

**MINUTES OF THE 2023-2024 INTERIM  
LEGISLATIVE COMMISSION**

**DECEMBER 14, 2023**

The meeting of the Legislative Commission was called to order by Chair Cannizzaro at 2:13 p.m. at the Grant Sawyer State Office Building, Room 4401, 555 East Washington Avenue, Las Vegas, Nevada, and via videoconference at the Legislative Building, Room 4100, 401 South Carson Street, Carson City, Nevada. The meeting was adjourned at 4:26 p.m.

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

**COMMISSION MEMBERS PRESENT IN LAS VEGAS:**

Senator Nicole Cannizzaro, Senatorial District No. 6; Chair  
Senator Dallas Harris, Senatorial District No. 11; Vice Chair  
Senator Jeff Stone, Senatorial District No. 20  
Assemblywoman Shea Backus, Assembly District No. 37  
Assemblywoman Selena Torres, Assembly District No. 3 (Alternate for Assemblywoman Sandra Jauregui)  
Assemblyman Howard Watts, Assembly District No. 15 (Alternate for Assemblyman C.H. Miller)  
Assemblyman Steve Yeager, Assembly District No. 9

**COMMISSION MEMBERS PRESENT IN CARSON CITY:**

Senator Skip Daly, Senatorial District No. 13  
Senator Ira Hansen, Senatorial District No. 14  
Assemblyman Rich DeLong, Assembly District No. 26  
Assemblywoman Alexis Hansen, Assembly District No. 32

**COMMISSION MEMBERS PRESENT VIA VIDEOCONFERENCE:**

Senator Lisa Krasner, Senatorial District No. 16

**LEGISLATIVE COUNSEL BUREAU STAFF PRESENT:**

Brenda Erdoes, Director  
Roger Wilkerson, Deputy Director  
Daniel Rushin, Chief Financial Officer  
Heidi Remick, Chief Human Resources and Contracts Counsel  
Asher Killian, Legislative Counsel, Legal Division  
Nicolas Anthony, Research Director, Research Division

Dan Crossman, Legislative Auditor, Audit Division  
Sarah Coffman, Assembly Fiscal Analyst, Fiscal Analysis Division  
Wayne Thorley, Senate Fiscal Analyst, Fiscal Analysis Division  
Broadcast and Production Services Staff, Administrative Division  
Angela Hartzler, Secretary, Legal Division  
William Bennett, Secretary, Legal Division  
Jordan Haas, Secretary, Legal Division

**OTHERS PRESENT:**

Steve Aichroth, Administrator, Housing Division, Department of Business and Industry  
Tim Whitright, Deputy Administrator, Housing Division, Department of Business and Industry  
Kevin Diamond, Board Member, Certified Court Reporters' Board of Nevada  
Debbie Uehara, Executive Secretary, Certified Court Reporters' Board of Nevada  
Danilo Dragoni, Deputy Administrator, Division of Environmental Protection, State Department of Conservation and Natural Resources  
Andrew Tucker, Chief, Bureau of Air Quality Planning, Division of Environmental Protection, State Department of Conservation and Natural Resources  
Troy Jordan, Deputy Director, Department of Employment, Training and Rehabilitation  
Joseph Widjaja, Senior Audit Manager, Crowe LLP

**Senator Nicole Cannizzaro (Senatorial District No. 6; Chair):**

Good afternoon and welcome to the sixth meeting of the Legislative Commission this year. I want to thank everybody for their time this afternoon as we go through some of the things that we have got to get done on the business side for Legislative Commission. We do have a quorum present, and before we get going over a few housekeeping items, I did want to just give a special thanks to Assemblyman Watts for joining us today, because I heard that it was your birthday. He is here to do the good work of the Legislative Commission on his birthday, and so I just wanted to take a moment to say happy birthday and thank you for joining us, even on your special day. Hopefully it will be a good meeting. Happy birthday. All right, a couple housekeeping things to go over before we get started. For anyone who is here to testify, please make sure that you state and spell your name for the record before you testify. Again, if anybody would like to receive copies 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 Legislature's website, and in addition we will also accept written comments, which you can email before or after or during the meeting on any of the items that are on our agenda today. The information on where to send those written comments is also on the website and is listed on the agenda for this meeting.

That brings us to item II on our agenda, which is public comment. We will be accepting public comment at this time from anyone who is present here in the Grant Sawyer Building

in Las Vegas, and then we will go to the Legislative Building in Carson City for anyone who is attending in person there, and then we will take public comment from anyone who is wishing to provide public comments by phone. If you prefer to wait to speak until later, we also have a second period of public comment at the end of our meeting, so you can of course wait for that period of public comment if you like. As always, please remember that these comments will be limited to two minutes per person, and if you have additional comments you can of course always submit those in writing to us by the information that is listed on the website and the agenda. We will start here in Las Vegas. If anybody wishes to give public comment, now is your time, and we have three seats available down here. I don't see anybody making a beeline for those seats. We will go to Carson City and let anyone who wishes to take those seats go ahead and take those seats. I do, as we give them just a moment, want to again remind everyone that you have to identify yourself every time for the record and make sure that you sign in on our sign-in sheet so that we have your information and can prepare an appropriate record of the minutes from today. I don't see anyone coming up to the chairs in Carson City, so we will go ahead and move to our phone lines. BPS (Broadcast and Production Services), if you could please get on our phone lines and see if we have anyone who has called in? If you've called in and would like to speak for this meeting, you will be notified by our Broadcast and Production Services staff when you've been connected and when it is your turn to speak. Again, comments will be limited to those two minutes, and we accept additional comments in writing that can be added to the record. I will turn it over to BPS; do we have anybody on the phone?

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

Thank you, Chair. You have no callers wishing to participate at this time.

**Chair Cannizzaro:**

Thank you very much, and I know that we got started a few minutes after the hour, so we will move on. Again, there's a second period of public comment if anybody wishes to join us in the interim and give public comment at the end of the meeting. That will take us to our agenda item III, which is approval of the minutes. Committee members, you have in your packet the draft minutes for the November 8, 2023 Legislative Commission meeting (Agenda Item III). Those minutes were also available on the Legislature's website, and so everybody should have had a chance to review those minutes. Again, because we are reviewing minutes and there was the ability to review those, even if you were not here for our meeting, you are still someone who can vote to approve those minutes. At this point, I will ask if anybody has any comments or questions regarding the minutes for approval. I'm not seeing anyone here in Las Vegas or Senator Krasner online. Anyone in Carson City? I'm not hearing any, so with that, at this time I would accept a motion to approve the minutes of the Legislative Commission meeting that was held on November 8, 2023.

ASSEMBLYMAN YEAGER MOVED TO APPROVE THE DRAFT MINUTES OF THE MEETING HELD ON NOVEMBER 8, 2023.

SENATOR HARRIS SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

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**Chair Cannizzaro:**

That brings us to agenda item IV, which is our review of our administrative regulations. We have joining us today our Legislative Counsel, Asher Killian. He is up here—not up here, down here in Las Vegas with us today to assist with this particular item. Members, you will note that there are 15 regulations for consideration under item IV today (Agenda Item IV). The first category has 14 regulations that were submitted for approval pursuant to NRS (Nevada Revised Statutes) 233B.067. The second category has one regulation from the State Department of Health that was deferred at a previous meeting and is submitted pursuant to NRS 233B.0675. These regulations are all contained in the notebook which was provided to the members and which is also posted on the Nevada Legislature's website under the tab for this meeting, which you can find by hitting the "View Events" tab in the upper right-hand corner of the Legislature's website home page. We are going to consider both categories of regulations together.

At this time, I do have several items that have been requested to be pulled for further discussion and questions, so I'm going to list those which I have already been notified by members they would like to have pulled for some additional consideration. When I am done reading those, if there's anything else that needs to be pulled, please let me know. We have on our list to be pulled for further discussion R003-22 from the Administrator of the Housing Division of the Department of Business and Industry, R078-22 from the Certified Court Reporters' Board of Nevada, R110-22 from the Administrator of the Housing Division of the Department of Business and Industry, R193-22 from the Certified Court Reporters' Board of Nevada, R061-23 from the State Environmental Commission and R083-23 from the Administrator of the Employment Security Division of the Department of Employment, Training and Rehabilitation. Members, and we'll start here in Las Vegas, any additional regulations that you would like to have pulled for further discussion? I am not seeing any. We'll go Carson City and then we'll come to you, Senator Krasner. Carson City, any additional regulations to be pulled for additional discussion? I'm not seeing anyone jump in. Senator Krasner, which regulations would you like to add to that for additional consideration?

**Senator Lisa Krasner (Senatorial District No. 16):**

Thank you, Chair. I would like regulations R008-23 and R009-23, please. Thank you.

**Assemblyman Rich DeLong (Assembly District No. 26):**

I don't see those on the list.

**Chair Cannizzaro:**

Senator, we don't see those particular regulations on this agenda item. We do not have R008 or R009-23. I think you might be looking at the list of regulations from the last meeting. Oh, you're muted.

**Senator Krasner:**

Okay, thank you. I was wondering why I didn't see them previously and I just now noticed them. Thank you. Other than that, no.

