MINUTES OF THE 2021-2022 INTERIM LEGISLATIVE COMMISSION

DECEMBER 28, 2022

The meeting of the Legislative Commission was called to order by Chair Yeager at 1:41 p.m. at the Grant Sawyer State Office Building, Room 4401, 555 East Washington Avenue, Las Vegas, Nevada, and via videoconference at the Legislative Building, Room 4100, 401 South Carson Street, Carson City, Nevada. The meeting was adjourned at 5:44 p.m.

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

COMMISSION MEMBERS PRESENT IN LAS VEGAS:

Assemblyman Steve Yeager, Assembly District No. 9; Chair Assemblyman Gregory Hafen, Assembly District No. 36
Assemblywoman Sandra Jauregui, Assembly District No. 41
Assemblywoman Daniele Monroe-Moreno, Assembly District No. 1
Senator Nicole Cannizzaro, Senatorial District No. 6
Senator Scott Hammond, Senatorial District No. 18
Senator Dallas Harris, Senatorial District No. 11

COMMISSION MEMBERS PRESENT IN CARSON CITY:

Assemblywoman Jill Dickman, Assembly District No. 31 Assemblywoman Alexis Hansen, Assembly District No. 32 Senator Pete Goicoechea, Senatorial District No. 19 Senator Ira Hansen, Senatorial District No. 14

COMMISSION MEMBERS PRESENT VIA WEBCONFERENCE:

Senator Roberta Lange, Senatorial District No. 7

LEGISLATIVE COUNSEL BUREAU STAFF PRESENT:

Brenda Erdoes, Director
Roger Wilkerson, Deputy Director
Dan Rushin, Chief Financial Officer
Heidi Remick, Chief Human Resources Counsel
Neil Baker, Deputy Human Resources Counsel
Kevin Powers, General Counsel, Legal Division
Asher Killian, Chief Deputy Legislative Counsel, Legal Division
Nicolas Anthony, Research Director, Research Division

Cesar Melgarejo, Principal Policy Analyst, Research Division Sarah Coffman, Assembly Fiscal Analyst, Fiscal Analysis Division Daniel Crossman, Legislative Auditor, Audit Division Broadcast and Production Services Staff, Administrative Division Angela Hartzler, Secretary, Legal Division Jordan Haas, Secretary, Legal Division

OTHERS PRESENT:

Kimberly Maxson-Rushton, Cooper Levenson Kathy Flanagan, Las Vegas Valley Water District Nick Puliz, THC Nevada Rob Slingerland, DEC Ops NV Salpy Boyajian

Adam Zarrin, Director, State Government Affairs, Leukemia and Lymphoma Society Sean Sever, Deputy Administrator, Office of Project Management, Department of Motor

Vehicles

Brett Scolari, Strategies 360

John Dekoekkoek, Administrative Services Officer, Director's Office, Department of Public Safety

Caroline Bateman, General Counsel, Las Vegas Convention and Visitors Authority Scott Gilles, Griffin Company

Dave Wuest, Executive Secretary, State Board of Pharmacy

Tyler Klimas, Executive Director, Cannabis Compliance Board

Kara Cronkhite, Chief, Inspection and Audit Division, Cannabis Compliance Board

Leslie Bittleston, Social Services Chief, Division of Child and Family Services, Department of Health and Human Services

Cindy Pitlock, Administrator, Division of Child and Family Services, Department of Health and Human Services

Martin Hefner, Management Analyst, Office of Project Management, Department of Motor Vehicles

Meghan Brown, Deputy Administrator, Division of Plant Health and Compliance, State Department of Agriculture

Bret Allen, Environmental Programs Coordinator, Division of Plant Health and Compliance, State Department of Agriculture

Sharath Chandra, Administrator, Real Estate Division, Department of Business and Industry

Jo Malay, Deputy Administrator, Division of Public and Behavioral Health, Department of Health and Human Services

Jennifer Pedigo, Executive Director, Nevada State Board of Veterinary Medical Examiners

Leticia Metherell, Health Program Manager, Division of Public and Behavioral Health, Department of Health and Human Services

Nick Stosic, Deputy Commissioner, Division of Insurance, Department of Business and Industry

Ryan Shane, Deputy Administrator, Division of Forestry, State Department of Conservation and Natural Resources

Mike Dzyak, State Fire Marshal, Department of Public Safety

Dave Brancamp, Director, Office of Standards and Instructional Support, Department of Education

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

Good afternoon, everyone. Welcome to the eighth meeting of the Legislative Commission for this interim. Again, want to welcome those who are joining us here in person in Las Vegas, those who may be joining us in person in Carson City and anyone who might be watching on the internet. This afternoon we have seven members attending here at the Grant Sawyer Building in Las Vegas, four members at the Legislative Building in Carson City and one attending virtually. I think that means we have everybody here. That means we do have a quorum. I will admit that the folks up in Carson City are really, really small on our screen down here so, Senator Goicoechea, I may ask you to help me with managing folks up there if they have questions or helping to tally the votes when we get to that point.

Just a few quick housekeeping matters for folks. If you'd like to testify today, make sure to state and spell your name for the record before testifying. If anyone would like to receive a copy of the Commission's agendas, minutes or reports, you may be added to our mailing list by following the links on the Legislature's website or by providing information to our staff. Contact information for staff is also listed on the legislative website. In addition, we accept written comments, which may be emailed before, during or after the meeting. The information regarding where to send those comments is also on the website and listed on the agenda for this meeting.

That's going to take us to agenda item II, public comment. We'll be accepting public comment at this time from persons present here in the Grant Sawyer Building in Las Vegas, then from those up in Carson City, and then finally anyone wishing to provide comments by phone. If you prefer to wait to speak until later in the meeting, there will be a second period for public comment at the end of the meeting. Please remember that comments will be limited to not more than two minutes per person. I will be timing, so I'll let you know if you get close to those two minutes. We'll start here in Las Vegas. If there's anyone who would like to provide public comment, would ask you to just come forward. I think we have three chairs here, so feel free to go ahead and fill those chairs, and then please just remember to hit that microphone button, identify yourself for the record and provide public comment. Please, go ahead.

Kimberly Maxson-Rushton (Cooper Levenson):

Good afternoon, I'm Kimberly Maxson-Rushton with the law firm Cooper Levenson, appearing on behalf of Rad Source Technologies specific to item V-C, NCCR (Nevada Cannabis Compliance Regulation) 12.065. It's the Cannabis Board regulation. Prior to today's meeting, I did submit written comments and an overview of Rad's position relative to this regulation (Agenda Item II A). I will not belabor that but simply ask the Commission to please consider pulling the regulation and referring it back to the Board. This has been a long, complicated regulatory process, and at the end of the day, there were several members of the cannabis industry, as well as nonmembers such as Rad, that specifically requested that the language that is proposed be added to what we call a soil amendment versus the label of the cannabis product. Again, there is a regulatory history that explains the significance of that, but in brief, it's because that's where individuals would go to look for information about their cannabis product: pesticides that were used and other methods of treatment. In addition to referring it back to the Board and requesting that the language be added to the soil amendment versus the label. I would specifically recommend that the language be amended to say "for your health and safety." We recognize that the Cannabis Board felt it was very important that consumers were aware of the fact of how the cannabis product was treated, but in order to ensure that it's a general applicability and to ensure that individual consumers know that this is for their health and safety and are not misled into thinking that this is something that could otherwise harm them, we would specifically request again that the language say "for your health and safety" and be added to the soil amendment in lieu of the label. With that, Chairman, I'm happy to answer any questions, or I'm happy to come back during the time of your consideration to answer any questions.

Chair Yeager:

Great. Thank you so much for your public comment. Appreciate it. Please, go ahead.

Kathy Flanagan (Las Vegas Valley Water District):

Kathy Flanagan representing the Las Vegas Valley Water District in support of administrative regulation R109-22. The Las Vegas Valley Water District supports NDEP's (Nevada Division of Environmental Protection) effort to broaden the definition of disadvantaged community to include other factors such as disproportionate economic experiences, environmental and health issues, and high rates of unemployment. This revised definition will allow more communities in need to qualify for principal forgiveness loans to make water systems safe, reliant and reliable. In addition, the Las Vegas Valley Water District supports NDEP's implementation of loan origination fees for loan recipients not deemed as disadvantaged. As Nevada experiences an influx of federal aid for water infrastructure projects, it is reasonable for the recipients to financially support the office

tasked with distribution and administration of this assistance. In summary, we support these changes to Chapter 445A of Nevada's Administrative Code and the other revisions outlined in the regulation. Thank you.

Chair Yeager:

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

Nick Puliz (THC Nevada):

I'm part owner and operator of THC Nevada cultivation. My comments are related to item V-C as well. I firmly oppose the new label requirements proposed here. With this updated label language, I have a question: what is the difference between pre-harvest microbial decontamination and post-harvest? Why would a bold label be required for just postharvest treatment? How can we justify that post-harvest treatment is any different and/or more important for the consumer that is needed to go in bold letters directly on every product label? It was already decided that treatment methods were to be disclosed on the soil amendment by yourselves, the legislators, so why should post-harvest treatment be any different? This is very misleading to the consumer and will result in unintended consequences of reduced sales of clean, lab-passing taxable cannabis. There was testimony from a retail operator that the additional burden and risk of consumer confusion and possible loss of sales from the new label may cause them not to purchase product that is treated post-harvest. Since I believe there's no difference between pre- or postharvest treatment, this proposed language fits perfectly to go on the soil amendment with the other decontamination methods: organicides, fungicides, pesticides. This is the whole purpose of the soil disclosure and is the most reasonable place to put the information. The soil disclosure is sent out to the dispensaries with every single order and is available at the dispensaries for anyone to view. The CCB (Cannabis Compliance Board) can put on their website and email blast or tweet to inform the public that if they are interested in the information on the cannabis they're purchasing to simply ask the dispensary for the soil disclosure or lab results. If this label is approved, it will significantly and negatively impact a large percentage of the flower that is sold on the dispensary shelves. This is a result of having the most strict lab testing standards in the country. Most cultivators need to do some form of treatment to pass the lab test. Putting this information on every label will scare and confuse the consumers as they are trained to think that bold labels are for the most important information about the products and for warnings about dangers with the products. All treatment methods we use must be approved by the CCB, and by approving them, the CCB is saying that they are safe to use. I am requesting this regulation be sent back to the CCB for further review and to change it so that the verbiage is placed where it belongs, which is on the soil disclosure. Thank you all very much.

Chair Yeager:

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

Rob Slingerland (DEC Ops NV):

I am with DEC Ops NV, a Nevada cultivator based here in the county. Many of my comments were already made by my colleague in the industry who just spoke. Just to echo a few of those, and what we're talking about with these labeling requirements is a widely used, safe and previously approved treatment. I believe the proposed labeling requirements will create confusion and misunderstanding and are alarmist and will do more harm than benefit, as previously proposed. In addition, they're onerous and burdensome on the industry. We're talking about requirements for all facets of the industry: producers, cultivators, dispensaries. As a result of what is proven safe treatment, many dispensaries will choose not to likely do that given the additional burden that that's going to put on that, and that's an outcome I don't think any of us want. I work with operators in many other states and am familiar with many other states' regulations, and I'm not aware of another state that has made this requirement. I am aware of many states that have looked at it and come to a conclusion that onerous disclosure is not appropriate given the history and the benefit of this treatment. To echo my colleagues, I believe if some kind of labeling disclosure is required, the soil amendment is the appropriate place. It is available for consumers, available on request at the dispensary and is where similar things are found out today by consumers who are buying cannabis. Whether they've used pesticides or any other treatment, if a consumer is interested in that information, it exists on the soil amendment today, so this would be the appropriate place to have a similar kind of disclosure as well. I ask the Legislative Committee to please reconsider the implementation of this legislation. It would be burdensome and onerous at the time the cannabis industry is going through many growing pains and struggling today, and so let's not make it tougher for this industry to be able to succeed. I appreciate your time.

Chair Yeager:

Thank you for your public comment. Please.

Salpy Boyajian:

Hello, good afternoon. I'm also here speaking on item V-C. Without repeating everything that everybody just spoke on, I think what I was trying to figure out to do is how do I make sure that our message's being explained correctly and coming across correctly, knowing that this audience is maybe not necessarily all the experts in cannabis, but really just understanding why we're here and what our perspective is on this. I think one of the core things that I came to understand, which has been the back and forth we've been having

in all these multiple obviously times we've been in front of the CCB as well, is just understanding that the way in which this is being proposed to go on the label is what our concern is, number one, because it's allowing for potentially the misunderstanding of how that information is being presented as if it is something negative or something is wrong, and I think that's one of the key factors of these processes. For example, what is irradiation? I'm not sure if everyone in the group here knows what this does is literally for the health and safety of the consumer at the end of the day to ensure that the flower has no microbial issues in it. It's basically allowing for people to consume product that is fully safe. Once it is fully killed, it can never grow again in that flower. There are other cultivators that don't irradiate their product, hands down, absolutely. What we've found though time and time again is if you go and test any of that flower that's been sitting in a package months down the line—sometimes flower sits on shelves, sometimes it sits at home—if there's any sign of growth—and these other cultivators that passed testing definitely pass, but they don't pass with zero. That means there's some level of it in there, and when you put it in a sealed, closed package, what happens? It's microbials, it's mold and mildew. If it's in there at all, it is going to grow, but if it's been irradiated you have completely killed that and there's no chance of that regrowing because it's completely dead at the genetic level. I think this is the point that we've been trying to make, that making sure that the way in which we go about this is not misleading the consumer. We're all about informing them, educating them, providing the information. It's not a secret. Everyone knows who has the machines for the most part and who doesn't. We're not saying anything beyond that. But the way in which it's being presented to the end consumer who is not fully versed and educated is where this is potentially going to be a negative impact on all of the—I would say cultivators, all levels, producers, dispensaries, just because of how it all trickles down, down to the end users. That's just where I'm coming from. Thank you so much for your time. I really appreciate it. At least I can say, happy New Year.

Chair Yeager:

Thank you for your public comment, and happy New Year as well. Anyone else here in Las Vegas who'd like to give public comment? Okay, I don't see anyone coming forward in Las Vegas. Let's go up to Carson City, and I do see at least one person coming forward there. I cannot tell who you are because you're very small on my screen, but when you get to that microphone, if you could introduce yourself and provide public comment, please.

Brett Scolari (Strategies 360):

Thank you, Mr. Chairman, members of the Legislative Commission. Brett Scolari with Strategies 360. I won't get up and repeat, but I will echo what Ms. Rushton and the operators have stated already, and wanted to provide a little bit more background. Prior

to joining Strategies 360—I just recently joined, and I was General Counsel for Tryke Companies for almost 8 years. Tryke's a vertically integrated operator and was one of the first operators to use the Rad Source Technology. I will submit to you that I lived through that process to get that equipment approved, so there are already consumer protections built in even before you start using the machine. You have to submit an equipment request with the CCB that's reviewed, and then that is approved pending a final inspection. There's also an additional step on these types of equipment. You have to get it reviewed and certified by the Program of Radiation with the Department of Health Services, so that's an extra step, and then also, once this product is irradiated, it goes through its final testing. The product cannot hit those shelves or be offered for wholesale until you get a final pass on that. There are two very key consumer protections and public safety things built in even prior to the product hitting the shelf. I'll just leave you with this: the industry, I think, is grateful that you are listening to them today. The alternative that has been offered up by the industry and supported by member Durrett at CCB is a good alternative. These post-grow treatments can be included on that soil amendment. The industry knows that the public and the consumer deserves this information, and it can be included on that. We just ask for your support to direct us back to the CCB for another look at it. We appreciate it. Thank you.

Chair Yeager:

Thank you for your public comment. Is there anybody else in Carson City who'd like to give public comment?

Senator Pete Goicoechea (Senatorial District No. 19):

It looks all clean here.

Chair Yeager:

All right. Thank you, Senator. Let's go to the phone lines to see if there's anybody there who'd like to give public comment. BPS (Broadcast and Production Services), could you check the phones and let us know if there's anyone there for public comment, please?

Adam Zarrin (Director, State Government Affairs, Leukemia and Lymphoma Society):

Good afternoon, Chair Yeager and members of the Legislative Commission. I am the Director of State Government Affairs for the Leukemia and Lymphoma Society (Agenda Item II B). Our organization's mission is to cure blood cancers and improve the quality for patients and their families. As you continue to plan for the upcoming session, we want to thank the leadership and staff of the Legislature for the transition to hybrid meetings, and

on behalf of blood cancer patients and their families, we hope you will continue to offer remote testimony for the upcoming legislative session. The past 2 years have taught us the value of an accessible and responsive government, especially as we continue to cope with ongoing public health risks. For several reasons, the option to participate via a virtual platform or telephone has increased civic engagement for patients undergoing treatment for blood cancers and their health care providers. As you know, those undergoing cancer treatment are at higher risk of severe disease. Also, their providers often feel they cannot step away from their patients to participate in government processes. Finally, those living in remote areas of Nevada can quickly join without completing a several-hour round trip, which is why telemedicine has been so successful. Virtual or remote testimony mitigates all of these challenges. Again, on behalf of our patient and provider community, we respectfully request that you maintain virtual access options for public participation throughout the 2023 Session. We've also submitted a written statement to this issue. Thank you all again for supporting civic engagement and accessible government, and happy New Year.

Chair Yeager:

Thank you for your public comment, and I can confirm that we've received the written comments as well. Members, you'll find that in your packet. For members of the public, it is available online (<u>Agenda Item II B</u>). BPS, do we have anybody else on the phone for public comment?

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

Thank you, Chair. The caller line is open and working, but there are no other callers wishing to offer public comment at this time.

Chair Yeager:

Thank you, BPS. Just by way of reminder, there will be a second round of public comment at the end of today's meeting. But for now, we'll close out agenda item II, and that'll take us to <u>agenda item III</u>, approval of the minutes. Committee members, you will have found in your packet the draft minutes for the September 27, 2022 Legislative Commission meeting (<u>Agenda Item III</u>). These draft minutes are also available on the Legislature's website. I'll first ask if there are any discussion or corrections on those minutes, and if not, I would be looking for a motion to approve.

ASSEMBLYWOMAN MONROE-MORENO MOVED TO APPROVE THE DRAFT MINUTES OF THE MEETING HELD ON SEPTEMBER 27, 2022.

SENATOR CANNIZZARO SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

Chair Yeager:

That takes us through <u>agenda item III</u>. We're now on agenda item IV, which is our sixth court-mandated status report regarding the Nevada Department of Motor Vehicles' Technology Fee Refund Project. I believe we have Sean Sever on Zoom with us. I see him there. He is Deputy Administrator of the Department of Motor Vehicles. When you are ready, please go ahead and provide the report, and then we'll see if we have any questions.

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

Thank you, Chair. Hello, Commission members. Sean Sever from the Nevada DMV (Department of Motor Vehicles). Thank you for the chance to update you on our Tech Fee Refund Project. Through November 30, the DMV has distributed more than \$1.78 million of the \$6 million available for this project. The DMV started issuing refunds by sending out checks to businesses on February 22 of this year. Over 61,000 business refunds were issued for close to \$2.2 million. As of November 30, 44,767 business refunds have cleared for more than \$1.6 million, or 74 percent of the business refunds. More than \$3.8 million in customer refunds were made available to the public on April 4, and as of November 30, 57,000 of those refunds have been issued for more than \$171,000, or almost 4.5 percent of the customer refunds. Many of the customers have told us to keep their refund, which is not reflected in these stats. The DMV has conducted a \$15,000 advertising campaign, received good media coverage, and then also posted many times on social media to inform customers about the refund. We are proactively encouraging our customers to pick up their refunds when they visit our offices and plan on doing one final ad campaign after April 15 reminding customers to claim their refunds while they're waiting for their tax return refund. Any refunds remaining after June 30 of 2023 will revert to the State Highway Fund, pursuant to section 4.7 of Senate Bill 457 of the 2021 Legislative Session. Thank you for your time today, and I can answer any questions at this point.

Chair Yeager:

Thank you for the update, Mr. Sever. Commission members, this is an informational item only so it does not require action on our part, but we do have a chance to ask any questions of Mr. Sever. We'll start here in Las Vegas. Anyone with questions? I don't see any questions here in Las Vegas. Senator Goicoechea, how about up in Carson City? Anyone have a question for Mr. Sever?

Senator Goicoechea:

Nope, looks like we're off easy.

Chair Yeager:

Okay. Senator Lange, I know you're on Zoom, so if you ever have a question just unmute, pipe up and we'll go ahead and let you ask that question, or just raise your hand and I'll be able to see you. Okay, I think we—it doesn't look like we have any questions, but thank you, Mr. Sever, for being here to present. It's always good to see you, and we hope you have a great New Year.

Mr. Sever:

Thank you, Chair.

Chair Yeager:

That will close out agenda item IV, and that's going to take us to agenda item V, which really is the heart of today's meeting. We do have Chief Deputy Legislative Counsel Asher Killian with us in Carson City at the end of the videoconference today if we need assistance with this item. Now, I know some of you are attending your first Legislative Commission meeting today and probably some of you wish you were not attending today, but you are. We have four different kinds of regulations that we'll be considering today. I'll just kind of explain what those are as we go through each one.

