treatment Center (DWTC). The DWTC, which is located on the division's West Charleston Campus in Las Vegas, provides services to youth who are severely emotionally disturbed. This is an important project, as youth have been breaking the ceiling tiles and using the wiring within it for self-harm and or harming others. There is also electrical wiring and structural components that can be accessed and damaged.

Hardening the ceiling in this unit will increase safety to patients and staff and save the state money in not having to repeatedly repair the damage.

ASSEMBLYWOMAN GORELOW:

How will the existing occupants be impacted during the construction?

DR. JACKIE WADE (Deputy Administrator, DCFS, DHHS):

The patients at the DWTC have mental health diagnoses and are severely emotionally disturbed. The work will be done in phases. The patients will be moved to another unit while work on their unit is being completed. The work will have very little impact on the services being delivered at the DWTC.

ASSEMBLYWOMAN CARLTON MOVED TO APPROVE
AGENDA ITEMS G.1.4 AND G.1.39.

SENATOR CANNIZZARO SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

40. Office of the Military - State Active Duty - FY 2022

Addition of \$300,000 in federal American Rescue Plan Act, State Fiscal Recovery Funds transferred from the COVID-19 Relief Programs account to fund the Purple Resolve Program. Requires Interim Finance approval since the amount added to the Personnel Services category exceeds \$75,000. **RELATES TO ITEM G.1.13. Work Program #22FRF36581**

Refer to motion for approval under Agenda Item G.1.

41. Department of Agriculture - Commodity Foods Distribution Program - FY 2022

Addition of \$5,008,051 in federal American Rescue Plan Act (ARPA), State Fiscal Recovery Funds transferred from the COVID-19 Relief Programs account and transfer of \$4,470,974 from the ARPA Senate Bill (S.B.) 461 Reserves category to the ARPA S.B. 461 Funds category to implement ARPA Food Insecurity Programs. Requires Interim Finance approval since the amount added to the ARPA S.B. 461 Funds category exceeds \$75,000. **RELATES TO ITEM G.1.19. Work Program #22FR136207. RECEIVED ON 3-17-22, AFTER THE 3-10-22 SUBMITTAL DEADLINE.**

Agenda Items G.1.2, G.1.19, G.1.41, G.1.44, and G.1.46 were discussed jointly. Refer to discussion and motion for approval under Agenda Item G.1.46.

42. Department of Health and Human Services - Public and Behavioral Health - Crisis Response - FY 2023

Addition of \$1,956,000 in federal American Rescue Plan Act (ARPA), State Fiscal Recovery Funds (FRF) transferred from the COVID-19 Relief Programs account to continue funding crisis counselors for the Nevada Resilience Project. Requires Interim Finance approval since the amount added to the ARPA FRF Nevada Resilience Project category exceeds \$75,000. **RELATES TO ITEM G.1.48. Work Program #23FRF31651. RECEIVED ON 3-17-22, AFTER THE 3-10-22 SUBMITTAL DEADLINE.**

Refer to motion for approval under Agenda Item G.1.

43. Department of Health and Human Services - Public and Behavioral Health - Crisis Response - FY 2023

Addition of \$3,500,000 in federal American Rescue Plan Act (ARPA), State Fiscal Recovery Funds (FRF) transferred from the COVID-19 Relief Programs account to establish the 988 Crisis Call Center and Care Traffic Control Hub. Requires Interim Finance approval since the amount added to the ARPA FRF Crisis

Response System category exceeds \$75,000. **RELATES TO ITEM G.1.47. Work Program #23FRF31652. RECEIVED ON 3-17-22, AFTER THE 3-10-22 SUBMITTAL DEADLINE.**

Refer to motion for approval under Agenda Item G.1.

44. Department of Agriculture - Commodity Foods Distribution Program - FY 2022

Addition of \$400,050 in federal American Rescue Plan Act (ARPA), State Fiscal Recovery Funds transferred from the COVID-19 Relief Programs account to support the purchase of fresh produce and desirable perishable foods for the Senior Nutrition and Wellness Program. Requires Interim Finance approval since the amount added to the ARPA Senate Bill 461 Funds category exceeds \$75,000. **RELATES TO ITEM G.1.19. Work Program #22FR136210. RECEIVED ON 3-17-22, AFTER THE 3-10-22 SUBMITTAL DEADLINE.**

Agenda Items G.1.2, G.1.19, G.1.41, G.1.44, and G.1.46 were discussed jointly. Refer to discussion and motion for approval under Agenda Item G.1.46.

45. Office of the Governor - COVID-19 Relief Programs - FY 2022

Transfer of \$1,560,101 from the Loss Revenue Reserve category to the American Rescue Plan Act (ARPA) Projects category to support an allocation to the Department of Health and Human Services, Division of Child and Family Services - Victims of Crime account to continue operations and making payments to victims of crime. Requires Interim Finance approval since the amount transferred to the ARPA Projects category exceeds \$75,000. **Work Program #22FR132734. RECEIVED ON 3-17-22, AFTER THE 3-10-22 SUBMITTAL DEADLINE.**

Refer to motion for approval under Agenda Item G.1.

46. Department of Agriculture - Agriculture Administration - FY 2022

Addition of \$55,123 in federal American Rescue Plan Act (ARPA), State Fiscal Recovery Funds transferred from the COVID-19 Relief Programs account to implement a State Meat Inspection Program. Requires Interim Finance approval since the amount added to the ARPA Meat Inspection category exceeds 10% of the legislatively approved amount for that category. **RELATES TO ITEM G.1.19. Work Program #22FR455401. RECEIVED ON 3-17-22, AFTER THE 3-10-22 SUBMITTAL DEADLINE.**

Agenda Items G.1.2, G.1.19, G.1.41, G.1.44, and G.1.46 were discussed jointly.

Discussion on Agenda Item G.1.19

TIFFANY GREENAMEYER (Deputy Director, Governor's Office of Finance [GFO]):
Work Program #22FR132733 would transfer \$100 million from the Loss Revenue Reserves to the ARPA State Agency Allocation category to set aside funding for state agencies' ARPA programs. This request is to earmark funding for agencies

and reduce the number of companion work programs required for each agency's ARPA programmed projects or programs. The agency ARPA requests will still come before the Committee for approval based on statutory provisions.

SENATOR DONDERO LOOP:

How are the recommendations for allocations from the \$100 million to support state agencies being prioritized?

BAILEY BORTOLIN (Deputy Chief of Staff, Office of the Governor):

One work program will earmark \$100 million for state government through the GFO. Many of these ARPA work programs are companion items for which two work programs will be sent forward for every one item. This will allow the money to be earmarked by the GFO, then each companion work program will come forward to the Committee either today or at a future IFC meeting. The work programs will then go back to the Governor's Chief of Staff, Yvanna Cancela.

The LCB, the Office of the Attorney General and the Nevada Supreme Court are expected to make requests from that dollar amount. The GFO has been working diligently through those agency requests and believes it can start making those allocations from the ARPA dollars. Nothing will be allocated without the specific items coming before the Committee with an explanation.

SENATOR HARRIS:

How would the allocation of \$100 million support programs in the short term? The consultant work is not due to be done until January 2024. What is the state doing in the meantime?

CHAIR BROOKS:

That question is specific to an individual work program. I ask that you hold those questions until that work program is discussed.

SENATOR GOICOECHEA:

Why is the \$100 million amount being earmarked when it is still coming to the IFC for approval?

MS. BORTOLIN:

I would note that Director Susan Brown of the GFO is not in attendance to answer questions. Ms. Brown is obviously very crucial to this process. The \$100 million is close to the amount being brought forward for state government agencies. In all candor, it is an incredible amount of work to move these dollars. It involves ARPA dollars, COVID dollars, and infrastructure work. It is difficult to do this work with the current number state employees that were allocated to administer a normal budget.

The work program simply allows the GFO to say it is undertaking the analysis of all the programs. It involves reviewing what each agency puts forward and determining whether it is more appropriate as a request in the Governor's Recommended Budget or a short-term ARPA request, whether it fits under the

rules of the funding, and whether it is sustainable.

That work is being done on every item the GFO is bringing to the Committee, but this process allows the GFO to submit one work program. This avoids the work of submitting hundreds of work programs to the Committee. It is simply an issue of resources. The GFO will work with the agencies on each request before a work program is placed on a future IFC agenda.

SENATOR GOICOECHEA:

I understand the agencies will provide specific information on the number of positions and the amount of funds being requested. It is the Committee's duty to approve these work programs.

ASSEMBLYWOMAN CARLTON:

I like the way this request is laid out. Extraordinary times call for extraordinary measures. If this were a regular interim, I would probably not be very comfortable with this. I know what GFO staff must go through to match federal funding with each individual work program, and I understand what the Governor's staff is trying to do to alleviate that work. Basically, this method allows one "pitcher" of \$100 million. There will be multiple "catchers" of the dollars. All those catcher work programs will come to the IFC at a future meeting. The Committee will be able to review those work programs and hold the agencies accountable.

I hope this will only be done once, and that it does not become a regular occurrence. This approach is necessary due to the revenue that was lost by the agencies, the work involved in preparing each work program, and the fact that it is now budget building time for the Executive Branch. The GFO is sifting through all the work programs to determine what needs to be funded now versus what belongs in the 2023-25 biennium budget request.

I want to commend Director Susan Brown for submitting the work program this way. It is a unique way to address the needs in the state in the appropriate timeframe. I thank the Governor's staff and the GFO for figuring out a way for LCB staff to sift through all this information.

ASSEMBLYWOMAN BENITEZ-THOMPSON:

It will be a cleaner process for the Committee to have one amount, and not have to dig through the agenda packets to identify the authorization piece and the agency piece. It is more elegant, which I appreciate.

CHAIR BROOKS:

I echo Assemblywoman Benitez-Thompson's comment that it is an elegant way to reduce administrative work for the GFO, while retaining the Legislature's role and responsibility for approving or not approving each individual work program. This is a great idea; perhaps it can be replicated in other ways.

ASSEMBLYWOMAN TITUS:

There was a question asked by Senator Harris regarding Agenda Item G.1.29 about the timeline and consultants. I do not believe that question was answered.

CHAIR BROOKS:

There is overlap in the discussion of the agenda items being heard together. That question will be addressed when the Committee gets to that item.

Discussion on Agenda Item G.1.41 (Work Program #22FR136207)

JENNIFER OTT (Director, Department of Agriculture):

The department has received a lot of the feedback from the food bank and food pantry partners that have communicated their needs for infrastructure, transportation, and help in extending their services. This is an effort to build a great base so the department will be better able to utilize federal funds in future years and set the state up for some good work in food security.

ASSEMBLYWOMAN CARLTON:

In the interest of full disclosure, I am running a food pantry in my retirement. I have learned a lot about the topic, especially in the past couple of years.

What are some of the criteria for the subgrants? I hope it is on a basis of disbursement rather than reimbursement. It is tough for smaller entities that run food pantries to spend the money upfront, then wait to be reimbursed.

Thank you for recognizing the need for transportation and infrastructure among other things that go along with running a food bank. If there is no truck driver to get the food to the pantry, or refrigeration to keep it fresh, it makes running a food pantry an even more difficult job.

JENNIFER OTT:

The criteria are based on U.S. Department of the Treasury guidelines regarding food distribution. The department is looking at organizations that have been in operation for two years or more. The department wants ideas from the food banks to create a good food system moving forward and utilize further funding. The transportation portion mentioned by Assemblywoman Carlton can be addressed with this funding.

One criterion is ensuring there is self-certification about using other ARPA funds from other entities. That will allow the department to make sure it is not duplicating efforts.

ASSEMBLYWOMAN CARLTON:

How many entities will the department be working with in the future?

Ms. OTT:

The department does not yet know the dollar amounts of the proposals. There could be a large number of entities, or a smaller number, depending on the need and the amounts that are requested.

ASSEMBLYWOMAN CARLTON:

Please consider using disbursement rather than reimbursement for the funding. Many smaller nonprofit organizations do not have reserves, especially after these long two years.

Discussion on Agenda Item G.1.46 (Work Program #22FR455401)

JENNIFER OTT (Director, Department of Agriculture):

Work Program #22FR455401 would help the department establish its meat inspection program and support the industry to improve the supply chain in Nevada. As the Committee is aware, supply chain issues have made things hard to come by, especially proteins like beef and chicken. It was only made worse by the pandemic. This is the department's effort to not only support those industries but offer an inspection program within the state to offer state-inspected meats to be sold within the State of Nevada. All these work programs will help build a stronger food system, and address some of the supply chain issues.

SENATOR GOICOECHEA:

What will be the duties of the part-time employee?

Ms. OTT:

This is the department's FY 2022 request. The project manager will begin the program. In the future, the department will submit a request to the IFC for FY 2023 to round out the program.

CHAIR BROOKS:

Do I understand correctly that the FY 2022 request will cover the remainder of this fiscal year, which is less than six months?

Ms. OTT:

Yes, that is correct.

ASSEMBLYWOMAN TITUS:

For this to be sustainable, and not require General Funds, it must be a self-funded program. Has the department reached out to the processing facilities, and have those facilities agreed to this? Is it correct that there are 35 processing facilities, but only 2 harvest facilities?

Ms. OTT:

The department has had conversations with the industry and held a meeting in December to gather ideas. This idea has been well received. The department has not had any resistance from the industry to this path forward.

The U.S. Department of Agriculture (USDA) covers 50% of the costs for state inspection programs. Once the program begins, and some of those businesses are off the ground, the department can look at regulations and costs for a long-term program.

ASSEMBLYWOMAN TITUS:

Have other facilities shown an interest in becoming a harvest facility?

Ms. OTT:

That is also a goal. The program will not only provide opportunities for existing facilities to expand, but also to assist new entities to open. This is especially important in rural areas where production is closer. Producers will not have to pay as much to transport the animals out of state.

ASSEMBLYWOMAN TITUS:

I agree. It is expensive to ship an animal to be slaughtered, then back into the state for processing. There is a need to expand the number of harvest facilities.

The beef in large stores like Costco is labeled "USDA choice-inspected beef." If it is state inspected, can it only be sold in the state? If so, will the larger chains still purchase these products?

Ms. OTT:

If the seller is in the state, the beef, chicken, or other protein could be distributed and sold. The USDA funds half of the program because the state is meeting USDA standards. The state inspector would be equal to the USDA inspector on a food safety basis. However, the inspection would be less expensive, because the inspector would not have to travel from out of state.

ASSEMBLYWOMAN TITUS:

How long will it take for the whole program to be operational?

Ms. OTT:

The department wants to move on this quickly, but it will depend on hiring, which is difficult. This is important for the industry, and the department wants to move this forward. The funding request in front of the Committee today is for the project manager, who will be the champion of the program for the department. Part of the reason the department is bringing this forward to the Committee today is that there is significant funding available from the USDA for the assistance and development of processing facilities. The department wants to capitalize on that funding while it is available. It seems like once-in-a-lifetime funding, and the department wants to bring that funding into Nevada.

CHAIR BROOKS:

Agenda Items G.1.2, G.1.19, G.1.29, G.1.41, G.1.44, and G.1.46 will be voted on together, unless there is a request to vote separately.

ASSEMBLYWOMAN TITUS:

I would like for Agenda Item G.1.29 to be voted on separately.

ASSEMBLYWOMAN CARLTON MOVED TO APPROVE
AGENDA ITEMS G.1.2, G.1.19, G.1.41, G.1.44, and G.1.46.

SENATOR DENIS SECONDED THE MOTION.

SENATOR SEEVERS GANSERT:

I am going to support this motion, in part because it was made clear that there would be a lump sum of money, but the work programs would be submitted individually to the Committee. There is a difference between Agenda Items G.1.18 and G.1.19. The IFC is retaining its accountability for each item included in Agenda Item G.1.19.

THE MOTION PASSED UNANIMOUSLY.

47. Office of the Governor - COVID-19 Relief Programs - FY 2023

Transfer of \$3,500,000 from the Reserve category to the American Rescue Plan Act (ARPA) Projects category to support an allocation to the Department of Health and Human Services, Division of Public and Behavioral Health to establish the 988 Crisis Call Center and Care Traffic Control Hub. Requires Interim Finance approval since the amount transferred to the ARPA Projects category exceeds \$75,000. **RELATES TO ITEM G.1.43. Work Program #23FR132706. RECEIVED ON 3-17-22, AFTER THE 3-10-22 SUBMITTAL DEADLINE.**

Refer to motion for approval under Agenda Item G.1.

48. Office of the Governor - COVID-19 Relief Programs - FY 2023

Transfer of \$1,956,000 from the Reserve category to the American Rescue Plan Act (ARPA) Projects category to support an allocation to the Department of Health and Human Services, Division of Public and Behavioral health to continue funding crisis counselors for the Nevada Resilience Project. Requires Interim Finance approval since the amount transferred to the APRA Projects category exceeds \$75,000. **RELATES TO ITEM G.1.42. Work Program #23FR132707. RECEIVED ON 3-17-22, AFTER THE 3-10-22 SUBMITTAL DEADLINE.**

Refer to motion for approval under Agenda Item G.1.

G.2 APPROVAL OF GIFTS, GRANTS, WORK PROGRAM REVISIONS AND POSITION CHANGES IN ACCORDANCE WITH CHAPTER 353 OF NRS.

WAYNE THORLEY (Senate Fiscal Analyst, Fiscal Analysis Division, LCB):

The following Agenda Items have been identified for additional discussion: Agenda Items G.2.35, Department of Business and Industry, Housing Division; G.2.84, DHHS, Division of Health Care Financing and Policy (DHCFP); and G.2.114, Department of Motor Vehicles. Agenda Items G.2.5, Office of the Attorney General, and G.2.38, Governor's Office of Economic Development will be heard together. Agenda Items G.2.41, DHHS, Aging and Disability Services Division (ADSD); G.2.42, DHHS, ADSD; G.2.54, DHHS, DHCFP; and G.2.60, DHHS, DHCFP will be heard together. Agenda Items G.2.45, DHHS, DHCFP; G.2.46, DHHS, DHCFP; G.2.47, DHHS, DHCFP; G.2.48, DHHS, DHCFP; G.2.49, DHHS, DHCFP; G.2.50, DHHS, DHCFP; G.2.51, DHHS, DHCFP; G.2.52, DHHS, DHCFP; and G.2.53,

DHHS, DHCFP will be heard together. Agenda Items G.2.55, DHHS, DHCFP; G.2.56, DHHS, DHCFP; G.2.57, DHHS, DHCFP; G.2.58, DHHS, DHCFP; and G.2.59, DHHS, DHCFP will be heard together. Agenda Items G.2.61, DHHS, DHCFP; G.2.62, DHHS, DHCFP; G.2.63, DHHS, DHCFP; G.2.64, DHHS, DHCFP; G.2.65, DHHS, DHCFP; and G.2.66, DHHS, DHCFP will be heard together.

Agenda Items G.2.82, DHHS, DHCFP and G.2.119, Department of Public Safety, Division of Parole and Probation have been withdrawn. The request to withdraw the work programs was received after the agenda was posted, so that is not reflected on the work program list.

CHAIR BROOKS:

I would like to add Agenda Item G.2.1, Office of the Governor, Office of Science, Innovation and Technology (OSIT) to the list of items to be discussed. I would like that to be heard with G.1.24, Office of the Governor, OSIT.

ASSEMBLYWOMAN MILLER:

I would like to add Agenda Item G.2.16, Department of Education, for a brief question.

1. Office of the Governor - Office of Science, Innovation and Technology - FY 2022

Addition of \$200,000 in federal American Rescue Plan Act (ARPA) of 2021 Coronavirus Capital Projects Funds for consulting services to assist in the creation of a broadband infrastructure grant program to meet federal and state requirements. Requires Interim Finance approval since the amount added to the ARPA Capital Projects Fund Admin category exceeds \$75,000. **Work Program #22ARP10033**

Agenda Items G.1.17, G.1.24 and G.2.1 were discussed jointly.

BRIAN MITCHELL (Director, OSIT, Office of the Governor):

I am pleased to present the work program for Agenda Item G.1.17 for broadband infrastructure. The Governor's vision is universal access to broadband that is affordable, reliable, and scalable. The priorities for spending these funds align with the priorities in the Nevada Recovers framework as well as in the federal ARPA guidance. Those priorities are for access to remote education, health care, telemedicine, public safety, justice, workforce, and economic development.