**Chair Cannizzaro:**

No worries, it happens. Okay, perfect. Okay, anyone else? I am not seeing any. Members, we now have these regulations that have been pulled, so I'm going to read them off just one more time to make sure everybody has them. These are the ones we'll be having an additional discussion on: R003-22, R078-22, R110-22, R193-22, R061-23 and R083-23. That leaves us with the following regulations that have not been requested to be pulled, which is R004-23, R005-23, R006-23, R007-23, R033-23, R034-23, R035-23, R067-23 and R148-22. Speaker Yeager?

**Assemblyman Steve Yeager (Assembly District No. 9):**

Thank you, Madam Chair. I would move to approve the regulations that you just listed off, which are the ones that have not been pulled for further discussions.

ASSEMBLYMAN YEAGER MOVED TO APPROVE REGULATIONS R004-23, R005-23, R006-23, R007-23, R033-23, R034-23, R035-23, R067-23 AND R148-22.

SENATOR HARRIS SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

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**Chair Cannizzaro:**

Those regulations we did just read are approved. If you are here in Vegas or in Carson City and were here on any of those regulations, you are free to go. For those of you who've had regulations pulled, unfortunately we are going to have an additional discussion together. We will take each of these regulations individually. I am going to start with R003-22 from the Administrator of the Housing Division of the Department of Business and Industry (Agenda Item IV). I believe that we may have someone in Carson City. There they are. We'll let you get situated. This was a request from Senator Daly, so we will give the floor to you, Senator, to go ahead and proceed with questionings. Members, this is how we will review the remainder of the regulations. We'll let our agencies come on up; if you've requested to have the regulation pulled, we'll let you start with your questions or comments and then we'll ensure that there aren't any additional questions or comments and then determine what the pleasure is of the Committee. Senator Daly, when you're ready.

**Senator Skip Daly (Senatorial District No. 13):**

Thank you, Madam Chair, and I appreciate the deal. On this one, relatively simple and I tried looking at a couple of the bills that were mentioned and that brought this regulation forward and various things. Unfortunately, the parts that I couldn't see was what the old regulations or the old provisions were, so I was just curious, kind of curious, and I have a second question. How do these new regulations measure up with that? For instance, you have a 20-day period to respond and then no judicial review unless you appeal. If you appeal, then that can go to judicial review, if I read it correctly. I was just curious on how these stack up. Are they fairly close? Did we make drastic changes? Was it 20 days before or was it 30 or something like that? Was it reduced? Just curious how they stack up to—with what the previous procedures were.

**Steve Aichroth (Administrator, Housing Division, Department of Business and Industry):**

Sure. Thank you, Senator Daly, for the question. Steve Aichroth, Administrator of the Nevada Housing Division. I believe I have our Deputy Administrator in Las Vegas also, Tim Whitright, who has direct oversight over this manufactured housing. But to answer your question, I believe I can answer that in general. These are an exact mirror of what previously existed in statute when the two divisions merged. This bulk of what you see here was omitted in that transfer, and so it's basically just a reinstatement of exactly the process that was done previously.

**Senator Daly:**

Thank you for that, and I did try to go back and look at the old stuff, but the bill just said these sections are deleted, and then of course it's been updated so I couldn't see what the old stuff was on that. Second question, and it's just more of an informational type of

deal. So, as I read it in the review in section 18 of SB (Senate Bill) 40—not the regulation, of SB 40—enabled the Housing Division to set an alternative maximum monthly household income to make people eligible for some of the subsidies. Now I know the regulation sets a federal threshold or calculation on eligibility there, but this in my view wouldn't allow you to set a lower one than that, but would enable you to set a higher one if you felt it was appropriate. I'm just curious or asking, seeing as how you're enabled to do it, has there been any work been done, any efforts or to determine an alternative max income for people to be eligible for this that might exceed what the federal calculations are, because you're enabled to do it. I'm just curious if we're doing it and if we're not, why not?

**Mr. Aichroth:**

I will probably defer some of the second part of your question to Deputy Administrator Whitright, but to answer the first is we've allowed up to 30 percent of the average median income to be eligible for the program. In many cases that exceeds the poverty levels established originally, and so SB 40 monitored that. I can't answer specifics as to if anybody's actually been assisted by that, and for that I will defer to the Deputy Administrator.

**Tim Whitright (Deputy Administrator, Housing Division, Department of Business and Industry):**

Good afternoon. Tim Whitright, Deputy Administrator, Housing Division out of the Las Vegas Office. The question is if anyone has taken advantage of the new, or recently I should say, approved income guidelines. Those are taking effect on this new application process or cycle. Just to go back a little bit, what it does is it does use poverty level, so that's existing. That's what we had before. That remains in place. However, it also adds the option of what is essentially the Department of Housing and Urban Development HOME limits, and the reason for that is they're actually broken out by region throughout the state. What that means is it's actually accounting for the actual cost, housing cost and cost of living for each region within the State of Nevada, which means it's much more fair for each population within the state. Originally with using just the poverty, that was one number for the entire country, and here we're actually breaking it down and saying that someone in Reno may have a different cost than someone in Las Vegas. We will be seeing that in this new cycle, if that answers the question, I hope. Thank you.

**Senator Daly:**

Thank you, and I think it does answer the question a little bit is—so you haven't exactly set an alternative maximum rate, but you have put in a process using some of that that would allow you to make people eligible at a higher level of income based on what you just described on the region and what the rents are in region, so no. That answers my question. Thank you. Ready to make a motion if no one else has any questions, Madam Chair.

**Chair Cannizzaro:**

Are there any additional questions from members of the Commission on this regulation? All right, I am not seeing any, and Senator Daly?

SENATOR DALY MOVED TO APPROVE REGULATION R003-22.

ASSEMBLYMAN WATTS SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

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**Chair Cannizzaro:**

Before you all go anywhere, we'll take—we're going to take our regulations a little out of order so you don't have to go too far from the table. We're going to go to R110-22, also for the Administrator of the Housing Division of the Department of Business and Industry (Agenda Item IV). I have requests from two members. We will start with Senator Daly on this particular regulation. We'll let you, and then we will go to Assemblywoman Backus for questions and then we'll go from there.

**Senator Daly:**

Thank you, Madam Chair, again. I have a little more concerns with this one on how they're doing this in regard to the application. You seem to be changing that, and I'm not exactly sure why you're proposing to change it that the applicant has to put in this certification of a variety of different things may or may not have access to and shifting, making it so the applicant has to put in that certification with their application, rather than the way you used to do it I believe was in the deleted section, 118B.024, where the Housing Division would send a letter to the management or the owner and say, "You have to send us back a certification in 5 days." I think that's shifting. I don't know what the thought process is and various things, but a lot of times you're dealing with people that may not have had to do this process before, may not know who the owner is. Ostensibly they can get to the manager, but if they get through the manager, who's—maybe they don't like this person or whatever, they'll say, "Oh, you've got to contact the owner," which could be some corporation in Illinois somewhere. I just think it's an undue shift of burden. The Housing Division I think should continue to do that, so I've got a concern with that. I think if a mobile home park potentially had some grievance, or they had a grievance with the mobile home park or maybe they're on a longer term lease at a lower rate, there's opportunity there for then that owner to slow play them and try to have those people not get the subsidy and



then maybe rent that out for a higher deal. I don't think I like that part of it, and you can tell me what your thought process was, but I'm not seeing why you would make that shift.

**Mr. Aichroth:**

I believe—and I will again defer to Deputy Administrator Whitright. I believe, to your point, Senator Daly, we have not eliminated or changed the particular method, we've just made it so that it can also be submitted electronically, but—okay, you're shaking your head. Tim, can you address that?

**Mr. Whitright:**

Certainly. Senator Daly, the process has not changed in that regard. What happens is the application does require a certification, but the certification is completed by either the manager or by the owner, so it does allow for either manager or owner so it gives a little more flexibility there. As Administrator Aichroth mentioned, the other change is that it can be done electronically now rather than having to be done only by USPS (United States Postal Service) mail service, so that flexibility is still there. The applicant is not responsible for the certification; it is the manager, and now can also be provided by the owner as well. Thank you.

**Senator Daly:**

Thank you. Thank you for the answer, or your interpretation. But when I read section 9, an applicant who requests assistance from the account must submit an application—the Division, provided by the Division, etc., to the application must include A, B, C and D and say the application must be signed by the applicant and notarized and the application must be accompanied by a certified form prescribed by the Division and completed by the management. So the applicant, the way I read that, must submit with his application that they have to get before they can turn it in to you a certification from management. That's the way I read it, plain language. You can tell me if I'm wrong. So to me, that does change who has to do it, and then your deleted section, 118B—I told you already—.024 clearly states, and you're deleting that, that you'll send the letter after you receive the application from the applicant that you'll send a letter to management and they've got 5 days to respond to you with the certification. Tell me where I'm reading that and it's not saying and not contradictory to what you just stated.

**Mr. Whitright:**

Senator Daly, so in reference under section 9, yes, the applicant does submit the application with the certification from the park manager or owner. Our notification—the only change that we made to our notification—it can be done by mail. It can still be done by mail, but what we're saying is we'll also allow electronic—or, that is, by email so that the response would be electronic. Not everyone has email so it's not mandated, but it's an option that's made available. I'm honestly not seeing—

**Chair Cannizzaro:**

And if I might jump in for just a moment, because I too was reading the language that you are talking about, Senator Daly, and agreed that there were some concerns. But I think that our legal counsel here, Mr. Killian, he can explain it, because I do think that what the Division is saying is correct. I think hopefully the way that Mr. Killian can walk us through it certainly helped to clarify it for me, so I'm going to turn it over to you. Mr. Killian, please.