We'll start with <u>agenda item V-A</u>. This is a request for early review pursuant to NRS (Nevada Revised Statutes) 233B.0681. This section of statute provides for the early review of a proposed permanent regulation after the agency has given notice of the hearing on the regulation but before the hearing is actually held. If the Legislative Commission, meaning us, approves the regulation under this early review section and the permanent regulation adopted after the agency's hearing is identical to the regulation submitted for early review, the Legislative Counsel is required to promptly file the regulation with the Secretary of State and notify the agency of the filing. If the regulation

that's adopted is not identical to the one that is approved here for early review, the regulation would have to come back to the Legislative Commission for approval in the same manner as if early approval had not occurred. Essentially, this is a way for an agency to get early approval before they go through the hearing process.

Today we have the Department of Public Safety regulation R164-22 for early review (Agenda Item V-A). A copy is posted on the Nevada Legislature's website under the tab for this meeting, which you will find by hitting the button in the upper right-hand corner which says "View Events." I believe we do have a representative from the Department of Public Safety on Zoom as well as other individuals here to answer any questions you may have regarding R164-22. I think probably it just makes the most sense if we could just have a brief description of what the regulation does and what it's seeking to accomplish, and then we'll see if there are any questions. I think we'll probably start on Zoom, if that makes sense. Again, please go ahead when you're ready.

Senator Goicoechea:

We don't have any audio here in the north.

Chair Yeager:

We do not have audio here either. I'm a good lip reader, but not that good. We'll see if we can get that squared away.

Broadcast and Production Services Staff:

We still can't hear you. If you want to click the caret next to the mute button and pull that up, and it says "select a microphone," you can change your microphone to—system and that might fix the problem. Still cannot hear you. Nope.

Chair Yeager:

Do you want to see if it works now? It looked like you were putting in some headphones to see, and we'll give it one more chance, and if not, we can take testimony down here in Las Vegas.

John Dekoekkoek (Administrative Services Officer, Director's Office, Department of Public Safety):

Can you hear me now?

Chair Yeager:

Yes. Whatever you did, it worked, so thank you for that.

Mr. Dekoekkoek:

I'm so sorry about that, Mr. Chair and the Commission. This regulation is essentially, on a high level, just allows the highway, or a highway as defined in NRS, to be classified as not a highway when it is closed either on an extended basis or on a temporary intermittent basis. What this will do will then allow during special events will allow advertising to be placed along that section of highway that is either temporarily closed or closed for an extended amount of time, up to 14 days. That is just a real high-level view of it. There is a Scott Gilles and a Caroline Bateman that should be on site in either Vegas or Carson City that can provide additional details regarding this NRS, but that is the high-level view.

Chair Yeager:

Thank you for that explanation, and thanks for working through those technical difficulties. We do have Ms. Bateman down here in Las Vegas, so I'll give you a chance to make any remarks you'd like to make before we open up for questions. Is your mic on, Ms. Bateman?

Caroline Bateman (General Counsel, Las Vegas Convention and Visitors Authority):

Oh, it may have turned off.

Chair Yeager:

Okay. No, that's okay. It's hard to tell from here, but my Commission members were telling me it wasn't on, so if you could start over, please?

Ms. Bateman:

Absolutely. Good afternoon, Legislative Commission members. I serve as the General Counsel for the Las Vegas Convention and Visitors Authority (LVCVA). With me in Carson City is Scott Gilles, our chief partner on legislative matters, and with Mr. Dekoekkoek and the Department of Public Safety (DPS), we worked together to prepare the proposed regulation for your early consideration. We'd like to thank Chair Yeager for granting us this early review. We know it's not done very often, so we appreciate that. Thank you to Ms. Erdoes, Mr. Fernley and the entire LCB (Legislative Counsel Bureau) staff for months of work that they have put in with us on this. Thank you to Director Togliatti, the entire

team at DPS, as well as the team at NDOT (Nevada Department of Transportation), which has provided us great feedback and input, specifically Chief Deputy Attorney General Gallagher, my former colleague, who has been a great partner as well.

Overview on this project is, as Clark County the last few years has hosted some pretty major events, we've had the event organizers reach out to us at the LVCVA on numerous occasions seeking a way to perhaps place commercial advertising on or near their event sites, but currently, existing statute prohibits commercial advertising on or in sight of highways except on a very few enumerated structures, such as touchdown structures, monorail stations, etc. The proposed regulation carves out an exception that Mr. Dekoekkoek had mentioned that would allow for such advertising by event organizers on structures, such as pedestrian bridges, bollards lining highways, etc., when roads are closed to vehicular traffic for a period up to 14 days. If an event organizer sought to intermittently open and close a road to vehicular traffic, it would have to obscure that advertising in a way that the public authority granting that commercial advertising would deem no longer constituted a hazard. The proposed regulation is by construction an enabling law. It will allow applicable local and public authorities to establish the parameters for such commercial advertising during special events, if they choose to allow it in the first place. Most authorities have existing procedures in place through permitting or license agreements for advertising on the statutorily permitted areas, and the proposed regulation will allow authorities to consider additional advertising areas.

We at the LVCVA are obviously very excited for the next 14 or so months as we prepare to host two of the biggest events, we believe, in the state's history, and that's the inaugural Formula 1 Las Vegas Grand Prix in November and then the Super Bowl just a few months later in February of 2024. The proposed regulation will provide the county and us downline a tool as we pursue additional, impactful events to the destination and work to keep the current events that we have already on the books. We appreciate the feedback we've received in collaboration with Clark County officials, especially Chair Gibson, Commissioner Kirkpatrick, Commissioner Naft and all their staff, including members of Public Works and their legal team, and Mr. Gilles and I, and Mr. Dekoekkoek are available for any questions, and we request your approval of the proposed regulation.

Chair Yeager:

Thank you so much for those comments, and thanks for the work on this regulation. I know you mentioned a lot of folks, but this was a regulation that required quite a bit of collaboration between agencies, and so thanks for making that happen. Do we have questions here in Las Vegas for our presenters on this regulation? Okay, don't see any in Las Vegas. How about up in Carson City? Any questions?

Senator Goicoechea:

Yes, Senator Hansen.

Chair Yeager:

Please.

Senator Ira Hansen (Senatorial District No. 14):

Thanks, Mr. Chair. Two questions: first, Scott, is it Gilles or is it Giles? I know which one it is; I want everyone else to know, because we had a question about this.

Scott Gilles (Griffin Company):

Thank you, Senator, for the opportunity. Scott Gilles with the Griffin Company on behalf of LVCVA here today. It is pronounced Gilles, and thank you for that opportunity to clarify.

Senator Hansen:

Okay, I just wanted to get that clear. We had a discussion about it earlier, and I'm sure it's Gilles but I heard two different versions in the testimony. The actual serious question, Mr. Chair: it's commercial advertising. What is the revenue, an estimated revenue, from this, and who gets the revenue? Does it go to the county? Does it go to the NDOT? Who determines what the amount you charge is for this commercial advertising?

Ms. Bateman:

I'm happy to take that question, Mr. Chair. The currently existing ordinances down in Clark County provide for such advertising already, as I mentioned, on monorail stations, on the touchdown structures that are on either side of escalators on the Strip and other areas in Clark County, as well as on a couple of other structures. The public authorities will actually be the enforcing agencies regarding size limitations, lighting, if they're LED signs, any other restrictions they believe are necessary for the safety of the public, safety of pedestrians and vehicles if those roads are opened up, etc. In terms of revenue, it would very obviously—depending on what event organizer we're discussing, it could be anything from the Las Vegas Marathon, when the streets are closed, all the way up to Formula 1. But the fees assessed would be determined by the local jurisdictions if those are the applicable parties. RTC (Regional Transportation Commission) also has advertising opportunities, and they would set those fees. Right now, I couldn't say what those fees are, but they will be discussed, I'm sure, in length during hearings by those local authorities on the licensing procedure, as well as the licensing agreements that would be in place for such advertising to take place.

Senator Hansen:

Okay, so we don't know where the revenue's going to go? The reason I bring it up is I know like, for example, to name a football stadium is tens of millions of dollars to have Levi Strauss or whatever on a stadium. I'm just wondering what the—you have no idea what the revenue could be? But also, I want to make sure it's going to some government agency that's in charge of the highways or something and not back into the pockets of the people actually putting on the event, but I didn't—where does the actual fees—whose pocket do they end up with when they're done paying their bill?

Ms. Bateman:

So the licensing fees, if the local authorities or the public authorities determine to go that route, would be assessed and collected by the local authorities as they are the enforcing agents. That may or may not be tied to any revenue that the event organizers would collect for that advertising. Senator, if it makes sense, at least on a Formula 1 level, it is not advertising that they would sell just for an event. They have events all over the world throughout the year, and so those would all be packaged in. But that would all be determined by the local authorities depending on how long, for example, that advertising will be in place, what kind of event it is, how impactful it might be in terms of how much advertising will be on the highways, etc.

Senator Hansen:

Okay, so it's somewhat indefinite it sounds like, but anyway, thank you. I'm for the regulation. It seems completely reasonable, but just want to make sure that some of that money ends up back in the pockets of the citizens that're providing the highway overpasses and stuff and not going into the pockets of whoever the big promoters are behind these things. Thank you, Mr. Chair.

Chair Yeager:

Thank you, Senator. Are there any other questions up in Carson City or on Zoom? I'm not hearing any, so I would be looking for a motion to approve <u>agenda item V-A</u>.

ASSEMBLYWOMAN MONROE-MORENO MOVED TO APPROVE REGULATION R164-22.

SENATOR CANNIZZARO SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

Chair Yeager:

Thank you for that, and thank you for our presenters for being here as well today.

Ms. Bateman:

Happy New Year. Thank you very much.

Chair Yeager:

Happy New Year. Okay, that takes us through <u>agenda item V-A</u>. We're now going to go to agenda item V-B and consider a different type of regulation. This is a request by the State Board of Pharmacy to continue a regulation not adopted within 2 years after submission to the Legislative Counsel (<u>Agenda Item V-B</u>). This subsection, which is NRS 233B.040, provides that if the agency does not adopt a proposed regulation within the 2 years after the date on which the proposed regulation is submitted to the Legislative Counsel Bureau, the executive head of the agency shall appear personally before the Legislative Commission and explain why the proposed regulation has not been adopted within the prescribed 2-year period and request an extension of the prescribed time to allow the regulation to continue through the process to become a permanent regulation. I believe we have the Executive Secretary of the State Board of Pharmacy here with us on Zoom, I believe. Sir, if you'd like to go ahead and provide the explanation and request for an extension of time, please.

Dave Wuest (Executive Secretary, State Board of Pharmacy):

Thank you, Chairman. Dave Wuest, the Executive Secretary of the Board of Pharmacy. I'd like to thank you and your staff for putting this on the agenda. I do apologize for the timing. It is correct that we are just shortly out of the 2-year window. This is a regulation that came to be during COVID, the initial part of COVID. The Board did waive a regulation that required pharmacists to only provide pharmaceutical care in a pharmacy, so they couldn't do it through telehealth or anything like that. When we did that waiver through COVID, we noticed that it seemed to be a safe practice and it would be something that would extend pharmaceutical care to patients and allow pharmacists to practice in different areas. October 29 of 2020, we initiated the rulemaking process. As you've seen with other agencies, we missed seven meetings during COVID for reasons that were related to we had to miss the meetings, and then secondarily, we had three bills that affected this, and through the last legislative session, and we had regulatory rulemaking that we had to do on that, so this regulation ended up being—having to wait until all those

things were done. The Board has completed the regulatory process. They completed that on December 8. We were 29 days outside of the 2 years. I apologize for that. Typically I would just remove the regulation and restart, but this was a regulation that was generated from the industry and the licensees themselves. It does provide extra pharmaceutical care and more opportunities for people to talk to pharmacists and so. I thought it was worthwhile to at least ask permission. The item is already on your agenda on item D, if you were to allow us to move forward, and the regulatory process is complete at this time. I can answer any questions.

Chair Yeager:

Thank you for that explanation. Just in case Commission members didn't—

Mr. Wuest:

I'm not sure I was muted or unmuted—

Chair Yeager:

Oh no, we heard you. Thank you.

Mr. Wuest:

Okay, sorry.

Chair Yeager:

No, it's okay. Just to make it clear, you're asking for an extension of time because you missed the 2-year window, but this regulation is actually on agenda item D for potential approval today, assuming that this Commission approves your extension of the 2-year time period.

Mr. Wuest:

You would be able to vote on the regulation and that would be your choice. I'm not asking for any time beyond today.

Chair Yeager:

Great, that's helpful. I just haven't had that happen before as Chair of Leg Commission, so thanks for clarifying that it was on both agenda items.

Mr. Wuest:

I do apologize, and typically we would restart it, but I think there's a need for the community.

Chair Yeager:

Thank you. Well, before we consider a motion to grant that extension, let me see if there are any questions down here. Any questions in Las Vegas? Any questions in Carson City or on Zoom?

Senator Goicoechea:

Chair Yeager, I have one. I just want to make sure that, because we did come review these regs and go to public hearing on them during the pandemic, did we have adequate participation? I guess that's what's concerning me. I know you're talking about a crunched time frame, but realistically, did the consumer base have the ability to interact as well?

Mr. Wuest:

Yes, sir, I believe they did. I would point out to you that I don't think this is the final regulation about it. I think that the industry's changing. In the future, there might be more things that we could do to broaden this. We had to take a snapshot and move forward with that so that we could at least have the people do this now, but I do think that it's likely that you'll see this—we've received public testimony that they would want it to go further, and I think the Board's supportive of that. We just need to go through the regulatory process.

Senator Goicoechea:

Mr. Chair, follow up, if I may? Well, that does give me some pause. I don't mind saying it. You're saying okay, now this is just a snapshot, but we need to pursue—we need to go farther. Maybe we're better served by go ahead and going back to the process and getting it right. Thank you.

Mr. Wuest:

Was that a question or just a comment?

Chair Yeager:

Well, I think feel free to comment on that if you would like. Is there a reason to approve this regulation and build on it later or would it be your preference to start the process over?

Mr. Wuest:

Yeah, and I do appreciate the concern and I had it myself, and I want to be fully disclosing to you, so that's why I made that statement. I think that we have people that are practicing now that are working off of the old rules that were during the emergency, and I'm concerned that if we stop that, there would be patient-care issues. I do believe that there would be—there's always room for improving regulation. I think that that's likely, but it doesn't mean that it's going to happen. I think that this is a good regulation and it went through all of its paces. I'm comfortable as the executive moving forward, but I wanted to disclose to you that there's public comment that more should be done.

Senator Goicoechea:

Mr. Chair, we have a couple more in the north with questions.

Chair Yeager:

Please, whoever would like to ask, just please go ahead and unmute and ask your question.

Assemblywoman Jill Dickman (Assembly District No. 31):

Thank you, Mr. Chair. I just wanted to say that normally I'm not supportive at all of continuing regulations beyond the 2 years, but it just seems to me with this one we're already doing some of these things, and if we stop doing them because of staffing shortages and so on, Nevadans are going to suffer and not be able to get their health care. Would you say that's accurate?

Mr. Wuest:

I think that's absolutely accurate.

Assemblywoman Dickman:

Okay, thank you.

Mr. Wuest:

Once again, I apologize for the timing. It did happen, but it wasn't what I wanted to have happen.

Senator Hansen:

Well, obviously this is my first time this year on Legislative Commission, but I've served, I think, remember 4 or 5 terms before. My first session was 2011, and the reason this section of this 2-year requirement came up actually came about in 2013 when then-Speaker Kirkpatrick requested that she and I jointly sponsor a bill, which is now 233B something or other, because at the time we were having regulations that were brought to the Commission 4 or 5 years after the legislation was passed that got the enabling abilities to the bureaus. COVID obviously seems to be a pretty reasonable reason for not being able to do this in a timely fashion. My question though is to you, Mr. Chair, actually. That is, we also have R024-20. One of my questions on that is, that's also well beyond the 2-year limit and it also—when I looked at it, it deals with AB (Assembly Bill) 472 from the 2017 Session. Have you guys on the Commission been kind of uniformly, just if it's beyond 2 years, saying you got to go bring it through the process again or have you guys been kind of looking past the 2-year window requirement?

Chair Yeager:

Thank you, Senator Hansen, and I can certainly have Legal confirm, but I think it's 2 years from when the regulation is first filed with the LCB, is that right? I think timing-wise, R024-20 is within the 2-year period and R164-20 is not, but we could certainly have Mr. Killian confirm, who is up in Carson City.

Senator Hansen:

Okay, I would like that, because if 164 is—because I thought the way they did it in order was the order of the age of the regulation, so maybe I'm incorrect on that.

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

Thank you, Mr. Chair. It is 2 years from the date that the regulation was initially filed with us for drafting. But in the case of R024-20, the Legislative Commission previously approved an extension to the 2-year period for that regulation. It was not ready to be heard by the Legislative Commission for approval at that time, but an extension was previously approved.

Senator Hansen:

Thank you for the clarification, Mr. Chair. That makes sense. I didn't realize you had an extension on it. Like I said, this is my first time this session on the Legislative Commission.

Chair Yeager:

No problem, Senator, and clearly I didn't remember that either or I would've told you that in response to the question, but that sounds like a good explanation. Thank you for that, Mr. Killian. Additional questions from Commission members for the Board of Pharmacy? Okay, I don't think I hear any additional questions, so I'd be looking for a motion to approve the extension past the 2-year time frame.

ASSEMBLYWOMAN DICKMAN MOVED TO APPROVE THE CONTINUANCE REQUEST FOR REGULATION R164-20.

SENATOR CANNIZZARO SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

Chair Yeager:

The extension is granted, and we will get to that regulation again in just a couple of agenda items, but for now that takes us through agenda item V-B. Now we're going to go to agenda item V-C. Agenda item V-C is a review of the Nevada Cannabis Compliance Board regulation submitted pursuant to NRS 678A.460, 5 through 10 (Agenda Item V-C). If we approve this regulation today, the Cannabis Compliance Board may file the regulation with the Secretary of State. If this Commission objects to the regulation, the Board is required—meaning the Cannabis Compliance Board—is required to revise the regulation and resubmit it to the Legislative Commission. If the Legislative Commission approves the revised regulation, then the Cannabis Compliance Board may file it with the Secretary of State. This process continues until the Legislative Commission approves a revision of the regulation for filing with the Secretary of State. This is, I think, the first time the Legislative Commission has pulled a Cannabis Compliance Board regulation into a meeting, so if this doesn't sound familiar to you, that's probably because it's the first time we've ever done it. We do have Tyler Klimas here with his team. He is the Executive Director of the Cannabis Compliance Board. He's going to give us a quick overview of the regulations, and then we'll take questions and decide how we'd like to proceed as a Commission. Welcome, Director Klimas, and please proceed when you're ready.

Tyler Klimas (Executive Director, Cannabis Compliance Board):

Thank you, Chair, members of the Commission. I'm the Executive Director of the Cannabis Compliance Board, and we are happy to bring you a little taste of cannabis land here today at the Leg Commission. I'm joined today at the table by Kara Cronkhite to my left. She's the Chief of CCB's Audit and Inspection Division. To my right is Ashley Balducci. She's a Senior Deputy Attorney General for the Attorney General's Office and Counsel for the CCB. Also with me is Michael Miles behind me. He's the Deputy Director of the CCB.

Before you today, the amendments that you are looking at to Nevada Cannabis Compliance Regulation 12.065 broadens the list of methods used to remediate cannabis products that have undergone some form of treatment post-harvest. There's more than one way to remediate cannabis, which includes radiofrequency, ozone and irradiation, to name a few, and all are used in effort to kill or reduce microbial contamination so that the cannabis is able to pass required testing and remain safe for consumption. Remediation techniques are not used by all of Nevada's licensed cultivators. In fact, of the 160-plus cultivators in the state, fewer than 25 use equipment for remediation. The amendments you see here, which were adopted by the CCB at its December 13 Board meeting, allow for medical patients and adult consumers to have access to critical information on the method used on the cannabis before they choose to consume that cannabis. The request for this information to be included clearly on the label is one that we hear continually from both medical patients and adult-use consumers. This regulation ensures that the information is proactively supplied to the medical patient or consumer by requiring it be listed on the label so that the patient or consumer doesn't need to actively seek it out or ask for it, as they would if it was on the soil amendment.

The amendments in NCCR 12.065 were first discussed at the CCB's December 2020 Board meeting as a result of a petition filed by a private manufacturer for remediation equipment. Since then, the Board has held two public workshops, four Board meetings on the topic, issued two electronic solicitations of comments, we've held numerous informational meetings with stakeholders and received countless public comments from medical patients, members of the public and industry stakeholders, all of which are available on the CCB's website. The Board turned to CCB Board member Dr. Bryan Young, a practicing physician in Reno who has prior history and expertise in the study of radiation, to lead on what would become this compromise on the language that addressed both transparency and the need to provide consumers with important information and reasonable fairness among those cultivators who use remediation equipment. Where this amendment sits now is a significant change from the current language of regulation 12.065, which has already been adopted. The original adopted language of 12.065 requires a Radura symbol and the words "notice" capitalized in front of the disclosure. It also requires that disclosure to be affixed on the actual package of the cannabis product,

not just included as part of the label. Now, this language simply requires disclosure on what process the cannabis has undergone and only needs to be included on the label, which can be sent electronically through email to the consumer, it can be included on a QR code or printed and dropped into the bag before the consumer leaves. A label is already required of each cannabis product and lists a number of product-specific information, so this would add an additional line of information on that label, and again applies to only approximately 15 percent of cultivators in the state.