A second equally important goal is to use the funds in the most efficient and effective way to connect as many Nevadans as possible. OSIT wants the funds to be used for long-term transformative investment and infrastructure assets that will benefit the state and its citizens for the next 30 to 40 years. OSIT does not want to use these funds for assets that will reach end of life in 5 to 7 years, and then be back where it started.

Slide 3 of the Governor's Office of Science, Innovation and Technology Presentation ([Exhibit I](#)) represents calculations from the national consulting firm that estimated the following aspects: 1. The number of unserved households in

each state; 2. The cost of connecting those households; and 3. Whether a given state would receive sufficient funding from the Bipartisan Infrastructure Law, also known as the Infrastructure Investment and Jobs Act (IIJA), to cover the cost. The largest funding pot the state will get for broadband should be received later this year or early next year. The slide shows how much the state will receive, as well as the state's need.

Nevada is projected to receive less than half of the funding it needs to achieve universal access. OSIT will need to use the funding strategically and in the most efficient way possible to tackle the state's broadband problems.

Unserved and underserved areas exist in every community across the state. During the pandemic, residents were unable to access school, work, health care, government services and reliable information without broadband. The pandemic also laid bare inequities in the state in terms of access to broadband.

There are needs for broadband in both rural and urban communities. The state needs more infrastructure in unserved and underserved communities that will scale to meet growing needs for bandwidth. The existing infrastructure will not meet the state's current or future needs.

I want to talk about how OSIT arrived at this plan. There are three main one-time funding sources for broadband from the federal government. There are also several recurring sources that require state match, each with its own set of rules around what can and cannot be funded, and the process for distributing those funds. There is an optimal order of operations where putting things in the right sequence will achieve the best results. If the funding is used for residential broadband infrastructure, funding for unserved areas must go first. However, ARPA funds allow the state to bypass the residential unserved or underserved eligibility criteria for funding if it is being built to a government facility or entity. By using ARPA funds to build infrastructure to community anchor institutions in the first phase, fiber infrastructure can be built and expanded to nearly every community in the state.

When that fiber infrastructure is in place using these ARPA funds, future federal funds that are focused on last-mile investments will be used to expand the fiber networks to connect more residences and businesses.

When it was determined that the best way to get fiber in every community was to focus on community anchor institutions and unconnected state facilities, OSIT conducted an analysis of unmet needs and arrived at a total of 223 unconnected state facilities. OSIT located each facility and modeled the cost of building fiber to each facility. Facilities located in unserved and underserved communities that would benefit from fiber infrastructure were prioritized. ARPA funds can be used as a match for some of the facilities to draw down additional federal dollars from other federal and state funding programs. Rather than building these communities using only ARPA dollars, OSIT wants to use other federal dollars to the maximum extent possible. The Committee will notice that OSIT is able to match almost all

its ARPA investment one-to-one with this method. Not all state facilities are eligible for other federal matching funds.

The upcoming Broadband Equity, Access, and Deployment (BEAD) Program, from the IIJA is a \$42.5 billion nationwide program that will focus on last-mile investments. It is the largest fund the state will receive. The federal government will require a 25% match. It is estimated that Nevada's share of the funds will be around \$400 million. OSIT does not want to leave any of this money on the table. The BEAD Program is unique in that the federal government will allow the use of federal dollars as matching funds so that the state does not have to use its General Fund dollars. OSIT is proposing a \$100 million matching fund for the BEAD Program.

Finally, Nevada's tribal communities are among the most unserved in the state. The ARPA request proposed here requests additional funding to connect more of the state's tribal nations. OSIT anticipates building over 700 miles of fiber, which would be a significant and lasting investment in Nevada's infrastructure, as shown on slide 7 ([Exhibit I](#)).

I will conclude my remarks by talking briefly about some of the benefits. This program will allow the state to leverage nearly \$100 million in non-ARPA funds for broadband. Providers will be more likely to serve unserved and underserved residential areas if there are long-term commitments from community anchor clients.

Faster bandwidth improves government services and allows residents to use government services more easily. The Committee has heard today about the difficulty in recruiting state workers. Better community bandwidth will help the state recruit and retain workers in unserved communities. Finally, this fund will allow the state to begin the work of building fiber into its communities sooner rather than waiting for the Federal Communications Commission (FCC) to finish its data fabric map.

ASSEMBLYWOMAN PETERS:

Any projects built using ARPA funds, specifically broadband projects, are suggested to have project labor agreements and other labor agreements in place. Will this project consider those suggestions?

MR. MITCHELL:

Federal ARPA guidance from the U.S. Department of the Treasury specifically exempts broadband funding from the requirements of the Davis-Bacon Act. OSIT shares the goals of the U.S. Department of the Treasury of having projects completed on time, on budget, and the highest quality possible.

All the funding will be delivered via competitive request for proposals (RFPs). OSIT will make sure the projects are constructed in a way that delivers a lasting investment to the state and its citizens.

ASSEMBLYWOMAN PETERS:

What considerations has OSIT taken to ensure the jobs created by this project are paying fair wages and are going to entities within the state? Is that part of OSIT's responsibility, or will it be deferred to a contractor when the project goes out to bid?

MR. MITCHELL:

Agenda Item G.2.1, is a work program that will help OSIT develop the specific technical criteria for the RFPs. The specifics have not yet been developed. Having said that, the state will look to have projects that meet the standards that are outlined in the U.S. Department of the Treasury's guidance. The state cannot layer on additional requirements beyond the U.S. Department of the Treasury's guidance.

ASSEMBLYWOMAN CARLTON:

Just because something is exempt, does not mean that the state cannot do it. The state can use the criteria of the Davis-Bacon Act if it chooses to do so. There are very qualified companies in the state that partner with the labor unions. Those companies do a very good job, on time and under budget. It has been proven that project labor agreements work in this state.

The idea behind bringing these dollars into the state is to provide broadband service, but also to hire Nevada companies and workers. Those are the people who will pay the bill when the last mile of cable is run to their homes.

I understand that once the work is done, the cable infrastructure will be given it to a company that will then charge customers for its use. The least the state can do is make sure there are good jobs coming out of it for Nevadans.

Can you assure the Committee that the labor unions in the state that are professionals in this area will be on the front line doing much of this work?

MR. MITCHELL:

I agree that the highest quality work should be required in all these projects and that in every instance possible, the projects should be built by Nevada workers and companies. There is certainly going to be a lot of work. I do not want to guarantee that every single worker will be a Nevadan. There are labor shortages everywhere. Having said that, there is nothing that would prohibit any of these projects to go to a company that uses any type of labor, including union labor. Certainly, OSIT will want to make sure that the work is being done by Nevada companies and workers as much as possible.

ASSEMBLYWOMAN CARLTON:

This state was built union, and it needs to continue to be built union.

CHAIR BROOKS:

The U.S. Department of the Treasury guidance does not require but does encourage adherence to the Davis-Bacon Act and project labor agreements.

What is the timeline for receipt and expenditure of the BEAD Program funding?

MR. MITCHELL:

The Department of Commerce's National Telecommunications and Information Administration (NTIA) will release the notice of funding opportunity in mid-May 2022. The notice includes the rules and regulations for the BEAD Program. The final allocation of funds will not be known until the FCC completes its national data fabric map. The map will be used by all federal agencies from now on to allocate any broadband funding. That map will have an accounting of how many unserved, underserved, and served households are in Nevada.

It is anticipated that the FCC will release the map in the fall 2022. Following the release of the map, the FCC will allow service providers, states, or any entity to challenge the map. There will be one or two iterations of challenges. BEAD Program funding awards are expected in late winter or early spring 2023.

CHAIR BROOKS:

Is there any prohibition to partnering with companies that are already doing this work, to leverage their private capital?

MR. MITCHELL:

All the RFPs will have a match requirement. To be competitive, a private company will need to have "skin in the game."

SENATOR TATRO:

I support OSIT looking for whoever is the most competitive and will do the best job, regardless of whether the shop is open or closed.

CHAIR BROOKS:

Regarding Agenda Item G.2.1, will the contractor help create the plan to administer the RFP and vet contracts?

MR. MITCHELL:

The primary purpose of the contractor is to help with the technical evaluation of the applications.

CHAIR BROOKS:

Is there any relationship between the contractor that will perform the technical evaluation of the applications and any of the responding bidders?

MR. MITCHELL:

No, that would not be appropriate.

SENATOR DENIS MOVED TO APPROVE AGENDA ITEMS
G.1.17, G.1.24, and G.2.1.

ASSEMBLYWOMAN JAUREGUI SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

2. **Office of the Attorney General - Extradition Coordinator - FY 2022**
Transfer of \$195,660 in General Fund appropriations to Fiscal Year 2022 from Fiscal Year 2023 to fund a projected shortfall in extraditions for the remainder of the fiscal year. Requires Interim Finance approval pursuant to Assembly Bill 494(35) (2021 Legislative Session). **RELATES TO ITEM G.2.3. Work Program #C58024**

Refer to motion for approval under Agenda Item G.1.

3. **Office of the Attorney General - Extradition Coordinator - FY 2023**
Transfer of \$195,660 in General Fund appropriations from Fiscal Year 2023 to fund a projected shortfall in extraditions for the remainder of Fiscal Year 2022. Requires Interim Finance approval pursuant to Section 35 of Assembly Bill 494 (2021 Legislative Session). **RELATES TO ITEM G.2.2. Work Program #C58196**

Refer to motion for approval under Agenda Item G.1.

4. **Office of the Attorney General - Grants Unit - FY 2022**
Addition of \$5,751,772 in federal Comprehensive Opioid, Stimulant, and Substance Abuse Site-based Program grant funds to support the Overdose Detection Mapping Application Program (ODMAP) Expansion and Response Project, which addresses substance misuse through enhancements of existing or implementation of drug deflection/diversion programs within rural counties. Requires Interim Finance approval since the amount added to the ODMAP Grant category exceeds \$75,000. **Work Program #C58095**

Refer to motion for approval under Agenda Item G.1.

5. **Office of the Attorney General - State Settlements - FY 2022**
Addition of \$6,000,000 in T-Mobile U.S., Inc. settlement funds to support the implementation of a grant program by providing financial resources to the Governor's Office of Economic Development to support women and minority-owned small businesses. Requires Interim Finance approval since the amount added to the Financial Guidance Assistance category exceeds \$75,000. **RELATES TO ITEM G.2.38. Work Program #C58031**

Agenda Items G.2.5 and G.2.38 were discussed jointly. Refer to testimony and motion for approval under Agenda Item G.2.38.

6. **Department of Administration - Enterprise Information Technology Services - Information Technology Security - FY 2022**
Transfer of \$186,456 from the Reserve category to the Information Services category to fund the purchase of a subscription for expanded information

technology device security capabilities. Requires Interim Finance approval since the amount transferred to the Information Services category exceeds \$75,000. **Work Program #C58200**

Refer to motion for approval under Agenda Item G.1.

7. Department of Administration - Enterprise Information Technology Services - Information Technology Security - FY 2022

Transfer of \$26,400 from the Reserve category to the Information Services category to fund an isolated testing environment as part of the integrated risk management platform that affects cyber risk for the state. Requires Interim Finance approval since the cumulative amount transferred to the Information Services category exceeds \$75,000. **Work Program #C58227**

Refer to motion for approval under Agenda Item G.1.

8. Department of Administration - Mail Services Division - FY 2022

Transfer of \$71,463 from the Reserve category to the Operating category to fund a projected shortfall in operating expenditures through the remainder of the fiscal year. Requires Interim Finance approval since the amount transferred to the Operating category exceeds 10% of the legislatively approved amount for that category. **Work Program #C58063**

Refer to motion for approval under Agenda Item G.1.

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

Addition of \$808 in federal Governor's Emergency Education Relief (GEER) grant funds to align state and federal authority with the grant award. Requires Interim Finance approval since the cumulative amount added to the Access and Aid to Schools GEER category exceeds \$75,000. **Work Program #C58145**

Refer to motion for approval under Agenda Item G.1.

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

Addition of \$17,421,727 in federal Elementary and Secondary School Emergency Relief (ESSER) grant funds, and transfer of ~~\$2,495,869~~ **\$2,399,694** from ESSER II Local Educational Agency (LEA) Distributions category to the ESSER II Reserve Funds category and ***transfer of \$96,175 from the ESSER II LEA Distributions category to the ESSER II State Education Agency (SEA) Reserve Funds category*** to align state and federal authority with the grant award. Requires Interim Finance approval since the amount added to the ESSER II State Education Agency Admin category exceeds \$75,000. **Work Program #C58148. REVISED 3-22-22.**

Refer to motion for approval under Agenda Item G.1.

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

Deletion of \$19,437,457 in federal Elementary and Secondary School Emergency Relief (ESSER) grant funds to align state and federal authority with the grant award. Requires Interim Finance approval since the amount deleted from the ESSER I Local Educational Agency Distributions category exceeds \$75,000. **Work Program #C58149**

Refer to motion for approval under Agenda Item G.1.

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

Deletion of \$18,625,429 in federal Governor's Emergency Education Relief (GEER) grant funds and addition of \$19,375,550 in Emergency Assistance for Non-Public Schools grant funds to align state and federal authority with the grant awards. Requires Interim Finance approval since the amount added to the GEER II State Education Agency Allocation category exceeds \$75,000. **Work Program #C58150**

Refer to motion for approval under Agenda Item G.1.

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

Addition of \$1 in federal American Rescue Plan Act funds and transfer of \$81,651,187 in federal Elementary and Secondary School Emergency Relief (ESSER) funds from the American Rescue Plan (ARP) ESSER III State Education Agency (SEA) Reserves category to the ARP ESSER III SEA Admin category to align state and federal authority with the grant award. Requires Interim finance approval since the amount added to the ARP ESSER III SEA Admin category exceeds \$75,000. **Work Program #C58151**

Refer to motion for approval under Agenda Item G.1.

14. Department of Education - Office of the Superintendent - FY 2022

Transfer of \$61,385 from the Personnel category to the Operating category and a transfer of \$30,000 from the Personnel category to the Hearings category to fund unanticipated arbitration fees and a projected shortfall for the remainder of the fiscal year. Requires Interim Finance approval since the amount transferred from the Personnel category exceeds \$75,000. **Work Program #C57931**

Refer to motion for approval under Agenda Item G.1.

15. Department of Education - Assessments and Accountability - FY 2022

Transfer of \$120,388 from the Reserve category to the National Assessment of Educational Progress (NAEP) Task Order category to continue to fund the NAEP State Coordinator. Requires Interim Finance approval since the amount added to the NAEP Task Order category exceeds \$75,000. **Work Program #C58141**

Refer to motion for approval under Agenda Item G.1.

16. Department of Education - Educator Licensure - FY 2022

Transfer of \$6,000 from the Licensure System category to the Operating category to cover a projected shortfall for the remainder of the fiscal year. Requires Interim Finance approval since the amount transferred from the Licensure System category exceeds 10% of the legislatively approved amount for that category. **Work Program #C58023**

Agenda Items G.2.16 and L.1 were discussed jointly. Refer to testimony and motion for approval under Agenda Item L.1.

17. Department of Education - Safe and Respectful Learning - FY 2023

Addition of \$67,382 in federal System of Care grant funds transferred from the Department of Health and Human Services (DHHS), Division of Child and Family Services and Methamphetamine Education Prevention Maintenance of Effort funds transferred from the DHHS Division of Public and Behavioral Health to continue the implementation and evaluation of the Nevada School Wellness Policy for improving mental health and wellness in the student population. Requires Interim Finance approval since the amount added to the Health Partnership category exceeds 10% of the legislatively approved amount for that category. **Work Program #C58330**

Refer to motion for approval under Agenda Item G.1.

18. Department of Education - Student and School Support - FY 2022

Addition of \$529,811 in federal Education for Homeless Children and Youth grant funds to continue providing homeless children and youth with equal access to free public education. Requires Interim Finance approval since the amount added to the Federal Homeless Children Aid to Schools category exceeds \$75,000. **Work Program #C57683**

Refer to motion for approval under Agenda Item G.1.

19. Department of Education - Student and School Support - FY 2022

Addition of \$162,787 in federal Expanding College and Career Readiness Opportunities grant funds to provide advanced courses to students who have been historically underserved. Requires Interim Finance approval since the amount added to the Expanding Opportunity category exceeds \$75,000. **Work Program #C57898**

Refer to motion for approval under Agenda Item G.1.

20. Department of Education - Career and Technical Education - FY 2022

Addition of \$1,419,155 in federal Perkins Vocational Education grant funds to continue to provide funding for the development and implementation of career and technical education programs. Requires Interim Finance approval since the amount added to the Career and Technical Education Perkins Aid to School category exceeds \$75,000. **Work Program #C58271**

Refer to motion for approval under Agenda Item G.1.

21. State Public Charter School Authority - FY 2022

Addition of \$151,695 in Nevada Ready State Pre-K grant funds transferred from the Nevada Department of Education to continue to support a high-quality pre-kindergarten program. Requires Interim Finance approval since the amount added to the Preschool Development category exceeds \$75,000. **Work Program #C58255**

Refer to motion for approval under Agenda Item G.1.

22. State Public Charter School Authority - FY 2022

Addition of \$5,122,373 in federal Title I, Part A Grants to Local Educational Agencies and Section 1003(a) School Improvement grant funds transferred from the Nevada Department of Education to continue supporting schools with high percentages of children from low-income families. Requires Interim Finance approval since the amount added to the Federal Title I, Part A category exceeds \$75,000. **Work Program #C58274**

Refer to motion for approval under Agenda Item G.1.

23. State Public Charter School Authority - FY 2022

Addition of \$2,688,523 in federal Title II, Part A Improving Teacher Quality grant funds transferred from the Nevada Department of Education to continue programs to increase academic achievement by improving teacher and principal quality. Requires Interim Finance approval since the amount added to the Federal Title IIA Teacher Quality category exceeds \$75,000. **Work Program #C58275**

Refer to motion for approval under Agenda Item G.1.

24. State Public Charter School Authority - FY 2022

Addition of \$329,695 in federal Title III English Language Acquisition grant funds transferred from the Nevada Department of Education and transfer of \$138,095 from the Federal Title III Immigrant, Part A category to the Federal Title III English Language Acquisition category to continue improving the education of limited English proficient children and youths. Requires Interim Finance approval since the amount added to the Federal Title III English Language Acquisition category exceeds \$75,000. **Work Program #C58276**

Refer to motion for approval under Agenda Item G.1.

25. State Public Charter School Authority - FY 2022

Addition of \$295,699 in federal Title IV, Part A grant funds transferred from the Nevada Department of Education to continue to improve academic achievement by improving the use of technology and digital literacy of all students. Requires Interim Finance approval since the amount added to the Fed Title IVA 84.424A category exceeds \$75,000. **Work Program #C58277**

Refer to motion for approval under Agenda Item G.1.

26. State Public Charter School Authority - FY 2022

Addition of \$3,250,778 in federal Individuals with Disabilities Education Act, Part B grant funds transferred from the Nevada Department of Education to continue special education services in all eligible sponsored charter schools. Requires Interim Finance approval since the amount added to the Special Education category exceeds \$75,000. **Work Program #C58280**

Refer to motion for approval under Agenda Item G.1.

27. State Public Charter School Authority - FY 2022

Addition of \$48,887 in federal Individuals with Disabilities Education Act, Part B, Section 619 grant funds transferred from the Nevada Department of Education to continue special education - early childhood services in all eligible sponsored charter schools. Requires Interim Finance approval since the amount added to the Early Childhood category exceeds 10% of the legislatively approved amount for that category. **Work Program #C58291**

Refer to motion for approval under Agenda Item G.1.

28. State Public Charter School Authority - FY 2022

Addition of \$1,816,153 in federal Coronavirus Response and Relief Supplemental Appropriations Act, Elementary and Secondary Schools Emergency Relief (ESSER) II funds transferred from the Nevada Department of Education to provide emergency financial relief to charter schools to address the impacts of the COVID-19 pandemic. Requires Interim Finance approval since the amount added to the ESSER II category exceeds \$75,000. **Work Program #C58320**

Refer to motion for approval under Agenda Item G.1.