**Asher Killian (Legislative Counsel, Legal Division, Legislative Counsel Bureau):**

Thank you, Madam Chair. The provisions in subsection 4 of section 9 largely replicate the provisions of the repealed—sorry, scrolling down to get the number correct—NAC (Nevada Administrative Code) 118B.390 in terms of the substance of the certification, and it does allow for either the manager or the owner as opposed to just the manager to complete the certification, and it does allow for it to be done either by mail or electronically. But the one piece, to Senator Daly's concern, that did not come over into the new language in section 9 from the repealed NAC 118B.390 is subsection 3 of that section, which requires the manager to complete the certification and return it within 5 days after receipt. To Senator Daly's concern, I think that provision does fall out of the law if this regulation is adopted. There would no longer be that legal requirement for the manager or owner to complete the form within 5 days after receipt.

**Senator Daly:**

Well, I don't know that that clarified it for me. If I can, Madam Chair? I'm just reading the section that the application must include, which means the applicant has to include, a certification. That applicant is now going to have to go to management and get the certification and various things. They can't certify their own information. I just think that it's backwards, and what counsel just said didn't really change that. There is a section that's deleted that required that manager to give an answer with that. So, if I'm the applicant and now I have to read that and I say, "Well, I've got to get this certification," who do I go to? I've got to go to the manager; I've got to go to the owner, and there's no requirement for them to give me the time of day, where when the Division sent the letter after the application was received without the certification, the Division sent it to the manager and the manager now has an obligation to respond. I just think it shifts the burden, and I'm just reading the plain language. You can look at it there. It says the application must include this certification, so the applicant has to do it. I don't see how you read it differently. I don't think we should shift it onto the applicant.

**Mr. Whitright:**

Senator, I see your point that the piece missing is that it has shifted the burden from requiring that manager or park owner within the 5-day period to provide that, at least to the applicant. I appreciate that clarification. I do understand your point, sir. Thank you.

**Senator Daly:**

I know there's a process for you guys to make that correction. We can't do it here, but I think it needs to be made clear so that management, they have to do it within a certain period of time. Otherwise, I think it's just they can stonewall and slow play. They can say, "I don't like that tenant," and the manager can say, "Call my corporate office," and the corporate office is going to get a letter and go "Who is this person?" I just think that it's shifting that burden to somebody who may not be or have the wherewithal to actually get it in a timely fashion for you guys.

**Mr. Aichroth:**

As Mr. Whitright has demonstrated, certainly agree with your interpretation and understand where it's coming from. Again, I don't know exactly how we process this at this point, but certainly we can take that into consideration and either come back with an amended version or whatever the process is to do such.

**Senator Daly:**

And, Madam Chair, I don't know what you would prefer, but I think the ball is in your court.

**Chair Cannizzaro:**

Thank you, Senator Daly. We have some additional questions, I think, before we get to what the pleasure is of the Committee, so I'm going to turn it over to Assemblywoman Backus and then we'll go from there.

**Assemblywoman Shea Backus (Assembly District No. 37):**

Thank you, Madam Chair, and I also did have a concern. My concern is a little different, though. It's at section 7 pertaining to NAC 118B.360, and I'm coming from a position of not really as familiar with the manufactured home affordable housing. I'm used to other types of affordable housing, and so when I saw this change, I'm coming from a different perspective. If it's the same type of thing where we're using federal grant funds or other type of monies where the property owner, like if it is the manufacturer home lot owner or manager, needs to prove that the rents meet certain limitations, like income. My concern is if the Division is only making this information available annually and no one knows when that's going to be. I think that would be an interesting burden on the ones that own the affordable manufactured home lots. I'm trying to understand why we're now getting rid of the date certain from June to just make it annually.

**Mr. Whitright:**

The reason that we removed the date certain has to do with other reporting requirements as well. It does allow us to change that or adjust it as needed in the year so that we have

all the information, accurate information on the rents. It is still due annually, so at least one time per year. But that is the reason for it. It locked us into a date certain that then created a situation where not all of the information was available to the park owner and manager to provide an accurate report that would be timely.

**Assemblywoman Backus:**

Madam Chair, may I do a follow up? So just kind of looking at that, like it seems—so it would be in your mindset, annually would be by the end of the year at least, like the December of that year, because annually could be—it could fall into the next year. I'm just trying to figure out where that's going to fall.

**Mr. Whitright:**

Yes, certainly by before the end of the year—pardon me, calendar year, so that we're clear. It would be provided annually before the end of the calendar year. That way we have the entire year's statistics available before that's actually published.

**Assemblywoman Backus:**

Thank you, Madam Chair. I'll just kind of make a comment. I was just really concerned for those that are relying on the reports. If it was something that you guys were making other changes, this is something I would also consider, just thinking of those that rely on those reports to make sure they know when they're going to come out as opposed to annually, because if you were—it just seems to me that it's just quite difficult for that industry. It's fluid throughout the year. You don't know when that's going to come forward, and if you're a property owner who's relying on whatever incentive program that may be and you have to be in compliance with that program, I could see with not having a date certain to know what the rents are for that area would be difficult, but I'm also coming from the perspective of a different familiarity with affordable housing and not necessarily this type. But if this type does rely on federal funds, I could see it being problematic for those that are owners of these properties to make sure they're in compliance.

**Chair Cannizzaro:**

Are there additional questions from members of the Commission? I'm not seeing any, so my question then would be this, because it sounds like—and I do share, I think, Senator Daly's concerns on the shifting of the burden. I think I was understanding his question a little differently and agree that largely this does allow for this, sort of, in a certification to come via mail or via electronic means. However, I do think that the way in which the language in the new part of the regulation was drafted does now require that the actual tenant would be somebody who would have to go through this process, whereas in the repealed language it mirrored that that would have to be something that was done on part of the owner or the manager, which I agree with Senator Daly there are some concerns over. It sounds like there may be a willingness to take this regulation back and make

those changes so that it can conform more with the repealed language so we really are accomplishing that it can be done by electronic means and not changing in addition the burden, and if that—and so my question is on that piece, and then it sounds like there may be some additional concerns that could be addressed if we are going to address at least that piece of the regulations regarding the timing. Is that something that the Division would be willing to take back and change and bring back to us, because I do think that that would give this Commission more comfortability with the language and what you are trying to accomplish.

**Mr. Aichroth:**

Absolutely. I think that's something that certainly can be done, and the Division would absolutely engage in that process.

**Chair Cannizzaro:**

Okay. Thank you, Mr. Aichroth. I do appreciate that. Commission, at this point what I would like to do is defer this regulation to allow the Division additional time to come back with a regulation that conforms to those changes so that we can approve those at a future Legislative Commission hearing once that has been submitted to us. We will ask the agency, with their agreement today, to accomplish that, and we'll look forward to seeing this regulation with those changes when you are ready to submit that to us.

**Assemblyman DeLong:**

Chair, I have a comment on the revision to the regulation, if I may?

**Chair Cannizzaro:**

Yes.

**Assemblyman DeLong:**

I think given my experience in doing permit applications with the state, requiring an applicant to submit a complete application is the general standard in the state, and having the agency be responsible for completing something that is part of a complete application is not the norm. From the standpoint of putting the burden on the applicant to provide a complete application, that makes sense to me, though I happen to agree with Senator Daly that there should be a requirement for the manager or the owner to complete the response in a timely manner. Thank you.

**Chair Cannizzaro:**

I certainly appreciate that. I will note that in this particular situation, the language that had been—that was being repealed in order to accomplish allowing for that electronic means

did have it mailing to the manager of the manufactured home park the certification form to be provided that then certified information that would be largely held by the manager or the owner, and I think that that's kind of where a little bit of where the concern lies with at least myself and Senator Daly in that we want to make sure that this is not—that the owner or the manager is not doing what they need to do right in order to affirm that what this applicant is asking for matches. I'm hopeful that in reviewing this regulation, you can come up with some language that will not place an additional burden necessarily on the applicant and that will allow for those managers and owners to also be able to provide that information in a timely fashion. Again, I think that what I would like to do today is to defer this with the understanding that this is going to come back to us with language that is going to attempt to address that concern.

**Mr. Aichroth:**

Will do.

**Chair Cannizzaro:**

Thank you. Thank you, Mr. Aichroth. Thank you. Okay, that will bring us to our next—we're going to take two regulations together because they're both for the Certified Court Reporters' Board of Nevada. We'll start with the first one, but when you're done with the first one, don't go anywhere because we have two. We'll start with R078-22 (Agenda Item IV). This was a request from Assemblywoman Backus, so we'll start with you and then we'll go to Senator Daly. We'll take that regulation first, R078-22 for the Certified Court Reporters' Board of Nevada. Assemblywoman, once they get situated we'll let you go ahead and start. It doesn't look like anyone is taking those seats at the table in Carson City, so we are just going to do a quick check to make sure we have someone with us who can help answer some of these questions.

**Kevin Diamond (Board Member, Certified Court Reporters' Board of Nevada):**

Madam Chair, Kevin Diamond. The host has—now my video is working. Thank you, Madam Chair.