We went to great lengths to make this language and impact one that is neutral. Because it was important to us to have experts drive this process and analysis, I'm going to read into the record briefly the following statement from CCB member Dr. Bryan Young that I believe encapsulates what the Board was aiming to accomplish by passing these amendments. From Dr. Young:

"First, I believe it was the right regulation for improved transparency regarding the way cannabis is handled. I also believe there's a 100 percent support from the consumers based on feedback from public comment provided at the monthly CCB meetings that have occurred over the last 2 years. As our mission statement states, our purpose is through strict regulation of all areas of its licensing and operations protecting the public health and safety of our citizens and visitors while holding licensees to the highest standards. Transparency and labeling of the product is important to fulfilling this mission statement."

Dr. Young has read over 2,000 pages of documents provided by those in the industry and read greater than 80 studies and papers regarding the issue of decontamination of cannabis. From my research, I believe that remediation has effects on the cannabis product that warrant further labeling. All forms of remediation can affect the taste of the product. This has been verified in studies and reaffirmed by public comment at multiple CCB meetings. Labeling is not a punishment; it provides transparency. The FDA (Food and Drug Administration) requires labeling of all food products that have been treated with radiation for decontamination. This is also the practice in Europe. Our labeling would continue this practice without singling out radiation as the only way to decontaminate. I think Dr. Devlin summed it up in his op-ed published in the *Reno Gazette-Journal (RGJ)* in March of 2021, where he wrote specifically about remediation labeling. "In its role as protector of all Nevadans who consume cannabis products, the CCB has an opportunity to promote consumer education and transparency through its product-labeling requirements. Consumers should have a choice about what they put into their body." Sean Devlin, board-certified physician, the *RGJ*.

I'll make a final statement before we open it up for any questions the Commission has. I just want to say, Commission, putting this disclosure back to the soils amendment simply reduces transparency. Remediation can have effects on the product. We know that, and

that's why the label is the more appropriate place. With that, Chair, I will turn it back to you, and we are available to answer any questions that you or members of the Commission have.

Chair Yeager:

Thank you, Executive Director Klimas. I'm sure we'll have some questions. I just had a couple that I think were based more on the public comment we heard at the beginning. Just wanted to confirm a few things, because I was not there at the meeting, but was it a unanimous vote of the Cannabis Compliance Board to approve this or was it something other than that?

Mr. Klimas:

Thank you, Chair. It was a vote of four to one out of the five CCB Board members.

Chair Yeager:

Great, and then we heard a little bit that—and I was just wondering if you could confirm, I think we heard some testimony that we would be the first or only state requiring this kind of a disclosure on the product. Do you know if that's true based on interactions with, I think you mentioned overseas, but I'm particularly interested in jurisdictions in the United States.

Mr. Klimas:

Thank you, Chair, for the question. I'll have Kara maybe talk a little bit about that, but I will tell you from my perspective, I'm very engaged with cannabis regulators across the nation through some of our regulators' association. I can tell you obviously there's going to be differing opinions here, our perspective and those who are opposing it, but the reason that it's not is because folks are looking to us, to Nevada. We've had those conversations about what we're doing with labeling on remediation. Some states didn't even know remediation was occurring. I've personally passed this language on to multiple other states, and they're looking at us, and I think—and I more than think—that we have an opportunity to lead as the State of Nevada in these labeling requirements in making sure that consumers have the information that they need. I would like to have Kara just briefly talk about—I believe Canada has some noticing and labeling requirements.

Kara Cronkhite (Chief, Inspection and Audit Division, Cannabis Compliance Board):

Good afternoon. Thank you, Chair, for the question. Canada does have a law. They're the only federal laws for cannabis at this time that have been approved. They do require that products be labeled as irradiated, treated with radiation or treated by radiation along with the international radiation symbol. We believe that this is in line with what federal requirements will require in the future.

Chair Yeager:

Thank you, and we'll open it up for additional questions. I have one from Senator Harris down here in Las Vegas.

Senator Dallas Harris (Senatorial District No. 11):

Thank you, Chair. Are there any known adverse health effects associated with any of these treatments?

Mr. Klimas:

Probably should defer to you, but I can answer this one. Thank you, Senator, for the question. No, and no part of this process is the CCB or the Board's, or any part of our discussion, indicating that this process is unsafe. It's quite the opposite. Remediation likely makes the product safe. It does make the product safe, not necessarily safer than product that doesn't undergo remediation, but it does make it safe. We're simply approaching this from a public information standpoint, and we hear through public comments of medical patients and consumers that simply want to know and they want it on the label, and that's why we're here. Think of milk that's been pasteurized. On a milk carton, it says, "This milk has been pasteurized," right? Because it's there, and so people are aware of it. It doesn't mean that it's bad, pasteurization. It's likely not bad, but it's very similar to that.

Senator Harris:

Just a quick follow-up, if I could? Could you tell me a little bit about the reason why medical patients say they want to know this information? I'm just trying to figure out, are they under the impression that there are health effects and so they are asking you to make sure that this is known, or do they have other reasons why they've been asking for this to be put on the label? Has there been any discussion about why they want to see it?

Mr. Klimas:

Sure, and definitely, Kara, you may want to jump in. Thank you for the question, Senator. I think you could assume that it's both, right? Some people want to seek out remediated product, but others, depending on the type of remediation, right, because there's different types. There's irradiation that uses radiation, there's ozone, there's different types, and so if you are a medical patient, maybe you've had that discussion with your physician and there is a certain type of remediation or product that's been remediated that you want that would be beneficial, or maybe not, but again, all we're hearing is that they want to know and they want it front and center and included on the label so they've got that information and those tools available to them.

Ms. Cronkhite:

The only thing that I would add is, we have heard from medical patients and consumers alike that it may impact the terpene profile, which is thought to have a lot of the medicinal benefits for cannabis as well as the flavor, and some have stated that they would view it as a positive. Other people have just stated that they just want to know.

Chair Yeager:

Okay, any additional questions down here in Las Vegas? How about—oh, go ahead, Assemblyman Hafen.

Assemblyman Gregory Hafen (Assembly District No. 36):

Thank you, Mr. Speaker, and thank you guys for the presentation. I'm new to the Leg Commission, so first meeting. I'm not a user of the marijuana or the medical marijuana, but I do understand the concerns from the medical aspect where people would want to know. I know when I get a prescription they give me a little supplement. Sometimes it says an explanation of X, Y and Z. But this proposed regulation would actually put it on the product rather than a supplement that's given out?

Mr. Klimas:

Thank you for the question, Assemblyman. That was a great example. Think of that pamphlet you get from CVS when you get a prescription. They send you home with a book, right? That's included. That's actually what this regulation—and part of the compromise. Originally the regulation had it mandated on the actual package, should be on the product. Now it's simply, and it's a little bit confusing as included on the label which is defined—I could send it to you as a QR code or as an email, I could have a QR code that you scan and get that information, or I could put it in a packet and include it in your

bag, so it is not required to be actually on that product. Again, that was part of the compromise that we've gone through over the last 2 years during this process.

Assemblyman Hafen:

Just to follow up, is the labeling requirement the same for medical as it is for recreation?

Mr. Klimas:

That's correct.

Assemblyman Hafen:

Thank you, and thank you, Mr. Speaker.

Chair Yeager:

Additional questions in Las Vegas? Seeing none, how about in Carson City or online, any questions?

Senator Goicoechea:

Mr. Chair? I guess I'm just concerned this is—again, I haven't done Leg Comm other than as an alternate for the last 5 or 6 years, so it's been a while, but I—typically we don't see this much public testimony against a reg and trying to push it forward, so is it the fact of how, and how they are—I've got calls on this before we even came to the meeting that they were going to use a radioactive symbol that would be on the—so exactly what are they proposing, because some of this stuff clearly, especially if you're talking recreational marijuana, could impact the market. Mr. Klimas, could you tell me exactly what you're talking about as far as the labeling?

Mr. Klimas:

Sure. Thank you, Senator, for the question. I've got to tell you, that is part of our job, right? We have to balance the health and safety of consumers but also the economic interests of the marketplace. We need to make sure that there is a market here for us to regulate, and so we take that into consideration. It's also why this has been a 2-year process with countless opportunities for public input. But to answer your question, Senator, exactly what goes on this label that can be included with the product is simply the following statement: "This product has undergone treatment" using the method of treatment that's been approved. There's an option—because again, we're not indicating that this makes product unsafe. You have an option to say this product has been treated with—fill in the

blank—method of treatment for the purpose of reducing microbial contamination. No part of us wants to indicate or infer that this is an unsafe process or unsafe product, which is why that option is there.

Chair Yeager:

Any additional questions?

Senator Goicoechea:

Just a follow-up if I may, Mr. Chair?

Chair Yeager:

Please, go ahead.

Senator Goicoechea:

Then I guess, now this was explained to the industry and these people that are coming here today in public comment and have reached out to us over the last 10 days, do they understand that, Tyler? There seems to be a lot of confusion here.

Mr. Klimas:

Thank you, Senator. I know that they do. We've had a number of conversations, and the same individuals who provided public comment have been providing public comment and engaging with the Board and Board staff since the very beginning. If we say the marker of a good policy decision is a compromise where not everybody gets their way, then I think that's the exact spot that we're in, and I think that this balances it. I feel that this balances the interest of both cultivators—and again, Senator, I'd point out that we're talking about an industry that there's only 15 percent that are utilizing this. Yes, to answer your question, I do believe they know that. Certainly we have not all come to the table holding hands, but I do believe that we've done significant work, and this puts the State of Nevada in a good position, consumers and medical patients in a very good position moving forward.

Senator Goicoechea:

Thank you. Thank you, Mr. Chair.

Chair Yeager:

Thank you, Senator. Are there additional questions? I'm not hearing any or seeing any so, Senator Harris, would you like to make a motion?

Senator Harris:

Thank you, Chair. I'd like to make a motion to object and that the information be required to be put in the soil amendment as opposed to the product itself.

SENATOR HARRIS MOVED TO OBJECT TO THE REGULATION AMENDING NEVADA CANNABIS COMPLIANCE REGULATION 12.065 WITH DIRECTION TO THE CANNABIS COMPLIANCE BOARD AS DISCUSSED.

ASSEMBLYWOMAN MONROE-MORENO SECONDED THE MOTION.

Chair Yeager:

I'll open it up for any discussion on the motion. I guess I'll just say, Director Klimas—

Assemblywoman Dickman:

Could you repeat the motion?

Chair Yeager:

I'm sorry. Yes, thank you. Let me clarify that, because this is a unique procedure. The motion is to object with direction that the information should be placed on the soil amendment. If that motion passes, what would happen under the statute is the regulation would go back to the Cannabis Compliance Board and they would have the ability to rework it pursuant to the direction that we provided. If they did that, it would come back to us for approval if we wanted it to, or if they decided not to, then the regulation would not be enacted. Essentially, the statute requires us—we can't just vote a regulation down, we have to object with direction and instruction, so that's what the motion was. Is that clear, Assemblywoman Dickman?

Assemblywoman Dickman:

Yes, thank you.

Chair Yeager:

Okay. Sorry, it's a new procedure. I guess before I take any other discussion, I'll just say the concern that I have is, generally the things that we have on the label relate to safety concerns: the strength of the THC (tetrahydrocannabinol), the fact that you shouldn't be operating heavy machinery, the fact that it is in fact—I don't know if we'd call it a cannabis product, but they tend to be more on the public safety side of the equation. I'm just concerned that, with the testimony we've heard, that this is not a public safety issue, because if it were, I don't think these methods would be approved by the Cannabis Compliance Board, and that I think there's just too much of a possibility that consumers misunderstand the information and read from that that this product is somehow unsafe or dangerous. I'm concerned about that being on the actual label. I do agree with, I think, some others who mentioned that this information is available upon request for consumers who would want that information, so for that reason, I'll be supporting Senator Harris' motion. Before we take the vote, I did want to give anyone else a chance to comment. I keep looking at Senator Hammond, but I don't know if he wants to comment or not. I guess not.

Senator Scott Hammond (Senatorial District No. 18):

No, I don't want to comment.

Chair Yeager:

Okay, all right. Is there a—go ahead, Assemblyman Hafen.

Assemblyman Hafen:

Thank you. Just clarification on the motion. Could we get some clarification on exactly the difference between the soil amendment and the label just so I fully understand what the motion is?

Chair Yeager:

We're in the middle of a motion, but I would like to punt that to the experts at the table because I don't want to give you a bad explanation, so if you could go ahead and explain what the soil amendment is?

Ms. Cronkhite:

Yes, thank you for the question. Soil amendment reports are really more unique to cannabis. Soil amendments are typically approved by the USDA (United States

Department of Agriculture) or the Department of Agriculture to be applied to a specific crop, and then growers are required to track them. Typically, this tracking log, which we call a soil amendment report, is only available to the regulators. That's typical in the United States for any crop. We require that they provide access to soil amendment reports to all consumers upon request. This is our way of going above and beyond what is typically available with other consumable goods. They're not something that most consumers are typically aware of. For example, if you were to purchase an apple at a grocery store, you would not see a soil amendment report or even be able to access that at the grocery store, so we do have those available. The soil amendment reports include anything that is applied pre-harvest to the soil or the crop while it's growing. This would be your pesticides, herbicides, fungicides, nutrients, anything to that effect. Anything on the label is going to be things that the consumer should be aware of: THC content, CBD (cannabidiol), CBN (cannabinol), the terpene profile. Many medical patients are looking for specific terpenes so we require that they put the top three terpenes on there. They also disclose on the label items such as the method of extraction. If the product was extracted with butane, you would see that appear on the label, not on the soil amendment report. That label—while the soil amendment report has to be requested by the consumer, the label is just a slip of paper that's typically put into the package with—or the bag that they leave the store with.

Chair Yeager:

Did that help you, Assemblyman?

Assemblyman Hafen:

I appreciate the answer. I think I understand, kind of. I'm not exactly sure. Thank you.

Chair Yeager:

Okay, so we—

Senator Goicoechea:

We have another one up here in the north, Mr. Chair. Maybe that'll clarify it for Mr. Hafen.

Chair Yeager:

Please, go ahead.

Senator Hansen:

Thanks, Mr. Chair. My question is this: has the—maybe it's changed a little. Legislative Commission normally, if a regulatory body brings a potential regulation like this to the body, we normally don't have the authority unless they violated the intent of the original law to go back and basically say, "We want you to do this in the law." Has anybody suggested that the Cannabis Board is out of compliance with the NRS that gives them the authority to bring this regulation forward?

Chair Yeager:

Thank you, Senator. I will hand that one over to Mr. Killian, because when we created the Cannabis Compliance Board, we put a very unique procedure in the law with respect to the Legislative Commission. I think the answer is no; no one is accusing them of violating NRS, but Mr. Killian I think can explain the process that we're going through right now.

Mr. Killian:

Thank you, Mr. Chair. Yes, there is a unique regulatory process that applies to the CCB, and it's enacted in NRS 678A.460. The relevant part is that the Legislative Commission or the Subcommittee to Review Regs can object to a regulation that's been adopted by CCB, but if it does so, it must do so on the basis that it either does not conform to the statutory authority pursuant to which it was adopted or it does not carry out the intent of the Legislature in granting that authority. If the Legislative Commission objects on that basis then we send a letter to the agency stating what the basis of the objection was, and the agency then has 60 days to revise the regulation and return it to the Legislative Commission for further proceedings. My understanding of the motion being brought up is not necessarily that the regulation does not conform to the statutory authority granted to the CCB, and that the CCB has statutory authority per 678A.450 to adopt regulations relating to labeling, but rather that this particular regulation does not carry out the intent of the Legislature in having granted that authority to adopt regulations relating to labeling.

Senator Hansen:

Thanks, Mr. Chair. Well, if that's the case, we need to get that on the record, that we feel that the Cannabis Board is not following the intent of the entire legislative body, not just the Legislative Commission then. Frankly I like the idea of kicking it back to them and letting them rework this to try to please more of the constituency base that obviously is not happy with the regulation. On the other hand, I also want to make sure that the Legislative Commission doesn't become a little mini legislature trying to force laws into place that we in fact as a body never passed.

Chair Yeager:

Thank you, Senator. We do have a motion and we have a second, and we are on the discussion of the motion. Before we take the vote, any further discussion? Okay, seeing no further discussion, again, the motion is to object and send the regulation back to the Cannabis Compliance Board.

THE MOTION PASSED (SENATOR HANSEN VOTED NO).

Chair Yeager:

I think I heard a nay from Senator Hansen. Were there any other nays in Carson City?

Senator Goicoechea:

No, I think he's—

Senator Hansen:

I'm the lone wolf, Chair. I just think we've got to be careful about—

Chair Yeager:

I just wanted to make sure. I wanted to clarify it's Senator Hansen, because I think for the first time ever we have spouses serving on the same Commission at the same time with the same last name, so got to be clear that it was Senator Hansen who voted nay.

Assemblywoman Dickman:

I can assure you, the Senator's voice is deeper.

Senator Hansen:

Mr. Chair, my objection is like I said earlier. I just think that I don't see any evidence being presented that the Cannabis Board is not in compliance with the NRS authorities that we gave them. That's my only concern on—that's the only reason to object to it. I'm fine with

sending it back. I think they should rework it, but I think you got to be careful about becoming a separate legislative body here at the LC (Legislative Commission).

Chair Yeager:

Thank you, Senator. The motion does carry. I think the vote was 11 to 1, so that motion passes. I want to thank the three of you and your team for being here today.

Mr. Klimas:

Thank you, Chair, Commission. Appreciate it.

Chair Yeager:

Okay, so that takes us to <u>agenda item V-D</u>, and this is where the bulk of the regulations live that we will be considering today. We have, I believe, 54 different regulations submitted for approval under NRS 233B.067 (<u>Agenda Item V-D</u>). These regulations are all contained in the binders provided to all the members today and also posted on the Nevada Legislature's Website. As is our usual practice, I'm going to let you know the regulations I have previously been asked to hold for questions, and then after I identify those, I'll ask Commission members if there are other regulations you would like me to pull for discussion. Once we pull all of those out, we'll take one motion and approve the remaining regulations before coming back to each of the regulations that have been pulled one at a time to discuss each of those. If you have your sheet in front of you, I'll just go through in order and tell you the ones that have been pulled so far for discussion.

The very first one, R024-20 has been pulled for discussion. I'm going off of the sheet that was in the binder, and I think it's the same one that's in the packet (Agenda Item V-D). We'll skip forward a few regulations. The next one to be pulled is R075-21. That's R075-21, Department of Motor Vehicles. The next one is R129-21. That's the Commission for Common-Interest Communities and Condominium Hotels. Again, that's R129-21. The next one would be R009-22, the State Board of Health. Again, that's R009-22. Next up, R037-22, State Board of Health. That's R037-22. Skipping ahead a few, the next one would be R082-22, the Nevada State Board of Veterinary Medical Examiners. Again, that's R082-22. Going to the next page, towards the bottom there, the next one would be R092-22. That's the Committee on Local Government Finance. Again, that's R092-22. The next one is R094-22, State Board of Health. That's R094-22. We'll skip one, and the next one to be pulled is R096-22, the State Forester Firewarden, R096-22. Then there's a group of three that we're going to pull. That's R104-22, State Environmental Commission, R104-22. Then, we're going to pull the next two on the list as well, R109-22, which is State Environmental Commission, and R112-22, State Environmental Commission. We'll skip one, and we'll go to the next page at the very top. We'll pull R115-

22 from the State Environmental Commission. Again, that's R115-22. We'll skip a few, and the next one for pulling is R163-22, the Commissioner of Insurance. That's R163-22. Going to the next page, the final one that I have is about halfway down, R183-22, from the State Fire Marshal. That's R183-22.

Those are what I have so far that I've been notified before the meeting or during the meeting that members would like to discuss. I'll ask if there are any additional ones to be pulled, and I'll start here in Las Vegas. Would anyone like any of the other regulations to be pulled for discussion? I'm not seeing anyone here in Las Vegas. How about in Carson City? Any additional regulations to be pulled for discussion?

Senator Hansen:

Mr. Chair? R077-21, was that on the list? If not, I want to put it on, and then there was—

Chair Yeager:

Hold on one second. That was not on, so that's—you wanted to pull R077-21, correct?

Senator Hansen:

Yes, that's the pest control one. Yes, that's the one.

Chair Yeager:

Okay, we will pull that one.

Senator Hansen:

Then, R124-21. R124-21 was pulled?

Chair Yeager:

It was not pulled yet, so we'll add that. That's the Nevada Physical Therapy Board?

Senator Hansen:

Correct.

Chair Yeager:

I don't think we had those two, but we will add those to the list.

Assemblywoman Dickman:

Chairman Yeager, we were notified that that one was pulled by the Physical Therapist Board.

Chair Yeager:

Thank you, Assemblywoman Dickman. You are correct, that was pulled by the Board, I believe. Let me just confirm that to be sure. Okay, thank you. I have confirmed that. Thank you for the reminder on that. R124-21 was withdrawn by the Board, so that will not be considered today at all. It will not be in front of the Commission, so I apologize for that, but go ahead and scratch that one off on your list, and we'll likely see that at the next Legislative Commission meeting after some issues get worked out. Anyone else with anything to pull? Okay, I don't hear anyone else with any of them to pull. I don't think I have to go through that list again unless Counsel—no, Ms. Erdoes told me I don't have to go through that list a second time. At this time, I'd be looking to take a motion to approve the remainder of the regulations that have not been pulled.