29. State Public Charter School Authority - FY 2022

Addition of \$106,250 in federal Coronavirus Response and Relief Supplemental Appropriations Act, Elementary and Secondary School Emergency Relief (ESSER) II funds transferred from the Nevada Department of Education to provide for expanded multi-tiered systems of support services to sponsored charter schools. Requires Interim Finance approval since the amount added to the ESSER II category exceeds \$75,000. **Work Program #C58324**

Refer to motion for approval under Agenda Item G.1.

30. State Public Charter School Authority - FY 2023

Addition of \$36,992 in federal Title I, Part A Grants to Local Educational Agencies grant funds; \$2,278 in federal Title III, English Language Acquisition grant funds; \$14,556 in federal Title II, Part A Improving Teacher Quality grant funds; \$36,360 in federal Individuals with Disabilities Education Act, Part B grant funds; \$2,664 in federal Title IV, Part A grant funds; and a transfer of \$98,206 from the Reserve category to the Personnel category; transfer of \$7,275 from the Reserve category to the Operating category; and a transfer of \$1,568 from the Reserve category to

the Information Services category to support one new Management Analyst 3 position and one new Management Analyst 2 position to support the operations of the agency. Requires Interim Finance approval since the amount added to the Personnel category exceeds \$75,000. **Work Program #C58370**

Refer to motion for approval under Agenda Item G.1.

31. Department of Agriculture - Livestock Inspection - FY 2022

Addition of \$200,000 in federal Bureau of Land Management (BLM) funds for the removal of estray/feral cattle population in the McCullough Mountain and Highland Wilderness Ranges in Southern Nevada. Requires Interim Finance approval since the amount added to the BLM Cattle Round Up category exceeds \$75,000. **Work Program #C57956**

Refer to motion for approval under Agenda Item G.1.

32. Department of Agriculture - Nutrition Education Programs - FY 2022

Addition of \$8,333,527 in federal U.S. Department of Agriculture Food and Nutrition Service grant funds to support supply chain assistance relief efforts. Requires Interim Finance approval since the amount added to the Child Nutrition Supply Chain Assistance category exceeds \$75,000. **Work Program #C58259**

Refer to motion for approval under Agenda Item G.1.

33. Department of Agriculture - Nutrition Education Programs - FY 2022

Addition of \$9,967,922 in federal National School Breakfast Program grant funds to support an anticipated shortfall in the National School Lunch Program (NSLP) for the remainder of the fiscal year. Requires Interim Finance approval since the amount added to the NSLP School Breakfast Program category exceeds \$75,000. **Work Program #C58326**

Refer to motion for approval under Agenda Item G.1.

34. Department of Agriculture - Commodity Foods Distribution Program - FY 2022

Addition of \$2,328,620 in Direct Sales-Processing fees to cover a shortfall in the Food Processing Program category for the remainder of the fiscal year. Requires Interim Finance approval since the amount added to the Food Processing Program category exceeds \$75,000. **Work Program #C58328**

Refer to motion for approval under Agenda Item G.1.

35. Department of Business and Industry - Housing Division - Account for Low-Income Housing - FY 2022

Addition of \$108,825,531 in federal Homeowner Assistance Funds as established under Section 3206 of the American Rescue Plan Act of 2021 to mitigate financial hardships for homeowners associated with the COVID-19 pandemic. Requires Interim Finance approval since the amount added to the Homeowner Assistance

Fund category exceeds \$75,000. **Work Program #22AR383801**

STEVE AICHROTH (Administrator, Nevada Housing Division, Department of Business and Industry):

Thank you for your time and consideration of the acceptance of the Homeowner Assistance Funds (HAF) provided in the ARPA. The HAF was established to mitigate financial hardship associated with the COVID-19 pandemic by providing funds to prevent homeowner mortgage delinquencies and defaults, foreclosures, loss of utilities or home energy services, and displacements of homeowners experiencing financial hardship after January 21, 2020, through qualified expenses related to mortgages and housing.

The State of Nevada will receive a total of \$121 million in HAF. The IFC approved the acceptance of the initial 10% in the summer of 2021. Today's pending approval is for the balance of the funding.

The Nevada Housing Division has engaged the Nevada Affordable Housing Assistance Corporation (NAHAC) to be the entity to disperse these funds. The NAHAC leadership team has had great experience with U.S. Department of the Treasury homeowner assistance programs. The NAHAC has already initiated the pilot program, and pending approval by the Committee, will deploy the U.S. Department of the Treasury approved plan.

SENATOR DONDERO LOOP:

Please explain the need for the \$18.1 million, or 15% of the total funding, for general and administrative costs.

VERISE CAMPBELL (CEO, NAHAC):

Most of those expenses are compensation, which includes staffing. Second to that is professional services, such as vendors and the legal team. Approximately \$3 million is for technology and communication. That is largely for the portal that allows homeowners to complete the applications online. The portal is currently in operation.

ASSEMBLYMAN YEAGER:

At the time Fiscal staff received the request, no applications had been completed and funded. Some applications were under review. Please provide an update on the number of homeowner applications that have been completed and funded as of today.

MS. CAMPBELL:

To date, no applications have been funded. However, 1,269 applications have been initiated, and 428 applications are pending approval. The NAHAC is working out the eligibility pieces of the program and expects to start funding within the next couple of weeks.

ASSEMBLYMAN YEAGER:

Generally, what metrics are in place by which the success of the HAF program is measured?

VERONICA LEWIS (Project Manager, NAHAC):

The funds require the oversight of both the Nevada Housing Division and the U.S. Department of the Treasury. The NAHAC must provide statistics on applications that are being funded, including the average funding amount. In addition, the NAHAC must ensure that most of the homeowners receiving assistance are in the low- to medium-poverty level, which is defined by the U.S. Department of the Treasury as 100% of the AMI, or lower.

The portal allows the NAHAC to identify the homeowners that have a higher need. The NAHAC will continue to monitor the files to ensure that people in the low-to-moderate-income households are prioritized to receive the funding.

ASSEMBLYWOMAN TITUS:

The Committee heard earlier about a program in which 1% of the expenses were for administrative costs, which is a reasonable amount. For this program, 15% is for general and administrative costs. Will there be a point after the program is up and running that the 15% overhead cost will be reduced?

MS. CAMPBELL:

The 15% cost for administrative expenses will fluctuate over the lifetime of the program. There are higher administrative costs on the front end for programs of this magnitude. Those costs are expected to smooth out as time goes on.

ASSEMBLYWOMAN TITUS:

Does that mean the average will not be higher than 15%, or could reduce to 1%?

MS. CAMPBELL:

Realistically, the costs could reduce to between 13% and 15%. The program is already experiencing savings in staff costs through systems like the portal. Currently, actual expenditures are lower than anticipated because of staff cost savings on the front end.

ASSEMBLYWOMAN TITUS:

Thank you for that explanation. I appreciate the question about how the success of the program is measured. The program has certainly spent some money, but no applications have been completed. I hope to hear from the agency in the future that that the program's goals have been accomplished.

ASSEMBLYWOMAN CARLTON:

What type of outreach is being done so that people know about the program? Is the program listed as a resource with Nevada 211?

At the beginning of the pandemic, banks were willing to work with people to move a couple of mortgage payments to the end of the loan period, but banks are not

quite as willing to work with people right now.

MS. CAMPBELL:

The program has numerous outreach measures, including television commercials and a radio campaign that is due to start. The program has partnered with at least four housing counseling agencies, which will be holding events throughout the state.

The program is looking to partner with organizations such as Nevada 211 to get the word out as much as possible.

ASSEMBLYWOMAN CARLTON:

I would hope the NAHAC will partner with Nevada 211. That is how people call to find assistance. If the program is on Nevada 211, many people will reach out to the NAHAC. The Nevada 211 call line has been very effective over the last couple of years.

ASSEMBLYWOMAN CARLTON MOVED TO APPROVE
AGENDA ITEM G.2.35.

SENATOR CANNIZZARO SECONDED THE MOTION.

THE MOTION PASSED (Senator Denis and
Assemblywoman Benitez-Thompson were not present for the
vote).

36. Department of Business and Industry - Real Estate Division - Real Estate Administration - FY 2022

Deletion of \$194,355 in Testing Fees revenue, deletion of \$13,202 in Property Manager Exam Registration Fee revenue, transfer of \$371,546 from the Testing Services category to the Transfer to General Fund Testing Fees category, and transfer of \$14,238 from the Testing Services category to the Reserve for Reversion to General Fund category to support the increase of real estate exams and account for the transition to the testing contractor collecting fees prior to remitting net revenue. Requires Interim Finance approval since the amount added to the Testing Services category exceeds \$75,000. **Work Program #C58233**

Refer to motion for approval under Agenda Item G.1.

37. Department of Business and Industry - Real Estate Division - Real Estate Recovery Account - FY 2022

Addition of \$141,251 in Recovery Fees to the Transfer to Education and Research category to allow for projected receipts and required transfer of surplus to the Real Estate Education and Research account. Requires Interim Finance approval since the cumulative amount added to the Transfer to Education and Research category exceeds \$75,000. **Work Program #C58243**

Refer to motion for approval under Agenda Item G.1.

38. Governor's Office of Economic Development - FY 2022

Addition of \$6,000,000 in T-Mobile U.S., Inc. Settlement Agreement funds transferred from the Office of the Attorney General State Settlements account to support women and minority-owned small businesses. Requires Interim Finance approval since the amount added to the T-Mobile Settlement Funds Loan Program category exceeds \$75,000. **RELATES TO ITEM G.2.5. Work Program #C58247**

Agenda Items G.2.5 and G.2.38 were discussed jointly.

MICHAEL BROWN (Executive Director, Governor's Office of Economic Development [GOED]):

I appreciate the Committee's support of GOED during the response, relief, and recovery portions of the pandemic. GOED is now focused on resiliency measures. Today, I am pleased to bring to the Committee an opportunity to add resiliency in the financial sector for small businesses and minority-owned businesses. I am speaking specifically of the opportunity to establish a community development financial institution, commonly known as a "CDFI," focused on supporting the state's minority communities. The CDFI is an initiative of the Urban Chamber of Commerce. I am joined today by Ken Evans, President, Urban Chamber of Commerce, Las Vegas, and Nick Steele, Executive Director, Access Capital.

The U.S. Department of the Treasury runs the CDFI funds. The funds seek to nurture entrepreneurship and support other services in low-income and minority communities by channeling money to local institutions that know these communities best. The CDFIs exist as a connector of sorts. Large banks recommend borrowers to a CDFI, which have different lending criteria. The CDFI's focus on the minority communities, encourages partnerships with nonprofit organizations and deepens bonds with customers. There are over 1,000 CDFIs in the country, but until this year, Nevada only had one CDFI, which was in rural Nevada. This would create Nevada's third CDFI. By comparison, Arizona has 18.

Nevada's Plan for Recovery and Resilience, prepared by SI International, encourages the expansion of the CDFI network, as Nevada has historically been an under-banked state.

Karsten Heise, Technology Commercialization Director, GOED, is available to answer questions about the CDFI. Leannandra Diosa, Director of Administration, GOED, prepared the work program. Mr. Evans and Mr. Steele are available to address specific questions as to how this would work.

The funds to set up the CDFI will come from the state's T-Mobile settlement. GOED was introduced to this initiative by Congressman Steven Horsford and Attorney General Aaron Ford. The Office of the Attorney General (OAG) staff were most cooperative in offering support for this initiative from the settlement fund.

SENATOR HARRIS:

My first question is regarding Agenda Item G.2.5., specifically about the program through GOED to benefit minority and women-owned businesses in the state. During the 2021 Legislative Session, I passed a bill that broadened that perspective from just women and minority businesses to include Lesbian, Gay, Bisexual, Transgender and Queer (LGBTQ) businesses. I would appreciate if LGBTQ businesses were considered to be underserved as well.

JESSICA ADAIR (Chief of Staff, OAG):

That particular language was used in the work program because the terms of the settlement agreement with T-Mobile indicate the funding must be used for grants that enhance entrepreneurial opportunities for and expand small businesses owned by minorities and women in the State of Nevada. However, I have full faith in GOED as well as the wonderful people at the Urban Chamber of Commerce to make sure outreach is also reaching people who have been historically underserved by traditional banking institutions.

SENATOR HARRIS:

Regarding Agenda Item G.2.38, what are the program terms and requirements to qualify for the loan program?

KARSTEN HEISE (Technology Commercialization Director, GOED):

GOED will seed the CDFI by injecting capital totaling \$6.0 million. Of that, \$5.7 million will be used to start a revolving loan program, and \$300,000 will be for technical assistance support. The revolving loan program consists of microloans, small business term loans, revenue-based financing, and contract financing.

Each individual category has its own requirements. Micro loans vary from thousands to tens of thousands of dollars. The rate is fixed between 4% and 8%, with an average of 6%, running between one and three years in duration.

The small business term loans are between \$10,000 and \$50,000, with a fixed rate between 4% and 8%, averaging 6%, with a term of one to three years in duration. Revenue based financing loans are \$10,000 to \$100,000 with a fixed rate between 4% and 8%, averaging 6%, with a term of one to three years in duration. Contract financing capital loans are \$10,000 to \$150,000 with a fixed rate between 4% and 8%, averaging 6%, with a term of one to three years in duration.

NICK STEELE (Executive Director, Access Capital):

The basic criteria for participating are that the company needs to be a Nevada-based business with a Nevada state business license. It is easier to determine what businesses are ineligible. Guidelines are set forth by the U.S. Department of the Treasury and the Department of Commerce. Most of the guidelines mirror the guidelines and requirements of the Economic Development Administration (EDA). Criteria that would exclude a business include anything that is not legal from a federal standpoint. That eliminates dispensaries and cannabis industries. The criteria would exclude the purchase of businesses that are in the lending industries and eliminates massage parlors and businesses of that nature.

Access Capital has adopted the criteria of excluding businesses in the real estate industry. Real estate loans require the lender to have a larger back office to go through the process of liens and the legalities of that nature. The CDFI is for the support of small businesses to help them scale and grow. The CDFI focus is on providing financial assistance and technical assistance in a sustainable manner. Without a huge back office, the CDFI has a streamlined approach to lending.

SENATOR HARRIS:

Please provide more information about the terms of the loans. Is there an option for loan forgiveness? What are the interest rates for a five-year loan?

MR. STEELE:

The terms across all the loan products are consistent. The interest rates are between 4% and 8%, with the average target of 6%. The CDFI works to manage the risk and targets a rate of 6% across the entire portfolio. The terms are between one and three years. The loans are not grants and are not forgivable. That is one of the first questions asked by borrowers.

The portfolio and applicants are separated into two paths: a startup path and an existing business path. The criteria for the two paths are a bit different. Analyzing and underwriting a startup business is focused more on the credit score of that individual, in addition to whether the borrower has a business plan. It is a little bit more subjective.

Loans for startups are riskier than loans for existing businesses. Currently, startup loan sizes are capped at \$10,000. A borrower requesting a loan for a startup must work with a business advisor prior to securing a loan. The CDFI pairs those businesses with a business advisor through the Minority Business Development Agency (MBDA) or the Small Business Development Center (SBDC). The borrower works through the process of developing a business plan to present to the CDFI. The CDFI then works with the borrower to flesh out areas of underwriting in the business plan before proceeding with the rest of the loan application.

The loan process for existing businesses is more streamlined. The underwriting process is based on an analysis of the business' cash flow. The CDFI is modeled after typical fintech companies. Rather than developing the traditional organization with a huge back office with a lot of underwriters, the CDFI has spent the last two years building a loan platform that allows it to directly connect to a business' checking account. Within a few minutes, the last 12 months of nonsufficient funds fees, monthly high and low balances, and cash flow can be analyzed to determine whether the business can support the amount of debt requested.

The CDFI checks Yelp reviews if the borrower is a restaurant. At that point, the CDFI looks for other areas for which it may be able to provide assistance, unlike a traditional lending institution. The CDFI looks at the entire ecosystem of business service organizations. The borrower may be referred to an organization like the SCORE Association or the SBDC, in conjunction with the financing

provided by the CDFI.

SENATOR HARRIS:

I would like some type of annual report provided to the IFC regarding the number of businesses the CDFI has assisted, whether the loan recipients are minority, women, or LGBTQ-owned, including the amount of the loan and the terms. This information will allow the Committee to track the progress of the program.

MR. STEELE:

Right now, the CDFI is partnered with the City of North Las Vegas and lending in that city. I am incredibly excited about working with the Office of the Governor to expand the CDFI's coverage throughout the entire state.

The CDFI's current reporting requirements are in line with federal reporting requirements under the auspices of the U.S. Department of the Treasury. The CDFI wanted the requirements to align from the very beginning of its certification.

I am a business owner and an investor in several different businesses. One of the things that has been incredibly productive for my personal investments in other small businesses has been to increase accountability of those business owners through monthly reporting. Instead of waiting for an annual report, the CDFI provides monthly reporting to stakeholders and partners. Those monthly reports are compiled into an annual report at the end of the year. I would like to offer that monthly report to the Committee.

Since the CDFI is receiving more than \$750,000 in federal funds, it is subject to a single audit at the end of the year. That sort of reporting is also incorporated in the requirements under this work program.

MS. ADAIR:

The OAG has committed to Fiscal staff that GOED will receive reporting from the federal institutions. GOED will give that reporting to the OAG, and the OAG will give it to Fiscal staff.

ASSEMBLYWOMAN PETERS:

The term "massage parlor" is antiquated. For the record, I would like to clarify that spas are legitimate businesses that would be covered.

MR. STEELE:

That is correct.

ASSEMBLYWOMAN BENITEZ-THOMPSON:

This is a good time to note that GOED is winning an award for transparency in reporting on its website. In the past couple of years, any piece of data can be found on GOED's website. In 96% of other states, the recipients of programs like abatements and loans are unknown. The Committee requests and reviews a lot of those reports. The reports should be provided directly to the Committee and made available on GOED's website.

MR. BROWN:

Assemblywoman Benitez-Thompson is recognizing that a group that is typically skeptical of economic development, Bloomberg, ranked the 50 state economic development agencies by transparency. Nevada ranked first.

When I was asked by Bloomberg how my colleagues would react to Nevada being first, I replied, "we are not the 19th hole of a golf course." This is a public business. It will be transparent, and it will have suitable reports so that the Committee understands what happens with this venture.

ASSEMBLYWOMAN CARLTON:

I am the executive director of a nonprofit organization. The nonprofit organization has a state business license. Would loans be available to nonprofits that need money upfront to apply for a grant?

MR. STEELE:

Unfortunately, nonprofits are excluded from the criteria for several reasons. From an underwriting standpoint, it is hard to underwrite a nonprofit in the same way that would be consistent with traditional for-profit businesses.

ASSEMBLYWOMAN CARLTON:

I am disappointed to hear that. Right now, there is a grant for almost \$750,000, that requires the nonprofit to come up with the first \$25,000, then be reimbursed. That requires the nonprofit to fundraise. It makes it very difficult to serve the people who need help.

Nonprofits were at the frontline of the COVID-19 pandemic. I would hope in the future the CDFI would consider them for an opportunity like this.

ASSEMBLYWOMAN MONROE-MORENO:

Small businesses are started by families that have put their life dreams and finances into businesses in the community. Sometimes a small business needs an extra lift. The loan does not need to be \$50,000 or \$100,000. Sometimes small businesses can be helped by a \$1,000 loan that the traditional banking institutions do not honor. I applaud you and thank you for coming up with a product that can help those families in all communities.

ASSEMBLYWOMAN MONROE-MORENO MOVED TO
APPROVE AGENDA ITEMS G.2.5 AND G.2.38.

SENATOR DENIS SECONDED THE MOTION.

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

39. Department of Health and Human Services - Director's Office - Developmental Disabilities - FY 2022

Addition of \$80,000 in federal Administration for Community Living, Expanding the Public Health Workforce within the Disabilities Networks: Disabilities Council grant funds to help individuals with intellectual and developmental disabilities gain increased access to health services. Requires Interim Finance approval since the amount added to the Public Health Workforce category exceeds \$75,000. **Work Program #C58046**

Refer to motion for approval under Agenda Item G.1.