**Chair Cannizzaro:**

There we go.

**Mr. Diamond:**

I am a member of the Nevada Certified Court Reporters' Board, and I believe our Executive Secretary, Debbie Uehara, is also on the Zoom call.

**Chair Cannizzaro:**

Okay, then we will give just a moment to get you all up on the Zoom and confirm that we have her with us. Give us just a moment—oh, I think we're good. Assemblywoman, when you are ready.

**Assemblywoman Backus:**

Thank you so much, Madam Chair. I just kind of have, like probably for the first reg, regulation 078-22, I just had a couple questions with respect to that regulation, specifically taking your attention to section 1, subsection 9 when looking at—and then also compared to subsection 6. With respect to the rejection letter, just wanted to confirm, is that rejection letter the same as when a letter is being submitted to the applicant for the incomplete application, or are those anticipated to be two different types of communications?

**Mr. Diamond:**

It's my understanding that the letter about incompleteness is different because it's just simply telling the applicant that they can include additional information, whereas the rejection letter often will indicate the reasons for the rejection.

**Assemblywoman Backus:**

Thank you so much, Mr. Diamond. I appreciate that. Then taking your attention to subsection 14 under section 1 where there are a list of emergencies for when an applicant could be, like I guess receive their reimbursement for missing their examination, it looked like a lot of those exemplars were medical attention, but I take it that the intent behind this would include other incidents that would be beyond the control of the applicant, allowing them to cancel taking that test and getting—or actually after the fact, applying for their refund?

**Mr. Diamond:**

Yes, that is correct. The section as you see in 14. It says it includes without limitation, and we on the Board would certainly take into account almost anything that would be outside of the applicant's control. Of course, it includes illness or injury, but it's a case-by-case basis, but we would typically take almost anything into account.

**Assemblywoman Backus:**

Thank you. The last question pertains to section 2. I was just curious why it was that the Board is moving from giving results out from 7 days out to 8 weeks. That just seemed like a lot of time.

**Mr. Diamond:**

Why don't I have our Ms. Uehara answer that one?

**Debbie Uehara (Executive Secretary, Certified Court Reporters' Board of Nevada):**

Debbie Uehara, Executive Secretary for the Board. We basically mirrored the existing language that applied for applicants to take the certification exam, and that language currently offers the Board up to 8 weeks to grade the exams and to hold the open meeting to ratify the test results. Historically, the Board will respond within 2 weeks; 8 weeks is really padding it, but we wanted to keep it consistent for the certification exam as well as the firm exam.

**Mr. Diamond:**

Just to add on to that, the wrinkle that causes the extra time isn't grading it, because it only doesn't take very long to grade each exam. The wrinkle is getting the meeting together to certify it.

**Assemblywoman Backus:**

Thank you. Then if I can draw your attention—actually, Madam Chair, are you okay if I move to the next regulation? Thank you. The next regulation that you have—

**Chair Cannizzaro:**

We are going to take them each individually, but we're going to let the Certified Court Reporters' Board stay where they are. Senator Daly, I thought I had you down for questions, but actually, in reviewing my notes, I don't think you had questions on this one. I think it's the next one.

**Senator Daly:**

That's correct.

**Chair Cannizzaro:**

Okay. Any other questions or comments from members of the Commission? Senator Stone.

**Senator Jeff Stone (Senatorial District No. 20):**

Thank you, Madam Chair. Merry Christmas, happy Hanukkah, everybody. It's nice to be with all of you. With regard to the same section we were just talking about, I kind of agree that 8 weeks is a long period of time for somebody to wait for results, and I was just



curious what the efficacy was that a Board has to approve the certification of exams as opposed to an executive director or executive secretary of a respective board, understanding that an exam has been given under controlled circumstances, they're graded. Why is there is a need for certification by an entire board?

**Mr. Diamond:**

We like to make sure that we're as transparent as possible. We're a very small Board; I think there's four or five of us. We want to make sure that the entire Board has a chance to take a look at it and not just the people who did the grading of the examination, which also are Board members, to certify people who are applying, and it's not just maybe one person or another person, that it's the entire Board. Frankly, the applicants typically appreciate the fact that they were—almost for every applicant it's unanimous, especially if they've passed the test. We try to get that done as quickly as possible, but that's the reason is to be transparent so there isn't—it doesn't look like there's any bias if someone was declined and only one person certified it, and then maybe another person applied and a different person declined them. We want to make sure everything's very uniform.

**Senator Stone:**

Just one follow up. Is this common practice in other agencies in the state? In other words, when an attorney takes the bar exam—I know my kids are attorneys. They would get the results usually like the day before Thanksgiving, which is a horrible time to get the results of the bar exam. I don't think it had to be certified by the bar, that there was any transparency issues. That's the first question. Second question is has there ever been a dispute of your exam and the efficacy of the delivery of the exam, taking the exam, the accuracy of the exam that has been overturned by the Board?

**Mr. Diamond:**

Well, I've only been on the Board for about a year or so, but I'll bet Ms. Uehara can indicate whether there has been any issues in the past.

**Senator Stone:**

Thank you.

**Ms. Uehara:**

I've been employed by the Board for almost 18 years, and in the 18 years we had one applicant who appealed her test results, and after appearing before the Board it was confirmed that she did fail. She did indeed fail, but we have not had any incidents other than that.

**Senator Stone:**

Thank you for your testimony, and just to follow up, that makes a lot of sense that if there is a discrepancy or someone says that they were not treated fairly during the exam and they should be able to appeal it to the Board. It just seems like you'd want to streamline the process to get people their licenses and get them employed. Maybe that's for a future discussion, but thank you for your answers.

**Chair Cannizzaro:**

Thank you, and Senator Stone, I think there are some similar—you mentioned attorneys. There are a number of attorneys here. They'll correct me if I am wrong, I am sure of it, but it's not the—the Supreme Court has to certify the bar results before they're released, and so bar results day tends to be quite terrible because you're waiting for that to actually happen. So, I don't think it's uncommon to sort of see this. I don't know if they've addressed your questions? Okay. Other questions by members of the Commission? I am not seeing any. I think we've gotten our questions answered and concerns addressed. Is there a motion? Pleasure of the Committee?

**Assemblywoman Backus:**

Madam Chair, I'd be happy to make the motion to approve regulation 078-22.

ASSEMBLYWOMAN BACKUS MOVED TO APPROVE REGULATION R078-22.

SENATOR HARRIS SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

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**Chair Cannizzaro:**

That will bring us to the next regulation for our Certified Court Reporters' Board of Nevada. It is R193-22 (Agenda Item IV). Assemblywoman Backus, we will let you take the first line of question on this, and then I believe Senator Daly, and then we will go from there.

**Assemblywoman Backus:**

Thank you so much, Madam Chair. Mine's kind of a policy question for you, and Mr. Diamond, you may be able to answer this. Drawing your attention to section 4, subsection 3, on a high level this is the provision that discusses when third parties could secure a

copy of a transcript. It provides the 60-day deadline and it includes—obviously it wouldn't be provided if an order prohibiting the provision of it, like basically disclosing the transcript with the type of order. My question for you would be is if during the litigation, the underlying litigation where the transcript is sought, there was a protective order providing for confidentiality, would that suffice and meet that provision?

**Mr. Diamond:**

Yes, it would. Either the protective order would apply to that request, or if there was no protective order around, because it's a little unusual to get a request from a non-party for a copy of a deposition transcript. But if it comes in, the reason for the delay from the time of the request until providing it is to allow for the attorneys who would like to file a motion for a protective order either to protect the entire transcript or maybe parts of the transcript. A good example of that could be if a plaintiff in a case, it's a personal injury case and they talk about their medical and their treatment and whatnot, and then that person brings a subsequent case and the attorneys from the subsequent case want to see what was said about the injuries in the earlier case. The attorney for the plaintiff may wish to have a protective order for HIPAA (Health Insurance Portability and Accountability Act) issues. That precludes some of that or whatnot. I believe that's the purpose, but to answer your question, yes, the protective order would indeed apply to a third party. It would apply to anybody, especially if it was a confidentiality agreement and protective order.

**Chair Cannizzaro:**

Senator Daly, please, when you're ready.

**Senator Daly:**

Thank you, Madam Chair, and I have actually several questions on several sections, but we'll start with section 3, and I also have a question on 4 along the same lines that was just asked. Now, I'll pre-qualify that I'm not an attorney, but I have some experience with depositions and court reporters and the various things, but maybe not the same level of detail, so maybe some of my colleagues can help me out if I'm off base. In section 3, I guess I just need a clarification to have it be explained to me. I understand what the word in there, contemporary, I understand that you have to do it at the same time, but I guess the question is my understanding of how it works. Whenever we've had to get a court reporter for a deposition or for an arbitration or something like that was we would call the court reporting firm, we would hire that firm to then come in and create a transcript for our use and that a lot of times we would offer to opposing side if they wanted to have a transcript, and we would say, "You can have it or you can get your own court reporter and pay your own fee, or we'll split the fee." I'm trying to understand on this language here where you have to offer it. So I hired you, I call up and say, "Hey, we need a court reporter," and you say, "Fine, we'll be there on this particular date." Now you're going to offer it to the other person and collect the same fee, or you're going to charge me the same fee? I'm just not following what your intent is on that, because it just seems to be

out of order on what I'm generally doing. So you're going to offer the services I'm paying you for to somebody else? They should get their own court reporter and do their own time if they don't want to split the cost with us. What are you trying to accomplish with that? Explain it to me.