ASSEMBLYWOMAN MONROE-MORENO MOVED TO APPROVE REGULATIONS R164-20, R026-21, R038-21, R048-21, R056-21, R068-21, R001-22, R007-22, R010-22, R048-22, R059-22, R061-22, R079-22, R083-22, R087-22, R088-22, R089-22, R090-22, R093-22, R095-22, R102-22, R103-22, R114-22, R116-22, R155-22, R161-22, R173-22, R174-22, R175-22, R178-22, R179-22, R180-22, R181-22, R184-22, R186-22, R187-22 AND R191-22.

SENATOR CANNIZZARO SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

Chair Yeager:

All of those regulations are approved. Before we—normally we start at the top, but I did want to go ahead and—four of the regulations that were pulled, and I'll go ahead and list those, we can take together with one motion after we just have Assemblyman Hafen make a statement on the record. We're going to examine R104-22, which is State Environmental Commission, at the same time as R109-22, also from the State Environmental Commission, R112-22, the same agency, and R115-22 (Agenda Item V-

D). I believe, Assemblyman Hafen, you had a statement that you wanted to make before we took a motion on this item?

Assemblyman Hafen:

Thank you, Mr. Speaker. I just want to put on the record that in my private capacity I am employed as the General Manager of Pahrump Utility Company, which is a corporation wholly owned by HRD, Inc. HRD, Inc. is a Nevada corporation which majority stock ownership is held by members of my family related within the third degree and myself. Therefore, I have a significant pecuniary interest in my private employment for the utility, my associated stock ownership and my co-owners of HRD, Inc., which are relatives within the third degree, and the utility as my employer pursuant to NRS 281A. These regulations, the four that were listed, propose to increase certain fees to water utility companies such as Pahrump Utility Company. Therefore, in an abundance of caution, I will be abstaining from these four items. Thank you.

Chair Yeager:

Great. Thank you so much, Assemblyman Hafen. With that, I would take a motion to approve those four regulations.

ASSEMBLYWOMAN MONROE-MORENO MOVED TO APPROVE REGULATIONS R104-22, R109-22, R112-22 AND R115-22.

SENATOR CANNIZZARO SECONDED THE MOTION.

THE MOTION PASSED (ASSEMBLYMAN HAFEN ABSTAINED).

Chair Yeager:

That knocked a little group out for us. At this time, we'll go ahead and go to the top of the list and we will start with consideration of R024-20, Division of Child and Family Services of the Department of Health and Human Services (<u>Agenda Item V-D</u>). It looks like we have some folks coming to the table in Carson City. Senator Hansen, I believe you had a question on this one?

Senator Hansen:

Actually, part—thank you, Mr. Chair. Part of it was answered. One was how come we're hearing it when it's more than 2 years old? Two question was why now, for a bill that was passed in 2017, are we just getting the regulations? I have a couple other little questions. I don't know if those are really questions for you guys to answer, but because there was an extension given, I wasn't aware of that, so my apologies for bringing that to the table, but if you do want to answer that, I'm curious as to why it's taken so long to get these regs done.

Leslie Bittleston (Social Services Chief, Division of Child and Family Services, Department of Health and Human Services):

Good afternoon. Leslie Bittleston, Chief of the Juvenile Justice Programs Office within the Division of Child and Family Services (DCFS). This regulation is a very large regulation that outlines all of the requirements for juvenile justice stakeholders to submit data to DCFS. The last time that this regulation was enacted was in 1996. The passing of AB 472 required regulations to be done with NAC (Nevada Administrative Code) 62H. However, due to the size of the regulation, it was a complete rewrite that took the state close to 2 years to rewrite it before it was submitted to LCB for the process.

Senator Hansen:

That's a good explanation, seems completely reasonable. The other question, just maybe because of the size of it and because it hasn't been updated since '96, it seemed excessively onerous. When I went through the list, it was like, good grief, you guys have to list stuff that was never required in the past and broken down about 50 different categories. I got the distinct impression that it was almost like you guys were on the hot seat, as if it was your fault that kids were being incarcerated. Section 6 and section 13 especially seemed really onerous to me. I don't know, that's just kind of a general statement after reading this thing. It was kind of like the whole anti-cop thing came down on your head too and you guys have to now jump through some really, in my opinion, excessive hoops to supply all sorts of information that, in the past, you certainly weren't required to supply.

Cindy Pitlock (Administrator, Division of Child and Family Services, Department of Health and Human Services):

Thank you for the question, Chair. Cindy Pitlock, Administrator, Division of Child and Family Services. Thank you for noticing that. I don't know that I agree or disagree, but I can certainly say that all of the stakeholders participated in two public workshops and three public hearings, and we really had great engagement and all came to a consensus

of what we really wanted to see in a regulation moving forward. It's our pleasure to provide information and reporting information to this body and any other body that is entitled to that information. Is it onerous? I don't know. Maybe it is, maybe it isn't, but we're happy to serve, and I think this was a process that was embraced by teams and teams of people that we all came to consensus and we're happy to move it forward. I'd also like to thank this body for granting us the extension on September 27, because COVID really did get us, and we're happy to move it forward. With your permission—

Senator Hansen:

Okay, well that's a very good explanation for an unfortunate situation for you guys. I got it. Last question: definition of a child is still, what, under 18 years of age under Nevada law, for you guys?

Ms. Bittleston:

Yes, we use NRS 62A.030, so that is still the NRS that defines child.

Senator Hansen:

Okay, I was just wondering, because when we talk child, my mind is a little kid. Once you hit 16, 17, 18, call them a child, I understand for legal reasons, but mentally for somebody that reviews these regulations, many cases you're dealing with some fairly hardened criminal kids that are 17 and a half, 18, right on that border. Thank you, Mr. Chair, for your indulgence.

Chair Yeager:

Thank you, Senator Hansen. Any additional questions on this regulation? Hearing no additional questions, I'd be looking for a motion to approve.

ASSEMBLYWOMAN MONROE-MORENO MOVED TO APPROVE REGULATION R024-20.

SENATOR CANNIZZARO SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

Chair Yeager:

That takes us to the next regulation for consideration, which is R075-21, the Department of Motor Vehicles (<u>Agenda Item V-D</u>), and hopefully we have somebody with us to speak on that. I can't tell—there, I see someone coming to the table in Carson City. I'm not sure who had a question on this one. I don't think it was anyone in Las Vegas, but hopefully it was somebody in Carson City. Senator Goicoechea, did someone have a question?

Senator Goicoechea:

Yes, Assemblywoman Hansen.

Chair Yeager:

Oh, great. Thank you.

Assemblywoman Alexis Hansen (Assembly District No. 32):

Thank you, Chair. Thank you for being here. I actually—not so much a question as I do want to clarify. The regs are lowering the fees, if I've got that right. They dropped it down, which I think is a good thing. I wasn't a fan of this bill, but I do see that the fees have gone down, so am I correct on that? They went from \$10 to \$2 for the inspector and then from a third to a fourth time for registration, is that correct?

Martin Hefner (Division of Research and Project Management, Department of Motor Vehicles):

Thank you for the question. Martin Hefner with the Research and Project Management Division of the Department of Motor Vehicles. Yes, Assemblywoman, you are correct.

Assemblywoman Hansen:

Great, well thank you for—thank you, Chair, for letting me pull this one just to clarify that, and I'll be in support of the reg even though I wasn't a fan of the bill. Thank you.

Chair Yeager:

All right, thank you. Additional questions before we take a motion? I don't hear additional questions. I would take a motion.

ASSEMBLYWOMAN MONROE-MORENO MOVED TO APPROVE REGULATION R075-21.

SENATOR CANNIZZARO SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

Chair Yeager:

Thank you for being here. That takes us next to R077-21, the Director of the State Department of Agriculture (<u>Agenda Item V-D</u>), who I think looks like we have on Zoom. Thank you for joining us, and again, I think the question was from either Senator or Assemblywoman Hansen, so we'll go up there for the question on this regulation.

Senator Hansen:

Actually, it was Senator Hansen. Thank you, Mr. Chair. On the pest control stuff—I'm sorry, somebody there? Yeah. The question I had was, in the regulations you have to have this license. Is there an exemption—I couldn't find it—for federal people, specifically wildlife services? I notice in there you mentioned this on existing regs. There were several things that I'm just wondering are we sure that we're not overlapping, trying to make the federal guys get state licenses or something with this?

Meghan Brown (Deputy Administrator, Division of Plant Health and Compliance, State Department of Agriculture):

Good afternoon. Meghan Brown, Nevada Department of Agriculture. I am the Deputy Administrator for the Plant Health and Compliance Division. I also have Bret Allen, who is the Program Manager for that program. If there is more specific questions that you have, Senator, there is regulation for operators and licensees for government operators, so that could be county government or federal BLM (Bureau of Land Management), forest service, that type of thing that would do applications if they were going to be using restricted-use pesticides. Is that what you were asking, or—

Senator Hansen:

Yes, actually. We are requiring wildlife services, for example, to get a state agricultural license to use—like, for example, I know they use a poison, I think it's 1339, to poison ravens. Would that fall under this pesticide category, for example?

Ms. Brown:

I will defer to Bret Allen.

Bret Allen (Environmental Programs Coordinator, Division of Plant Health and Compliance, State Department of Agriculture):

Correct. We just updated the testing standards. It's still the same certificate. It'll still allow those applicators to do that type of treatment with just that—regulation. Again, we just adopted the new federal standard, so they will only have to get the state certificate and it still will allow them to use that product.

Senator Hansen:

Okay, I'm still just a little confused on what this is intended to do. Normally—so in the past, they've always had to get a state license to do predator control type things?

Mr. Allen:

Correct. If the product is a restricted-use pesticide, that is correct, yes.

Senator Hansen:

Okay. Next question: on the pesticides themselves—for example, in the Reno-Sparks area there are a bunch of little pest control companies that go and kill pigeons and skunks and raccoons in people's attics and stuff like that. Is there anything in this that would require them to get a license from you guys? After reading it, I'm not sure. What's the definition of pests, pesticides and whether it applies to vertebrates, like a skunk or a pigeon or something?

Mr. Allen:

Yes, they do have to get licensed with the Department of Agriculture to do that type of work, that custom pest control work for hire. They must study and get qualified. Primary principals, which are usually the business owners, they must get a background check per the state regulations. They must be licensed through us to show competency that they

know what they're doing with those chemicals. So yes, a pesticide is a substance or mixture of substances used to treat, mitigate, control or destroy any pest. Yes, they need to get licensed, and that did not change. Mostly what changed through R077-21 were the testing standards. Again, we're just meeting that federal regulation that was recently updated. In the past, yes, they were required to get licensed. That is still the same. Testing standards were adjusted a little bit and that's where we're meeting that federal requirement.

Senator Hansen:

Okay. I was unclear. It's already an existing pattern. I wasn't aware of that. I just want to make sure we're not adding a new layer of laws and so forth that we have to get. That's all my questions. Thanks, Mr. Chair.

Chair Yeager:

Thank you, Senator. Additional questions? Hearing no additional questions, how about a motion?

ASSEMBLYWOMAN MONROE-MORENO MOVED TO APPROVE REGULATION R077-21.

SENATOR CANNIZZARO SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

Chair Yeager:

That takes us next to R129-21, the Commission for Common-Interest Communities and Condominium Hotels. Committee members, I will alert you—if you didn't notice, I think the original materials we received a while back had an incorrect version of the regulation, so there should be a correct version on your desk (<u>Agenda Item V-D</u>). I believe that was emailed to Commission members as well, so you'll just want to make sure you are working off of that one when it comes to the questions. I'm not sure who it was—I think it was someone in Carson City who had a question. When you're ready, just please go ahead and ask the question. We have our presenter down here in Las Vegas, if you can't tell on the screen.

Senator Hansen:

All right, Mr. Chair. Everybody's kind of got the same feelings about it, I think. A couple of questions. One would be just a general statement. The HOA (homeowners association) regulation—there are 3,600 HOAs now in Nevada with 600,000 units. Mr. Chair, as you know since you and I shared the Chair of Judiciary, that HOAs are the issue from hell when it comes to us, and I want to put a little plug in too since you're going to be the Speaker—congratulations—that we make a concerted effort to push this back down to the county and city levels where it properly belongs. The question I had though was, besides the 48 pages of regulations, the Ombudsman's Office—is anybody here from the Ombudsman's Office to answer any questions? Nope.

Chair Yeager:

Yes, Senator, we do have someone down here in Las Vegas. If you have questions, you can go ahead and ask them and we'll see if we can get them answered.

Senator Hansen:

Okay, well that's the first question. Is anybody from the Ombudsman's Office here, and what is the current staffing level of that Office, because if you have 600,000 units to look after and 3,600 separate homeowners associations, you've got a big project on your hands.

Sharath Chandra (Administrator, Real Estate Division, Department of Business and Industry):

Good afternoon, Mr. Chair, members of the Committee. Sharath Chandra, Administrator for the Real Estate Division. The Ombudsman's Office rolls under the Nevada Real Estate Division, so as the Administrator I can answer those questions. The Ombudsman's Office is staffed. The staffing, as you probably already know, comes from a door fee that we collect per unit, and as the associations grow so does some of the revenue coming in. But what we try to do is be cognizant of how much we collect and how much we have budgeted for staffing and all those. Yes, it is a lot, but again, you have to understand there's, like you said, 600,000 people, but the issues are kind of limited to when people have problems with their associations or those kind of things. The Ombudsman's Office—the way we look at it is like a filter. The Ombudsman's Office uses whatever resources they have when they're looking at the regulations or the statutes and helping them navigate through them, working with the associations, working with the community managers and kind of resolving those problems, and if there is something that happens that is serious enough, then that's referred to the compliance section. We've got a compliance section with a chief and five compliance section investigators that take those

matters further, so that's really kind of how that works. We've also got an ADR (alternative dispute resolution) program, and we've also got an informal conferencing program, and then of course there's the seven-member CIC (common-interest communities) Commission that eventually would decide on some of these disciplinary actions if it does get to the Commission. It is a lot of work, it's a lot of triage, and we appreciate the support, but we've got competent staff. But like any other state agency, I think right now we're struggling with staffing, and that vacancy rate is reflective of that—but other than that, we've added one or two positions in the last session, and so we may eventually look to it, but for right now I think we're okay. Thank you.

Senator Hansen:

Thanks, and the only problem with your answer is it's not 600,000 people, it's 600,000 units, probably an average of, what, two to three people, so you're talking well over a million people that you guys get to deal with the HOA issues, so it's a very large problem. Mr. Chair, my biggest concern frankly is these guys are overwhelmed, and then so much of that falls back on us because they have to get our approval, and we meet for 4 months every 2 years. We need to get this down to the county commissions, to the city councils and let them deal with these where they can respond in a much more timely fashion. Thanks, Mr. Chair.

Chair Yeager:

Thank you, Senator Hansen. Are there additional questions on this particular regulation? Senator Hansen, I will say we do have some of our county folks down here in the audience, and I was trying to gauge their reaction to your suggestion, but they're very poker-faced about how they feel about that suggestion. We shall see.

Senator Hansen:

Mr. Chair, I am very aware of that, and that's where you as a brave Speaker needs to step up to the plate.

Chair Yeager:

I will put that in my list of advice that I have received, which as you can imagine has been quite numerous at this point. Okay, I don't think we have additional questions. Would anyone like to make a motion on this regulation?

ASSEMBLYWOMAN MONROE-MORENO MOVED TO APPROVE REGULATION R129-21.

SENATOR CANNIZZARO SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

Chair Yeager:

Thank you for being here today and thank you for your patience. Okay, moving right along to the next page, up next we have R009-22, the State Board of Health (<u>Agenda Item V-D</u>). I believe we have a question on this one from Assemblyman Hafen, perhaps, or it could be Assemblywoman Dickman. I'm not sure which one—or both?

Assemblywoman Dickman:

It could be Assemblywoman Dickman.

Chair Yeager:

If you want to start up there, Assemblywoman, please go ahead.

Assemblywoman Dickman:

Okay, thank you. In reading this, I found it a little disconcerting, some of the wording changes, because I think they substantially changed the threshold for involuntary medication of citizens. Where it used to say "is unable to care for himself or herself," it's being changed to "is at serious risk" of incurring injury and so on. It just seems to me that that removes a requirement and replace it with potentially a hypothetical situation whereby just about anyone could be force-medicated, and I would just like to understand why this language changed.

Jo Malay (Deputy Administrator, Division of Public and Behavioral Health, Department of Health and Human Services):

Good afternoon, Chair and members of the Commission. I'm Deputy Administrator at the Division of Public and Behavioral Health. What this proposed—the changes around these regulations were actually that those individuals that have been actually court-ordered admitted to a public or private mental health facility is for the administration of medication to them. What the clarifying language that you just mentioned really did was clarify for the providers exactly what is the criteria for administration of medication. It actually gave more

definition to what harm to self or others would include. Before it was felt it was too generalized and actually that being too generalized the language would mean that those client rights may come into question. It had to have clarifying language of what actual serious harm to self or others really included. That's why the neglected basic needs for food, clothing, shelter, for personal safety further defined what serious harm to self or others included.

Assemblywoman Dickman:

Well, thank you for that explanation. I would just say though that the use "at serious risk of" is pretty open to someone's interpretation as opposed to "is" these things, but anyway, thank you.

Ms. Malay:

Thank you for that question. Do you want me to further clarify or are you okay? Okay, thank you.

Assemblywoman Dickman:

Well, I think I have to be opposed to this unless you can give me some clarification as to the difference between being at serious risk or actually being something.

Ms. Malay:

I think what I can offer to you is the explanation that the team of evaluators, psychiatrists, psychologists and others for the treatment team of someone who is court-ordered. They must provide testimony to why this individual needs involuntary administration of medication and also why they meet the criteria for a court-ordered admission to a facility. It also—not only is it a clinical decision, but it has to be court-approved as well during the hearing for involuntary admission to a hospital.

Assemblywoman Dickman:

Thank you, and thank you, Mr. Chair.

Chair Yeager:

Thank you. I think that was just going to be my clarifying question, and I think you answered it, but just so it's clear, we're not—through this regulation, you're not changing the necessity to have judicial approval for this process? You're perhaps trying to clarify

what the standard is, but the individual in question is still going to have the due process of a court hearing and a judicial determination?

Ms. Malay:

Absolutely, Thank you.

Chair Yeager:

Okay, thank you. Assemblyman Hafen?

Assemblyman Hafen:

Thank you, Mr. Speaker. When the statute came forward to Health and Human Services, I had some concerns with the involuntary medication of individuals, because the original language in the regulations I think was unclear. In the portions that we're striking is "unable to care for him or herself," and now we're actually giving a little bit of a better definition of what those circumstances are. I think that the practitioners need that, so I do appreciate the fact that we're making it to where it's a serious risk based on complete neglect. I just want to clarify that we're really making this more stringent and clarifying it. Again, I had serious concerns when this came forward during the Health and Human Services Committee because it wasn't very clear. I just want to clarify that that's where we're going is we're trying to clarify things that it has to be, as the Speaker said, a judicial order and they have to be at serious risk for complete neglect and trying to clear up when a practitioner can do this.

Ms. Malay:

Yes, that's exactly the intent. In fact, during public workshops when we met with the Nevada Psychiatric Association, the providers really did request for more clarification on specificity of what neglect and safety and inducing harm to self or others really meant, so this helps with that language. We also had advice from the Nevada Disability Advocacy Law Center and the Nevada ACLU (American Civil Liberties Union) on that as well, that it really did help define and clarify what harm to self or others really meant.

Assemblyman Hafen:

Thank you, and I do appreciate the additional limitations being placed on there so it's not so ambiguous, so thank you for that.

Chair Yeager:

Additional questions on the regulation? Hearing no questions, how about a motion?

ASSEMBLYWOMAN MONROE-MORENO MOVED TO APPROVE REGULATION R009-22.

SENATOR CANNIZZARO SECONDED THE MOTION.

THE MOTION PASSED (ASSEMBLYWOMAN DICKMAN VOTED NO).

Chair Yeager:

Thank you to our presenters for being here. That will take us now to R037-22 (<u>Agenda Item V-D</u>). This is also a State Board of Health regulation, and I believe Assemblywoman Hansen had a question on this one, once we get our presenter here. I can't tell if there is someone in Carson City or on Zoom, so if you're here for that regulation—here we go. It looks like we have Zoom firing up. Thank you for being here. Thank you for your patience. Assemblywoman Hansen, did you have a question on this one?

Assemblywoman Hansen:

I'm sorry, Chair, which regulation are you calling out?

Chair Yeager:

This is R037-22, the State Board of Health for the programs of treatment for persons who solicit prostitution.

Assemblywoman Hansen:

Oh, I'm sorry, Chair. I should have clarified through our representative. I'm good now. I got my guestions answered offline. Thank you.

Chair Yeager:

Okay, no problem at all. Let me just ask, are there any other questions on this regulation? Okay, I don't see questions. How about a motion?

ASSEMBLYWOMAN MONROE-MORENO MOVED TO APPROVE REGULATION R037-22.