40. Department of Health and Human Services - Director's Office - Individuals with Disabilities Education Act Part C Compliance - FY 2022

Addition of \$126,146 in federal Individuals with Disabilities Education Act Part C grant funds to provide oversight and services to infants and toddlers with disabilities and their families. Requires Interim Finance approval since the amount added to the Early Intervention services category exceeds the \$75,000. **RELATES TO ITEM G.2.43. Work Program #C58054**

Refer to motion for approval under Agenda Item G.1.

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

Addition of \$44,961 in federal Home and Community-Based Services (HCBS) Reinvestment funds transferred from the Division of Health Care Financing and Policy to fund a new unclassified Agency Manager position. Requires Interim Finance approval since the cumulative amount added to the Personnel category exceeds \$75,000. **RELATES TO ITEM G.2.54. Work Program #C57900**

Agenda Items G.2.41, G.2.42, G.2.54, and G.2.60 were discussed jointly. Refer to testimony and motion for approval under Agenda Item G.2.60.

42. Department of Health and Human Services - Aging and Disability Services - Home and Community-Based Services - FY 2023

Addition of \$174,420 in federal Home and Community-Based Services (HCBS) Reinvestment funds transferred from the Division of Health Care Financing and Policy to fund a new unclassified Agency Manager position. Requires Interim Finance approval since the cumulative amount added to the Personnel category exceeds \$75,000. **RELATES TO ITEM G.2.60. Work Program #C57901**

Agenda Items G.2.41, G.2.42, G.2.54, and G.2.60 were discussed jointly. Refer to testimony and motion for approval under Agenda Item G.2.60.

43. Department of Health and Human Services - Aging and Disability Services - Early Intervention Services - FY 2022

Addition of \$126,146 in federal Individuals with Disabilities Education Act (IDEA) Part C grant funds transferred from the Department of Health and Human Services Director's Office to provide oversight and services to infants and toddlers with disabilities and their families. Requires Interim Finance approval since the amount added to the IDEA Part C category exceeds the \$75,000. **RELATES TO ITEM G.2.40. Work Program #C58055**

Refer to motion for approval under Agenda Item G.1.

44. Department of Health and Human Services - Aging and Disability Services - Autism Treatment Assistance Program - FY 2022

Addition of \$144,693 in federal Temporary Assistance for Needy Families grant funds transferred from the Division of Welfare and Supportive Services to provide evidence-based treatment for children with autism. Requires Interim Finance approval since the amount added to the Autism category exceeds \$75,000. **Work Program #C57876**

Refer to motion for approval under Agenda Item G.1.

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

Addition of \$285,000 in federal Title XIX grant funds and \$285,000 in federal Home and Community-Based Services (HCBS) Reinvestment funds transferred from the Nevada Medicaid account to perform three rate studies for certain HCBS services. Requires Interim Finance approval since the amount added to the HCBS American Rescue Plan Act category exceeds \$75,000. **RELATES TO ITEM G.2.58. Work Program #C57962**

Agenda Items G.2.45, G.2.46, G.2.47, G.2.48, G.2.49, G.2.50, G.2.51, G.2.52, G.2.53, G.2.55, G.2.56, G.2.57, G.2.58, G.2.59, G.2.61, G.2.62, G.2.63, G.2.64, G.2.65, and G.2.66, were discussed jointly. Refer to testimony and motion for approval under Agenda Item G.2.66.

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

Addition of \$36,923 in federal Title XIX grant funds and \$36,923 in federal Home and Community-Based Services (HCBS) Reinvestment funds transferred from the Nevada Medicaid account to fund three contracted Management Analyst positions to manage the HCBS American Rescue Plan Act (ARPA) Initiatives and one contracted Social Services Program Specialist position to oversee the Self-Directed program for personal care services and the HCBS ARPA Initiative. Requires Interim Finance approval since the cumulative amount added to the HCBS ARPA category exceeds \$75,000. **RELATES TO ITEM G.2.56. Work Program #C57977**

Agenda Items G.2.45, G.2.46, G.2.47, G.2.48, G.2.49, G.2.50, G.2.51, G.2.52,

G.2.53, G.2.55, G.2.56, G.2.57, G.2.58, G.2.59, G.2.61, G.2.62, G.2.63, G.2.64, G.2.65, and G.2.66, were discussed jointly. Refer to testimony and motion for approval under Agenda Item G.2.66.

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

Addition of \$125,250 in federal Title XIX grant funds and \$125,250 in federal Home and Community-Based Services (HCBS) Reinvestment funds transferred from the Nevada Medicaid account to purchase a subscription service from the Center for Evidence-Based Policy at the Oregon Health and Science University to assist with Medicaid policy and program goals and objectives. Requires Interim Finance approval since the amount added to the HCBS American Rescue Plan Act category exceeds \$75,000. **RELATES TO ITEM G.2.57. Work Program #C57978**

Agenda Items G.2.45, G.2.46, G.2.47, G.2.48, G.2.49, G.2.50, G.2.51, G.2.52, G.2.53, G.2.55, G.2.56, G.2.57, G.2.58, G.2.59, G.2.61, G.2.62, G.2.63, G.2.64, G.2.65, and G.2.66, were discussed jointly. Refer to testimony and motion for approval under Agenda Item G.2.66.

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

Addition of \$212,970 in federal Title XIX grant funds and \$32,830 in federal Home and Community-Based Services (HCBS) Reinvestment funds transferred from the Nevada Medicaid account to cover system costs to add the fourth managed care organization to the Electronic Visit Verification system and to support annual third-party audits. Requires Interim Finance approval since the cumulative amount added to the HCBS American Rescue Plan Act category exceeds \$75,000. **RELATES TO ITEM G.2.59. Work Program #C58021**

Agenda Items G.2.45, G.2.46, G.2.47, G.2.48, G.2.49, G.2.50, G.2.51, G.2.52, G.2.53, G.2.55, G.2.56, G.2.57, G.2.58, G.2.59, G.2.61, G.2.62, G.2.63, G.2.64, G.2.65, and G.2.66, were discussed jointly. Refer to testimony and motion for approval under Agenda Item G.2.66.

49. Department of Health and Human Services - Health Care Financing and Policy - Health Care Financing and Policy Administration - FY 2023

Addition of \$162,740 in federal Title XIX grant funds and \$162,741 in federal Home and Community-Based Services (HCBS) Reinvestment funds transferred from the Nevada Medicaid account to fund three contracted Management Analyst positions to manage the HCBS American Rescue Plan Act (ARPA) Initiatives and one contracted Social Services Program Specialist position to oversee the Self-Directed program for personal care services and the HCBS ARPA Initiatives. Requires Interim Finance approval since the amount added to the HCBS ARPA category exceeds \$75,000. **RELATES TO ITEM G.2.64. Work Program #C58038**

Agenda Items G.2.45, G.2.46, G.2.47, G.2.48, G.2.49, G.2.50, G.2.51, G.2.52, G.2.53, G.2.55, G.2.56, G.2.57, G.2.58, G.2.59, G.2.61, G.2.62, G.2.63, G.2.64,

G.2.65, and G.2.66, were discussed jointly. Refer to testimony and motion for approval under Agenda Item G.2.66.

50. Department of Health and Human Services - Health Care Financing and Policy - Health Care Financing and Policy Administration - FY 2023

Addition of \$41,250 in federal Title XIX grant funds and \$13,750 in federal Home and Community-Based Services (HCBS) Reinvestment funds transferred from the Nevada Medicaid account to support annual third-party audits. Requires Interim Finance approval since the amount added to the HCBS American Rescue Plan Act category exceeds 10% of the legislatively approved amount for that category. **RELATES TO ITEM G.2.66. Work Program #C58039**

Agenda Items G.2.45, G.2.46, G.2.47, G.2.48, G.2.49, G.2.50, G.2.51, G.2.52, G.2.53, G.2.55, G.2.56, G.2.57, G.2.58, G.2.59, G.2.61, G.2.62, G.2.63, G.2.64, G.2.65, and G.2.66, were discussed jointly. Refer to testimony and motion for approval under Agenda Item G.2.66.

51. Department of Health and Human Services - Health Care Financing and Policy - Health Care Financing and Policy Administration - FY 2023

Addition of \$125,250 in federal Title XIX grant funds and \$125,250 in federal Home and Community-Based Services (HCBS) Reinvestment funds transferred from the Nevada Medicaid account to purchase a subscription service from the Center for Evidence-Based Policy at the Oregon Health and Science University to assist with Medicaid policy and program goals and objectives. Requires Interim Finance approval since the amount added to the HCBS American Rescue Plan Act category exceeds \$75,000. **RELATES TO ITEM G.2.65. Work Program #C58040**

Agenda Items G.2.45, G.2.46, G.2.47, G.2.48, G.2.49, G.2.50, G.2.51, G.2.52, G.2.53, G.2.55, G.2.56, G.2.57, G.2.58, G.2.59, G.2.61, G.2.62, G.2.63, G.2.64, G.2.65, and G.2.66, were discussed jointly. Refer to testimony and motion for approval under Agenda Item G.2.66.

52. Department of Health and Human Services - Health Care Financing and Policy - Nevada Medicaid, Title XIX - FY 2022

Addition of \$172 in federal Title XIX grant funds and \$78 in federal Home and Community-Based Services (HCBS) Reinvestment funds to provide funding for an assessment fee and associated travel for providers within the Environmental Accessibility Adaptation program. Requires Interim Finance approval since the cumulative amount added to the HCBS American Rescue Plan Act category exceeds \$75,000. **Work Program #C57946**

Agenda Items G.2.45, G.2.46, G.2.47, G.2.48, G.2.49, G.2.50, G.2.51, G.2.52, G.2.53, G.2.55, G.2.56, G.2.57, G.2.58, G.2.59, G.2.61, G.2.62, G.2.63, G.2.64, G.2.65, and G.2.66, were discussed jointly. Refer to testimony and motion for approval under Agenda Item G.2.66.

53. Department of Health and Human Services - Health Care Financing and Policy - Nevada Medicaid, Title XIX - FY 2022

Addition of \$333,088 in federal Title XIX grant funds and \$151,122 in federal Home and Community-Based Services (HCBS) Reinvestment funds to provide home-delivered meals to the Frail Elderly waiver population. Requires Interim Finance approval since the amount added to the HCBS American Rescue Plan Act category exceeds \$75,000. **Work Program #C57947**

Agenda Items G.2.45, G.2.46, G.2.47, G.2.48, G.2.49, G.2.50, G.2.51, G.2.52, G.2.53, G.2.55, G.2.56, G.2.57, G.2.58, G.2.59, G.2.61, G.2.62, G.2.63, G.2.64, G.2.65, and G.2.66, were discussed jointly. Refer to testimony and motion for approval under Agenda Item G.2.66.

54. Department of Health and Human Services - Health Care Financing and Policy - Nevada Medicaid, Title XIX - FY 2022

Addition of \$44,961 in federal Home and Community-Based Services (HCBS) Reinvestment funds to fund an Agency Manager position within the Aging and Disability Services Division to oversee the HCBS program. Requires Interim Finance approval since the cumulative amount added to the HCBS American Rescue Plan Act category exceeds \$75,000. **RELATES TO ITEM G.2.41. Work Program #C57951**

Agenda Items G.2.41, G.2.42, G.2.54, and G.2.60 were discussed jointly. Refer to testimony and motion for approval under Agenda Item G.2.60.

55. Department of Health and Human Services - Health Care Financing and Policy - Nevada Medicaid, Title XIX - FY 2022

Addition of \$16,231,367 in federal Title XIX grant funds and \$7,167,959 in federal Home and Community-Based Services (HCBS) Reinvestment funds to provide a supplemental payment for personal care services providers and Intellectual or Developmental Disability providers. Requires Interim Finance approval since the amount added to the HCBS American Rescue Plan Act category exceeds \$75,000. **Work Program #C57968**

Agenda Items G.2.45, G.2.46, G.2.47, G.2.48, G.2.49, G.2.50, G.2.51, G.2.52, G.2.53, G.2.55, G.2.56, G.2.57, G.2.58, G.2.59, G.2.61, G.2.62, G.2.63, G.2.64, G.2.65, and G.2.66, were discussed jointly. Refer to testimony and motion for approval under Agenda Item G.2.66.

56. Department of Health and Human Services - Health Care Financing and Policy - Nevada Medicaid, Title XIX - FY 2022

Addition of \$36,923 in federal Home and Community-Based Services (HCBS) Reinvestment funds to fund three contracted Management Analyst positions to manage the HCBS American Rescue Plan Act (ARPA) Initiatives and one contracted Social Services Program Specialist position to oversee the Self-Directed program for personal care services and the HCBS ARPA Initiatives. Requires Interim Finance approval since the cumulative amount added to the HCBS ARPA category exceeds \$75,000. **RELATES TO ITEM G.2.46. Work**

Program #C57980

Agenda Items G.2.45, G.2.46, G.2.47, G.2.48, G.2.49, G.2.50, G.2.51, G.2.52, G.2.53, G.2.55, G.2.56, G.2.57, G.2.58, G.2.59, G.2.61, G.2.62, G.2.63, G.2.64, G.2.65, and G.2.66, were discussed jointly. Refer to testimony and motion for approval under Agenda Item G.2.66.

57. Department of Health and Human Services - Health Care Financing and Policy - Nevada Medicaid, Title XIX - FY 2022

Addition of \$125,250 in federal Home and Community-Based Services (HCBS) Reinvestment funds to purchase a subscription service from the Center for Evidence-Based Policy at the Oregon Health and Science University to assist with Medicaid policy and program goals and objectives. Requires Interim Finance approval since the amount added to the HCBS American Rescue Plan Act category exceeds \$75,000. **RELATES TO ITEM G.2.47. Work Program #C57985**

Agenda Items G.2.45, G.2.46, G.2.47, G.2.48, G.2.49, G.2.50, G.2.51, G.2.52, G.2.53, G.2.55, G.2.56, G.2.57, G.2.58, G.2.59, G.2.61, G.2.62, G.2.63, G.2.64, G.2.65, and G.2.66, were discussed jointly. Refer to testimony and motion for approval under Agenda Item G.2.66.

58. Department of Health and Human Services - Health Care Financing and Policy - Nevada Medicaid, Title XIX - FY 2022

Addition of \$285,000 in federal Home and Community-Based Services (HCBS) Reinvestment funds to perform three rate studies for certain HCBS services. Requires Interim Finance approval since the amount added to the HCBS American Rescue Plan Act category exceeds \$75,000. **RELATES TO ITEM G.2.45. Work Program #C57994**

Agenda Items G.2.45, G.2.46, G.2.47, G.2.48, G.2.49, G.2.50, G.2.51, G.2.52, G.2.53, G.2.55, G.2.56, G.2.57, G.2.58, G.2.59, G.2.61, G.2.62, G.2.63, G.2.64, G.2.65, and G.2.66, were discussed jointly. Refer to testimony and motion for approval under Agenda Item G.2.66.

59. Department of Health and Human Services - Health Care Financing and Policy - Nevada Medicaid, Title XIX - FY 2022

Addition of \$32,830 in federal Home and Community-Based Services (HCBS) Reinvestment funds to cover system costs to add the fourth managed care organization to the Electronic Visit Verification system and to support annual third-party audits. Requires Interim Finance approval since the cumulative amount added to the HCBS American Rescue Plan Act category exceeds \$75,000. **RELATES TO ITEM G.2.48. Work Program #C58066**

Agenda Items G.2.45, G.2.46, G.2.47, G.2.48, G.2.49, G.2.50, G.2.51, G.2.52, G.2.53, G.2.55, G.2.56, G.2.57, G.2.58, G.2.59, G.2.61, G.2.62, G.2.63, G.2.64, G.2.65, and G.2.66, were discussed jointly. Refer to testimony and motion for approval under Agenda Item G.2.66.

60. Department of Health and Human Services - Health Care Financing and Policy - Nevada Medicaid, Title XIX - FY 2023

Addition of \$174,420 in federal Home and Community-Based Services (HCBS) Reinvestment funds to fund an Agency Manager position within the Aging and Disability Services Division to oversee the HCBS program. Requires Interim Finance approval since the amount added to the HCBS American Rescue Plan Act category exceeds \$75,000. **RELATES TO ITEM G.2.42. Work Program #C57955**

Agenda Items G.2.41, G.2.42, G.2.54, and G.2.60 were discussed jointly.

DENA SCHMIDT (Administrator, Aging and Disability Services Division [ADSD], DHHS):

The work programs under Agenda Items G.2.41 and G.2.42 request the addition of Home and Community-Based Services (HCBS) reinvestment funds to support HCBS capacity-building and long-term support services rebalancing efforts.

The funds will be used to add one unclassified Agency Manager position. This position will focus on activities to enhance, expand, and strengthen HCBS across the state. The COVID-19 pandemic has highlighted gaps in these areas and in the aging network across the state. The division has a need for leadership to improve coordination and collaboration across the aging network. There is an increase in the demand for home-delivered meals, medication delivery, and access to health care. There are increased concerns over social isolation. Additionally, the division recognizes the need to focus on improving the state's HCBS to meet the growing demands and the increasing number of older adults and those with disabilities needing services.

This position will focus solely on activities that are allowable under the guidance of the Centers for Medicare and Medicaid Services (CMS). These activities include identifying and implementing new HCBS efforts toward "no wrong door" systems, best practices, and quality improvement efforts, amongst many other items.

ASSEMBLYWOMAN CARLTON:

The funding expires in 2024. Given the temporary nature of this funding, why is the division not hiring a temporary employee for this position?

MS. SCHMIDT:

The division wanted to take advantage of the funding that is available now. It is 100% federally funded and will create an unclassified position. The COVID-19 pandemic has revealed the long-term need for leadership in the division to move forward with HCBS efforts. After the funding ends in March 2023, the division anticipates putting a request into its budget to support the activities. This position will oversee community-based care activities as well as activities related to the Older Americans Act. Both programs have federal funding available for administrative costs. The division anticipates being able to cover most of the position's costs going forward through those federal funding sources.

ASSEMBLYWOMAN CARLTON:

Thank you for clarifying that. The request almost reads as if the division would request continuing funding in another budget cycle. The Committee has been very cautious about using these federal dollars for ongoing positions that the state cannot afford to pay for in the future. It sounds as though there are other federal dollars to pay for this position in the future.

MS. SCHMIDT:

That is correct. There may be a small General Fund portion, but the division expects that to be absorbed into its current budget.

ASSEMBLYWOMAN CARLTON MOVED TO APPROVE
AGENDA ITEMS G.2.41, G.2.42, G.2.54 and G.2.60.

SENATOR CANNIZZARO SECONDED THE MOTION.

THE MOTION PASSED (Senators Seevers Gansert and
Denis and Assemblywomen Benitez-Thompson and Titus
were not present for the vote).

61. Department of Health and Human Services - Health Care Financing and Policy - Nevada Medicaid, Title XIX - FY 2023

Addition of \$22,957,606 in federal Title XIX grant funds and \$13,273,900 in federal Home and Community-Based Services (HCBS) Reinvestment funds to provide a supplemental payment for personal care services providers and Intellectual or Developmental Disability providers. Requires Interim Finance approval since the amount added to the HCBS American Rescue Plan Act category exceeds \$75,000. **Work Program #C58001**

Agenda Items G.2.45, G.2.46, G.2.47, G.2.48, G.2.49, G.2.50, G.2.51, G.2.52, G.2.53, G.2.55, G.2.56, G.2.57, G.2.58, G.2.59, G.2.61, G.2.62, G.2.63, G.2.64, G.2.65, and G.2.66, were discussed jointly. Refer to testimony and motion for approval under Agenda Item G.2.66.