**Mr. Diamond:**

So there's a few things. The Board not only is in place to protect the public, but also to protect our court reporters. Part of the way court reporters earn their keep, so to speak, is they will report either a deposition or a trial and they charge each entity or person who asks for a copy of the transcript. One party isn't supposed to be making copies of the transcript and giving it to someone else because that takes money out of the court reporter's pocket. That's essentially how it works. If a court reporter is present, it's very unusual and unlikely that another attorney will bring their own court reporter because the court reporters are certified and you would just be getting two people doing the same exact thing, and then there might be a dispute as to which transcript is going to be the official transcript for a trial or a hearing. The issue about contemporaneously which comes up is at the end, say, of a deposition or maybe the end of the day of a trial. A court reporter can't just give a transcript to the person requesting their presence. They need to offer to everybody, and one of the reasons for that is it certainly would be unfair for one attorney to have a transcript available and everyone else not have it at the same time. It makes a very big difference in litigation. The sooner you get to see the actual transcript, you can use it in other depositions, you can use it in motion, or you might be in a trial and you might be asking for expedited daily transcripts of what was said in trial for the next day. It's important that the court reporter offer to everyone at the same time whatever service they're providing, regardless of who called the court reporter. The only difference is the person who retained the court reporter pays the appearance fee, but then everyone who wants a transcript pays for the transcript. At the end of a deposition, the court reporter is supposed to—and every deposition I've been in, they have—they look around the table, they stay on the record and they say, "Can anyone tell me if they would like a transcript," and if they say, "Yes, I want an electronic transcript," that's typed in so that there's a record of who asked for the transcript and who didn't. That's typically how the business itself works.

**Senator Daly:**

Okay, and I understand that, that they should get it at the same time contemporaneously, if I said the word right; I was struggling with it a second ago. But the—on the parties on who orders it and various things—so let's go to section 4, and I have concerns over that where this uninvolved third party can come and request it. Now I understand if the transcript is used in a court proceeding or as part of a motion, various things and becomes some type of a public document in a criminal case or otherwise. A lot of the depositions and stuff that I've been involved with is all civil stuff or was labor related, whatever. Sometimes it was an arbitration, and it's not a public deal and it's not going to be public and shouldn't be public and nobody should be able to request it if they weren't a party to

the proceeding. I guess at the base of what I'm asking is, where this any third party can come and ask and request this and you guys are going to say, "Well, I'm going to give it to whoever it is," I guess it's a property rights question. When I order a court reporter to come in and say, "Well, you're going to do an arbitration. We're going to have a court reporter and we want a transcript of an arbitration." It's not any type of a court proceeding. It's not even a civil proceeding, it's a private matter. Who owns that work document? If I'm ordering it and I'm ordering it from you and somebody else wants it at the same time and is paying their fee to get it and they're a party, no problem, right? But if they're not a party and some third party wants to get that, what right do they have to it and how is it not my property that you're then going to sell to somebody else? I disagree with that concept.

**Mr. Diamond:**

I have a number of examples that might assist in addition to the example I gave earlier about a plaintiff who was injured and testifies about the first case and then has another case, and the attorneys for the second case want to get that transcript. One of the most common things we see is when an expert testifies in various cases and people want to see that expert's testimony so that they can impeach them if, for example, an expert says, "I always say that this kind of a street is dangerous," and then there's a subsequent case and the expert's testifying for the other side saying, "I've never said that," and so it's for impeachment. There are also the situations where there might be a case where some party is going to be brought in but they haven't been brought into the suit yet, and they're trying to prepare or trying to argue that they shouldn't be brought into the suit. In informal negotiations, they might want to see the testimony to support their informal argument that they shouldn't be a party to the suit. I can give a number of other examples, but there are a number of reasons why a third party may want that transcript. Again, as I said earlier, the Board protects the public and the court reporters, and what one of the reasons to include this specifically is, for our reporters, we would rather have something in here than what sometimes unfortunately happens, is an attorney will find the name of the attorney who hired the court reporter who took the deposition and just say, "Hey, can you give me a copy?" Again, it takes money out of the pocket of our court reporters who diligently worked on typing and transcribing and whatnot. The third thing is, if an attorney asks just another attorney who happened to be at that deposition for a copy, it takes away the ability to object to someone giving that deposition transcript in here. The court reporter then gets the right to say, "Wait a second, I can't just hand it over to you. I have to tell all of the other attorneys and I have to give time for them to make an objection to this." It kind of protects a number of people, including the deponent person who was deposed.

**Senator Daly:**

Well, thank you for that, but you failed to answer my question, so I'll ask it again if I need to.

**Mr. Diamond:**

You asked whose property is it?

**Senator Daly:**

Whose property is it? You didn't answer that question and you didn't—you went to court cases and you went to depositions and you went to criminal proceedings or some other type of thing or a civil case where they wanted to get information for impeachment. I understand all that, in some of those cases. But when you go to section 9, this is my concern: you changed the word deposition to proceedings, so now this language applies to any proceeding. Let's just say I'm a public employee union and I'm in interest arbitration somewhere, right, and we want to have a court reporter of the proceedings for the arbitrator, this and that. Now that's a proceeding under the definition that you changed in section 9 expands it way past the deposition and all the examples you gave, but whose property is the deposition? It's the person who ordered it. It's the same thing as if I go to a photographer and I say, "Hey, I want you to take pictures," whatever. They own it until I pay them, then I own it, right? They don't have the right to then resell my likeness or that or anything else to anybody else once I've paid for it. I go to any other vendor—if I go to a vendor for campaign material and I say, "Hey, make me a flyer. Do all this stuff. Get me a design that's going to be my branding," whatever it might be. When they produce that and I pay them, it's mine. They can't go then and say, "Hey, we're going to use that same logo for somebody else's procedure." So when I hire you as a vendor and I say I need this court reporting—and I understand the other parties in there—how is it that this third party can then get access to it when it's not their property?

**Mr. Diamond:**

The original-original, if I can say it that way, is the court reporter's. They're the ones that type it; they're the ones that have it. Arguably the attorney or whoever hired the court reporter would have the original transcript to be able to utilize, say, at a trial or any other proceeding. The issue here isn't so much about ownership rights as it is trying to protect the deponent and protect the court reporters from adverse action by just handing out a transcript that was taken in a proceeding or in a deposition. I can tell you as an attorney that, when we are heading to a trial and there's depositions, the court will say who has the original and the person who hired the court reporter is supposed to keep the original. It comes to you as the attorney sealed only to be opened during trial if it's going to be utilized. I guess the answer to your question is, the attorney who ordered the court reporter would have the original transcript, but that does not give that person the right to just disseminate as they please because of potential privilege issues to the deponent and the party and because of business issues as it pertains to our court reporters.

**Senator Daly:**

And I don't disagree that that person shouldn't do that and everything else on the distributing, but at the same token, when some third party, uninterested or—not uninterested, but not a party—goes to you and says, “Hey, I want a copy of it. Who has the original,” and now I want to get it, you're saying yeah, I've got to go tell this person and they've got to argue, but if they don't get a court to say, “No, I'm not going to let you have that,” or it's privileged or it's confidential, some other way, and it's not a deposition—like I said, an arbitration proceeding or something. It's a proceeding. When you change the definition there—when I get the original and I get it, whether I disseminate it or am not supposed to or whatever else, I don't believe the court reporter who did that who was paid to provide a service, provided that service, has any further right to that work product. I'm not going to ever support this language that you have here, because it's not your property to give to this third party. It should be the other way. If the third party wants it, they should go to the court and say, “Hey, tell them to release this,” or go to the people who bought the product and say, “Hey, can I get it,” and go from there. I've got other questions. I don't know if anyone else has others.

**Mr. Diamond:**

I would just emphasize, and again, with all due respect, that that's how the court reporters earn their living is by the people who order the transcripts by charging per transcript per party who orders it. If the business was such that only the person who ordered the transcript gets charged, and that person can make copies and hand it around, our court reporters wouldn't be able to stay in business. That's just how the business works, and it's commonly known and well known that if you want a transcript, you get it from the court reporter and not from the person who asked for the court reporter because that's how they earn their living.

**Senator Daly:**

I understand, if you're a party. If you're not a party, I don't know that you have a right to have it, especially if it's a private proceeding. When you changed that definition from depositions to any proceeding now—so you're not going to sell me on that. I'm hoping that we won't pass the regulation with that language. If I can, Madam Chair, I have a question in section 5.

**Mr. Diamond:**

If I may? I don't want to belabor it, but I do want to make sure that everyone understands the differences. If it's a trial, it's public record. You can go—unless there's an order, you can go walk over to the courthouse when any trial is going and sit in. A third party would be able to order a transcript of a trial anytime they wanted to, and again, I gave you some examples of how it would be used. If it's a private proceeding, the arbitrator or the judge would rule that it's a private proceeding and would seal it and have a protective order

saying that no one can get access to it, so it would be taken care of a different way. It's not the court reporter's decision whether it's private or it's not, but the trials that you're talking about, they're public records so it wouldn't make a difference if, for example, I knew that someone, an expert, was testifying at a trial tomorrow and I wanted to make sure I got a copy of his testimony because I have that expert in my case on the same issue. If that happened, I would go to the court reporter who was in the courtroom and say, "I would like a copy of that transcript. I have this expert in another case," and then this procedure would occur where the court reporter would have to tell the attorneys, "Hey, Kevin Diamond's asking for a copy of this. Does anyone have an objection?"