SENATOR CANNIZZARO SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

Chair Yeager:

Thank you to our presenter for your patience this afternoon. Okay, we're moving on to the next page. We have up next—actually the next couple of pages. All right, next up we have R092-22, the Committee on Local Government Finance. Did I miss one? Stand by for one second. I think my pages are out of order. Okay, scrap that for a second. I skipped one. We're going to go to R082-22, which is Nevada State Board of Veterinary Medical Examiners (Agenda Item V-D). Hopefully we have somebody either on Zoom or in Carson City, because I don't see anyone coming forward here in Las Vegas.

Senator Goicoechea:

We've got one in Carson, it looks like.

Chair Yeager:

Okay, thank you, Senator. It's hard to see. The screen is very small and I'm getting old and my eyesight's not what it used to be. I think we had a question from—was it Senator Hansen on this one?

Senator Hansen:

Thanks, Mr. Chair. It was. It deals with section 14 where they change the definitions of what is considered chiropractic services that are allowed to be performed by, I guess, a non-veterinarian. What's the reason for this change in regulation? Seems like it's getting

much more onerous on people that want to do chiropractic on horses or whatever. What's the reasoning behind it?

Jennifer Pedigo (Executive Director, Nevada State Board of Veterinary Medical Examiners):

Thank you. I'm the Director with the Nevada Veterinary Board. The definition was the update to the changes were brought to us by animal chiropractors. They wanted a more accurate description of their practice. The previous definition was very short and specific to the treatment that was included, specifically musculoskeletal disorders. The intent was just to update it more in line with the practice of animal chiropractic. It doesn't change any of the licensing requirements or anything like that.

Senator Hansen:

You had people who were the animal chiropractors, I guess they're officially called, or horse chiropractors or whatever?

Ms. Pedigo:

Animal chiropractors, yes.

Senator Hansen:

They did testify in favor of this change?

Ms. Pedigo:

They requested that we revisit—the definition had been some couple years—

Senator Hansen:

Okay, that answers that. Thank you. Then, a deletion in section 13. You removed "except one used only by a veterinarian whose practice is limited to large animals." They're now included in that regulation. What was the reasoning behind that? Section 13, number 1, it says "in addition to the requirements of NAC...a mobile clinic except," and this is the current law, "except one used only by a veterinarian whose practice is limited to large animals." Now you've eliminated that exemption. Why?

Ms. Pedigo:

Thank you. The intent of that and the clarification changes that were made in this section are based in the creation of the mobile clinic definition. When it was first created, the intent was that—the idea was that they would be full-service mobile clinics. What happened in actuality was, as more popular now, it's a sole vehicle that travels to locations, homes, ranches, etc., to give services. The reason for the deletion is not that it's an exemption—I'm sorry, I'm still trying to find it as I'm speaking. You said section 13?

Senator Hansen:

Thirteen, number one.

Ms. Pedigo:

Again, that doesn't change or it doesn't eliminate the requirement that a veterinarian who has a solely mobile practice has to receive a registration with our office. It just clarifies later in the additions that the treatment site with a vehicle, a truck, is different from, say, a full-service mobile clinic.

Senator Goicoechea:

Mr. Chair, if I could follow up on that? Just maybe I can clarify it a little bit. Clearly this would not—most of these vets have a vet pack on which would—i.e. if they're doing—testing or fieldwork, again, this would not impact them at all. This is only to the extent that they are using this mobile unit as a treatment center as well as a treatment site. Technically you're not supposed to spay and neuter on the tailgate.

Senator Hansen:

I guess that makes sense. So as far as you know, the vets are okay with that? The large animals vets, because your son is the main one in the state.

Senator Goicoechea:

Again, maybe I should abstain from voting on this particular reg, but no, I think that's the clarification. Clearly they all run vet packs, and again, I think as you get farther into it, clearly if it's something that's necessary to save the life of the animal then again it can be done with a vet pack and not actually violate this law or this reg. Thank you.

Senator Hansen:

Thanks, Mr. Chair. That clarifies it for me.

Chair Yeager:

Thank you. Any additional questions? So far Senator Goicoechea has the quote of the meeting, I think. "Technically no spaying or neutering on the back of the tailgate," in case you weren't listening. Any questions, and if not, I would take a motion.

ASSEMBLYWOMAN MONROE-MORENO MOVED TO APPROVE REGULATION R082-22.

SENATOR CANNIZZARO SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

Chair Yeager:

Thank you for being here to answer questions, and let's make sure I get on the right page now. We're going to go next to—now we're going to go to R092-22, the Committee on Local Government Finance (<u>Agenda Item V-D</u>). I see we have someone joining us on Zoom, and I think, Senator Hansen, I believe I had you down for a question on this one as well.

Senator Hansen:

Actually, I had one on R088-22 that was also blocked out. We can swing back to it if you want, Mr. Chair.

Chair Yeager:

We did not pull that one.

Senator Hansen:

We didn't?

Chair Yeager:

We did not.

Senator Goicoechea:

I believe it was pulled right at the end on the last—at least, that's what I had. He tried to pull it. I know he requested it.

Chair Yeager:

R088-22, do you guys have that? Well, my folks down here are saying that one was not pulled.

Senator Hansen:

Okay, well, you can swing back to it, Mr. Chair. We'll go to 92. The 88 one's a real simple question, so I don't know if the regulatory people are still here for that one or not, but my apologies. I thought we did pull it. You want to go to R092-22? All right, let me jump to that real quick, and that one was—is that the music therapy one? I'm sorry, Mr. Chair, what one are we on again?

Chair Yeager:

Ninety-two.

Senator Hansen:

I got it. My apologies, I'm trying to remember what I was asking here. Oh, this is the one, Mr. Chair—I'm not sure if an agency guy's here or not. This is the one where if they have money in a school account that it has to be transferred back to the state if it's greater than 16.6 percent threshold. Is that from statute, or where did the 16.6 come from?

Chair Yeager:

This might be a question for Legal. I believe it is in statute but, Mr. Killian, do you have any thoughts you can provide on that question?

Mr. Killian:

Thank you, Mr. Chair. Yes, it's NRS 387.1213, subsection 1, that requires budgeted ending fund balance—or any amount of money that exceeds 16.6 percent of the budget

ending fund balance of a school district to be transferred to the Education Stabilization Account in the state education fund. I believe this regulation is just making the regulations of the Local Government Finance Committee match that statutory requirement.

Senator Hansen:

Okay, it was statutory. That's what my question was. Thanks, Mr. Chair.

Chair Yeager:

Thank you. Are there additional questions on this particular regulation? Hearing none, seeing none, how about a motion?

ASSEMBLYWOMAN MONROE-MORENO MOVED TO APPROVE REGULATION R092-22.

SENATOR CANNIZZARO SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

Chair Yeager:

We will next go to R094-22. This is the State Board of Health, implementing provisions of AB 330 relating to the practice of music therapy (<u>Agenda Item V-D</u>). Senator Hansen, I believe I had you down for a question on this one.

Senator Hansen:

Yes. Thanks, Mr. Chair. This has been a pet issue of mine from the beginning of this. The idea that we actually have to license people to do music therapy in a doctor's office—I know Assemblywoman Dickman, for example, is a phenomenal harp player, but if she's not licensed, she could be—under this new regulation she could be potentially prosecuted for practicing music medicine without a license. I oppose this. I'm going to vote no on this simply because this is ridiculous that people who are going to play guitars in a doctor's office or something have to be licensed in the first place. Secondly, that there is some sort of potential public health threat in this is just embarrassing, frankly. Just wanted to get that on the record. If somebody wants to come to a doctor's office and play music and

they somehow don't have the proper licensing, which shouldn't exist in the first place, I think it's an embarrassment to the state that we actually license and force people to do this and then punish people who play musical instruments in a doctor's office, for example. Just crazy. Thank you, Mr. Chair.

Chair Yeager:

Well, thank you, Senator Hansen. I'm not sure if there was a question, but I'll certainly give our presenter a chance to respond to those or offer any insight you'd like.

Leticia Metherell (Health Program Manager, Division of Public and Behavioral Health, Department of Health and Human Services):

Hello. These regulations were moved forward—the first portion were because of a requirement in 622.087, although I believe that the sections you referenced are the other sections. NRS 640D.010 is a legislative declaration that noted the practice of music therapy is hereby declared to be a learned allied health profession affecting public health, safety and welfare and subject to regulation to protect the public from the practice of music therapy by unqualified and unlicensed persons and from unprofessional conduct by persons who are licensed to practice music therapy, so we have a legislative obligation to regulate music therapists.

Chair Yeager:

Do we have additional questions?

Assemblywoman Dickman:

Question, Mr. Chair?

Chair Yeager:

Oh, go ahead.

Senator Hansen:

Mr. Chair, I just have a question if I could?

Chair Yeager:

Okay, why don't we go to Assemblyman Hansen if it's a follow-up. We'll go to you first and then we'll go to Assemblywoman Dickman next.

Senator Hansen:

Assemblyman Hansen or Senator Hansen?

Chair Yeager:

I knew I was going to do that at least once.

Senator Hansen:

Well, here's my question, okay. If you read through this whole thing, basically somebody practicing without a music therapist license will be investigated. What is the penalty if they continue to provide music therapy without a license? I didn't see the actual penalty portion in this. Is there a criminal—sorry, go ahead.

Ms. Metherell:

I'm sorry. The penalty portions are not addressed in those, they are actually addressed in NRS 640D.220 talks about penalties, then in NRS 640D.230 says a person who violates the provisions of this section is guilty of a misdemeanor, so that criminal charge is a statutory requirement, and then I believe that there are also penalties in regulations, but I wanted to point out the statutory sections. Let me find the penalty in the regulation. It would be an existing regulation. It's not being changed here. I'm just going to look up the Administrative Code here for the penalties in the Administrative Code, but you saw that the misdemeanor was actually a statutory—

Senator Hansen:

Okay, well that's fine, I just—in theory, if Assemblywoman Dickman was playing her harp in my doctor's office and somebody who was licensed came and complained about it, they could actually file a complaint with the Attorney General's Office or the local district attorney and, being somewhat of an independent spirit, she refuses to get licensed before she wants to play her harp in a doctor's office, she could face, what, a misdemeanor, 6 months in jail, a \$1000 fine? This is crazy. Anyway, I'm sorry. I don't mean to be harsh on you. It was an NRS that got passed, but it's just crazy. This is really, really out there. You're going to punish people, potentially have the Attorney General or district attorney going after somebody for playing music in a medical office. Crazy. Thanks, Mr. Chair.

Ms. Metherell:

One of the reasons why I did—oh, sorry.

Chair Yeager:

I was just going to note that I had a chance to look up the legislation. Assembly Bill 330, sponsored by Assemblyman Ellison, and it was unanimously approved by both houses of the Legislature. I certainly understand there may be an issue with the regulation, but I don't know that any of this was raised at the time that the bill was heard and passed, but we are here now and certainly can raise—

Senator Hansen:

Mr. Chair, you're mistaken. It wasn't John Ellison, and it wasn't unanimous because I remember voting against it. This was a big no.

Chair Yeager:

Senator, I'm looking at Assembly Bill 330 of 2021, and it's John Ellison and it's unanimous.

Senator Hansen:

Well, there's some confusion on this then, but bottom-line is I definitely—if I did, it was a big mistake and we are going to absolutely go back and readdress that. Nobody should get in trouble for playing musical instruments in a doctor's office—sorry—or have to get a license, for that matter.

Assemblywoman Hansen:

Mr. Chair, it's Assemblywoman Hansen. If I could ask a clarification question?

Chair Yeager:

Please.

Assemblywoman Hansen:

Yes, the bill you're addressing was Assemblyman Ellison's. I thought that was an occupational licensing bill. In my memory somewhere there was an original musical therapy bill. I wasn't an elected official then. I think it was like in 2013 when musical therapy was originally licensed. Maybe we could ask Legal to look that up, if that's what this goes back to originally, because I know it did not start in 2021. It looks like it was SB (Senate Bill) 190 in 2011. I think that was maybe what Senator Hansen was referring to. In regards to that legislation and the regs addressing musical therapy, that I think is what I'm having an issue with.

Senator Goicoechea:

I believe the original bill was brought by my good friend Senator Hardy, and I for the record did vote against it. Thank you.

Chair Yeager:

I think we still—Assemblywoman Dickman, did you still have a question? We haven't gotten to you quite yet. Please, go ahead.

Assemblywoman Dickman:

Thank you. I sort of do, although some of it was clarified with Senator Hansen's questioning. I don't see the connection in this bill to music therapy. Isn't this general occupational training and licensing? Why is this reg so specific to music therapy? My other question kind of would be an exact definition of what music therapy is. I play the harp at nursing homes a lot, but I don't claim to be treating them medically. That was a question. What's the connection between this general occupational therapy bill and music therapy specifically?

Ms. Metherell:

Sorry. NRS 622.087—so I want to clarify there's two components here, and the component addressed by AB 330 is the first section. It's not the parts about the complaints where the concerns were expressed, so I think there was a little confusion there. Then, 622.087 does note that each regulatory body shall adopt regulations to effectuate the purposes of this section, and so we were required to move the regulations forward regarding that, which is addressed in section 1. But you are correct; the other sections would go further back and aren't related to AB 330.

Assemblywoman Dickman:

Thank you. I guess I'll get clarification somewhere as to what exactly music therapy is, but appreciate it.

Ms. Metherell:

Music therapy is defined in the statute as well. Music therapy services, music services, a licensee is authorized to provide pursuant to NRS 640D.150. Yes, somebody just playing music wouldn't be considered music therapy. The authorized services are listed in

640D.150. I don't know if you want me to read them to you, but there they are. That would provide guidance on that.

Assemblywoman Dickman:

Thank you, I appreciate that. I'll read it myself.

Chair Yeager:

Okay, it looks like we do have a question down here from Assemblywoman Monroe-Moreno.

Assemblywoman Daniele Monroe-Moreno (Assembly District No. 1):

Thank you, Mr. Chair. I just wanted further clarification. The regulations that we're looking at today would be for anyone that would be hiring themselves or be offering their services as a therapist. It would not apply to anyone who's just a musical artist, correct? Thank you.

Ms. Metherell:

Correct.

Chair Yeager:

Okay, are there any other questions? I don't see other questions. Okay, we do have one from Assemblyman Hafen. Please.

Assemblyman Hafen:

Thank you, Mr. Chair. If I understand correctly, section 1 is coming from Assembly Bill 330, which was passed unanimously in both houses, but the—it sounds like the concern is coming from sections 2 and 3, which I believe we heard is coming from much older legislation. I'm just curious, and I think somebody might have mentioned as early as 2013, why we're hearing this now almost 10 years after that legislation was approved.

Ms. Metherell:

Those were actually addressed much sooner in existing language. NAC 640D.200 and NAC 640.210 do exist. This is an amendment to existing language, so it's not new language being—the changes are, but it's not the whole new concept there. NRS 640D.160, complaints—does deal with complaints and having to deal with complaints.

The original language had noted upon receipt a complaint that a person is engaging in the practice of music therapy without a license, the executive officer shall send a certified letter to the person about whom the complaint was made and notify that they have to have an application for a license to engage in musical therapy and basically stop working. What this language does is it basically requires an investigation part first before we tell somebody "You have to stop working" because they may not be practicing music therapy. It was just language to help clarify that process and have an investigative process before you just tell somebody to stop doing work that they may be allowed to do.

Assemblyman Hafen:

I apologize for all the questions. I am new here. Just a quick follow-up, and then I'll—if I understand correctly, we are going from basically a cease and desist, which we're saying, "You're guilty; you have to stop," to now the agency is going to investigate and assume they are innocent until proven guilty, if I am understanding that correctly, section 2, now?

Ms. Metherell:

Yes, that's correct. It would be—

Assemblyman Hafen:

Thank you.

Senator Hansen:

Thanks, Mr. Chair. Section 2 definitely deals with music therapy. In fact, existing law, upon receiving a complaint that a person is engaging in the practice of music therapy without a license, then it goes through all the steps, so section 2 is all about music therapy. While section 1 does deal with the bill from 2021, the other section goes much further back. The original bill I remember being opposed to was actually by Mo Denis, and I swear that I don't think I was in the Senate at the time so it might have been 2017, somewhere right around there, but anyway, I don't know, I just—I don't want to beat this thing to death, but I just think the whole concept is really odd, that we would actually come up with a mechanism to punish people for playing musical instruments without a license.

Chair Yeager:

All right, thank you. Senator Hammond.

Senator Hammond:

Thank you, Mr. Chair. I'm going to perform CPR right now and bring this thing back to life. I'd like to ask just a clarifying question, because it sounds like we're stuck on the difference between somebody playing music in a doctor's office and somebody practicing therapy. There is a difference between those two, am I correct?

Ms. Metherell:

Yes, there is a difference, and the authorized services in the NRS help explain more what music therapy is. Just playing music is not music therapy.

Senator Hammond:

Okay, so my good friend Senator Harris shows up at my doctor's office and she's playing the guitar and beatboxing, and that's okay, right? No one is going to get in trouble for that? No one is going to come in and investigate and say "What are you doing?" They may criticize her abilities, but not necessarily get her in trouble?

Ms. Metherell:

Anybody can file a complaint with us. We have an open door. I hope nobody in the doctor's office would complain. If we received a complaint, we would do an investigation to make sure that that wasn't the practice of music therapy, and that's why the regulation was amended to cause that investigation instead of just directly going to the direct cease and desist. Hopefully we don't get a complaint.

Senator Hammond:

Thank you.

Chair Yeager:

Okay, I think we've asked probably more than enough questions, so at this point I'd be looking for a motion to approve the regulation.

ASSEMBLYWOMAN MONROE-MORENO MOVED TO APPROVE REGULATION R094-22.

SENATOR CANNIZZARO SECONDED THE MOTION.

Chair Yeager:

Is there any discussion on the motion beyond the discussion we've had already?

Senator Harris:

Mr. Chair, I'd just like to make sure the record reflects Senator Hammond and I are not good friends. Thank you.

Chair Yeager:

Any discussion up in Carson City?

Senator Goicoechea:

Mr. Chair, I will be opposing the motion on the basis, not so much the regs but the fact—the original bill. Thank you.

Chair Yeager:

Thank you.

Assemblywoman Hansen:

Mr. Chair, I was really trying to—I was getting there. I was almost there until we had the final clarification on what is music therapy. If a person can be investigated—I thought we were there, that a person who plays in an office, not necessarily practicing music therapy, but it sounds like they could be investigated if there was a complaint. I'm going to have to be a no on this. It's still a little too wonky for me. Thanks.

Chair Yeager:

Thank you. Okay, let's go ahead and take a vote.

THE MOTION PASSED (SENATORS GOICOECHEA AND HANSEN AND ASSEMBLYWOMEN DICKMAN AND HANSEN VOTED NO).

Chair Yeager:

Thank you for being here to answer all of our questions. Okay, Commission, we have I think a few more regulations to get through and then the rest of the agenda, so onward we go. The next up is R163-22. This is the Commissioner of Insurance, a regulation revising provisions relating to Medicare supplement policies (<u>Agenda Item V-D</u>), and I think our question on this one is from Assemblywoman Jauregui.

Assemblywoman Sandra Jauregui (Assembly District No. 41):

Yes it is, Chair. Thank you so much. This regulation is coming out of a bill that I carried during the last legislative session, AB 250. I just wanted some clarification from the Commissioner's Office if, by approving this regulation, it will bring clarity to how insurance producers get paid. It was my intent when I introduced AB 250 that insurance producers get paid as a renewal so that they would be incentivized to help senior citizens on fixed income get into cheaper supplement plans, and so could you let me know if this regulation does that? I know I saw the change, but the new addition that adds "including without limitation the replacement of a policy during the open enrollment period offered pursuant to NRS 687B," will that guarantee that insurance producers get paid as a renewal?

Nick Stosic (Deputy Commissioner, Division of Insurance, Department of Business and Industry):

I'm a Deputy Commissioner with the Nevada Division of Insurance. As for your question, I'll try and answer that the best I can. Currently, in the regulations under NAC 687B.275, and this is based on—the language ultimately comes from federal law. There are certain provisions on caps, which is the maximum amount a commission that can be paid. The first part talks about the maximum, what would be called new business commission, where it says it can be no more than 200 percent of compensation that's paid on second year, and then part three of that section of code discusses what's called a renewal, and again, that section of code puts on a cap. It currently says that producers should not accept compensation that's greater than the compensation for renewal that would have been paid by replacing an insurer on renewal. It limits the amount of compensation that can be paid, but there is no minimum amount of what that would be. This would not address the issues I know producers that are having where some carriers have been dropping the commission level on these birthday replacements. We've heard some down to 1 percent, and it would not impact this because the current code does not set a minimum amount of compensation. It just says the maximum amount is it can't be paid more than what would be considered in a normal renewal compensation.

Assemblywoman Jauregui:

Okay, and Mr. Stosic, just one more question. I know that there is a discrepancy in how insurance companies are paying for the policy for if someone switches from one gap policy to another. Is that something that can be fixed through regulations or does it have to come back and be fixed through statute so that there's consistency?

Mr. Stosic:

Assemblywoman Jauregui, currently to my knowledge this is the only part anywhere in Nevada law that actually addresses compensation to producers, and again, this comes from federal law, which is really designed to make sure that agents aren't encouraged to replace policies because they can make a higher level of compensation. There is nowhere else in the Nevada statutes where there is a specific amount or a minimum amount of compensation that exists. To my knowledge, the only way that would be able to be addressed would really be through a revision of the Nevada Revised Statutes.