62. Department of Health and Human Services - Health Care Financing and Policy - Nevada Medicaid, Title XIX - FY 2023

Addition of \$648 in federal Title XIX grant funds and \$387 in federal Home and Community-Based Services (HCBS) Reinvestment funds to provide funding for an assessment fee and associated travel for providers within the Environmental Accessibility Adaptation program. Requires Interim Finance approval since the cumulative amount added to the HCBS American Rescue Plan Act category exceeds \$75,000. **Work Program #C58002**

Agenda Items G.2.45, G.2.46, G.2.47, G.2.48, G.2.49, G.2.50, G.2.51, G.2.52, G.2.53, G.2.55, G.2.56, G.2.57, G.2.58, G.2.59, G.2.61, G.2.62, G.2.63, G.2.64, G.2.65, and G.2.66, were discussed jointly. Refer to testimony and motion for approval under Agenda Item G.2.66.

63. Department of Health and Human Services - Health Care Financing and Policy - Nevada Medicaid, Title XIX - FY 2023

Addition of \$1,258,895 in federal Title XIX grant funds and \$750,997 in federal Home and Community-Based Services (HCBS) Reinvestment funds to provide home-delivered meals to the Frail Elderly waiver population. Requires Interim Finance approval since the amount added to the HCBS American Rescue Plan Act category exceeds \$75,000. **Work Program #C58018**

Agenda Items G.2.45, G.2.46, G.2.47, G.2.48, G.2.49, G.2.50, G.2.51, G.2.52, G.2.53, G.2.55, G.2.56, G.2.57, G.2.58, G.2.59, G.2.61, G.2.62, G.2.63, G.2.64, G.2.65, and G.2.66, were discussed jointly. Refer to testimony and motion for approval under Agenda Item G.2.66.

64. Department of Health and Human Services - Health Care Financing and Policy - Nevada Medicaid, Title XIX - FY 2023

Addition of \$162,741 in federal Home and Community-Based Services (HCBS) Reinvestment funds to fund three contracted Management Analyst positions to manage the HCBS American Rescue Plan Act (ARPA) Initiatives and one contracted Social Services Program Specialist position to oversee the Self-Directed program for personal care services and the HCBS ARPA Initiatives. Requires Interim Finance approval since the amount added to the HCBS ARPA category exceeds \$75,000. **RELATES TO ITEM G.2.49. Work Program #C58051**

Agenda Items G.2.45, G.2.46, G.2.47, G.2.48, G.2.49, G.2.50, G.2.51, G.2.52, G.2.53, G.2.55, G.2.56, G.2.57, G.2.58, G.2.59, G.2.61, G.2.62, G.2.63, G.2.64, G.2.65, and G.2.66, were discussed jointly. Refer to testimony and motion for approval under Agenda Item G.2.66.

65. Department of Health and Human Services - Health Care Financing and Policy - Nevada Medicaid, Title XIX - FY 2023

Addition of \$125,250 in federal Home and Community-Based Services (HCBS) Reinvestment funds to purchase a subscription service from the Center for Evidence-Based Policy at the Oregon Health and Science University to assist with Medicaid policy and program goals and objectives. Requires Interim Finance approval since the amount added to the HCBS American Rescue Plan Act category exceeds \$75,000. **RELATES TO ITEM G.2.51. Work Program #C58052**

Agenda Items G.2.45, G.2.46, G.2.47, G.2.48, G.2.49, G.2.50, G.2.51, G.2.52, G.2.53, G.2.55, G.2.56, G.2.57, G.2.58, G.2.59, G.2.61, G.2.62, G.2.63, G.2.64, G.2.65, and G.2.66, were discussed jointly. Refer to testimony and motion for approval under Agenda Item G.2.66.

66. Department of Health and Human Services - Health Care Financing and Policy - Nevada Medicaid, Title XIX - FY 2023

Addition of \$13,750 in federal Home and Community-Based Services (HCBS) Reinvestment funds to support annual third-party audits. Requires Interim Finance approval since the cumulative amount added to the HCBS American Rescue Plan Act category exceeds \$75,000. **RELATES TO ITEM G.2.50. Work**

Program #C58067

Agenda Items G.2.45, G.2.46, G.2.47, G.2.48, G.2.49, G.2.50, G.2.51, G.2.52, G.2.53, G.2.55, G.2.56, G.2.57, G.2.58, G.2.59, G.2.61, G.2.62, G.2.63, G.2.64, G.2.65, and G.2.66, were discussed jointly.

PHILLIP BURRELL (Deputy Administrator, Division of Health Care Financing and Policy [DHCFP], DHHS):

The 22 work programs for the Committee's approval are all for the continuation of the Home and Community-Based Services (HCBS) programs as per the six work programs approved at the February 9, 2022, IFC meeting. These work programs will strengthen and enhance services available to Nevadans to help people in their homes and communities where appropriate. This program is specific to Section 98.17 of ARPA, where it provided the Medicaid program administration the ability for a 10% Federal Medical Assistance Percentage (FMAP) increase to allow additional expenditures to be drawn down for additional efforts in the HCBS section. There are no State General Funds requested in any of these 22 work programs.

ASSEMBLYWOMAN PETERS:

My question is about the work programs in Agenda Items G.2.45, G.2.46, G.2.47, G.2.48, specifically related to the self-directed program that was included in Assembly Bill 495 (2021 Legislative Session). How will the program be managed following the termination of the temporary contracted positions included in these requests?

MR. BURRELL:

That program will be a continuation of the projects and activities related to the division's existing long-term care and supportive services unit. While the division is utilizing the work programs before the Committee today for additional efforts, including contractual staff and associated activities, the division also plans to continue to enhance its efficiencies with a lot of training and management of the activities and programs. The division will use its contracted staff for this temporary initiative. After that, the division will work on efficiencies to continue the programs and efforts.

ASSEMBLYWOMAN PETERS:

Regarding Agenda Items G.2.53 and G.2.63 related to the home-delivery meal service, please talk about what will happen to those populations served under this program beyond the 2023 extension of the program. When this funding is gone, how will the division provide services for that population?

KRISTEN COULOMBE (SOCIAL SERVICES CHIEF 3, DHCFP, DHHS):

There is funding available through the ADSD through the Older Americans Act. The division has wanted to put forth this funding for a long time in a budget request. When the opportunity specific to HCBS came through the ARPA, that was one of the division's priorities. The division is excited to get this program started. A budget request would be needed to continue it through the Elder Waiver Program.

It will always be available for individuals with physical disabilities. As Ms. Schmidt mentioned, the ADSD has funding through the Older Americans Act that would also be available for this population.

ASSEMBLYWOMAN PETERS:

There is an existing federal program the division could apply for once this is set up. Would the division request funding for a state match in future budgets?

MS. COULOMBE:

The Older Americans Act funding would be separate from Medicaid services as the programs have different requirements. That funding is already available through the ADSD. If the DHCFP wanted to add this as a permanent service through Nevada Medicaid, it would be included in the Medicaid budget and would need that budget authority.

ASSEMBLYWOMAN PETERS:

Is the division's intention to continue the program?

MR. BURRELL:

The division will use this funding to kick-start efforts into this initiative that have not been achieved before. The division will work closely with the ADSD and its partner agencies to figure out how to work within the budget to continue the efforts.

ASSEMBLYWOMAN CARLTON:

There is a 26.9% supplemental payment to providers of intellectual and developmental disability waiver services. The division is calling them supplemental payments. Does that mean the payments will be temporary for as long as the funding lasts? I am concerned that once the division starts giving people funding, it can justify continuing the additional payments in the future.

MR. BURRELL:

The supplemental payment program is temporary in nature. The division will be able to utilize funds for expenditures until March 2024. Prior to the development of the initial spending plan for HCBS, the division reached out to providers and community recipients about rates and funds to go into the community. The division researched a couple of other states regarding the opportunity to increase rates through these supplemental programs. The division wants to respond to the feedback from the community specific to these efforts and move as many dollars as possible from the reinvestment funds to support those efforts. These are investment funds only - not State General Funds. Because this is a temporary effort, the division cannot provide a rate increase.

ASSEMBLYWOMAN CARLTON:

Based on my experience, I predict people will say they got a rate cut when the supplemental funds are no longer available. The providers will not consider the supplemental payment to be temporary. I wish you luck in the future in dealing with those people who reach out and say their rate was cut.

ASSEMBLYWOMAN CARLTON MOVED TO APPROVE
AGENDA ITEMS G.2.45, G.2.46, G.2.47, G.2.48, G.2.49,
G.2.50, G.2.51, G.2.52, G.2.53, G.2.55, G.2.56, G.2.57,
G.2.58, G.2.59, G.2.61, G.2.62, G.2.63, G.2.64, G.2.65, AND
G.2.66.

SENATOR DENIS SECONDED THE MOTION.

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

67. Department of Health and Human Services - Public and Behavioral Health - Crisis Response - FY 2022

Addition of \$266,852 in federal Substance Abuse and Mental Health Services Administration (SAMHSA) grant funds and \$12,242 in Substance Abuse Prevention and Treatment (SAPTA) Block Grant funds, SAPTA COVID supplemental funds, Community Mental Health Services (CMHS) Block Grant COVID Supplemental grant funds, and CMHS American Rescue Plan Act grant funds transferred from the Behavioral Health Prevention and Treatment account to support the National Suicide Prevention Hotline to improve Nevada's response to 988 hotline contacts. Requires Interim Finance approval since the amount added to the SAMHSA Building 988 Capacity Grant category exceeds \$75,000.

RELATES TO ITEM G.2.68. Work Program #C58239

Refer to motion for approval under Agenda Item G.1.

68. Department of Health and Human Services - Public and Behavioral Health - Crisis Response - FY 2023

Addition of \$802,340 in federal Substance Abuse and Mental Health Services Administration (SAMHSA) grant funds and \$72,304 in Substance Abuse Prevention and Treatment (SAPTA) Block Grant funds, SAPTA COVID supplemental funds, Community Mental Health Services (CMHS) Block Grant COVID Supplemental grant funds, and CMHS American Rescue Plan Act grant funds transferred from the Behavioral Health Prevention and Treatment account to support the National Suicide Prevention Hotline to improve Nevada's response to 988 hotline contacts. Requires Interim Finance approval since the amount added to the SAMHSA Building 988 Capacity Grant category exceeds \$75,000.

RELATES TO ITEM G.2.67. Work Program #C58303

Refer to motion for approval under Agenda Item G.1.

69. Department of Health and Human Services - Public and Behavioral Health - Health Statistics and Planning - FY 2022

Transfer of \$108,095 from the Reserve category to the Information Services category to fund a projected shortfall for the remainder of the fiscal year. Requires Interim Finance approval since the amount transferred to the Information Services category exceeds \$75,000. **Work Program #C57856**

Refer to motion for approval under Agenda Item G.1.

70. Department of Health and Human Services - Public and Behavioral Health - Women, Infant, and Children Food Supplement - FY 2022

Addition of \$191,571 in federal Women, Infants and Children (WIC) Breastfeeding grant funds to continue to provide WIC Breastfeeding Peer Counselor Program support to improve the health and nutrition of eligible new mothers and their infants. Requires Interim Finance approval since the amount added to the WIC Breastfeeding Program category exceeds \$75,000. **Work Program #C57990**

Refer to motion for approval under Agenda Item G.1.

71. Department of Health and Human Services - Public and Behavioral Health - Communicable Diseases - FY 2022

Addition of \$2,645,802 in federal Human Immunodeficiency Virus (HIV) Prevention grant funds to provide increased knowledge of HIV status, prevent new infections and strengthen surveillance to enhance response capacity and data-to-care activities to support sustained viral suppression. Requires Interim Finance approval since the amount added to the HIV Prevention category exceeds \$75,000. **Work Program #C58248**

Refer to motion for approval under Agenda Item G.1.

72. Department of Health and Human Services - Public and Behavioral Health - Health Care Facilities Regulation - FY 2022

Addition of \$666,695 in federal Epidemiology and Laboratory Capacity for Infectious Diseases grant funds transferred from the Biostatistics and Epidemiology account to mitigate the spread of COVID-19. Requires Interim Finance approval since the amount transferred to the COVID-19 category exceeds \$75,000. **Work Program #C56736**

Refer to motion for approval under Agenda Item G.1.

73. Department of Health and Human Services - Public and Behavioral Health - Biostatistics and Epidemiology - FY 2022

Addition of \$89,235 in Nevada Childhood Lead Poisoning Prevention Program funds, subgranted from the University of Nevada, Las Vegas (UNLV) to provide support for childhood lead poisoning prevention activities. Requires Interim Finance approval since the amount added to the UNLV Childhood Lead Poisoning category exceeds \$75,000. **Work Program #C57935**

Refer to motion for approval under Agenda Item G.1.

74. Department of Health and Human Services - Public and Behavioral Health - Chronic Disease - FY 2022

Addition of \$316,812 in federal Innovative State and Local Public Health Strategies to Prevent and Manage Diabetes, Heart Disease and Stroke grant funds to continue to reduce cardiovascular disease in underserved populations. Requires

Interim Finance approval since the amount added to Innovative Health Strategies category exceeds \$75,000. **Work Program #C57824**

Refer to motion for approval under Agenda Item G.1.

75. Department of Health and Human Services - Public and Behavioral Health - Chronic Disease - FY 2022

Addition of \$210,190 in federal Building Our Largest Dementia (BOLD) grant funds to provide Alzheimer's disease and dementia services. Requires Interim Finance approval since the amount added to the BOLD Grant category exceeds \$75,000. **Work Program #C57888**

Refer to motion for approval under Agenda Item G.1.

76. Department of Health and Human Services - Public and Behavioral Health - Chronic Disease - FY 2022

Transfer of \$159,977 from the Personnel category to the Preventative Health Services category to cover a projected shortfall for the remainder of the fiscal year. Requires Interim Finance approval since the amount added to the Preventative Health Services category exceeds \$75,000. **Work Program #C57975**

Refer to motion for approval under Agenda Item G.1.

77. Department of Health and Human Services - Public and Behavioral Health - Chronic Disease - FY 2022

Addition of \$678,738 in federal Diabetes and Heart Disease and Stroke Prevention grant funds ~~and transfer of \$87,379 from the Personnel category to the Diabetes, Heart and Stroke Prevention category~~ to continue to provide prevention and management of cardiovascular disease and diabetes. Requires Interim Finance approval since the amount added to the Diabetes, Heart and Stroke Prevention category exceeds \$75,000. **Work Program #C58065. REVISED 3-16-22.**

Refer to motion for approval under Agenda Item G.1.

78. Department of Health and Human Services - Public and Behavioral Health - Chronic Disease - FY 2022

Addition of \$521,961 in federal National and State Tobacco Control Program grant funds to support the tobacco prevention and control programs. Requires Interim Finance approval since the amount added to the Tobacco Grant category exceeds \$75,000. **Work Program #C58104**

Refer to motion for approval under Agenda Item G.1.

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

Addition of \$255,515 of federal Universal Newborn Hearing Screening and Intervention funds to continue to provide early hearing detection and intervention services. Requires Interim Finance approval since the amount added to the

Newborn Hearing Screening category exceeds \$75,000. **Work Program #C57921**

Refer to motion for approval under Agenda Item G.1.

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

Addition of \$91,409 in federal Nevada Sexual Violence Prevention Activities grant funds to continue to provide sexual violence prevention activities. Requires Interim Finance approval since the amount added to the Rape Prevention and Education category exceeds \$75,000. **Work Program #C57986**

Refer to motion for approval under Agenda Item G.1.

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

Addition of \$544,974 in federal American Rescue Plan Act (ARPA), Maternal, Infant and Early Childhood Home Visiting program grant funds to provide home and virtual visits, diapers, diapering supplies, formula, food, water, hand soap, and hand sanitizer. Requires Interim Finance approval since the amount added to the ARPA Home Visiting Supplies category exceeds \$75,000. **Work Program #22AR32201**

Refer to motion for approval under Agenda Item G.1.

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

Addition of \$191,297 in federal Department of Health and Human Services, Family Planning Services grant funds to provide family planning and reproductive health services in rural Nevada. Requires Interim Finance approval since the amount added to the Family Planning category exceeds \$75,000. **Work Program #C58137**

This item was withdrawn.

83. Department of Health and Human Services - Public and Behavioral Health - Alcohol Tax Program - FY 2022

Addition of \$450,928 in projected Liquor Tax revenue to provide treatment and prevention of alcohol and substance abuse. Requires Interim Finance approval since the amount added to the Alcohol Program category exceeds \$75,000. **Work Program #C58115**

Refer to motion for approval under Agenda Item G.1.

84. Department of Health and Human Services - Public and Behavioral Health - Behavioral Health Prevention and Treatment - FY 2022

Addition of \$6,055,520 in federal State Opioid Response (SOR) grant funds to increase access to treatment, reduce unmet treatment needs, and reduce opioid overdose-related death through prevention treatment and recovery

activities. Requires Interim Finance approval since the amount added to the Opioid Response Grant SOR category exceeds \$75,000. **Work Program #C57983**

CHAIR BROOKS:

Has the Division of Public and Behavioral Health received any preliminary indication from the Substance Abuse and Mental Health Services Administration about whether the grant period extension request will be approved?

CODY PHINNEY (Deputy Administrator, Division of Public and Behavioral Health, DHHS):

Yes, the division has received preliminary indication that the extension request will be approved. The division does not yet have formal approval.

SENATOR HARRIS:

The work program indicates two new management positions have been brought on to ensure this does not happen again. Please provide more detail about what went wrong, including what changes will be made – aside from hiring two more people – to ensure the dollars are used as quickly as possible.

MS. PHINNEY:

The division is devoting a great deal of resources to this bureau in particular. During the pandemic, the division relied on contractors to get a lot of things done very quickly. Currently, the division is moving out of crisis management mode. The division is focused on making sure there is balance between the urgent clinical issues of keeping people alive and preventing overdoses, making sure that all those services are planned and put out into the community, and also having documentation, appropriate oversight and monitoring. Shannon Bennett, Health Bureau Chief, Bureau of Behavioral Health Wellness and Prevention, DPBH, DHHS, and I are working to make sure the roles that bureau staff are playing, and the roles contract staff are playing are analyzed. There is a lot of support from the division's fiscal group to get things back on track. That includes hiring two additional people, but it also includes reestablishing processes between the division and the bureau. The division has had a significant number of new staff. Some of the existing staff with more experience with the processes are working to strengthen that process and make sure it is in the proper alignment.

SHANNON BENNETT (Health Bureau Chief, Bureau of Behavioral Health Wellness and Prevention, DPBH, DHHS):

The only other thing I would add is, according to a recent Government Accountability Organization report, this is relatively normal. Other states were unable to spend down all the grants and were allowed carry that forward throughout the grant. The bureau can carry the first year of the grant into the second year, then request a no-cost extension. That is what the bureau anticipates in this case. The bureau would be happy to share that report with the Committee.

ASSEMBLYWOMAN TOLLES:

I am vice chair of the Nevada Statewide Substance Use Response Working Group. The state was awarded \$284 million in opioid settlement dollars. Is there any concern that there is not adequate management and staff to allocate those dollars appropriately?

MS. PHINNEY:

The division has more staff working on those functions in addition to the ones I noted. It is incredibly important that the division succeed in putting these functions into place to provide a solid structure. The opioid settlement structure is being strengthened and reinforced at the same time. The division can learn from these lessons to avoid those challenges in the future.

Changing the way recovery services are provided is not something that will happen quickly. The field has changed tremendously. When I started working in this industry, there was only abstinence work. There is a lot of hard work to be done to make sure providers feel comfortable. The division continues to work with the field to move forward and make sure all Nevadans get the support needed to recover. It does work, but it is challenging to get there.

ASSEMBLYWOMAN CARLTON MOVED TO APPROVE
AGENDA ITEM G.2.84.

SENATOR DENIS SECONDED THE MOTION.

THE MOTION PASSED (Senator Cannizzaro and
Assemblywoman Benitez-Thompson and Miller were not
present for the vote).

85. Department of Health and Human Services - Public and Behavioral Health - Behavioral Health Prevention and Treatment - FY 2022

Addition of \$337,095 in federal Emergency COVID-19 grant funds to continue to provide mental and substance use disorders assistance during the COVID-19 pandemic. Requires Interim Finance approval since the amount added to the Substance Abuse Prevention and Treatment COVID-19 category exceeds \$75,000. **Work Program #C57991**

Refer to motion for approval under Agenda Item G.1.