**Senator Daly:**

I understand. You changed the deposition, and you have this area for the court over here, and I understand all that and I don't necessarily object to that, but when you change it to a proceeding, when you change it to a proceeding and then potentially any proceeding—so for instance, recently there was a dispute, and I'll give you an example, between the management trustees and the labor trustees on a board of trustees deal. You go to a dispute, there's a dispute resolution process between management and labor, and if you hire, when we hire, a court reporter to do that as we're going through this arbitration, if you will, it's completely private. It's not public. It's not going to court. There's no judge, there's no other lawyers, there's no other stuff. By your definition on this, whose work product is that? I'm not talking about the court, I'm saying that's a private document between private parties and no third party should be able to get access to it. It becomes—in my view, when it's given—the original certification to each party can get a copy, it's not for sale for the court reporter to sell. That's somebody else's property at that point. This language would allow anybody that went on a fishing expedition to get those types of documents. Unless you want to change your language back to deposition or you want to clarify if it's over here and you don't have a court order making it private, then potentially you can do this, but if it's a private proceeding that not some third party can get into these types of things. Again, if you have an interest arbitration for a public employee union and can't go on strike, etc., so they have those types of proceedings, those are not public documents. There's no judge, there's no court, so all of your examples you keep giving me on why this has to be done this way are irrelevant, in my view.

**Chair Cannizzaro:**

So I think, because I do—I will say I share some of Senator Daly's concerns. I think changing it from deposition to proceeding obviously pulls in a lot more instances where a court reporter may be making a transcript and then that transcript could be available to a third party, so I want to ask you a couple of questions to just help me understand some of the changes in section 4. If you have a transcript that's been created from something that you've been hired to do—and I understand the point of court reporters. I am a lawyer by trade, and we like to request transcripts, and so obviously very aware of how that helps to facilitate the business of being a court reporter and to sustain that. If somebody were to come—a third party, non-party to the action, were to come and say, "Can I get a copy



of a deposition transcript from a court case,” what is the current procedure for that request? Do you deny it summarily? Do you just provide it? Are you looking for a request from a court to say yes, you can provide it? How would that work if someone came to you who was a third party in a deposition related to a court case to say, “Hey, I want a copy of that transcript”? I think the example that you utilized of experts is something that I am very familiar with, having reviewed transcripts of experts from prior cases. How do you go about providing those transcripts?

**Mr. Diamond:**

Debbie, can you maybe address what's currently done, because it may have started before I became part of the Board.

**Ms. Uehara:**

Because our language is currently silent on this matter, this is the reason why we wanted to create this language to give court reporters guidance. We do receive calls from time to time on what the basic practice is, and typically what happens is the court reporter will notify all parties and, if there is no opposition, the transcript is provided to a third party. Creating this language I think will solidify and provide direction for the court reporter.

**Chair Cannizzaro:**

Thank you for that, and that part makes sense to me. I think the next question I want to ask about is the process by which you would receive a copy of this transcript, because the way this language is written is that unless you get an order from a court that prohibits the dissemination of that transcript within a 60-day period after the request has been made, to me, I guess logistically I'm trying to think of how that might work. If I'm a third party and I want a copy of a transcript and there is an underlying case and I go to the court reporter and file this request for a copy of that transcript, then 60 days runs, they're required to then give that—well, they're supposed to notify all the parties to the action, right, to the deposition who may have been involved. If there's no objection, fine. If you don't get an order from the court, then you provide that transcript, and I'm trying to think of—okay, so if you are objecting to it, then you would have to go back to court, refile for injunctive relief of some kind to ask the court to prohibit the dissemination of that transcript, which might be easier where there's underlying litigation. I'm curious if you can maybe walk us through how you envision that working in practice if somebody is requesting a transcript and there's an objection and whether that 60 days is a reasonable amount of time in order to receive an order from a court to file something with the court, because assuming that your time clock starts running on the day that that request is received, right, it might take time to contact those other parties. Then if they have an objection, they will have to have some sort of mechanism in order to get the order from the court. If you can talk to us about how that might actually work in practice?

**Mr. Diamond:**

I would expect the court reporters, if they get that request, to tell the parties right away. There would be no reason not to. Then if anyone has an objection, I would expect first—letter or—phone call, but if that doesn't do anything, a motion for protective order filed with the court. Typically motions that are not set to be heard on an order shortening time are set about 3 to 4 weeks out, so the 60 days makes sense. If there's something pressing, a pressing need either by the requester or by the person making the objection, then all they need to do is to ask for an order shortening time from the court. Oftentimes, the court can set it within two weeks, if not less for the hearing on the motion. I have been a party to this situation where as a non-party I've filed kind of the opposite. I've filed a motion to compel the disclosure of the transcript as a non-party to the action and did it on an order shortening time kind of just jumping in to the case.

**Chair Cannizzaro:**

Sure, but in that—I'm going to interrupt you for just a moment, because in that situation, right, if you're filing a motion to compel, you then have an obligation to actually serve, which is different than a court reporter may notify—you have an obligation to actually serve any of the potentially adverse parties to that, right, and they then have a statutory allowance of time to respond to that, and then a court would have to make a decision on that motion. This sort of says unless there's an order that shows up in that 60 days, the court reporter shall give that transcript, and I think to me, my concern—I understand what Senator Daly is getting at, and there's one other thing I wanted to ask you about. My concern is that the way that this is written—I understand what you're trying to do and I don't disagree with that—is it's sort of assuming a lot of things that I don't think are contained in the regulation, that a court reporter is going to be able to notify those parties the same day or within a few days of having received a request. Potentially those parties are out of town, potentially those parties haven't received that letter. You receive the letter; by the time you receive the letter, you're trying to file something. If a court—if you got something today, trying to file something with the court for the next two weeks is not going to happen because it's the holidays and there aren't a lot of district court proceedings happening even here in Clark County, and so you might not get that heard in time. Then, you might not even have the court to give that order, even if it has been filed, one way or the other because you may have briefing on either side of why the court should issue an order, why the court shouldn't issue an order. That to me, I think, is kind of the tough part when you're talking about this logistically, because we're assuming that you contact them, they get right back to you, they file a motion right away, it's on an order shortening time, the court grants that and grants—time to hear that, calendars it right away, hears from all the parties right away, and then issues an order which then can be sent in 60 days. The way that the language of this regulation reads is that they shall provide that transcript within that 60-day period so long as that fee is received and that the order hasn't been received by the court reporter. I don't know if that maybe confuses it more than it helps clarify a process for you all, because I do think it's important to have a process. I just think there are a lot of assumptions in this regulation, if that makes sense.

**Mr. Diamond:**

Yeah, no, it certainly makes sense. It could be a stipulation in the case, but—so here's the other side of it, at least from the Court Reporter Board and from the court reporters. Let's say, for example, that the language was changed to say unless all parties to the litigation object, then you can provide it. Well, so what happens to our court reporter if one party objects, another party doesn't object? It's going to end up in a motion anyway. That's how it's going to be resolved, because the court reporter can't be held—can't put themselves out to be held liable for providing something that someone objects to. The only way for the court reporter to be clean in the deal and make sure they don't somehow get in trouble for providing a transcript is to look to the court. If all of the parties agree that there's no objection, then it doesn't matter, but the court reporter needs something to protect them if a transcript is disseminated.

**Chair Cannizzaro:**

And that part to me makes a lot of sense, because I would not want to be a court reporter trying to make decisions between litigious or adverse parties who might have different views of whether something should be disseminated or not. In the context of litigation, I think it's easy to see a pathway towards either getting an order or not. I think the other piece of this, right, is that section 9 changing from deposition to proceeding. I understand why you want to change it to proceeding because court reporters don't just transcribe and report on depositions, they do it for a whole host of interactions. I think the tough part is, if it isn't something that is embroiled in litigation, now where you are going to insert a court to then come in and make a decision about whether something that was a private matter or, I think to Senator Daly's point, might be an arbitration that's not subject to the judicial system yet. For me, I think that gets a little tricky. Again, I think there's a lot of assumptions that are being made about who might be involved and what the ability to then go out and hire an attorney and bring them in, because an arbitration doesn't have to be done by an attorney, or other pieces of underlying disputes might not have attorneys involved—might not be able to just get right into court to file for that order. I guess my concern with then you sort of expanding this to any proceeding leaves it a little bit more murky on the details where we're assuming there's a lot of pieces in place to help facilitate the court reporter being able to discern whether they should disclose that transcript or not. Are there other questions or comments from members of the Commission?

**Senator Daly:**

I did have a couple other questions in other sections.

**Chair Cannizzaro:**

All right, go ahead.