Chair Yeager:

Let me ask, any other questions before we take a motion?

ASSEMBLYWOMAN JAUREGUI MOVED TO APPROVE REGULATION R163-22.

SENATOR CANNIZZARO SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

Chair Yeager:

Thank you for being here. Commission, I realized I skipped over one that we should have pulled, so we're going slightly out of order. We're going to go back to that regulation, but the good news is I think we only have two more to discuss. But we'll go back now to R096-22. That's the State Forester Firewarden regulation (<u>Agenda Item V-D</u>), so I'm sorry for skipping over that, and hopefully we have somebody. I see we have someone coming forward to the table in Carson City. Senator Hansen, I had you listed for a question on this one.

Senator Hansen:

Thanks, Mr. Chair. I'm trying to go back here real quick. The question I had—is somebody here from the State Fire Marshal's—number one, why—do you have any—why are you guys dealing with endangered flora? Is that something that normally is in your—I thought firewardens dealt with fires, but apparently you guys deal with plant communities and endangered species as well? Okay.

Ryan Shane (Deputy Administrator, Division of Forestry, State Department of Conservation and Natural Resources):

Good afternoon, Chair and Commission members. I'm a Deputy Administrator with the Division of Forestry. Yes, we deal with rangelands, forests and watersheds throughout the state, including the protection of all native flora within those areas. The regulations in which we most edited and this proposed regulation have to do with a list of fully protected species. Those are the most protected species that we deal with.

Senator Hansen:

The question that came to my mind is the very first sentence, "Any interested person may submit—" now we just had a situation—we have a mine in what used to be my Assembly District down in Esmeralda County and it had 20 acres of some buckwheat that allegedly was on the endangered species list, and it was loneer, I believe. Anyway, they shut down the entire project, fenced this all off, and I'm in an economically depressed county here, and over 20 acres of buckwheat that had a very slight genetic difference from some other types of buckwheat. In the meantime, I should add that it got down to 10 acres because apparently the roots of this particular buckwheat is very good and the ground squirrels and the gophers are eating it and that's why it was disappearing. The question is, every basin in Nevada, I mean literally every one, has some slight genetic variation. I've seen it in snakes, in horny toads, lizards, slight variations. Is it possible for somebody who wants to basically block a project to go on to a valley, any interested person, and force you guys to do an investigation of 5 acres of buckwheat or lizards or whatever with a slight variation, genetically speaking, and potentially call those things endangered species?

Mr. Shane:

Senator Hansen, thanks for the question. The statute requires us to prevent species from going extinct. There is a series of regulations and statutes that pertain to this thing. No doubt, any law or regulation could probably be misused by somebody for ill harm to another person if it's not developed well or handled well by the agency handling the regulation. In this case, to honor our statutory requirement to prevent extinction of a rare plant, we are to collect information, and we don't want to restrict where that information

comes from necessarily, but it is upon us to validate that information before we act upon our ability to change the regulation, add or remove a species from the regulation the way it is written now. Ill intent, we hope to detect that and get down to the facts and make good decisions for projects that support our economy as well as those plants that are out there that we're charged with protecting. I hope I answered your question. If I didn't—

Senator Hansen:

You did. What's the typical turnaround time on—if, for example, I file a complaint, like I'm talking loneer down in Esmeralda County, Silver Peak range, and I find a slight genetic variation of buckwheat and I come to the State Fire Marshal's Office—or State Firewarden, excuse me, what's your typical turnaround time from the time I investigate it to the time that you actually make a ruling, and secondly, in that window of time, will you stop a project like loneer from going forward?

Mr. Shane:

Senator Hansen, that time frame is pretty variable. What we did is we expanded the time frame for us to make a decision on whether we would pursue action to 90 days from 30 so that we don't have to make a rash decision and we can have plenty of time to gather the facts. To protect this, any species under this regulation, it either has to go through our emergency regulation amendment process, which is afforded in statute, or it can go through temporary, or it can go through permanent. It's a challenging situation with these plants being listed within the regulation, but that also affords us a calmness and deliberation upon which we can act, I think, decisively in such a way that we protect people from ill harm. The time frames can be variable because, like you said, now people are using genetics and so you have to send these things off to a lab and get things analyzed. Some species are cut and dry in terms of there's not much financial or other social impacts, economic, etc., and they're not going to inhibit land use and it's a very small area. Those are pretty easy to analyze and make a decision on, and so they follow the natural regulatory process, but if we get into this situation where there's big economic stakes at hand and/or it's a very challenging situation to determine the real difference between that species and another one that's more common—we're dealing with one of those in Southern Nevada right now, and we have to determine that these are rare and they certainly have the propensity to become extinct if we are not managing them correctly.

Senator Hansen:

I got it. Thank you. Mr. Chair, one final question, and that is the genetic component. Do you guys have some sort of a—because it seems to be exceptionally vague. Even scientists are always debating over what's a species and so forth. What is the standard?

Is there some genetic difference level? For example, if you had a plant, a buckwheat, in Newark Valley and you go three valleys over, reach River Valley, and the buckwheat has a slight genetic variation even though most of us look at it and think it's a very similar plant, but you do find a genetic difference because of who knows how many thousands of years of living and adapting and two different things. Is there a standard you guys use, a scientific standard or something to say the genetic variation is enough to make this plant go on the rare endangered list?

Mr. Shane:

Senator Hansen, thank you for the question again. No doubt there is a genetic standard within the scientific community. At Nevada Division of Forestry, we rely on our partners at Nevada Division of Natural Heritage as our technical scientific body within the Department and within the state in terms of botany to help us make those kind of decisions. I do not know the genetic standards for deviation between species personally. Certainly be happy to find that answer for you. What I can say is it's a double-edged sword. In the old days, species were determined by physical morphological characteristics you could see with your eye or a microscope. Today, with genetics, you can't see those things physically or with a microscope, and so you get this chemical registry back, right? This is what you're talking about. Because a plant may be three valleys over and experience history in a different way, it could be physically just slightly different, and some people the old way under the physical determination may think that was a different species, but today with genetic testing, they'll actually determine that those are the same species. It can go both ways. It could look the same and be different or it could look different and be the same.

Senator Hansen:

Good, well that's actually something positive, for me anyway. All right, well thank you very much. You guys have a rough job trying to please everybody. These kind of situations scare me because there's a relatively vague factor and there are people with big dollars who can draw you through lawsuits and everything else trying to prove what is and isn't an endangered species and hold up entire economies, especially in rural areas, so it's a big concern. Thank you, Mr. Chair.

Chair Yeager:

Thank you, Senator. Additional questions on regulation R096-22? How about a motion?

ASSEMBLYWOMAN MONROE-MORENO MOVED TO APPROVE REGULATION R096-22.

SENATOR CANNIZZARO SECONDED THE MOTION.

THE MOTION PASSED (SENATOR HANSEN VOTED NO).

Chair Yeager:

Commission, that takes us to, I believe, our final regulation under <u>agenda item V-D</u>, which is R183-22, the State Fire Marshal, a regulation revising provisions relating to fireworks and fees (<u>Agenda Item V-D</u>), and I do see we have our presenter on Zoom. Assemblyman Hafen, did you have a question on this? I had—if you want to start, please.

Assemblyman Hafen:

I actually have a number of questions, Mr. Chair, if that's all right. In looking at the agenda, it talks about related to fireworks, and yet when I actually go to the regulations, there is a lot of this regarding child care facilities, which I guess is okay. Maybe Legal can give us an opinion on whether or not that's okay or not, but my question regarding the child care facilities has to do with the change in the fees. Currently there is, I believe, a \$22 fee, and now we're changing the fees based on ZIP Codes. I'll just give an example. My community that I live in and represent half of has three ZIP Codes, 89048, 89060 and 89061, and all three are now being charged different fees varying from—bear with me. I believe the lowest fee is \$180.20 and then it goes up from there to \$200 and change. I'm just curious, why the large increase from \$22 to, in some cases, over \$200, and also why the variance between ZIP Codes?

Mike Dzyak (State Fire Marshal, Department of Public Safety):

Good afternoon. Mike Dzyak, your Nevada State Fire Marshal. I can answer those questions. The child care authority doesn't come from the Nevada State Fire Marshal statutes, it actually comes from the Department of Health and Human Services, and it was established back in the '80s with a fee of \$22. At the time, the Fire Marshal Division was general funded and those fees hadn't been addressed. For an inspection, it basically required the Fire Marshal to do the inspections on these facilities. When I became Fire Marshal, in the last legislative session we were taken completely out of general funds. We are fee-based. One of the things we had to look at was the fact that \$22—I can't even pay an inspector to do an inspection in Carson City, and because of the massive size of the state, we have to do these inspections all over, so we had to come up with some way of saying, between the Carson City office and the Las Vegas office where the inspectors

are housed, how are we going to provide for the service, conduct the inspection in a way that it is—acceptable since we can't do anything for free. We have to at least recover our costs. I'd also point out that during our entire workshop process we had no adversarial reactions. In fact, I can provide it to you—I got an email from one of the group-care people that said, "You guys have to charge more than \$22 and you guys do such a great job." I'm going to have to send her a note back, but it was a very nice letter.

What was the other part of that question? The variance is not for the child care inspection, it is for the plan review. The plan review, if you request an alternate means or methods or a variance, there was no mechanism. I have to assign an engineer or a plan reviewer to go back, look at it, hold all the—and then sit down with me and say—"really isn't an acceptable standard, or we could do it if they do this." Of course, as you know, all that costs time and resources.

The reason why fireworks appears in it was because the initial regulations that are the initial regulation proposal had fireworks, two fireworks items, in it and those were removed for further discussion, but apparently the Legislative Counsel Bureau didn't remove that, so it was confusing. But there's no fireworks regulations in here. It's simply to set the fees in a place where we can do the inspections and not come up short at the end of the fiscal year. Thank you.

Assemblyman Hafen:

I definitely appreciate the explanation and understand that the need for—now you're no longer general funded. I wasn't aware of that, so I appreciate that explanation. It still doesn't answer my question on why two ZIP Codes adjoining each other in the same community have—I'm just looking at 89060 is \$237 and 89061 is \$180. I didn't know if there was fire rating included in some of this or additional travel time. Those are adjoining in the same community. Just kind of confused me why we would charge the discrepancy in the fees when the locations are adjoining in the same community.

Mr. Dzyak:

Thank you. Thank you for the question. We had to come up with something. I can't—when we're requested to do the inspection, we didn't want to have it out where, "Well then, you're going to pay the mileage," and we go to Google Maps and we determine the mileage. They wanted a set standard, so we had to come up and develop something that was reasonable. While the area codes may show a line—the ZIP Codes may show a line, there could be—depending on the size of that, it could be measured from the center, from the end. Again, it's something that's not easy to do. We have to apply it throughout the state. It cost me more money to go to Ely from either place than it does to do it in Douglas County or the different parts of Clark County. Unfortunately, my architect of this design

got caught up in the Southwest Airlines. He's not here to be more specific in how he—I tasked him with coming up with a reasonable means to measure this, and it's just based on the proximity to our costs, especially with the escalating fuel costs and other costs. That's how we based it.

Assemblyman Hafen:

Thank you, and thank you, Mr. Chair.

Chair Yeager:

Thank you, Assemblyman. Do we have additional questions? Let's start here in Las Vegas, anybody else? How about in Carson City or on Zoom, any additional questions?

Senator Goicoechea:

Mr. Chair, if I could, just a clarification. Now, because they are in fact—this rate set by the ZIP Code, then in fact that would give you—you would know what that rate is going to be. You could actually look at the book, and if it is—I see a number of them are very similar. I don't know where the ZIP Code is, but Eureka falls in line with what looks like 20 others. But that does give us—that says that will cost you \$237.20 to get the plan checked, is that correct?

Mr. Dzyak:

Thank you, Senator Goicoechea. Yes, it's for the inspection of child cares, not the plan review. You are correct.

Senator Goicoechea:

Actually, I can see an advantage to have this actually do be extended out to plan review. There's not many child care facilities out there. But anyway, it would give us something to look forward to going forward. I'd like to have some security in how much it's going to cost if you're doing just plan reviews. Thank you, sir. Thank you, Mr. Chair.

Chair Yeager:

Thank you. Additional questions? All right, hearing no additional questions, how about a motion?

ASSEMBLYWOMAN MONROE-MORENO MOVED TO APPROVE REGULATION R183-22.

SENATOR CANNIZZARO SECONDED THE MOTION.

Chair Yeager:

Any discussion on the motion? Assemblyman Hafen.

Assemblyman Hafen:

Yes, Mr. Chairman, and I definitely appreciate the Fire Marshal's time today and explanation. I just would like to know a little bit more information, and maybe the Fire Marshal and I can follow up later on the discrepancy. We're not talking about miles and miles, we're literally talking about a 5-minute drive and a \$50 increase, and so I can't support this at this time. I do understand the need for the increase in fees, but at this moment I will be a no on this.

Chair Yeager:

All right, thank you. Additional discussion from Commission members?

THE MOTION PASSED (SENATOR HAMMOND AND ASSEMBLYMAN HAFEN VOTED NO).

Chair Yeager:

Thank you to our folks from the State Fire Marshal for sticking with us this afternoon into what is almost the evening. Commission members that takes us through—give me a second here—takes us through <u>agenda item V-D</u>. We still have a number of agenda items left to consider, so we will try to get through those as quickly as we can. Next up is <u>agenda item VI</u>. This is a request for approval to submit three names to the Governor for appointment or reappointment of one member to the Nevada Commission on Nuclear Projects. We can take questions, or if there is a motion to approve the three names submitted. You'll find those in your packet under item VI (<u>Agenda Item VI</u>). Questions? Motions?

ASSEMBLYWOMAN MONROE-MORENO MOVED TO RECOMMEND M. PAUL WORKMAN, JOE STROLIN AND JOHN WALKER TO THE GOVERNOR FOR CONSIDERATION OF APPOINTMENT TO THE COMMISSION ON NUCLEAR PROJECTS.

SENATOR CANNIZZARO SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

Chair Yeager:

We will send those three names to the Governor under item VI. That now takes us to agenda item VII, which is review of recommendations of the Sunset Subcommittee of the Legislative Commission (Agenda Item VII). We have the Chair of the Sunset Subcommittee, who is also a Legislative Commission member, Assemblywoman Sandra Jauregui here with us, and she has come down to the table here in Las Vegas and she will present the recommendations. Assemblywoman, first, thank you for your work on this Subcommittee. I know you guys had a number of meetings. I appreciate your work, and we're ready to hear about the recommendations.

Assemblywoman Jauregui:

Thank you, Chair Yeager, I represent Assembly District 41 and today I am here as the Chair of the Sunset Subcommittee to present the Subcommittee's recommendations for legislation. I want to thank my colleague who sat on the Committee with me, Senator Lange. We did have a series of meetings, and I think we did good work. I'm going to skip giving you the background on the Sunset Subcommittee because you can find an abstract of it in your meeting materials, but I will go over a summary of the recommendations approved by the Subcommittee at its meetings in March, April, May and June. Over the course of six meetings this interim, the Subcommittee reviewed 18 entities and received reports from several entities reviewed last interim. The recommendations for legislation from the Subcommittee relate to 15 boards, committees and commissions. Nine entities were reviewed and recommended for continuation with statutory revisions; five entities were reviewed and recommended for termination; and one entity was reviewed and recommended for termination with functions transferred to another entity. Most of these recommendations were requested by the respective boards, committees and commissions. In addition, the Sunset Subcommittee identified four legislative recommendations that addressed broader concerns identified during the interim. These

recommendations address member vacancies, the diversity makeup of individuals appointed to boards and commissions, reports to the Legislative Commission concerning the review of occupational licensing applicants' criminal history and the appointment of the Chair and Vice Chair of the Subcommittee.

I will briefly explain the request for bill drafts. Representatives from most, if not all, of the entities should be available for any detailed questions, along with the Subcommittee's policy analyst, Cesar Melgarejo, and the Subcommittee's counsel, Eileen O'Grady. First, Chair, I would like to start with the nine committees that were recommended for continuation with statutory revisions. The first was the Merit Award Board. The Subcommittee voted to recommend legislation to amend Chapter 285 of NRS to remove language prohibiting an award to be paid out of the State General Fund. Further, the Subcommittee requested to appropriate \$3,000 from the 2023-2025 Biennium to fund the administration of the Board and recommended creating a reward account funded with \$25,000 of general funds that, if unused by the end of the biennium, will revert to the State General Fund. During our hearing, during the Board's review, representatives from the Division of Human Resources of the Department of Administration stated that without a budget the Board did not have the funds for its operations nor could it fund employee awards.

The second board that we reviewed and recommended continuation with statutory revisions was the Advisory Council for Family Engagement. The Subcommittee voted to recommend legislation to continue and amend NRS 385.610 to require the Council to, within 60 days before the beginning of the term of any member appointed to the Council or within 30 days after such position becomes vacant, submit notification of a vacancy to the appointing authority, either the Superintendent of Public instruction or legislative leadership. During the review of the Council and in the Sunset Subcommittee review form, representatives of the Council recommended amending the membership of the Council to authorize the Speaker of the Assembly and the Majority Leader of the Senate to appoint any representative rather than a member of the Assembly or the Senate. The Subcommittee did not approve this recommendation because it would have removed legislative oversight. Instead, the Subcommittee recommended that the Council notify the appropriate appointing authority to fill the vacancies, and again, that was 60 days before a vacancy became vacant or 30 days after such a position becomes vacant.

The third committee was the Committee for Statewide Alert System. Again, the Subcommittee voted to recommend continuation with changes to Nevada Revised Statutes to amend NRS 432.350 to decrease the total number of Committee members from 15 to 11 by decreasing from 5 to 3 the number of members appointed by the Governor who represent local law enforcement agencies and state law enforcement agencies. The Subcommittee further recommends requiring the Committee to submit to the Governor a list of persons qualified for membership as representatives of local and

state law enforcement agencies with consideration given to whether the member of the Committee will reflect the demographic diversity of Nevada. During the review of the Committee, its representatives reported difficulty meeting quorum due to several member vacancies.

The fourth committee we reviewed was the Committee on Testing for Intoxication. The Subcommittee voted continuation which changes to the statute as requested by the Department of Public Safety to recommend legislation to amend NRS 484C.600 through 484C.640 to expand the role of the Committee to evaluate and make recommendations on other types of impaired driving substance detection technologies and techniques. During the review of the Committee, representatives of DPS stated that the Committee meets one or two times per year and the meeting schedule is primarily driven by the need to approve a new device to test for driving under the influence (DUI). The Department further stated that DUI technology continues to change and new resources have become available, which creates an opportunity for this Committee of technical experts to advise the State on additional best practices and methodologies beyond solely devices to test a person's breath to determine the concentration of alcohol in a person's breath.

The fifth was the Appeals Panel for Industrial Insurance (<u>Agenda Item VII</u>). The Subcommittee voted for continuation and voted to recommend legislation to amend provisions (1) concerning the annual first meeting of the Panel and the election of the Chair, (2) authorizing the Chair to hold office for 1 year and until his or her successor is elected, and (3) requiring the Panel to meet at the call of the Chair or the Commissioner of insurance. Representatives of the Panel informed the Subcommittee that they only meet to hear grievances from employers concerning modification of a premium based on experience, classification of risk assigned for the employer's business or application of the supplementary rate information to the employer. The Panel's last hearing was on August 1, 2018.

Sixth was the Credit Union Advisory Council. The Subcommittee voted continuation and voted to recommend legislation to amend NRS 672.290 to delete provisions that entitle members of the Council to receive a salary and to provide that the Council may meet at least once every 6 months. During the meeting, the Commissioner of Financial Institutions stated that the Nevada Credit Union League would like the Council to remain, but recommended that NRS 672.290 be amended to eliminate the language authorizing the salary and the meetings be held regularly at least once every 6 months.

The seventh committee was the Medical Laboratory Advisory Committee. The Subcommittee voted to recommend continuation and to recommend legislation to require the Committee to (1) meet at least once per year and (2) review member vacancies annually, and if a vacancy exists, submit a letter to the Office of the Governor with a recommendation to fill the vacancy. During its review, the members of the Subcommittee

and representatives of the Committee discussed the Committee's membership vacancies and its meeting schedule. The Committee reported that it had not met since October 12, 2016.

Eighth was the Nevada Transportation Authority (NTA) and Taxicab Authority (TA). The Subcommittee voted to recommend continuation but to draft a concurrent resolution to direct the Joint Interim Standing Committee on Growth and Infrastructure to conduct a study during the 2023 and 2024 Interim to review the laws administered by the NTA and TA. During the meeting to review the NTA and TA, the Nevada Transportation Authority and Taxicab Authority, representatives of these entities, including the Director of Business and Industry, indicated that there is a need to modernize both the NTA and TA and the laws governing these entities. Therefore, the Director recommended requesting an interim study to review the transportation laws administered by the NTA and TA.