86. Department of Health and Human Services - Public and Behavioral Health - Behavioral Health Prevention and Treatment - FY 2022

Addition of ~~\$136,308~~ **\$33,286** in federal Behavioral Health Services Information System contract revenue and a transfer of \$61,457 from the Reserve category to the State Outcomes Measurement and Management System (SOMMS) category to support substance abuse and mental health services information systems and data collection activities. Requires Interim Finance approval since the amount added to the SOMMS category exceeds \$75,000. **Work Program #C58249. REVISED 3-14-22.**

Refer to motion for approval under Agenda Item G.1.

87. Department of Health and Human Services - Public and Behavioral Health - Northern Nevada Adult Mental Health Services - FY 2022

Transfer of \$696,299 from the Personnel category to the Professional Services category to continue services with contracted psychiatric clinical staff and mental health technicians to meet the needs of clients. Requires Interim Finance approval since the amount transferred to the Professional Services category exceeds \$75,000. **Work Program #C57460**

Refer to motion for approval under Agenda Item G.1.

88. Department of Health and Human Services - Public and Behavioral Health - Southern Nevada Adult Mental Health Services - FY 2022

Transfer of \$1,649,593 from the Personnel category to the Professional Services category and \$193,690 from the Personnel category to the Mental Health Tech Services category to cover the projected costs for contracted doctors, mental health technicians and nurses to meet the needs of the clients. Requires Interim Finance approval since the amount transferred to the Professional Services category exceeds \$75,000. **Work Program #C57845**

Refer to motion for approval under Agenda Item G.1.

89. Department of Health and Human Services - Public and Behavioral Health - Southern Nevada Adult Mental Health Services - FY 2022

Deletion of \$581,439 in Budgetary Transfers to fund a projected salary shortfall within the Facility for the Mental Offender account for the remainder of the fiscal year. Requires Interim Finance approval pursuant to Section 56 of Assembly Bill 494 (2021 Legislative Session). **RELATES TO ITEM G.2.91. Work Program #C57920**

Refer to motion for approval under Agenda Item G.1.

90. Department of Health and Human Services - Public and Behavioral Health - Southern Nevada Adult Mental Health Services - FY 2022

Transfer of \$99,520 from the Personnel category to the Maintenance of Building and Grounds category to repair the emergency backup generator at Rawson-Neal Psychiatric Hospital. Requires Interim Finance approval since the amount transferred to the Maintenance of Building and Grounds category exceeds \$75,000. **Work Program #C57940**

Refer to motion for approval under Agenda Item G.1.

91. Department of Health and Human Services - Public and Behavioral Health - Facility for the Mental Offender - FY 2022

Addition of \$581,439 in Budgetary Transfers to fund a projected salary shortfall for the remainder of the fiscal year. Requires Interim Finance approval pursuant to Section 56 of Assembly Bill 494 (2021 Legislative Session). **RELATES TO**

ITEM G.2.89. Work Program #C57918

Refer to motion for approval under Agenda Item G.1.

92. Department of Health and Human Services - Welfare and Supportive Services - Administration - FY 2022

Addition of \$827,902 in federal Supplemental Nutrition Assistance Program - Nutrition Education (ED) grant funds to provide statewide nutrition education efforts to improve healthy food choices and lifestyles for low-income Nevadans. Requires Interim Finance approval since the amount added to the Nutrition ED Network category exceeds \$75,000. **Work Program #C57867**

Refer to motion for approval under Agenda Item G.1.

93. Department of Health and Human Services - Welfare and Supportive Services - Child Assistance and Development - FY 2022

Addition of \$4,212,681 in federal American Rescue Plan Act (ARPA), Child Care Development Block Grant funds to provide childcare assistance to health care sector employees, emergency responders, sanitation workers, and other workers deemed essential during the response to COVID-19. Requires Interim Finance approval since the amount added to the Federal ARPA Child Care Discretionary category exceeds \$75,000. **RELATES TO ITEM G.2.94. Work Program #22AR32671**

Refer to motion for approval under Agenda Item G.1.

94. Department of Health and Human Services - Welfare and Supportive Services - Child Assistance and Development - FY 2023

Addition of \$61,023,682 in federal American Rescue Plan Act (ARPA), Child Care Development Block Grant funds to provide childcare assistance to health care sector employees, emergency responders, sanitation workers, and other workers deemed essential during the response to COVID-19. Requires Interim Finance approval since the amount added to the Federal ARPA Child Care Discretionary category exceeds \$75,000. **RELATES TO ITEM G.2.93. Work Program #23AR32671**

Refer to motion for approval under Agenda Item G.1.

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

Addition of \$4,876,243 in federal American Rescue Plan Act (ARPA), Low-Income Home Energy Assistance Program (LIHEAP) grant funds to help low-income Nevadans reduce their energy burdens. Requires Interim Finance approval since the amount added to the LIHEAP ARPA Grant category exceeds \$75,000. **Work Program #22AR48621**

Refer to motion for approval under Agenda Item G.1.

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

Addition of \$112,718 in federal Victim Assistance Formula grant funds to continue providing a measure of safety and security through victim services offered to victims of crime. Requires Interim Finance approval since the amount added to the US Crime Victims category exceeds \$75,000. **Work Program #C57524**

Refer to motion for approval under Agenda Item G.1.

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

Transfer of \$27,906 from the Personnel category to the Operating category to cover a projected shortfall for the remainder of the fiscal year. Requires Interim Finance approval since the cumulative amount transferred from the Personnel category exceeds \$75,000. **Work Program #C57868**

Refer to motion for approval under Agenda Item G.1.

98. Department of Health and Human Services - Child and Family Services - Victims of Domestic Violence - FY 2022

Addition of \$2,276,914 in Aid for Victims of Domestic Violence funds to allow for additional marriage license fee revenue to be received pursuant to Section 6 of Senate Bill 177 (2021 Legislative Session). Requires Interim Finance approval since the amount added to the Aid for Victims of Domestic Violence or Sexual Violence category exceeds \$75,000. **Work Program #C57528**

Refer to motion for approval under Agenda Item G.1.

99. Department of Health and Human Services - Child and Family Services - Information Services - FY 2022

Transfer of \$97,711 from the Personnel category to the Information Services category to fund a projected shortfall for the remainder of the fiscal year. Requires Interim Finance approval since the amount transferred to the Information Services category exceeds \$75,000. **Work Program #C57891**

Refer to motion for approval under Agenda Item G.1.

100. Department of Health and Human Services - Child and Family Services - Rural Child Welfare - FY 2022

Transfer of \$130,473 from the Personnel category to the Non-XIX Medical category to fund a projected shortfall for the remainder of the fiscal year. Requires Interim Finance approval since the amount transferred to the Non-XIX Medical category exceeds \$75,000. **Work Program #C57906**

Refer to motion for approval under Agenda Item G.1.

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

Addition of \$1,447,518 in federal Delinquency Prevention grant funds to reduce recidivism and reduce juvenile justice involvement by promoting and enhancing delinquency prevention. Requires Interim Finance approval since the amount added to the Delinquency Prevention Grant category exceeds \$75,000. **Work Program #C57521**

Refer to motion for approval under Agenda Item G.1.

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

Addition of \$169,922 in federal Prison Rape Elimination Act (PREA) grant funds to provide funding to enhance surveillance systems, increase youth educational opportunities and increase family and supportive services. Requires Interim Finance approval since the amount added to the PREA Education Grant category exceeds \$75,000. **Work Program #C57800**

Refer to motion for approval under Agenda Item G.1.

103. Department of Health and Human Services - Child and Family Services - Caliente Youth Center - FY 2022

Addition of \$473,528 in federal Title I Education grant funds transferred from the Department of Education to continue providing enhanced educational funding for youth in residence at the Caliente Youth Center. Requires Interim Finance approval since the amount added to the Title I Grant category exceeds \$75,000. **Work Program #C57566**

Refer to motion for approval under Agenda Item G.1.

104. Department of Health and Human Services - Child and Family Services - Nevada Youth Training Center - FY 2022

Transfer of \$48,670 from the Personnel category to the Operating category to fund a projected shortfall for the remainder of the fiscal year. Requires Interim Finance approval since the cumulative amount transferred to the Operating category exceeds \$75,000. **Work Program #C57862**

Refer to motion for approval under Agenda Item G.1.

105. Department of Health and Human Services - Child and Family Services - Nevada Youth Training Center - FY 2022

Addition of \$194,034 in federal Title I Education grant funds transferred from the Department of Education to continue to provide an equal opportunity for students housed at the Nevada Youth Training Center to reach state educational standards. Requires Interim Finance approval since the amount added to the Title I Grant category exceeds \$75,000. **Work Program #C57863**

Refer to motion for approval under Agenda Item G.1.

106. Department of Health and Human Services - Child and Family Services Division - Victims of Crime - FY 2022

Addition of \$1,216,994 in federal Antiterrorism and Emergency Assistance Program (AEAP) grant funds transferred from the Children, Youth and Family Administration account to support victims' claims associated with the October 2017 Las Vegas Route 91 Harvest Music Festival. Requires Interim Finance approval since the amount added to the Victims Payments category exceeds \$75,000. **Work Program #C57628**

Refer to motion for approval under Agenda Item G.1.

107. Department of Corrections - High Desert State Prison - FY 2022

Addition of \$1,609,979 in Budgetary Transfers to cover unanticipated shortfalls in the Operating and Inmate Drivens categories. Interim Finance approval is required since the amount added to the Inmate Drivens category exceeds \$75,000. **RELATES TO ITEMS G.2.108, G.2.109, G.2.110, and G.2.111. Work Program #C58253**

Refer to motion for approval under Agenda Item G.1.

108. Department of Corrections - Northern Nevada Correctional Center - FY 2022

Deletion of \$1,712,342 in Budgetary Transfers to fund projected shortfalls within the department for the remainder of the fiscal year ~~and transfer~~. ***Transfer*** of \$341,656 from the Personnel category to the Inmate Drivens category ***and transfer of \$102,797 from the Personnel category to the Operating category*** to fund projected shortfalls ~~within the Inmate Drivens category~~ for the remainder of the fiscal year. Requires Interim Finance approval since the amount transferred to the Inmate Drivens category exceeds \$75,000. **RELATES TO ITEMS G.2.107, G.2.109, G.2.110, and G.2.111. Work Program #C58240. REVISED 3-22-22.**

Refer to motion for approval under Agenda Item G.1.

109. Department of Corrections - Warm Springs Correctional Center - FY 2022

Deletion of \$749,047 in Budgetary Transfers, transfer of \$28,157 from the Personnel category to the Operating category, and transfer of \$86,212 from the Personnel category to the Inmate Drivens category to fund projected shortfalls within the department for the remainder of the fiscal year. Interim Finance approval is required since the cumulative amount transferred to the Inmate Drivens category exceeds \$75,000. **RELATES TO ITEMS G.2.107, G.2.108, G.2.110, and G.2.111. Work Program #C58232**

Refer to motion for approval under Agenda Item G.1.

110. Department of Corrections - Florence McClure Womens Correctional Center - FY 2022

Addition of \$263,007 in Budgetary Transfers to fund projected shortfalls in the Operating and Inmate Drivens categories. Interim Finance approval is required since the amount added to the Inmate Drivens category exceeds \$75,000.

RELATES TO ITEMS G.2.107, G.2.108, G.2.109, and G.2.111. Work Program #C58273

Refer to motion for approval under Agenda Item G.1.

- 111. Department of Corrections - Casa Grande Transitional Housing - FY 2022**
Addition of \$588,403 in Budgetary Transfers and deletion of \$580,146 in Room, Board, and Transportation Charges to cover a projected shortfall in Room, Board and Transportation Charges revenue and a projected shortfall in the Buildings and Grounds category for the remainder of the fiscal year. Requires Interim Finance approval since the amount transferred to the Buildings and Grounds category exceeds \$75,000. **RELATES TO ITEMS G.2.107, G.2.108, G.2.109, and G.2.110. Work Program #C58262**

Refer to motion for approval under Agenda Item G.1.

- 112. Department of Corrections - Stewart Conservation Camp - FY 2022**
Addition of \$31,898 in Prior Year Reimbursement revenue from the Nevada Division of Forestry to cover expenses incurred in Fiscal Year 2021 for fire suppression efforts. Requires Interim Finance approval since the amount added to the Reserve for Reversion to General Fund category exceeds 10% of the legislatively approved amount for that category. **Work Program #C58231**

Refer to motion for approval under Agenda Item G.1.

- 113. Department of Corrections - Prison Industry - FY 2022**
Transfer of \$195,415 from the Retained Earnings category to the Northern Nevada Correctional Center (NNCC) Metal Shop category to support increased raw material and labor costs. Requires Interim Finance approval since the amount transferred to the NNCC Metal Shop category exceeds \$75,000. **Work Program #C58394**

Refer to motion for approval under Agenda Item G.1.

- 114. Department of Motor Vehicles - System Technology Application Redesign - FY 2023**
Transfer of \$22,419,199 from the Reserve category to the Required Implementation Costs category to continue funding the DMV Transformation project and deletion of \$13,365,952 in Balance Forward from Previous Year revenue authority and deletion of \$6,860,253 in Technology Fee revenue to correct authority approved during the 2021 Legislative Session. Requires Interim Finance approval since the amount transferred to the Required Implementation Costs category exceeds \$75,000. **Work Program #C58068**

Agenda Items G.2.114 and O.10.b were discussed jointly.

JULIE BUTLER (Director, Department of Motor Vehicles [DMV]):

I will turn the presentation over to Molly Lennon, Administrator, Division of Research and Project Management, DMV, and Robert Kaelin, consultant with Mission Critical Partners, LLC, which is providing quality assurance and independent validation and verification to ensure the department is doing what it said it would do.

MOLLY LENNON (Administrator, Division of Research and Project Management, DMV):

Work Program #C58068 requests the transfer of \$22,419,199 from the Reserve category to the Required Implementation Cost category to continue funding the DMV Transformation Effort (DTE). The DMV requests approval of this work program to establish authority starting July 1, 2022, to continue paying expenditures due to executed contracts, ongoing expenditures, and an anticipated contract in support of the DTE. Approval will allow the DMV to continue with the project funded by the 2021 Legislature. A status report has been provided via the letter of intent (LOI) for the period July 1, 2021, through December 31, 2021, in accordance with actions taken by the 2021 Legislature. A more recent update was provided on March 17, 2022.

SENATOR DENIS:

Please provide more information on the DTE project.

MS. LENNON:

The response to the LOI was provided for the reporting period ending December 31, 2021. A lot of additional work has been done since that period. The department has been working very closely with Mission Critical Partners, the cloud solution providers, and Salesforce, to get to this point in reviewing the department's overall roadmap for the program. The DMV has approved deliverables for current state assessment, test strategy and planning.

There are multiple deliverables under review, including that roadmap. The DTE staffing report currently includes 39 filled positions of the 50 approved positions. Eight of those are base, 21 are full-time equivalents, and 21 are master service agreement (MSA) positions. The department has completed discovery on the Compliance Enforcement Division (CED) case management project, which kicked off February 14, 2022. The capability for that project within Salesforce will be used for future work strength on the part of the DTE, including case management features, e-signature, digital form acceptance, etc.

An assessment for mainstream migration has been completed, which was beneficial in support of road mapping and highlighting impacts to the DTE with the current architecture. The department has performed public outreach and focus groups. The department conducted a survey that received over 18,000 responses from the public. The survey confirmed the DMV is providing the transactions the public is looking for going forward.

The department has completed governance models for all initiatives within the DMV portfolio. That includes anything that would impact the department throughout the DTE project from the department's current portfolio section, which is approaching current contracts that are expiring. The department is reviewing the roadmap now and has prioritized the first list for program increment one and two. That is loosely the first two years that it will address. The department is working in an agile methodology and has high-level prioritized program increments three and four. Those will be further outlined in the roadmap, as there are additional sections.

SENATOR DENIS:

Is it the department's intention to switch over on a cutoff date, or will both systems operate parallel until it is certain everything is working properly?

MS. LENNON:

The assessment for the mainframe migration showed that the department does not want to take on the cost of a "lift and shift." The department will work its way through, mitigate its costs against the mainframe, and take a very close look at the process as transactions are lifted online. Eventually, it will be moved off the mainframe, but it will be parallel with the program.

SENATOR DENIS:

Have delays in filling all the legislatively approved positions hindered the project or delayed the project timeline?

MS. LENNON:

To this point, there have been no delays due to staffing issues. The department was very deliberate about defining the skillset required for implementation of this project. The department does have a handful of jobs left to fill. In the meantime, the department is working side-by-side with partners at Slolam and Salesforce, which have supplemented any capabilities the department could not provide. The department is utilizing in-house IT staff and business staff in a way that it has not in the past. Using those staff in this way has allowed the department to continue forward meeting all milestones and timelines.

SENATOR DONDERO LOOP:

Please elaborate on the factors that contributed to the increased cost projection and the anticipated implementation timeline for the DTE project.

MS. LENNON:

The overall increase is \$9.4 million for the entire project. That increase comprised efforts to keep Slolam at full capacity for the entire program, rather than tapering off earlier, as was initially anticipated. It also includes increased maintenance costs of Salesforce licenses, Enterprise IT Services (EITS) mainframe costs, and the cost of various operational software products not in the original budget. The other \$400,000 was spread out amongst other line items. As far as the timeline is concerned, the department is working in an agile methodology. The department's inclination is to lift as many transactions as possible online. The department is

working in two-week sprints to introduce new features consistently to the public. The timeline itself will comprise as many of those online functions as possible. The department will continue past the 2025 program end date, and lift anything that is left in the product backlog.

SENATOR DENIS MOVED TO APPROVE AGENDA
ITEM G.2.114.

ASSEMBLYWOMAN CARLTON SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY. (Assemblymen
Benitez-Thompson and Hafen were not present for the vote).

115. Department of Motor Vehicles - Administrative Services Division - FY 2022

Addition of ~~\$300,708~~ **\$356,319** in Driver's License Fee funds to align revenue and expenditure authority to support operations for the remainder of the fiscal year. Requires Interim Finance approval since the amount added to the Driver's License Photo category exceeds \$75,000. **Work Program #C58270. REVISED 3-22-22.**

Refer to motion for approval under Agenda Item G.1.

116. Department of Motor Vehicles - Verification of Insurance - FY 2022

Transfer of \$83,000 from the Personnel category to the Operating category to fund a projected shortfall for the remainder of the fiscal year due to increased contract costs for postcards and Division of Enterprise Information Technology Services expenditures. Requires Interim Finance approval since the amount transferred to the Operating category exceeds \$75,000. **Work Program #C58207**

Refer to motion for approval under Agenda Item G.1.

117. Department of Motor Vehicles - Field Services - FY 2022

Transfer of \$45,000 from the Personnel category to the Operating category to fund a projected shortfall for the remainder of the fiscal year due to increased costs for contracted uniformed security guards. Requires Interim Finance approval since the amount transferred to the Operating category exceeds 10% of the legislatively approved amount for that category. **Work Program #C58242**

Refer to motion for approval under Agenda Item G.1.

118. Department of Motor Vehicles - Motor Carrier Division - FY 2022

Transfer of \$118,000 from the Personnel category to the Information Services category to fund program changes to the Motor Carriers Commercial Motor Vehicles International Registration Plan System. Requires Interim Finance approval since the amount transferred to the Information Services category exceeds \$75,000. **Work Program #C58206**

Refer to motion for approval under Agenda Item G.1.

119. Department of Public Safety - Division of Parole and Probation - FY 2022

Transfer of \$196,042 from the Personnel Services category to the Sworn Specialty Equipment category to fund the transition of the current agency issued Smith and Wesson 40 caliber handgun platform to a new 9mm handgun platform. Requires Interim Finance approval since the amount transferred to the Sworn Specialty Equipment category exceeds \$75,000. **Work Program #C58269**

This item was withdrawn.

120. Department of Conservation and Natural Resources - Division of Water Resources - FY 2022

Addition of \$45,257 in Federal Emergency Management Agency grant funds to support dam safety projects throughout the state. Requires Interim Finance approval since the amount added to the Federal Dam Safety Grant category exceeds 10% of the legislatively approved amount for that category. **Work Program #C58215**

Refer to motion for approval under Agenda Item G.1.