**Senator Daly:**

Thank you, Madam Chair. I'll be quick. In section 5—and I read your quick synopsis on what you were doing, so thank you for that because that was helpful on where to go—where you're adopting or attempting to adopt language from I think Supreme Court rule 102.5, if I remember correctly. So are these other factors that can be considered only after a determination on the facts have been made on when you're going to talk about potential discipline? None of these factors would be—unless they were salient to the proceeding—would not be determinative on a guilt? You'd have to have the facts? Because when you look at things like oh, well in the past he's been charged with this or reprimanded for this particular violation two different times in the past, that is not a fact relevant to the current case. It's the same thing with traffic tickets, right? Just because I speed habitually doesn't mean that it's a factor in this—next time I get a ticket. Been a couple of years, haven't gotten any and that's good. So are these only factors that you would then consider after the termination has been made on the fact as to what a potential discipline would be?

**Mr. Diamond:**

Certainly, I completely agree. We would begin with the facts as we do, and then if need be, we could go to the aggravating or mitigating circumstances. If, for example, somebody says that an applicant, I don't know—an applicant or a court reporter already let's say cheated on the application or on the exam, and then we find that that did not occur, there would really be no reason to go to aggravating or mitigating circumstances, so the answer is yes.

**Senator Daly:**

Thank you, and it does say that in the first section there, that it's—I just wanted to be clear on that this is only for determining discipline after the facts have determined—and then section 6, much easier question, Madam Chair. I guess I just was not understanding why a person who applies for a certificate would have to petition the Board to review my history when I would think when I put my application in, that would be part of your vetting process, but now I have to petition you to do what you should be doing anyway? I didn't get it, so it's just a comment more than the rest. I didn't understand your thought process there. I understand it says may, but I—

**Mr. Diamond:**

Yeah, right. The Board might not have the aggravating or mitigating circumstances, not that anyone would voluntarily say, “Hey, here's my list of felonies,” but sometimes if there is a person being considered or discipline being considered, they may wish to submit additional information to the Board to also consider. We really don't have the means to do a lot of investigation on our own. Like I said, it's a very small board. If someone has information or additional information they want to provide, they certainly can provide it.

The Board will consider practically anything that is being given, and this would include a criminal history to see if it would disqualify a petitioner from certification.

**Senator Daly:**

And I understand what section 6's talking about. Any mitigating or advocating is—it's a person who's not certified, so he's applying to be certified to the position. It seems to me, if I had something in my criminal background or whatever that may or may not—I don't understand why I would petition you to go back and look at it if you should be vetting it when they apply. You should be saying do they have anything in their background in their application. Hopefully it gives you authority or would authorize you to make that background check. I just didn't understand why I would ask that if it wasn't required to be put in my application, or by me putting in my application to be certified it didn't allow you to check my criminal background history. If you guys don't want to do it, I'm certainly not going to petition you to do it, so I don't understand why it's there.

**Mr. Diamond:**

It could be more for clarification if there was a prior charge or a prior conviction and perhaps it's been expunged or it's been changed. Debbie, do you have any example of how this may have come up?

**Ms. Uehara:**

I am not aware of this particular instance ever coming before the Board during a disciplinary hearing. I think when the discussions came up to formulate language, a previous Board member just took existing language and applied it to our section.

**Senator Daly:**

And again, section 6's got nothing to do with disciplinary actions. A person wishing to apply for certificate.

**Mr. Diamond:**

Right, that is correct.

**Senator Daly:**

Anyway, Madam Chair, that's the end of my questions. I'm opposed to it based on section 4 in combination with section 9.

**Chair Cannizzaro:**

Thank you, Senator Daly. I think what I would like to do is to defer this regulation. I think there are some serious concerns about section 4 and potentially being able to put in some more parameters so we understand exactly how that's supposed to occur and putting forward a process so that the court reporters are not in the middle of disputes over whether transcripts should be provided but that provides, I think, some more of an idea of how it is that you get to the point of requesting a transcript and then that transcript being disseminated. Then I would like to see maybe some thought given to whether we're talking about depositions, all proceedings and if there might be a different process you would want to implement in section 4 as it pertains to circumstances that might be more of a confidential nature and maybe not subject to litigation, if that makes sense. I see you shaking your head.

**Mr. Diamond:**

Yes, it definitely makes sense. We're happy to go back and try to clean this up based upon the discussion today. We appreciate the discussion and the concerns. Oftentimes we can't think of everything that could possibly come up, and of course we're looking through a little bit of a tunnel vision from the point of view of the Court Reporter Board as opposed to maybe taking everything into account sometimes, so we appreciate all the information that we're getting today and to see if we can clean it up a little bit.

**Chair Cannizzaro:**

No, and thank you, Mr. Diamond. I do appreciate the work that you have done and I think that's exactly the purpose for us to have some of these hearings is to share some ideas and concerns and hopefully craft something that makes sense for everyone who might be utilizing this language. I do appreciate you being so willing to answer all of our questions late in the afternoon and for all of your hard work on this, so we look forward to seeing you at a future Legislative Commission hearing.

**Mr. Diamond:**

Thank you, Madam Chair.

**Chair Cannizzaro:**

All right, members of the Commission, that does bring us to our next regulation for consideration. It is R061-23, the State Environmental Commission (Agenda Item IV), and I believe that I have a request from Senator Daly to ask a question on this one.

**Assemblyman DeLong:**

Chair, this is Assemblyman DeLong. I also have a question.

**Chair Cannizzaro:**

Then we will come to you, Assemblyman, after Senator Daly.

**Senator Daly:**

Thank you, Madam Chair. I was just bringing it up quickly, and it's just a clarification. I guess there's more than one way to read this. I'm just curious how this notification, if I was reading it, is going to actually work. Is there going to be one notification that gives the trailing 12 months' information or is there going to be a notification every time there's an occurrence of one of the factors that're there with the 12 months trailing, so that if you're going to have an event on Tuesday with the 12 months from Tuesday—and then you have an event on Wednesday of the following week, and the 10 days are going to fall off with—so that's just, I wanted to clarify how it's actually going to work.

**Danilo Dragoni (Deputy Administrator, Division of Environmental Protection, State Department of Conservation and Natural Resources):**

Good afternoon, Madam Chair and members of the Commission. My name is Danilo Dragoni and I'm the Deputy Administrator for the Nevada Division of Environmental Protection (NDEP). Here with me today is Andrew Tucker, Chief of the Bureau of Air Quality Planning, and thanks for the question. It depends. There are different standards of air quality. Some of them are hourly, daily, and in those situations we will be able to provide almost instantaneous notification of the exceedance through our website and EPA (Environmental Protection Agency) website and through our regulatory monitors. There are also standards that are annual, and in those situations we would need to wait for the entire, let's say, year to collect the data and find out that we had exceeded. In those situations, we will post on our website a sort of report and saying, "Hey, for the past year we collected enough information to say that the annual, let's say average, for this standard was exceeded." So, it depends.

**Senator Daly:**

And I appreciate that. So as things happen, there will be various reports or notifications on standards that happen hourly versus things that happen annually or are done quarterly, but they'll update. You'll have multiple notices during the year with the trailing 12 months of information, and on the one that's an annual report, it's going to be static until you do that next annual report and the quarterly one will cover it, if I'm using quarterly as an example. All right, so that was just a clarification because I wasn't sure how that was actually going to work was my only question. Thank you.

**Chair Cannizzaro:**

Thank you. Assemblyman, when you're ready.

**Assemblyman DeLong:**

Thank you, Chair. So my read of these regulations is it sounds like you're intending this to apply to the state's statewide air quality monitoring program, is that correct?

**Mr. Dragoni:**

No. Clark County and Washoe County, they have their own air quality agency. However, Clark County has already a very similar regulation in place for this, and Washoe County is working to put in their regulation very similar regulations.

**Assemblyman DeLong:**

Pardon me for not being more clear. The state's program for the areas of the state that are applicable to NDEP.

**Mr. Dragoni:**

Sorry for misunderstanding your question. You're correct. Yes, this regulation will apply to all the areas under the jurisdiction of NDEP.

**Assemblyman DeLong:**

So then a follow up to that is—because the way section 1, subsection 1 reads is every time there's an exceedance of 22097, which are the NACs. What about the situation where you have a stationary source that has ambient monitoring and there's an exceedance? Are you expecting that to be applied—this regulation to apply to those situations?

**Mr. Dragoni:**

No. The monitoring that we are talking about is only about the state regulatory monitors that are located in specific urban areas.

**Assemblyman DeLong:**

Okay. That makes sense to me. That's not the way this reads. This reads each time any state standard of air quality, etc., etc., is exceeded, if you have a monitor at a stationary source that is monitoring ambient air outside the fence boundary, that's going to qualify to that section.

**Mr. Dragoni:**

That's not our interpretation, and the reason is because this is done—this regulation was proposed in order to be included in the state implementation plan as a request for a



delegation of the Clean Air Act, and I believe that only the state monitors would be recognized as providing air quality standards for the state, but I—if you don't—if I can also ask maybe Andrew Tucker here too?

**Andrew Tucker (Chief, Bureau of Air Quality Planning, Division of Environmental Protection, State Department of Conservation and Natural Resources):**

Andrew Tucker, Chief of the Bureau of Air Quality Planning. As Danilo was mentioning, the monitors that the state operates and maintains are the monitors that would be used for determining whether or not there was an exceedance of the standards.