Those were the nine committees, boards and commissions that were recommended for continuation with changes to the Revised Statutes. Next, Chair, I would like to go over the five entities that were recommended for termination (Agenda Item VII). The first committee recommended for termination was the Advisory Committee to the Juvenile Justice Oversight Commission. The Subcommittee voted to recommend legislation to terminate the Committee. Representatives for the Committee reported that all six positions have remained vacant for 2 years and that the Committee has not held any separate meanings since its creation. Instead, previous members attend the Juvenile Justice Oversight Committee. The Advisory Committee consists of six members appointed to the Governor, two members of the Senate, and one of whom must be from the majority political party and one who must be from the minority political party, and two members of the Assembly, one of whom must be from the majority political party and one of whom must be from the minority political party, and two members who are judges of the juvenile court. The reason we recommended this for termination was that there is a BDR to consolidate some duplicate agencies. The Supreme Court and Governor's Office have been working on a BDR to consolidate the Juvenile Justice Oversight Commission with a commission that exists under the Supreme Court, so this Advisory Committee, which is just an advisory committee to the actual Juvenile Justice Oversight Commission, is pretty much obsolete, Chair. Again, there is a BDR coming to consolidate the two entities, but in the meantime we are going to leave the Juvenile Justice Oversight Commission intact because we need it for federal funding.

The second entity recommended for termination was the Advisory Council on Science, Technology, Engineering and Mathematics (STEM). The Subcommittee voted to recommend legislation to terminate the Council. The Council reported several challenges experienced over the years, including obtaining the necessary number of appointments and meeting quorum, scheduling Council meetings with STEM teachers who have busy schedules both during the day and afterschool, and there is zero funding allocated to

provide substitutes for the teachers. There is difficulty meeting the statutory requirement to hold twice yearly in-person meetings. There is a lack of clear mission and regulatory authority for the Council and rigid statutory duties of the Council, such as holding region-wide recognition events for students in Northern and Southern Nevada. Ultimately, the Office of Science, Innovation and Technology recommended terminating the Council. We also had testimony for the Nevada Department of Education (NDE) saying that, as of 2020 during COVID with the Blue Ribbon Commission that was created, a lot of the functions of this Council have been assumed by the Blue Ribbon Commission, so there is no need for this Council any longer.

The third organization recommended for termination is the Competency-Based Education Network. The Subcommittee voted to recommend legislation to terminate the Network. Nevada's Department of Education recommended terminating the Network since the Superintendent of Public Instruction's Blue Ribbon Commission for a Globally Prepared Nevada and the relevant NDE programs are currently carrying out the charge of the Network. In addition, representatives noted that the Network has accomplished all of its duties pursuant to bill AB 110 and submitted its final report to the Superintendent of Public Instruction. The Network's final report was submitted to the Governor and the Legislature on August 23, 2022. It has completely fulfilled its function.

Number four was the Subcommittee on Patient-Centered Medical Homes. The Subcommittee voted to recommend legislation to amend NRS 439.519 to remove the specific authority for the Advisory Council on the State Program for Wellness and the Prevention of Chronic Disease to appoint a subcommittee to study patient-centered medical homes from statute. During the review of the Subcommittee on Patient-Centered Medical Homes, staff of the Division of Public and Behavioral Health of DHHS (Department of Health and Human Services) confirmed that the Subcommittee was already formally dissolved. Staff further reported that the Subcommittee was not effective in conducting a study. This was largely due to the inability to meet quorum.

The fifth was the Committee on Anatomical Dissection. The Subcommittee voted to recommend legislation to remove the authority of the Nevada System of Higher Education to establish such a committee. During the review of the Committee and in the Subset Subcommittee review form, the Committee reported their inability in meeting the duties outlined in NRS 451.360 through 451.470 and recommended terminating the Committee or consolidating it with another entity. They had difficulty primarily in the duty of retaining bodies at the Nevada System of Higher Education. They are just not equipped to do that. The Sunset Subcommittee also learned that the medical schools in the state operate under willed body donor programs pursuant to the Revised Uniform Anatomical Gift Act, NRS 451.500, and do not accept unclaimed bodies for medical education or research.

Those were the five entities that were recommended for termination, Chair. Now I will go over the one entity that was recommended for termination with functions transferred to another entity, the Commission on Educational Technology (<u>Agenda Item VII</u>). The Subcommittee voted to recommend legislation to terminate the Commission and transfer its duties to the Nevada Department of Education. In its Sunset Subcommittee review form, the representatives of the Commission recommended repealing the Commission in favor of the State Board of Education's recent work with NDE's Nevada Digital Learning Collaborative. According to the representatives from NDE, the Commission has not met since 2018 due to several member vacancies.

Those were the boards and commission entities that were reviewed for continuation, termination and termination with their functions transferred to another entity, but out of the Sunset Subcommittee, Chair, there were further legislative recommendations. The first was the Subcommittee voted to recommend legislation to amend Chapter 232A of NRS to declare as public policy of the State of Nevada that, except as otherwise required by law, persons appointed by the Governor to certain public bodies must to the extent practicable reflect the diversity of Nevada, including without limitation age, gender, sexual orientation, gender identity or expression, ethnicity and the geographic diversity of the state.

The second was the Subcommittee voted to recommend legislation to amend Chapter 232A of NRS to require Nevada's boards, commissions and similar entities to submit to the Governor a list of persons qualifying for membership within 60 days after a position appointed by the Governor on the board, commission or other similar entity becomes vacant.

The third was the Subcommittee voted to recommend legislation to amend NRS 232B.210 to require the Chair of the Legislative Commission to appoint the Chair and Vice Chair of the Subcommittee, each representing a different house of the Legislature.

Fourth was the Subcommittee voted to recommend legislation to remove the requirement for certain professional or occupational licensing boards and regulatory bodies to submit a quarterly report to the Legislature concerning petitions for the review of the criminal history of potential applicants for an occupational or professional license and to amend NRS 232B.237 to require the Subcommittee to review not less than 3 professional or occupational licensing boards and regulatory bodies specified in subsection 2 regarding the restrictions on criminal histories of applicants each legislative interim. Assembly Bill 319, a bipartisan measure enacted in 2019, authorized a variety of professionals to petition a regulatory body to find out whether his or her criminal history disqualifies him or her from obtaining a certificate, license, permit, qualification or registration. I believe the intent of this measure was to give those with a past criminal conviction the opportunity to explore and establish a suitable career and make a better life for themselves and their

family. Among other provisions, the bill requires the Subcommittee to review certain regulatory bodies to determine whether the restrictions of an applicant's criminal history are appropriate. In addition, a variety of regulatory bodies are required to maintain statistics related to criminal history reviews and report these statistics on a quarterly basis to the Legislature. Interestingly, the information requested by the Subcommittee is substantively the same as the information required to be submitted on a quarterly basis. However, according to the records held by LCB, only a few of the regulatory bodies, such as the Southern Nevada Health District, the Department of Agriculture, the Board of Accountancy and the Board of Medical Examiners, have submitted these reports to the Legislature since 2019. Therefore, to remove redundancies from statute and instead of being dependent on the regulatory bodies to submit this information, the Subcommittee recommended removing the requirement for the regulatory bodies to submit the guarterly reports and require the Sunset Subcommittee to review not less than three regulatory bodies for restrictions on criminal histories of applicants each legislative interim. I believe the Subcommittee is in a better position to request this information and can hold regulatory bodies accountable for not submitting the required reports.

Thank you, Mr. Chair. These recommendations for legislation represent considerable work by the Subcommittee this interim, and I appreciate the consideration of the Legislative Commission. I'm happy to answer any questions, and as I noted earlier, we should have representatives from all or mostly all of the commissions, boards and entities here for questions, as well as our policy analyst and legal counsel.

Chair Yeager:

Well, thank you so much, Assemblywoman. I can tell that your Committee did a lot of work in the interim just based on the depth and breadth of those recommendations, so thank you for providing us with that report. Before we consider taking any action, are there questions from Commission members for Subcommittee Chair Jauregui? Anyone here in Las Vegas? How about in Carson City or on Zoom? I see Senator, I think, raising his hand. Please, go ahead.

Senator Hansen:

Thank you, Mr. Chair. Under recommendations for legislation, number three, Committee for the Statewide Alert System, you're dropping the number of law enforcement members from five to three. What's the reasoning behind that?

Assemblywoman Jauregui:

Thank you, Senator, and we do have representatives from DPS here, but that was actually a recommendation from the Department of Public Safety because they were having trouble making quorum.

Senator Hansen:

Okay. How ironic is that? There're not enough cops to fill five positions in the state, huh? There's something funny about that one. Okay, that was my only question. Thank you.

Chair Yeager:

Great, thank you. Any additional questions?

Assemblywoman Hansen:

Yes, Chair, if I could?

Chair Yeager:

Please.

Assemblywoman Hansen:

On the termination of—I'm sorry, I'm scrolling here—the termination of some of the committees, you had the—I just had a question. Even though there's termination of the Council on Science, Technology, Engineering and Mathematics and the one below, Competency-Based Education Network—I looked at what those requirements are for those individuals to be a part of that. Are those appointed by the Governor? I'm not sure of the process. Even though we're recommending termination, I want to understand the process.

Assemblywoman Jauregui:

Thank you, Assemblywoman. I am actually going to ping our policy analyst, Cesar Melgarejo, to help with that question, and we should have a representative here as well from the Department of Education who should be able to answer that question if Mr. Melgarejo needs assistance.

Cesar Melgarejo (Principal Policy Analyst, Research Division, Legislative Counsel Bureau):

Cesar Melgarejo, Committee Policy Analyst. If you could just repeat the question real quick? Are you talking about all of the entities?

Assemblywoman Hansen:

Thank you. Just the—on number 11 and 12, the Advisory Council on Science, Technology, Engineering and Math and the Competency-Based Education Network, are those typically appointed? I know they have to have certain requirements to be on there, but I—and then I have a follow-up.

Mr. Melgarejo:

I'm actually trying to pull up the statute right now.

Assemblywoman Jauregui:

Mr. Melgarejo, I believe we have Dave Brancamp, the Director of the Office of Standards and Instructional Support with the Nevada Department of Education, here with us as well to help answer that.

Dave Brancamp (Director, Office of Standards and Instructional Support, Department of Education):

Good evening. I'm the Director of the Office of Standards and Instructional Support, and the Competency-Based Education Network resided with my Office with staff member Mary Holsclaw. All the members on that Network, they do have their requirements, as the Assemblywoman noted. They are appointed, some by the parent—or PTA (parent-teacher association) Association, by the schools, the schools themselves that were in the pilot. They would designate their representatives. None of them came from the Governor. The Superintendent did have one appointee that was their designee.

Assemblywoman Jauregui:

And Assemblywoman, we also have Brian Mitchell to answer on behalf of the Advisory Council on STEM as well.

Assemblywoman Hansen:

Thank you. Well, that helps to understand that it's not the recommendation process to get somebody on those committees, at least regarding these two. It seems like it's fluid. It's not a real onerous process. A question, though, in getting rid of the Competency-Based Education Network. I think you mentioned on the Science and Technology Council, that's been absorbed by NDE, if I'm not mistaken. Is that correct, some of those responsibilities?

Assemblywoman Jauregui:

For both, Assemblywoman. When the Nevada Department of Education came to testify, a lot of the functions of both of the committees had been absorbed by the Blue Ribbon Commission.

Assemblywoman Hansen:

Okay. So really more just a statement: I'm a little—I know it's very hard to staff these committees, these subcommittees, and I noticed that when we mentioned the one about the science, technology, engineering and mathematics, one of the reasons listed was had to be in person. I was just hoping, and it's probably moot at this point, but just for the record, we have the opportunity to do Zoom, I would hope. I don't know if that has to be enabled somehow to allow those committees to do that. If that would help—being on the Education Committee and on the Interim Education Committee, I've made it very vocal that I've had very grave concerns about our—according to the Nevada Report Card at NDE—our proficiency rates in math and in reading, language arts—so getting rid of these entities and maybe trying to find other ways to facilitate them to meet rather than just recommending termination. Did you already explore if there were other avenues? Maybe have less people? I really love the idea of having outside state agencies people who are in the trenches being able to have the input that we need, and so not having these and having them be absorbed by a state agency causes me a little bit of discomfort.

Assemblywoman Jauregui:

Thank you, Assemblywoman, and we did. The main function of the Advisory Council on STEM was to increase student interest in STEM, right, so that there was more participation in science, technology, in mathematics, and from the hearings, the Nevada Department of Education said that one of the things that was positive that came out of COVID was the Blue Ribbon Commission, and the Blue Ribbon Commission is doing this, and so basically keeping both entities in existence was just duplicating efforts. As a Committee, we decided to—again, because the Advisory Council on STEM hadn't met in a couple years and it was having trouble meeting quorum, it was having trouble—it didn't have a clear mission other than to gain student interest, and they didn't have the funding

that they needed to get substitute teachers, whether it was in person or via Zoom, to give teachers the time off to participate. We felt that the Blue Ribbon Commission was better equipped to handle what the mission of the Advisory Council was, which was to increase interest for students in STEM programs.

Assemblywoman Hansen:

Thank you for clarifying that. Just to make sure I understand, that will be taken care of under the Blue Ribbon, and then the one for the Competency-Based Education Network, will that fall under Nevada Department of Ed?

Assemblywoman Jauregui:

Correct.

Assemblywoman Hansen:

Okay, thank you so much. Appreciate the clarification.

Assemblywoman Jauregui:

Just to be clear, Assemblywoman, both of them—both of those functions were being handled by the Blue Ribbon Commission. The Blue Ribbon Commission was performing the duties of the Advisory Council on STEM and also the Competency-Based Education Network.

Assemblywoman Hansen:

Thank you, Chair.

Chair Yeager:

Any additional questions? Hearing no additional questions, if I could make a suggestion to the Committee? We have BDR requests as the Legislative Commission, and obviously anything we request as a Commission would have to go through the session in the normal BDR and bill-hearing process, but in looking at these recommendations, I certainly think it makes sense to recommend legislation be drafted to sort of carry out some of these recommendations. Now, I don't think it would make sense to have 19 different BDRs, but in looking at how these might be grouped, I think, and I cleared this with Legal as well, I think it would make sense to do, I guess, six separate BDR requests. Just so I can lay those out, items 1 through 9 would be grouped with item 15. Those are essentially—no, making statutory changes to existing committees with the one being terminated and

transferring the functions, so I think that could be one bill draft request. Then, 10 through 14 could be a separate bill draft request where those five committees are being suggested for termination. Again, that would have to be vetted and voted on by the Legislature as a whole. Then, I think 16 through 19 would probably each be its own bill draft request, because those seem to be pretty concrete items. If the Committee is okay with that and willing to support that motion, I certainly would take a motion to advance six BDRs in the way that I described them. Hopefully we don't have to repeat that, but before I took a motion, I just wanted to generally get a sense from the Committee if there is anyone that has any real objection to taking one motion to accomplish the advancing of those six BDRs to session. Okay, I didn't hear anybody, and maybe that's a function of the late hour, but I would be willing to take a motion to do just that.

ASSEMBLYWOMAN MONROE-MORENO MOVED TO ADVANCE SIX BILL DRAFT REQUESTS AS DESCRIBED.

SENATOR CANNIZZARO SECONDED THE MOTION.

Chair Yeager:

Any discussion on the motion? Hearing no discussion—

Assemblywoman Hansen:

Mr. Chair?

Chair Yeager:

Oh, go ahead.

Assemblywoman Hansen:

I'm sorry. Just to let you know, I really do appreciate that we have this Sunset Subcommittee. I like the idea that we have to visit and kind of make things efficient, and if we're not utilizing things, I'm all for that, so I really want that to be on the record. I think less is more. Just wanted to say thank you for your efforts and I appreciate the intent of what the Sunset Subcommittee's original origination was for and the work that they do, so thank you.

Chair Yeager:

Thank you for those comments. Appreciate it.

THE MOTION PASSED UNANIMOUSLY.

Chair Yeager:

We will request those six bill draft requests on behalf of the Legislative Commission. Again, thank you, Chair Jauregui. I know that was a lot a work just based on how much information was in the report, so thanks to you and your Committee. I know Senator Lange was on that Committee as well. We appreciate it.

Okay, Committee, that takes us through <u>agenda item VII</u>. We are going next to agenda item VIII, which is a presentation relating to the Oral History Project (<u>Agenda Item VIII</u>). We did have a presentation about this at a prior meeting, and I think we had asked Mr. Nick Anthony, Division Chief and Director of the Research Division, to come back today and present some more concrete information about this for potential approval. So, if we have Mr. Anthony with us, if you'd like to go ahead and make your presentation, please.

Nicolas Anthony (Research Director, Research Division, Legislative Counsel Bureau):

Thank you, Chair Yeager and members of the Commission. I am Nick Anthony, Research Director of the Research Division. Pleasure to be with you this late afternoon. Chair Yeager is correct; Commission members will recall from the September meeting there was an item on the Nevada Legislature's Oral History Program. It is statutorily administered by the Research Division pursuant to NRS. As was discussed at that time, the Oral History Program was last completed in 2007. There were 18 legislative oral histories completed at that time through an outside independent consultant. They are available; they are online. They are housed within the Research Library and several libraries throughout the state. It makes an excellent statement piece, kind of capturing the life and stories of prominent legislators over the years. Since 2007, the Oral History Program has largely lied dormant due to the fact that the statute calls for subject to available funding. Therefore, at the last Legislative Commission meeting, I was tasked with coming up with some options to present to the Commission this time for your consideration. One of those options would be to add the Legislative Oral History Program

into the LCB's Research Division budget. Therefore, it'd be an ongoing item rather than a one-time appropriation. If you were to choose to provide this direction, one thing to consider would be whether the Commission wanted, say, two or four completed during each interim. It might be a nice remembrance, and then it would be an ongoing basis rather than 18 all at once. If the Commission were to go in that direction, it would be included in the LCB Research Division budget. We would then come back to the Commission at a later date with a plan for approval and the like, and we would go out for an independent consultant to assist who has the expertise to conduct those oral histories. With that, Mr. Chair, I'd be pleased to answer any questions.

Chair Yeager:

Thank you, Mr. Anthony. Appreciate the presentation. Do we have questions down here in Las Vegas or up in Carson City? I know Mr. Anthony is there with you all. Do you have any questions for him? I guess the only question I had, Mr. Anthony, was if we—do we have any sort of semblance of what kind of cost we'd be talking about? I know it would go in the LCB's budget, but for instance, if we did two a cycle versus three or four a cycle, do you have any kind of ballpark of what that might be?

Mr. Anthony:

Thank you, Mr. Chair. According to calculations from the last time, there were 18 conducted in 2007. That was at a cost of approximately \$228,000, so conducting a little math, that would be roughly \$18,000 give or take per oral history, but I would caution that there are some inflationary factors as well. Those were 2007 dollars. That would be my best guess is that you'd be looking at somewhere in that neighborhood per each oral history project.

Chair Yeager:

Great. Thank you, Mr. Anthony. Do we have additional questions, or if no additional questions, I would ask what the Committee's pleasure is. I think there was a suggestion to potentially include some number, probably ranging from two to four, in the ongoing LCB Research budget, but wanted to open that up for discussion for Committee members. Or a motion, either one.

Assemblywoman Monroe-Moreno:

Mr. Chair, I move to approve moving forward looking at two to four oral history projects and bringing that to the next legislative session.

Chair Yeager:

Great, thank you. We have a motion to include it in the ongoing LCB Research budget at a rate of two to four per cycle.

ASSEMBLYWOMAN MONROE-MORENO MOVED TO ADVANCE A BILL DRAFT REQUEST REGARDING THE ORAL HISTORY PROJECT AS DESCRIBED.

SENATOR CANNIZZARO SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

Chair Yeager:

Thank you, Mr. Anthony. We look forward to hearing more about the plan as it develops. That now takes us to <u>agenda item IX</u>, which is approval of proposed amendment to guidance on lobbying (<u>Agenda Item IX</u>). We have Ms. Erdoes with us here in Las Vegas, the Director of the LCB, and she's going to present this item today, and then we'll take any questions that we might have. Please, go ahead.

Brenda Erdoes (Director, Legislative Counsel Bureau):

Thank you, Mr. Chair. This item seeks to change the term regulation to guidance—you have this in your packet, and they were available on the table as well—to change the term regulation to guidance to avoid confusion regarding whether Chapter 233B of NRS applied to these guidelines. It doesn't, but people were asking about that, so maybe it's just clearer to say guidelines. This item also is seeking approval of the Legislative Commission to remove the requirement to provide an in-person training session for lobbyists before each session. Removing this requirement will allow the LCB to provide information to lobbyists in varying formats, including posting consistently updated information on the Legislature's website and providing shorter in-person presentations on specific topics such as lobbyist ethics or registration requirements. This kind of goes along with the feedback that we've gotten back through the years about this particular endeavor. It would also help us a lot with—since we have construction in the one room that we've done this before in that was big enough, right now it would not be possible before this session. In addition to the changes indicated in here, we'd also—kind of late, breaking

thing—would like to request that subsection 5 also be deleted. General Counsel's pointed out that it was superseded by NRS 218H.180 in 2019.

Chair Yeager:

Thank you for that presentation, Ms. Erdoes. Any questions from Commission members? Okay, seeing no questions, I would take a motion to approve with the addition that we will also delete subsection 5 because it has been superseded. Would anyone like to make that motion?

ASSEMBLYWOMAN MONROE-MORENO MOVED TO APPROVE THE PROPOSED AMENDMENT TO GUIDANCE ON LOBBYING AND THE DELETION OF SUBSECTION 5 AS DISCUSSED.

SENATOR CANNIZZARO SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

Chair Yeager:

That takes us now to <u>agenda item X</u>, which is approval of the 120-day calendar for the 2023 Legislative Session (<u>Agenda Item X</u>). Ms. Erdoes, would you like to tell us about the calendar? I think we're all familiar with the 120-day concept, but if there's anything else on there we should know about, please let us know.