121. Department of Conservation and Natural Resources - Division of Forestry - Administration - FY 2022

Addition of \$72,712 in federal United States Forest Service (USFS) Forest Legacy grant funds to continue to identify and protect environmentally and socially important forest lands. Requires Interim Finance approval since the amount added to the USFS Legacy category exceeds 10% of the legislatively approved amount for that category. **Work Program #C57631**

Refer to motion for approval under Agenda Item G.1.

122. Department of Conservation and Natural Resources - Division of Forestry - Administration - FY 2022

Transfer of \$705 from the Personnel category to the Maintenance of Buildings and Grounds category, \$18,363 from the Personnel category to the Dispatch Expenditures category, \$11,206 from the Personnel category to the Voucher Uniform System category, \$41,700 from the Personnel category to the Incident Business Unit (IBU) Expenditures category, and \$594 from the Personnel category to the Utilities category to fund projected shortfalls for the remainder of the fiscal year. Requires Interim Finance approval since the amount transferred to the IBU Expenditures category exceeds 10% of the legislatively approved amount for that category. **Work Program #C57989**

Refer to motion for approval under Agenda Item G.1.

123. Department of Conservation and Natural Resources - Natural Heritage - Nevada Natural Heritage - FY 2022

Addition of \$192,257 in federal U.S. Environmental Protection Agency grant funds to enhance the Nevada Wetland program. Requires Interim Finance approval since the amount added to the Wetlands Protection Development Project category

exceeds \$75,000. **Work Program #C58028**

Refer to motion for approval under Agenda Item G.1.

124. Department of Conservation and Natural Resources - Division of Environmental Protection - Materials Management and Corrective Action - FY 2022

Addition of \$200,000 in Hazardous Waste fees transferred from the Hazardous Waste Management account and transfer of \$100,000 from the Reserve category to the Solid Waste category to fund contractual obligations to develop an online data collection database for reporting the status of recycling and reuse within the state. Requires Interim Finance approval since the amount added to the Waste Administration category exceeds \$75,000. **Work Program #C57950**

Refer to motion for approval under Agenda Item G.1.

125. Department of Conservation and Natural Resources - Division of Environmental Protection - State Revolving Fund Administration - FY 2023

Addition of \$131,461 in federal U.S. Environmental Protection Agency grant funds and transfer of \$2,502 from the Reserve category to the Clean Water State Revolving Fund Administration category to fund an Environmental Scientist position to address significantly increased infrastructure funding and related workload. Requires Interim Finance approval since the amount added to the Personnel category exceeds \$75,000. **Work Program #C57676**

Refer to motion for approval under Agenda Item G.1.

126. Department of Conservation and Natural Resources - Division of Environmental Protection - State Revolving Fund Administration - FY 2023

Addition of \$120,867 in federal U.S. Environmental Protection Agency grant funds and transfer of \$2,090 from the Reserve category to the Clean Water State Revolving Fund Administration category to fund a Management Analyst position in the Office of Financial Assistance to address significantly increased infrastructure funding and related workload. Requires Interim Finance approval since the amount added to the Personnel Services category exceeds \$75,000. **Work Program #C58061**

Refer to motion for approval under Agenda Item G.1.

127. Department of Conservation and Natural Resources - Division of Environmental Protection - State Revolving Fund Administration - FY 2023

Addition of \$118,406 in federal U.S. Environmental Protection Agency grant funds and transfer of \$3,158 from the Reserve category to the Clean Water State Revolving Fund Administration category to fund an Environmental Scientist position in the Office of Financial Assistance to address significantly increased infrastructure funding and related workload. Requires Interim Finance approval since the amount added to the Personnel category exceeds \$75,000. **Work Program #C58062**

Refer to motion for approval under Agenda Item G.1.

128. Department of Wildlife - Director's Office - FY 2022

Addition of \$1,120,244 in Sportsmen Revenue transferred from the Wildlife Fund account, \$25,241 in Cost Allocation Vehicles funds, deletion of \$896,428 in Cost Allocation Director's Office funds, \$15,471 in Cost Allocation Utilities funds, and \$6,935 in Cost Allocation Uniforms funds to establish a new cost allocation category throughout the department and fund a projected shortfall for the remainder of the fiscal year. Requires Interim Finance approval since the amount added to the Department Cost Allocation category exceeds \$75,000. **RELATES TO ITEMS G.2.129, G.2.130, G.2.131, G.2.133, G.2.135, G.2.136, and G.2.137. Work Program #C58126**

Refer to motion for approval under Agenda Item G.1.

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

Addition of \$552,235 in Sportsmen Revenue transferred from the Wildlife Fund account, deletion of \$412,901 in Cost Allocation Data and Technology Services funds, and transfer of \$21,662 from the Cost Allocations category to the Department Cost Allocation category to establish a new cost allocation category throughout the department and fund a projected shortfall for the remainder of the fiscal year. Requires Interim Finance approval since the amount added to the Department Cost Allocation category exceeds \$75,000. **RELATES TO ITEMS G.2.128, G.2.130, G.2.131, G.2.133, G.2.135, G.2.136, and G.2.137. Work Program #C58152**

Refer to motion for approval under Agenda Item G.1.

130. Department of Wildlife - Conservation Education - FY 2022

Addition of \$541,921 in Cost Allocation Conservation Education funds, deletion of \$582,891 in Sportsmen Revenue transferred from the Wildlife Fund account, and transfer of \$125,106 from the Transfer Vehicles category to the Department Cost Allocation category to establish a new cost allocation category throughout the department and decrease obligations. Requires Interim Finance approval since the amount added to the Department Cost Allocation category exceeds \$75,000. **RELATES TO ITEMS G.2.128, G.2.129, G.2.131, G.2.133, G.2.135, G.2.136, and G.2.137. Work Program #C58171**

Refer to motion for approval under Agenda Item G.1.

131. Department of Wildlife - Law Enforcement - FY 2022

Addition of \$198,404 in Sportsmen Revenue transferred from the Wildlife Fund account and transfer of \$664,447 from the Cost Allocations category to the Department Cost Allocation category to establish a new cost allocation category throughout the department and fund a projected shortfall for the remainder of the fiscal year. Requires Interim Finance approval since the amount added to the Department Cost Allocation category exceeds \$75,000. **RELATES TO ITEMS G.2.128, G.2.129, and G.2.130. Work Program #C58153**

Refer to motion for approval under Agenda Item G.1.

132. Department of Wildlife - Game Management - FY 2022

Addition of \$215,772 in Sportsmen Revenue transferred from the Wildlife Fund account and deletion of \$29,209 in federal Wildlife Restoration grant funds to align state authority with federal authority and continue funding game management activities. Requires Interim Finance approval since the cumulative amount added to the Mountain Goat and Bighorn category exceeds \$75,000. **Work Program #C58041**

Refer to motion for approval under Agenda Item G.1.

133. Department of Wildlife - Game Management - FY 2022

Deletion of \$343,425 in Sportsmen Revenue transferred from the Wildlife Fund account and transfer of \$856,074 from the Cost Allocations category to the Department Cost Allocation category to establish a new cost allocation category throughout the department and decrease obligations. Requires Interim Finance approval since the amount transferred to the Department Cost Allocation category exceeds \$75,000. **RELATES TO ITEMS G.2.128, G.2.129, and G.2.130. Work Program #C58172**

Refer to motion for approval under Agenda Item G.1.

134. Department of Wildlife - Fisheries Management - FY 2022

Addition of \$43,650 in Trout Stamps transferred from the Wildlife Fund account to support an unexpected repair to the electrofishing boat. Requires Interim Finance approval since the cumulative amount added to the Hatchery Refurbishment category exceeds \$75,000. **Work Program #C58116**

Refer to motion for approval under Agenda Item G.1.

135. Department of Wildlife - Fisheries Management - FY 2022

Deletion of \$623,131 in Sportsmen Revenue transferred from the Wildlife Fund account and transfer of \$1,179,816 from the Cost Allocations category to the Department Cost Allocation category to establish a new cost allocation category throughout the department and decrease obligations. Requires Interim Finance approval since the amount added to the Department Cost Allocation category exceeds \$75,000. **RELATES TO ITEMS G.2.128, G.2.129, and G.2.130. Work Program #C58160**

Refer to motion for approval under Agenda Item G.1.

136. Department of Wildlife - Diversity Division - FY 2022

Addition of \$2,615 in Sportsmen Revenue transferred from the Wildlife Fund account and transfer of \$283,093 from the Cost Allocations category to the Department Cost Allocation category to establish a new cost allocation category throughout the department and fund a projected shortfall for the remainder of the fiscal year. Requires Interim Finance approval since the amount transferred to the

Department Cost Allocation category exceeds \$75,000. **RELATES TO ITEMS G.2.128, G.2.129, and G.2.130. Work Program #C58173**

Refer to motion for approval under Agenda Item G.1.

137. Department of Wildlife - Habitat - FY 2022

Deletion of \$226,410 in Sportsmen Revenue transferred from the Wildlife Fund account and transfer of \$918,271 from the Cost Allocations category to the Department Cost Allocation category to establish a new cost allocation category throughout the department and decrease obligations. Requires Interim Finance approval since the amount added to the Department Cost Allocation category exceeds \$75,000. **RELATES TO ITEMS G.2.128, G.2.129, and G.2.130. Work Program #C58154**

Refer to motion for approval under Agenda Item G.1.

138. Department of Transportation - Transportation Administration - FY 2022

Addition of \$70,000,000 in Highway Fund authorizations and \$45,000,000 in Federal Highway Administration grant funds to align state and federal funding authority and ensure sufficient funding is in place to support ongoing state and federal highway construction projects throughout the state. Requires Interim Finance approval since the amount added to the Land and Building Improvements category exceeds \$75,000. **Work Program #C58198**

Refer to motion for approval under Agenda Item G.1.

139. Department of Transportation - Transportation Administration - FY 2022

Addition of \$861,446 in Highway Fund authorizations to cover a projected shortfall in the Operating category through the remainder of the fiscal year due to higher than projected fuel costs and consumption. Requires Interim Finance approval since the amount added to the Operating category exceeds \$75,000. **Work Program #C58208**

Refer to motion for approval under Agenda Item G.1.

140. Department of Transportation - Transportation Administration - FY 2022

Addition of \$488,000 in ***Sales of Oil and Gas revenue authority*** Highway Fund authorizations to cover an increase in costs associated with the resale of gas and oil to state and county agencies at Nevada Department of Transportation fueling stations throughout the state due to increased fuel costs. Requires Interim Finance approval since the amount added to the Sale of Gas and Oil category exceeds \$75,000. **Work Program #C58292. REVISED 3-22-22.**

Refer to motion for approval under Agenda Item G.1.

141. Department of Transportation - Transportation Administration - FY 2022

Addition of \$843,000 in Highway Fund authorizations to cover a projected shortfall for in-state travel in supporting highway construction projects throughout the state

for the remainder of the fiscal year. Requires Interim Finance approval since the amount added to the In-State Travel category exceeds \$75,000. **Work Program #C58293**

Refer to motion for approval under Agenda Item G.1.

142. Public Employees' Benefits Program - FY 2022

Transfer of \$868,175 from the State Employee Insurance Cost category to the Reserve for Reversion category to revert unexpended General Funds appropriated for the FY 2022 premium holiday. Requires Interim Finance approval since the amount transferred to the Reserve for Reversion category exceeds \$75,000. **Work Program #C58447**

Refer to motion for approval under Agenda Item G.1.

143. Office of the Military - Division of Emergency Management - FY 2022

Addition of \$79,589 in Federal Emergency Management Agency (FEMA) - Disaster Relief and Emergency Assistance grant funds to support the state's FEMA COVID-19 Pandemic Disaster Relief program. Requires Interim Finance approval since the amount added to the FEMA 4523 COVID-19 Pandemic category exceeds \$75,000. **Work Program #C57029**

Refer to motion for approval under Agenda Item G.1.

144. Office of the Military - Division of Emergency Management - FY 2022

Addition of \$139,475 in Federal Emergency Management Agency Pre-Disaster Mitigation grant funds to align state and federal budget authority for Fiscal Year 2022 and continue funding for the state disaster mitigation program. Requires Interim Finance approval since the amount added to the Pre-Disaster Mitigation category exceeds \$75,000. **Work Program #C57397**

Refer to motion for approval under Agenda Item G.1.

145. Office of the Military - Emergency Management Assistance Grants - FY 2022

Addition of \$1,315,370 of Department of Homeland Security, Federal Emergency Management Agency, Emergency Management Performance Grant (EMPG) funds to support the Nevada Resilient Communication project. Requires Interim Finance approval since the amount added to the EMPG Aid to Locals category exceeds \$75,000. **RELATES TO ITEM G.2.146. Work Program #C57400**

Refer to motion for approval under Agenda Item G.1.

146. Office of the Military - Division of Emergency Management - FY 2022

Addition of \$628,509 in Department of Homeland Security, Federal Emergency Management Agency, Emergency Management Performance Grant (EMPG) funds to support the Nevada Resilient Communication Project. Requires Interim Finance approval since the amount added to the EMPG Supplemental category exceeds \$75,000. **RELATES TO ITEM G.2.145. Work Program #C57401**

Refer to motion for approval under Agenda Item G.1.

147. Office of the Military - Division of Emergency Management - FY 2022

Addition of \$372,382 in federal Homeland Security Grant Program funds to continue program goals associated with the Citizen Corp, Tribal Citizens Corp, Resilience Strategy, and Recovery Plan programs. Requires Interim Finance approval since the amount added to the State Homeland Security Program category exceeds \$75,000. **Work Program #C57686**

Refer to motion for approval under Agenda Item G.1.

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

Addition of \$1,046,499 in federal American Rescue Plan Act (ARPA), State Exchange Modernization grant funds to support technology improvements to ensure compliance with ARPA requirements. Requires Interim Finance approval since the amount added to the Exchange Platform category exceeds \$75,000. **Work Program #22AR140001**

Refer to motion for approval under Agenda Item G.1.

149. Department of Sentencing Policy - FY 2022

Transfer of \$17,300 from the Personnel category to the Operating category and transfer of \$38,400 from the Personnel category to the Information Services category to fund the purchase of needed conference room furnishings, computing equipment, and security access doors for the newly established office. Requires Interim Finance approval since the amount transferred to the Information Services category exceeds 10% of the legislatively approved amount for that category. **Work Program #C58313**

Refer to motion for approval under Agenda Item G.1.

RECLASSIFICATIONS

Refer to motion for approval under Agenda Item G.1.

Agency	Agency/ Account Number	Position Number	Present Class, Code, Grade and Salary	Proposed Class, Code, Grade and Salary
Department of Education	300/2673	0225	Management Analyst 3 Code: 7.624 Grade: 37/10 Employee/Employer Paid Retirement: \$83,394.72	Education Programs Professional Code 5.232 Grade 39/10 Employee/Employer Paid Retirement: \$91,350.00

Department of Conservation and Natural Resources	704/4162	0051	Park Ranger Technician 3 Code: 1.958 Grade 23/8 Employee/Employer Paid Retirement: \$41,572.08	Park Ranger 2 - Commissioned Code 13.142 Grade 35/1 Employee/Employer Paid Retirement: \$51,281.28
Department of Transportation	800/4660	070010	Program Officer 1 Code: 7.649 Grade 31/03 Employee/Employer Paid Retirement: \$47,188.80	Administrative Assistant 3 Code 2.211 Grade 27/03 Employee/Employer Paid Retirement: \$39,943.44

H. STATEMENT OF CONTINGENCY ACCOUNT BALANCE.

WAYNE THORLEY (Senate Fiscal Analyst, Fiscal Analysis Division, LCB):

The Statement of Contingency Account Balance is located on page 385 in Volume IV of the meeting packet ([Exhibit D](#)). Fiscal staff updated the statement to make it more readable and understandable. The first change is to the summary statement on page 385. All the rows related to the prior fiscal year were removed. What remains are all the actions, the beginning balance and appropriations for the current fiscal year, FY 2022.

The total column on page 385 shows the total balance in the IFC Contingency Account is \$29.6 million, prior to the actions of the Committee today. There are two requests for allocations from the restricted General Fund, which totals \$641,395. If both of those items are approved, there will be a total of just under \$29 million remaining in the Contingency Account.

The orientation of the summary on pages 386 and 387 has changed from portrait to landscape ([Exhibit D](#)). Some information was moved to the footnotes to allow room for more information on a single page. It is the same information, but the presentation has changed. Fiscal staff hopes these changes make the information easier to understand.

I. REQUESTS FOR ALLOCATION FROM THE IFC CONTINGENCY ACCOUNT (GENERAL FUND) PURSUANT TO ASSEMBLY BILL 494 (2021 LEGISLATIVE SESSION) (Note: IFC may approve a different amount for an allocation than the amount requested).

1. DEPARTMENT OF EMPLOYMENT, TRAINING AND REHABILITATION - Rehabilitation Division - Request for an allocation of \$615,035 to the Bureau of Vocational Rehabilitation to provide vocational rehabilitation services to clients pursuant to Section 83 of A.B. 494 (2021 Legislative Session).

Agenda Items I.1 and O.8. were discussed jointly.

ASSEMBLYWOMAN GORELOW:

Please provide a status update of the vocational rehabilitation client services. Also, does the department anticipate requesting an additional allocation from the IFC Contingency Account in FY 2022?

ELISA CAFFERATA (Director, Department of Employment, Training and Rehabilitation [DETR]):

As many of the Committee members will remember, during the 2021 Legislative Session, DETR needed to provide additional clarity around the cost per client and the number of clients served before returning to the Committee with this request. That was because DETR used General Fund dollars to draw down a four-to-one match from the federal government.

DETR has provided two quarterly reports in response to the letter of intent. One of those reports is Agenda Item O.8 (page 315, [Exhibit E](#)). Drazen Elez, Administrator, Rehabilitation Division, DETR, will provide the Committee with a high-level review of that report and talk about whether the department will have another request after this one.

DRAZEN ELEZ (Administrator, Rehabilitation Division, DETR):

The department does not anticipate asking the Committee for additional funds for the rest of the fiscal year. Currently, the department can fully serve all clients that are seeking services. During the 2021 Legislative Session, the department had concerns about potentially implementing order of selection and that impacting the agency. At this point, the department is at no risk of entering the order of selection in the foreseeable future. DETR has been able to serve all clients that have requested services over the past couple of years. Especially at the beginning of the pandemic, the division experienced a decrease in the need for services for those individuals interested in possibly going back into the workforce; however, in the last couple of months, there has been an increased need for the division's services.

ASSEMBLYWOMAN CARLTON MOVED TO
APPROVE AGENDA ITEM I.1.

SENATOR DENIS SECONDED THE MOTION.

THE MOTION PASSED. (Assemblymen
Benitez-Thompson and Hafen were not present for the
vote.)

2. DEPARTMENT OF INDIGENT DEFENSE SERVICES - Request for an allocation of \$26,360 to reimburse Lyon, Douglas, and White Pine counties for costs exceeding the maximum contribution amount these counties must pay for the provision of indigent defense services pursuant to Section 80 of A.B. 494 (2021 Legislative Session). **RECEIVED ON 3-14-22, AFTER THE 3-10-22 SUBMITTAL DEADLINE.**

There was no discussion on this item.

ASSEMBLYWOMAN CARLTON MOVED TO APPROVE
AGENDA ITEM I.2.

SENATOR DENIS SECONDED THE MOTION.

THE MOTION PASSED. (Senator Dondero Loop and Assemblymen
Benitez-Thompson, Hafen and Miller were not present for the vote.)

- J. REQUEST FOR TRANSFER FROM THE GRANT MATCHING ACCOUNT PURSUANT TO SECTION 1.5 OF ASSEMBLY BILL 489 (2019 LEGISLATIVE SESSION) AS AMENDED BY SECTION 29.3 OF ASSEMBLY BILL 445 (2021 LEGISLATIVE SESSION) (Note: IFC may approve a different amount for an allocation than the amount requested) - DEPARTMENT OF ADMINISTRATION** - Office of Grant Procurement, Coordination and Management - Request for approval to transfer \$225,217 to the City of Las Vegas to cover costs supporting the Culinary Training and Leadership Academy.

There was no discussion on this item.

ASSEMBLYWOMAN CARLTON MOVED TO APPROVE
AGENDA ITEM J.

SENATOR DENIS SECONDED THE MOTION.

THE MOTION PASSED (Senator Dondero Loop and
Assemblymen Benitez-Thompson, Hafen and Miller were not
present for the vote).

K. DEPARTMENT OF ADMINISTRATION - State Public Works Division.

1. Request to accept and expend \$575,000 in Federal Emergency Management Agency grant funds from the Office of the Military, Division of Emergency Management for CIP Project 19-M07, Emergency Generator and Service Entrance Upgrade, Reno Purchasing Warehouse pursuant to NRS 341.121, and to modify the project scope to include the rental of a generator and to address increased project costs pursuant to NRS 341.145(1)(f).
2. Request to modify the scope of CIP Project 21-C04, Cave Creek Dam Rehabilitation, Cave Lake State Park to increase the project authority to receive and expend an additional \$3,901,558 in agency funds from the Department of Wildlife to replace outlet piping, pursuant to NRS 341.145(1)(f).

Agenda Items K.1 and K.2 were discussed jointly.

ASSEMBLYWOMAN CARLTON:

During the 2021 Legislative Session, provisions were changed to allow the State Public Works Division (SPWD) to move money to pay for other work. Was this one of those projects discussed during the 2021 Legislative Session?

KENT LEFEVRE (Deputy Administrator, SPWD, Department of Administration):

I believe you are referring to the 21-M02 DHHS projects, which were grouped together. Agenda Item K.1 requests to expend and receive additional Federal Emergency Management Agency money for this project should the division need it.

ASSEMBLYWOMAN CARLTON MOVED TO APPROVE
AGENDA ITEMS K.1 AND K.2.

SENATOR DENIS SECONDED THE MOTION.

THE MOTION PASSED (Assemblymen Benitez-Thompson
and Hafen were not present for the vote).

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

1. DEPARTMENT OF EDUCATION - Request for approval to accept a donation of \$7,500,000 from Tesla, Inc. to support the initiative for robotics, STEM, and sustainability education programs in K-12 education.

Agenda Items G.2.16 and L.1 were discussed jointly.

HEIDI HAARTZ (Deputy Superintendent, Student Investment Division,
Nevada Department of Education [NDE]):

The work program (Agenda Item G.2.16) before the Committee today transfers \$6,000 into the Operating category so the department can cover unanticipated expenses experienced in FY 2022.

ASSEMBLYWOMAN MILLER:

Is the loss of revenue due to fewer teachers applying for licenses?

MS. HAARTZ:

The funds the department requests to transfer in this work program are the result of a fee reduction experienced through negotiations with a vendor. The vendor was offline for a period. The vendor's cost was reduced to accommodate the department for the inconvenience.

There is an increase in the number of teachers seeking licenses, particularly substitute teachers. Some of those fees, such as banking fees, are driving up costs for the current fiscal year.

ASSEMBLYWOMAN MILLER:

The vendor offered a reduction in price to the department. Was there a reduction in the cost to the applicant?

Ms. HAARTZ:

The fees charged to the applicants remained the same. The savings were applied to the department for contracted services.

JHONE EBERT (State Superintendent of Public Instruction, NDE):

Agenda Item L.1 requests approval to accept a donation of \$7.5 million from Tesla. It is part of the agreement that Tesla provide a total of \$37.5 million to support K-12 education in Nevada.

Over the last few years, I have had the pleasure of working with Chris Riley of Tesla. I was not in the State Superintendent of Public Instruction position when the contracts were signed between the state and Tesla, or when funds were first made available, but I was very interested in how the work began, and how the NDE can continue to move the work forward.

Tesla has provided a report titled *Tesla's K-12 Investment in Nevada Workforce Development & Education Programs 2021 Investment Review* ([Exhibit G](#)), which indicates Tesla has agreed to work with a group of educators, members of the community, business leaders, and the NDE to identify funding moving forward.

I would like to highlight the First Robotics program, which has been extremely successful for the state and its students. The engagement that has been created has been "bar none." There are now world robotics competitors in Nevada. I am very proud of the work that has transpired.

The robotics program started in 2005 but was accelerated through donations from Tesla. I want to thank this Committee, which also accelerated the work. A robotics program was not available in every K-12 school. When ARPA funds were made available, the NDE asked the Committee to set aside \$4 million for robotics. Over the next few years, 100% of Nevada's schools will have access to robotics.

There is nothing better than watching a first grader program a little robot. There was a worldwide robotics competition in Southern Nevada last weekend that included several Nevada teams.

SENATOR DENIS:

I helped coach the Rancho High School robotics team. That program would not have been possible if not for the money that came from Tesla. Rancho High School was able to get tools and materials to set up its program for the future. I also worked with other schools that received the donations. Some of the students would not have had the opportunity to work on robotics had it not been for that funding.

ASSEMBLYWOMAN CARLTON MOVED TO APPROVE
AGENDA ITEMS G.2.16 AND L.1.

SENATOR DENIS SECONDED THE MOTION.

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

2. STATE DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES -
Division of State Lands - Request for approval to accept a gift of certain surface
and groundwater rights from Clark County on behalf of the Nevada Department
of Wildlife to support the restoration, management, and maintenance of
water resources for fish and wildlife in Southern Nevada.

SENATOR GOICOECHEA:

I assume the water rights would have to go through the transfer process. What
is the beneficial use?

CHARLES DONOHUE (Administrator, Division of State Lands, Department of
Conservation and Natural Resources):

The beneficial use is for the benefit of wildlife. Clark County is donating a
combination of surface and ground water rights to the state for the benefit of
wildlife that are coming from the Desert Conversation Program. The points of
diversion are dispersed in the McCullough Range east of Primm, west of
Searchlight, and south of Bunkerville.

SENATOR GOICOECHEA:

There is already a reservation on all water rights for wildlife. Will the division
have to file a transfer application at some point?

MR. DONOHUE:

Clark County will file those applications on behalf of the state. If the state were
ever to not utilize these water rights for the intended purpose, the state would
be required to transfer the rights back to Clark County.

ASSEMBLYWOMAN CARLTON MOVED TO APPROVE
AGENDA ITEM L.2.

SENATOR DENIS SECONDED THE MOTION.

THE MOTION PASSED (Assemblymen
Benitez-Thompson and Hafen were not present for the
vote).

3. OFFICE OF THE MILITARY - Division of Emergency Management.
 - a) Request for approval to accept Federal Emergency Management Agency
grant funding of \$4,647,901 to cover emergency response and recovery
costs associated with the January 2017 Northern Nevada Flood events.

- b) Request for approval to accept Federal Emergency Management Agency, Hazard Mitigation Grant Program funding of \$13,584,381 to provide funding for the state's enhanced multi-hazard mitigation plan project.

ASSEMBLYWOMAN CARLTON:

Is this the full reimbursement, or will another reimbursement be due in the future?

JON BAKKEDAH (Deputy Administrator, Division of Emergency Management, Office of the Military):

This reimbursement is for existing projects. There could potentially be additional reimbursements that trickle in, but the division plans to close this incident by September 2022.

ASSEMBLYWOMAN CARLTON MOVED TO APPROVE
AGENDA ITEMS L.3.a and L.3.b.

SENATOR DENIS SECONDED THE MOTION.

THE MOTION PASSED (Senator Cannizzaro and Assemblymen Benitez-Thompson and Hafen were not present for the vote).

4. DEPARTMENT OF WILDLIFE.

- a) Request for approval to accept a donation from Elko Bighorns Unlimited in the amount of \$25,000 to cover the cost of 2021-2022 bighorn sheep captures.
- b) Request for approval to accept a donation from Nevada Bighorns Unlimited in the amount of \$30,000 to cover the cost of 2021-2022 bighorn sheep captures.
- c) Request for approval to accept a donation from Nevada Gold Mines, LLC in the amount of \$100,000 for fire prevention and rehabilitation projects in Northeastern Nevada.
- d) Request for approval to accept a donation from KG Mining Bald Mountain Inc. in the amount of \$93,000 to cover the costs of restoration activities to conserve mule deer and their habitats.
- e) Request for approval to accept a donation from Newmont USA, Ltd. in the amount of \$48,750 for the Taylor Creek Riparian Restoration Project.

There was no discussion on these items.

ASSEMBLYWOMAN CARLTON MOVED TO APPROVE
AGENDA ITEMS L.4.a, L.4.b, L.4.c, L.4.d and L.4.e.

SENATOR DENIS SECONDED THE MOTION.

THE MOTION PASSED (Senator Cannizzaro and Assemblymen Benitez-Thompson, Hafen and Roberts were not present for the vote).

- M. REQUEST FOR APPROVAL OF LEASE OF STATE LAND PURSUANT TO NRS 322.007 - STATE DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES** - Division of State Lands - Request for approval, on behalf of the Department of Health and Human Services, to lease property to the nonprofit organization Capability Health and Human Services to be used to provide health and human services programs.

There was no discussion on this item.

ASSEMBLYWOMAN CARLTON MOVED TO APPROVE AGENDA ITEM M.

SENATOR DENIS SECONDED THE MOTION.

THE MOTION PASSED (Senator Cannizzaro and Assemblymen Benitez-Thompson and Hafen were not present for the vote).

- N. REQUESTS FOR APPROVAL OF EXPENDITURES FROM THE ACCOUNT FOR MAINTENANCE OF STATE PARKS PURSUANT TO NRS 407.0762(4)(b) - STATE DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES** - Division of State Parks.

1. Request for approval to spend \$80,000 for replacement of the fuel pumps at the Lahontan State Recreation Area.
2. Request for approval to spend \$30,000 for the construction of a permanent cabin to house seasonal staff at Beaver Dam State Park.

Agenda Items N.1 and N.2 were discussed jointly.

There was no discussion on these items.

ASSEMBLYWOMAN CARLTON MOVED TO APPROVE AGENDA ITEMS N.1 AND N.2.

SENATOR DENIS SECONDED THE MOTION.

THE MOTION PASSED (Assemblymen Benitez-Thompson and Hafen were not present for the vote).

O. INFORMATIONAL ITEMS

WAYNE THORLEY (Senate Fiscal Analyst, Fiscal Analysis Division, LCB):

The following items were identified for further discussion: Agenda Items O.6, Department of Tourism and Cultural Affairs, Division of Tourism; Item O.8, DETR, Rehabilitation Division, will be heard with Item I.1, DETR, Rehabilitation Division; and Item O.10.b, Department of Motor Vehicles will be heard with Agenda Item G.2.114, Department of Motor Vehicles.

1. OFFICE OF THE ATTORNEY GENERAL - Report concerning the Statewide Substance Use Response Working Group pursuant to Section 10 of Assembly Bill 374 (2021 Legislative Session).

There was no discussion on this item.

2. DEPARTMENT OF ADMINISTRATION

- a) Purchasing Division - Semiannual report on preference for bid or proposal submitted by a local business owned by a veteran with a service-connected disability for the period July 1, 2018, through December 31, 2021, pursuant to NRS 333.3368.

There was no discussion on this item.

- b) State Public Works Division

- 1) Information regarding the Project Status Exception Report pursuant to NRS 341.100(8)(g).
- 2) Capital Improvement Program - Quarterly report concerning the consolidated funding approach for Capital Improvement Program Project 21-M02, Deferred Maintenance, Department of Health and Human Services, for the period ending December 31, 2021 (letter of intent, 2021 Legislative Session).

There was no discussion on these items.

3. STATE PUBLIC CHARTER SCHOOL AUTHORITY - Semiannual report on the progress of conducting site evaluations of sponsored charter school campuses statewide for the period ending December 31, 2021 (letter of intent, 2021 Legislative Session).

There was no discussion on this item.

4. NEVADA SYSTEM OF HIGHER EDUCATION

- a) Annual report of differential program fees for the period ending June 30, 2021, pursuant to NRS 396.542(3).
- b) Reconciliation report of staffing levels approved and funded by the Legislature compared to actual staffing levels funded by each institution as approved by the Board of Regents. This report is a comparison between the legislatively

approved budget and the Board of Regents approved budget for Fiscal Year 2022 (letter of intent, 2021 Legislative Session).

- c) Semiannual report demonstrating how capacity funding is being expended by each institution in each of the supported program areas, for the period ending December 31, 2021 (letter of intent, 2021 Legislative Session).
- d) Semiannual report on any additional fees and any additional non-resident tuition fees received by each institution beyond the authorized amounts for the period ending December 31, 2021, pursuant to Section 8 of Senate Bill 459 (2021 Legislative Session).
- e) University of Nevada, Reno School of Medicine - Quarterly report on the progress made in obtaining federal approval for a research program on the medical use of marijuana, as well as the status of activities and information received through the program for the period ending December 31, 2021, pursuant to NRS 678C.700.

There was no discussion on these items.

- 5. GAMING CONTROL BOARD - Notice of the addition of two new unclassified, full-time equivalent (FTE) positions: one Engineer position to oversee the Board's Information Security program and one Supervisor position to oversee the Board's Information Technology Audit Group, resulting in an increase from 394 FTE to 396 FTE in the Gaming Control Board budget.

There was no discussion on this item.

- 6. DEPARTMENT OF TOURISM AND CULTURAL AFFAIRS - Division of Tourism - Nevada Magazine - Semiannual report detailing the goals, objectives, strategies, and the magazine's progress towards reaching financial stability (letter of intent, 2021 Legislative Session).

7.

ASSEMBLYWOMAN PETERS:

Please provide information on the efforts and progress the department has made toward Nevada Magazine's financial stability.

MEGG MUELLER (Executive Editor, Nevada Magazine):

The new product has just come out. There are only two issues right now, but there has been an increase in advertising revenue of about 10% to 15% over the last year. It is a work in progress. The advertising rates are increasing as well. This is a new process for the magazine, but things are moving in the right direction.

ASSEMBLYWOMAN PETERS:

Can you elaborate on the increase in advertising revenue?

MS. MUELLER:

Revenues grew from about \$75,000 per issue to \$90,000 for the fall issue, which is due to be released. Nevada Magazine is doing very well.

ASSEMBLYWOMAN CARLTON:

The magazine is available in both print and digital versions. Has the division analyzed whether the print or digital version is more successful in bringing in revenue? Why not eliminate the paper version and solely use digital? The magazine could be made available in every hotel room via QR codes.

MS. MUELLER:

That is an interesting question. There are many problems with getting publications into hotels in Nevada. Right now, the print product is far and away the revenue driver. Ad sales for the digital issue are much lower. The print version is the leader in advertising sales.

CHAIR BROOKS:

I am a big fan of the publication - even the glossy print version. The magazine should be free to the public. The cost of producing the magazine should be included in the department's budget.

There was no further discussion on this item.

8. DEPARTMENT OF HEALTH AND HUMAN SERVICES

a) Aging and Disability Services Division

- 1) Quarterly report for the Senior Rx and Disability Rx Prescription programs for the period ending December 31, 2021, pursuant to NRS 439.630(1)(c).
- 2) Annual report on Independent Living Grants for Fiscal Year 2021 pursuant to NRS 439.630(3)(f).

b) Division of Health Care Financing and Policy - Quarterly report on the Disproportionate Share Hospital Supplemental Payment Program for the period ending March 31, 2022, pursuant to NRS 422.390(2).

c) Division of Welfare and Supportive Services

- 1) Quarterly report concerning the American Rescue Plan Act Child Care Stabilization grant funds and expenditures approved at the August 18, 2021, Interim Finance Committee (IFC) meeting for the period ending December 31, 2021, as requested during the August 18, 2021, meeting of the Interim Finance Committee.
- 2) Report concerning the Annual Evaluation of Programs of Energy Assistance and Weatherization Assistance pursuant to NRS 702.280(2)(c).

d) Division of Child and Family Services - Semiannual report on supplemental John H. Chafee funding received through the federal Supporting Foster Youth and Families through the Pandemic Act for the period ending December 31, 2021 (letter of intent, 2021 Legislative Session).

There was no discussion on these items.

9. DEPARTMENT OF EMPLOYMENT, TRAINING AND REHABILITATION - Rehabilitation Division - Quarterly report regarding the client services category for the Bureau of Vocational Rehabilitation and Bureau of Services to the Blind or Visually Impaired budgets for the period ending December 31, 2021 (letter of intent, 2021 Legislative Session).

Agenda Items I.1 and O.8 were discussed jointly. Refer to discussion under Agenda item I.1.

10. DEPARTMENT OF CORRECTIONS

- a) Semiannual status report concerning staff reassignments for the period ending December 31, 2021 (letter of intent, 2021 Legislative Session).
- b) Ely Conservation Camp - Quarterly report on the operational status of the Ely Conservation Camp for the period ending December 31, 2021 (letter of intent, 2021 Legislative Session).
- c) Prison Industries - Report concerning the status of accounts receivable related to a program for the employment of offenders pursuant to NRS 209.461(1)(i).

There was no discussion on these items.

11. DEPARTMENT OF MOTOR VEHICLES

- a) Status report on the issuance of technology fee refunds as required by the stipulation agreement dated November 1, 2021, for the period ending February 28, 2022. **REVISED 3-14-22**

There was no discussion on this item.

- b) Semiannual report on the status of the DMV Transformation Effort project for the period ending December 31, 2021 (letter of intent, 2021 Legislative Session).

Agenda Items G.2.114 and O.10.b were discussed jointly. Refer to testimony under Agenda Item G.2.114.

12. STATE DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES

- a) Annual report concerning all programs and projects that received money from the Conserve Nevada program for the period ending December 31, 2021, pursuant to Section 3 of Assembly Bill 84 (2019 Legislative Session).
- b) Commission on Off-Highway Vehicles - Semiannual report concerning the status of the Off-Highway Vehicle grant program for the period ending December 31, 2021 (letter of intent, 2021 Legislative Session).
- c) Division of Forestry - Semiannual report concerning the status of the Ely Conservation Camp for the period ending December 31, 2021 (letter of intent, 2021 Legislative Session).

There was no discussion on these items.

13. DEPARTMENT OF WILDLIFE - Annual report from the Community Foundation of Northern Nevada concerning the Dream Tags program for the period ending December 31, 2021, pursuant to NRS 502.219(5).

There was no discussion on this item.

14. TAHOE REGIONAL PLANNING AGENCY - Annual report of audited expenditures and progress achieving performance measures and benchmarks for the period ending June 30, 2021, pursuant to NRS 277.220(3). THE ANNUAL REPORT IS ON FILE IN THE FISCAL ANALYSIS DIVISION AND IS AVAILABLE FOR REVIEW UPON REQUEST.

There was no discussion on this item.

15. OFFICE OF THE MILITARY - Division of Emergency Management - Emergency Assistance Account - Quarterly report on the expenditures made from the Emergency Assistance Account for the periods ending June 30, 2021, and September 30, 2021, pursuant to NRS 414.135(5).

There was no discussion on this item.

16. CLARK COUNTY SALES AND USE TAX ACT OF 2005 - Las Vegas Metropolitan Police Department - Report regarding a governing body that has approved expenditures pursuant to Section 13 of this act shall submit the periodic reports and such other information required pursuant to this section of the act for the period ending December 31, 2021.

There was no discussion on this item.

17. OFFICE OF THE SECRETARY OF STATE - Semiannual report detailing the progress made in establishing and maintaining a centralized, top-down database relating to voter registration pursuant to Section 39.5 of Assembly Bill 422 (2021 Legislative Session). **RECEIVED ON 3-18-22, AFTER THE 3-10-22 SUBMITTAL DEADLINE.**

There was no discussion on this item.

18. DEPARTMENT OF TOURISM AND CULTURAL AFFAIRS - Division of Museums and History - Museum Dedicated Trust Funds - Semiannual report regarding the investment and expenditure of private funds for Fiscal Year 2021, pursuant to NRS 381.0033(1)(b). **RECEIVED ON 3-23-22, AFTER THE 3-10-22 SUBMITTAL DEADLINE.**

There was no discussion on this item.

P. PUBLIC COMMENT

The was no public comment.

Q. ADJOURNMENT.

The meeting was adjourned at 5:32 p.m.

Senator Moises Denis, Chair
Interim Finance Committee

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