Ms. Erdoes:

I just thought that I would let you know the changes that were made to this. They don't match—this doesn't match the one from 2021, but the only changes that were made was to move the starting date from February 1 to February 6 and all the different dates accordingly to reflect the 2023 constitutionally mandated start date, the first Monday in February, and then we also moved the day that the Economic Forum report is due from May 4, which is the 93rd day of the 21st Session—the 2021 Session, to May 1, 2023, the 85th day of the 2023 Session, to comply with the provisions of NRS 353.228.

Chair Yeager:

Any questions from Committee members on the 120-day proposed calendar? Hearing no questions, I would take a motion to approve.

ASSEMBLYWOMAN MONROE-MORENO MOVED TO APPROVE THE PROPOSED 120-DAY CALENDAR FOR THE 2023 LEGISLATIVE SESSION.

SENATOR CANNIZZARO SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

Chair Yeager:

The 120-day calendar is now approved, so we can take "draft" off of that, finally. Okay, we'll go to <u>agenda item XI</u>. This is approval of early session hires for the 2023 Legislative Session (<u>Agenda Item XI</u>). This is a pretty standard agenda item for us at this time of the interim. We do have Ms. Erdoes if there happens to be any questions, but you'll see though session hires, three of them, behind tab XI. Any questions from Commission members? If not, I would take a motion to approve.

ASSEMBLYWOMAN DICKMAN MOVED TO APPROVE THE SESSION HIRES FOR THE 2023 LEGISLATIVE SESSION.

SENATOR CANNIZZARO SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

Chair Yeager:

That takes us now to <u>agenda item XII</u>, which is a report from Human Resources Counsel, Ms. Heidi Remick, who we have down here with us in Las Vegas. This is regarding

amendments to Rules and Policies of the Legislative Counsel Bureau. Just so you know, this item is one where, unlike administrative regulations, we can make changes before we approve the revised rules if need be. Please note that you should have on your desk a page to replace the first page of the rules indicating that the previously proposed new section on page 1 has been deleted, so those two go hand-in-hand with what is behind agenda item XII in your packet (<u>Agenda Item XII</u>). Again, thank you, Ms. Remick, for being here, and we'll go ahead and give you a chance to proceed and then see if we have any questions.

Heidi Remick (Chief Human Resources Counsel, Legislative Counsel Bureau):

Thank you very much. I am the Chief Human Resources Counsel with the Legislative Counsel Bureau. Also with us in the Carson City office is my Deputy Human Resources Counsel, Neil Baker. By way of background, prior to 2020 the Legislative Counsel Bureau did not have a dedicated human resources (HR) counsel or human resources team, and the COVID-19 pandemic really illustrated the need for a centralized, dedicated HR team to deal with all of the workplace issues presented by that emergency. Now that the pandemic is becoming our new normal and we can adjust our responses and have more time and resources to take a step back and take a wider-lens view of other workplace issues at the Nevada Legislature, and one of our first post-pandemic priorities has been to do a comprehensive review of the Rules and Policies of the LCB, which is the document that guides and directs the workplace practices of the legislative staff. As part of that review, we have undertaken a number of non-substantive edits that are intended to improve clarity, readability, fix grammatical errors and the like in existing rules that you will see in the draft you have before you, as well as several substantive changes that we believe are necessary to provide clarification or to resolve problems that we've encountered in the practical implementation of these rules to update the rules to mirror changes in state or federal law or to update our policies and practices to account for the fact that we now have a human resources team within the LCB structure. These substantive changes are highlighted in yellow. I think it will be most helpful to summarize these substantive changes as quickly as possible. I know it's been a very long day, so I'll go as fast as I can.

Rule 13, which is our anti-discrimination policy and also the policy on affirmative action, which is on page 34 in the packet, expands the language of our existing role to include categories that are already protected by the law and adds definitions for protected categories that were not defined in the rule previously. That is to say, the protected categories were defined in the rule but the definitions were not there, so this should help with implementation.

Rule 22: we propose to edit subsection 6 to clarify that probationary employment is not a contract or promise of continued employment. We believe this changes a necessary disclaimer and protection against certain employment lawsuits.

Rule 23, and along with that rule 24: we look to move the employee evaluation process. Currently it's done in June or December, but in practice we find that nobody has the time to do employee evaluations in December and they end up just not getting done. Also the change to rule 23 adds human resources counsel to the list of parties who are authorized to examine employee evaluations, because we really need to review those documents in order to be able to make good recommendations and decisions on employment matters. Rule 24 also provides that the anniversary and merit increase dates will all move from January 1 to July 1. Most employees are already on a July 1 cycle, but that's again related to the fact that we just didn't find it practicable to do the evaluation process in January, and so occasionally we were missing people whose time for increases came along and they were not—nobody had time to give them their timely increase. It should also simplify the budgeting process because everybody will be on the same cycle at the change of the fiscal year, so that will make it easier to plan for personnel costs.

Our edits to rule 25: the changes to subsections 2 and 3 aim to give the Director and division chiefs a little bit more flexibility to authorize overtime when budgets and workload allow rather than having to require overtime. The change in subsection 10 sets a limit on the amount of overtime the Secretary of Senate and the Chief Clerk of the Assembly can accumulate without using that time or taking a payout because the accumulation of extensive amounts of overtime can become an unfunded liability on the legislative budget if those individuals leave unexpectedly.

Rule 25.3: the proposed change would increase the shift differential for certain employees who work qualifying night shifts. Currently that shift differential is an increase of one paygrade. We propose to change it to 5 percent, which is consistent with executive branch practice, and also we believe this change will be more equitable. Five percent is a measurable, predictable amount of pay regardless of one's grade and step, whereas a one-paygrade increase can be more or less depending upon where a person is on the pay schedule.

The proposed change to rule 26 makes explicit the idea that employees must report their time accurately and that supervisors are responsible for verifying the accuracy of timekeeping. One of the challenges we encountered with the pandemic was when so many of our employees began to work remotely—it's wonderful that we were able to learn new methods of flexibility, but we have had some challenges with accuracy and accountability of timekeeping that we hope this edit will address.

The changes to rule 26.7 are intended to clarify that there are legal exceptions to the promise that employee records are confidential. For example, there are certain agencies like the Equal Employment Opportunity Council that have a right under federal law to request our records, and we will have to be provide those notwithstanding that our policy says that those rules are confidential.

Rules 32.25, 32.4 and 36 are all definitions and conditions for the use of various types of sick leave, and we added—we proposed to add definitions from Nevada Administrative Code to aid in our interpretation of these rules: rule 37, which is our Family and Medical Leave Act policy; rule 37.1, which provides for employees to be placed on sick leave by supervisors; rules 49, 51 and 52, which are all part of the employee discipline, warning, reprimand, demotion and dismissal process and the anti-harassment policy. All of these rules and policies we have proposed edits to ensure that human resources counsel is consulted in decisions pertaining to these policies. These are all policies involving employee leave and employee discipline or anti-harassment situations, and ensuring that human resources counsel is consulted will help us to be sure that employees across the Legislative Counsel Bureau are treated fairly and consistently across the various divisions and that employee supervisors will not unwittingly make decisions that might expose the Legislative Counsel Bureau to employment lawsuits if they make decisions without the benefits of attorneys versed in these issues.

Rule 38 is our maternity leave rule. We believe it is necessary to revise this rule to explicitly tie maternity leave to the physical limitations imposed by pregnancy and childbirth, because otherwise the argument can be made, and has been made in other lawsuits nationwide, that the policy as it's written just provides women with extra leave than men just by virtue of the fact that they are women. This doesn't seek to reduce or change the amount of leave that people are entitled to, but it does hopefully help to shield us from the potential for a claim of discrimination for treating women and men differently. Additionally, the proposed change to the maternity leave rule clarifies the process for providing medical documentation of the need for leave, particularly where there may be a difference of opinion between medical experts.

Rules 44.2 and 44.4 are proposed edits where language has been taken from the Nevada Administrative Code so that we can be sure that legislative branch employees have the same emergency, volunteer leave and administrative leave policies available as those used by the executive branch.

Rule 45 clarifies that leaves of absence without pay must be authorized by the division chiefs and the Director. We have unfortunately encountered some challenges with employee absenteeism, where employees may use all of their paid leave and then request more time. Then, if that time is denied, the employee may say, "Well, I'll just take leave without pay." Under our current rules, there's no ability to deny that leave. Again,

this is leave that's not supported by any medical or other emergency justification. That leaves the risk that LCB divisions will be understaffed and without recourse to deal with employee absenteeism.

The proposed change to rule 57 aims to change the way that space and use of grounds in the Legislative Building are allocated consistent with NRS 331.135, which provides that the LCB Director assigns the use of space in legislative facilities in such manner as the Legislative Commission prescribes.

Rule 60: the edits to rule 60 borrow language from Nevada Administrative Code to expand our current conflict of interest rule to cover various conflicts not previously described or envisioned under the rule.

Then finally, the Disability Accommodations Policy is a new addition to our proposed rules. The Legislative Counsel Bureau has long had in place rule 13, which provides that we do not discriminate based on disability or other protected categories, but there has been no policy to guide how we as employers respond when we become aware of an employee disability or to guide how employees in need of accommodation make those requests. This proposed policy would remedy that absence and aim to create a consistent process for requesting accommodations, for documenting medical conditions and for supervisors to respond to accommodation requests and then evaluate the efficiency of those accommodations to ensure that whatever accommodations we make are working for the employee and for the LCB.

I covered a lot of material very quickly in deference to the hour, but want to make myself available to questions if any of you have any.

Chair Yeager:

Thank you for that presentation, Ms. Remick. I can obviously tell a lot of thought went into the changing, modernizing and updating of these rules. I'm particularly pleased to see the Disability Accommodation Policy as well, but do we have questions from members? We'll start down here in Las Vegas. Assemblyman Hafen?

Assemblyman Hafen:

Thank you, Mr. Speaker. I do have two questions. In looking at rule number 44.4 on page 24 (<u>Agenda Item XII</u>), number 1C talks about when the Director may grant paid leave to remove the employee from the workplace when an employee committed or threatens to commit an act of violence, and I just wanted to know why we're adding that when rule number 52, "causes for action," subsection 18 talks about violence or threats. Basically

it's the same thing, it's "cause for action" under that. I'm just kind of curious the rationale behind putting them on paid leave when it is cause for dismissal and action.

Ms. Remick:

The added language in rule 44.4 comes from—or is adapted from Nevada Administrative Code 284.589. In part it is intended to make our policies consistent with executive branch policies so that we don't have employees who come to the legislative branch used to different rights and process in their work in the executive branch. But I think to get to the heart of your question, Assemblyman, it's important to understand that rule 44.4 and rule 52 are different parts of the employee discipline process. Rule 52, the causes of action, spell out the different reasons for which employees can be disciplined, but it's often not an instantaneous situation where everybody knows what's happened and you can carry out the discipline right away. Rule 44.4 allows the Director to look out for the safety of the workplace by placing an employee on leave with pay while the facts and circumstances of whatever the accusation may be are investigated. That's for everybody's protection, the employees, as well as the accused employee, as well as others in the workplace.

Assemblyman Hafen:

That makes sense. I just wanted to make sure that it was on the record that the intent of this is that, while an investigation is going on of workplace violence, that they could—the Director may decide to pay them. I appreciate that, and I just want to make sure we got that on the record because it really wasn't clear in the writing. The other question that I had was under 44.4 number 3F and also how it relates to 4A. It appears that we're allowing them to attend retirement benefit educational sessions, but under 3 it's a "may," but under number 4 it's a "shall." I didn't know if F was necessary since 4 is basically saying that they shall be allowed to attend these events, and I might be missing something technical or maybe a technicality there, but I just wanted to ask that question.

Ms. Remick:

I think the difference between the "may" and the "shall" in section—the "may" in section 3 and the "shall" in section 4—and again, this language is borrowed from the NAC, so we're following the executive branch lead on this, but the items in section 4 are very short-term things that are directly related to employee health. The sort of public employee benefits related events tend to be things like vaccination clinics that are set on a certain date and time, or—4B is the need to attend an initial appointment and follow-up appointment for employee assistance counseling. Those are sort of time-sensitive, pressing matters that have to do with the employees' health, and we want to stress that the Director should make that time available—needs to make that time available to employees. The matters in subsection 3, they are things where there's more flexibility in scheduling and the

Director should have more flexibility to balance with the employees' needs for time off to attend these things. Also, the needs for staffing the divisions.

Assemblyman Hafen:

Got it, perfect. Mr. Chair, I just have one last question, and I believe the reasoning is to mirror the executive branch, but under rule 44.4 3G, it gives basically the Director—to give paid time off for anything the Director deems appropriate. Can you just confirm that that does match the executive branch?

Ms. Remick:

That does not match the executive branch because the executive branch doesn't have the Director, but it does provide the Director the discretion to provide time off for circumstances we can't envision in the rule.

Assemblyman Hafen:

Thank you, and thank you, Mr. Speaker.

Assemblywoman Monroe-Moreno:

Thank you, Mr. Chair. I just have one question. I don't know if I missed it, but do we offer sick leave if an employee runs out of sick leave where their colleague could actually donate time to them?

Ms. Remick:

We do have a catastrophic leave policy and a fairly healthy catastrophic leave fund that is available to employees. We're not proposing to change that rule, which is why I didn't cover it in this review of the edits.

Assemblywoman Monroe-Moreno:

Thank you.

Assemblyman Hafen:

I apologize for so many questions, but I did just—under rule number 52, cause for action, again subsection 18, I noticed that we're changing in the last part—the "victim" to "another employee," and I just—I'm a little hesitant there. I don't want to point out certain circumstances that are happening in Las Vegas right now where the victim of the

workplace was not an employee. I just want to put my hesitation there on the record that I do think that there could be cause of actions that there were violent threats or violence or threats to individuals that were not employees, and by changing this, I'm just a little hesitant there, but I leave that up to the full Commission. Just on the record, so it's rule number 52, subsection 18, page 30, kind of the middle of the page there, talks about the violence and these are causes for action. Again, I do apologize for the number of questions and do appreciate the time.

Chair Yeager:

Thank you, Assemblyman Hafen. Do we have additional questions down here in Las Vegas? How about up in Carson City? I can see you all on the screen; you're very small, but I don't see any hands going up. I guess, let me just ask on the heels of Assemblyman Hafen's question, with respect to rule number 52, subsection 18, I think I see what he's getting at, that it may not be another employee. It could be someone coming into the office who is a customer or a constituent. I just wondered if you'd be amenable to perhaps changing that rule to indicate that it could be—I guess we could leave "victim" or we could leave "another employee"—"victim whether or not an employee," if that would be something that would work, or are we going to throw a wrench into everything if we change that?

Ms. Remick:

I also see what Assemblyman Hafen is thinking about. I think our initial thinking was that "another employee" is perhaps broader than limiting it to the victim, because you may be a witness to threatening or violent behavior that does not specifically target you but nevertheless makes it difficult to feel safe in your workplace. Our intent was to broaden the protection in that provision beyond just the target of the conduct, but I can see how we may have limited it in another respect, and perhaps the better approach would be something like "the victim or another employee" or similar.

Chair Yeager:

Okay, sorry folks in Carson City. We're just having a discussion about perhaps suggesting an amendment to that subsection 18 on page 30 to be "on the part of the victim or another employee," I think would work, just to make sure that we're capturing everyone. I don't want to cut off questions. If anyone else has questions, we'll take those. I didn't see any, otherwise I think we could probably just take a motion to approve with that one noted change to rule number 52, subsection 18. Would someone like to make that motion?

Assemblywoman Monroe-Moreno:

Thank you, Mr. Chair. I move to approve the revised proposed amendments to our Rules and Policies for the Legislative Counsel Bureau with the amendment that was noted in number 52, subsection 18 to add the word "or" and instead of striking out "victim," have "victim or another employee."

Chair Yeager:

Great, we have a motion and we have a second. Any discussion on the motion?

ASSEMBLYWOMAN MONROE-MORENO MOVED TO APPROVE THE PROPOSED REVISIONS TO THE RULES AND POLICIES OF THE LEGISLATIVE COUNSEL BUREAU AND THE AMENDMENT TO RULE 52, SUBSECTION 18 AS DISCUSSED.

THE MOTION WAS SECONDED.

THE MOTION PASSED UNANIMOUSLY.

Chair Yeager:

Thank you again for presenting and for working on that, and thank you to Assemblyman Hafen for noticing that change in rule 52. That closes out agenda item XII. Now, Committee, I have a couple pieces of probably positive information. We're going to roll agenda item XIII, which is litigation report, and agenda item XIV, which is the audited financial statements. We're going to roll those to the next Legislative Commission meeting, which is going to be either in January or that first week of February. In the interest of time, we're going to defer those. Thank you to Mr. Powers and Mr. Rushin for being available today. That'll take us really to the last substantive item on the agenda, which is item XV. This is approval to transmit the budget for the Legislative Counsel Bureau and Interim Nevada Legislature to Office of Finance, and we have Ms. Erdoes to run us through that, and then we'll take questions and hopefully approve this and be on our way.

Ms. Erdoes:

Thank you, Mr. Chair. You should have a four-page memorandum in front of you (<u>Agenda Item XV</u>). It's not in the book; it's on letterhead. As indicated in that memo, this item is seeking approval to submit the budget for the Legislature that is described in the memo. Once transmitted, it will be included in the state budget to be reviewed by the Assembly and Senate money committees during session. I'm happy to answer any questions you may have about any part of it.

Chair Yeager:

Do we have questions from anyone here in Las Vegas? I don't see questions here. How about in Carson City, any questions on the LCB and Interim Nevada Legislature budget? I'm not hearing questions. I would look for a motion for approval to transmit the budget.

ASSEMBLYWOMAN MONROE-MORENO MOVED TO APPROVE THE TRANSMITTAL OF THE BUDGET FOR THE LEGISLATIVE COUNSEL BUREAU AND INTERIM NEVADA LEGISLATURE TO THE OFFICE OF FINANCE.

SENATOR CANNIZZARO SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

Chair Yeager:

That takes care of item XV. That takes us to our final agenda item which is item XVI, public comment. We have two minutes for public comment, and we'll start here in Las Vegas. I don't think we have anyone left in the audience in Las Vegas, so there's no public comment here. Let's go up to Carson City. Is there anyone up in Carson City who'd like to give public comment? I don't see anyone up there either, unless there's someone—

Senator Goicoechea:

We have four here and I don't think anybody's talking.

Chair Yeager:

Okay, I don't see them. They must be in the corners of the room. But nonetheless, nobody is coming to the table. BPS, could we check the phone lines to see if there is any public comment there?

Broadcast and Production Services Staff:

Thank you, Chair. The public line is open and working, but there are no callers to offer public comment at this time.

Chair Yeager:

Okay, I will close agenda item XVI. Commission, that takes us to the end of the agenda. Again, just want to thank all of you, given the holidays, for your participation today and thank the staff as well. If anyone's traveling, good luck and hope everyone has a fantastic New Year, and we will see you all in 2023. This meeting is adjourned.

	RESPECTFULLY SUBMITTED:
	Jordan Haas, Secretary
APPROVED BY:	
Assemblyman Steve Yeager, Chair	
Date:	

Agenda Item	Witness/Agency	Description
Agenda Item II A	Kimberly Maxson-Rushton, Cooper Levenson	Public Comment
Agenda Item II B	Adam Zarrin, Leukemia and Lymphoma Society	Public Comment
Agenda Item III	Jordan Haas, Commission Secretary	Draft Minutes of the Meeting Held on September 27, 2022
Agenda Item V-A	Bryan Fernley, Legislative Counsel	R164-22 for Early Review
Agenda Item V-B	Bryan Fernley, Legislative Counsel	R164-20 for Continuance Request
Agenda Item V-C	Bryan Fernley, Legislative Counsel	Cannabis Compliance Board Regulation for Review
Agenda Item V-D	Bryan Fernley, Legislative Counsel	Administrative Regulations for Review
Agenda Item VI	Fred Dilger, Commission on Nuclear Projects	Submission for Appointment to the Commission on Nuclear Projects
Agenda Item VII	Assemblywoman Sandra Jauregui	Sunset Subcommittee Recommendations for Review
Agenda Item IX	Brenda Erdoes, Director	Proposed Amendment to Guidance on Lobbying
Agenda Item X	Brenda Erdoes, Director	Draft 120-Day Calendar for the 2023 Legislative Session
Agenda Item XI	Brenda Erdoes, Director	Session Hires for the 2023 Legislative Session
Agenda Item XII	Heidi Remick, Chief Human Resources Counsel	Amendments to the Rules and Policies of the Legislative Counsel Bureau

Agenda Item XIV	Dan Rushin, Chief Financial Officer	Legislative Counsel Bureau's Audited Annual Financial Report for Fiscal Year 2022
Agenda Item XV	Brenda Erdoes, Director	Request to Transmit the Budget for the Legislative Counsel Bureau and Interim Nevada Legislature to the Office of Finance

Additional Public Comment		
Exhibit A	Compilation of written comments received from members of the public who did	
	not speak during the meeting.	
	These comments are individually posted at the following address:	
	https://www.leg.state.nv.us/App/InterimCommittee/REL/Interim2021/Meeting/24293	