**Assemblyman DeLong:**

I understand that, and that makes complete sense to me, and the only reason I bring this up is there are situations where you have ambient air quality monitoring associated with a stationary source, and if there is an exceedance, I would say this section applies in the plain reading of the text, and if that's then the case, I want to know how under subsection 3(a) the public is going to effect a correction of that exceedance when it's inside a stationary source versus the issue with your statewide monitoring, where land use, planning actions, activities of the citizens of the state could affect the air quality at that site.

**Mr. Dragoni:**

Assuming that such exceedance would occur in a stationary source and that would be identified as regulatory exceedance for that standard, one of the tools that the public might have would be to actually participate during the public notice whenever a permit is modified or changed for that source. That would be the standard process for the public to provide feedback on the stationary source in question.

**Assemblyman DeLong:**

Thank you for that answer. I still think that any ambient air quality monitoring tied to a stationary source shouldn't be subject to this regulation because it's talking about the state's program, as you said at the beginning of this, and I think this regulation would be—

**Mr. Dragoni:**

If I may?

**Assemblyman DeLong:**

Let me finish, please—would be improved by being more clear on what monitoring sites are to be considered under this reg.

**Mr. Dragoni:**

Thank you. I apologize. If I may, we are pretty much sure that the way EPA would interpret this regulation, which is what'd be submitted to the state implementation plan, will be that only the monitors that are subject to our regulatory network would be used for such considerations.

**Assemblyman DeLong:**

Thank you for your response. I appreciate it. Chair, that's all I have on my questions.

**Chair Cannizzaro:**

Okay. Thank you, Assemblyman. We'll go to Assemblyman Watts.

**Assemblyman Howard Watts (Assembly District No. 15):**

Thank you very much, Madam Chair. Thank you for some of this clarification. This got me interested, so I started going through the regulations and it looks like in NAC 445B.018, there's the definition of ambient air. It means the portion of the atmosphere which is external to building structures, facilities or installations to which the public has access. So again, I think that's kind of speaking to the broader—not that stationary source where pollution's coming from, but the broader outdoor air quality. Then I looked at 445B.22097 and it looks like that is—again, that's just the overall air quality standards statewide, and while that is a consideration when looking at approving a stationary source and setting kind of the guidelines for that, those aren't related specifically to the emissions that are allowed from a single source. My understanding of this is that it's the broader kind of state-level standards and is different than—because it doesn't specifically mention stationary or single sources, that that is separate than the permits and standards that are set for a particular permit. Given the questions by my colleague, I just wanted to kind of put those things out there and ask if my understanding is correct and if that helps with other members' understanding of kind of some of the differences in terminology and which sections of the regulations apply.

**Assemblyman DeLong:**

I appreciate that, my colleague from the south. The reason I phrased my question about being an ambient air quality monitoring outside the fence boundary provided the clarity that what I am talking about is ambient air and not permit limits within a fence boundary, which is subject to permitting under the stationary source program. I was specifically discussing ambient air monitoring.

**Assemblyman Watts:**

Mr. Dragoni, do you want to respond?

**Mr. Dragoni:**

I believe the way I understood the question was about certain air quality monitors that some facility might have outside the boundary of the facility. In that situation—and those monitors are required under certain a type of permit, and in those situations I believe that those monitors are indeed measuring ambient air quality.

**Assemblyman Watts:**

Thank you, and I think really what I was asking is the reference within section 1, subsection 1 is it seems to me, reading through the regulation, that that is separate from the requirements that are put on a permit for a stationary source, and so that's the clarity that I was just trying to get from you.

**Mr. Dragoni:**

We do believe that the intent of this regulation only relates to the ambient air measured by our regulatory monitors and not from those monitors that are located outside the boundaries of the facilities.

**Assemblyman Watts:**

Thank you.

**Chair Cannizzaro:**

Any additional questions from members of the Commission? I don't think I'm hearing anything.

**Assemblyman DeLong:**

Yeah, I have one follow up. Is there a reason the regulation can't just say the state's monitoring program as far as the sites you're talking about rather than being so general?

**Mr. Dragoni:**

Can I have 30 seconds to confirm? Thank you. There is nothing to prevent that language from being included. However, because we are talking about an exceedance which is defined by the Clean Air Act, we believe that the only circumstances where this would be identified as exceedance is through the use of regulatory monitors. So, even though we could add that language, we believe that it would be unnecessary.

**Assemblyman DeLong:**

Thank you for your answer.

**Chair Cannizzaro:**

Okay. I am not hearing any additional questions or comments on this regulation. Pleasure of the Committee?

SENATOR DALY MOVED TO APPROVE REGULATION R061-23.

ASSEMBLYMAN WATTS SECONDED THE MOTION.

THE MOTION PASSED (SENATOR STONE AND ASSEMBLYMAN DELONG VOTED NO).

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**Chair Cannizzaro:**

Thank you very much for joining us. We will move on to our final regulation on this list. It is R083-23 for the Administrator of the Employment Security Division of the Department of Employment, Training and Rehabilitation (Agenda Item IV), and this was a request from Assemblywoman Backus. We will turn it over to you to go ahead and proceed with questioning once we get everyone in Carson City settled in.

**Assemblywoman Backus:**

Thank you so much, Madam Chair, and I also just want to thank the Department of Employment, Training and Rehabilitation (DETR) for their testimony given during session regarding their efforts to keep down the amounts that employers were paying for workers' comp insurance as noted previously. I just had some questions regarding these regulations, because it looks like we're now taking that look at the 3 years, and I know the numbers have been adjusted, but my question is just looking at that previous 3-year period, am I understanding now when it goes in effect for 2024 that we're looking at 2021, 2022 and 2023?

**Troy Jordan (Deputy Director, Department of Employment, Training and Rehabilitation):**

Troy Jordan, Deputy Director for DETR. We do have Chief Economist Dave Schmidt here to correct me if I'm wrong, but it looks at your 3-year average of the last 3 years, and I believe that is correct.

**Assemblywoman Backus:**

Madam Chair, may I have a follow up? Then taking a look at that, one of my concerns was is it looks like 2021 is kind of still following in that COVID time period. I'm not sure if there's been a look at how that's going to affect the employers with respect to that setting of that workers' compensation number or if the regulations kind of took that into effect when adjusting the figures for the different areas for the varying rates.

**Mr. Jordan:**

That's already been taken into account in this sense. There were emergency regulations passed during the pandemic that waived certain quarters for charging. These rates are unemployment claims that are charged to the employer, and that charging was relieved through regulation previously. Those regulations have expired, but once those quarters are relieved, they are out of the formula.

**Assemblywoman Backus:**

Thank you so much. That was probably the simplest answer to my inquiries. I appreciate that. Thank you.

**Chair Cannizzaro:**

Anyone else have any questions or comments on this one?

**Assemblywoman Backus:**

Thank you, Madam Chair. I'd go ahead and move to approve regulation 083-23.

ASSEMBLYWOMAN BACKUS MOVED TO APPROVE REGULATION R083-23.

SENATOR STONE SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

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**Chair Cannizzaro:**

Thank you so much for being here with us. That will conclude item IV on our agenda. Thank you again to the Commission members for your lively debate and discussion, and

thank you for everyone who joined us from all of the executive agencies to answer all of our questions. We really appreciate you being here with us today.

That brings us to item V, which is the appointment of members to committees and similar entities. We have our Research Director from the Research Division, Nick Anthony, who is here to help us with this item. Members, you will note that at your desks you have a list of materials for the appointment and reappointment of members to the Nevada Silver Haired Legislative Forum (Agenda Item V). The proposed members are listed by each senatorial district and the terms are indicated. This information, for those of you who are joining us, is also posted on the Nevada Legislature's website under the tab for this meeting. You can again see all of those materials under the "View Events" button in the upper right-hand corner of the Legislature's website homepage. Members of the Commission, at this time do you have any questions, comments or concerns about the list that was provided to you for item V for our Nevada Silver Haired Legislative Forum appointments? I am not hearing any, so I do have a motion to approve?

ASSEMBLYMAN YEAGER MOVED TO APPROVE THE APPOINTMENT OF MEMBERS TO THE NEVADA SILVER HAired LEGISLATIVE FORUM.

SENATOR HARRIS SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

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**Chair Cannizzaro:**

Our members to our Nevada Silver Haired Legislative Forum will be appointed as they are noted on that sheet in front of you. Thank you all so much. This brings us to the next item on our agenda; it is item VI. This is the presentation of the Legislative Counsel Bureau's audited annual financial report for Fiscal Year 2023. We do have our Chief Financial Officer, Daniel Rushin, and representatives of the Legislative Counsel Bureau's external audit firm, Crowe LLP, who are going to present this item for us (Agenda Item VI). Members, you would note that a copy of the full report is included with the materials that are posted on the Legislature's website again under that "View Events" button in the upper right-hand corner. With that, when you are ready, Mr. Rushin, you can go ahead and begin.

**Daniel Rushin (Chief Financial Officer, Legislative Counsel Bureau):**

Thank you, Madam Chair. I'm here today to present the annual financial report of the Legislative Counsel Bureau (LCB) for Fiscal Year ended June 30, 2023. As you indicated,

copies of the report are in the meeting packet and under the agenda item VI posted on the Legislature's website. Given that our time today is limited and because the document contains a lot of information, during today's presentation I will focus on certain key elements of the report and reference page numbers as I go along. Please feel free to stop me if there are any questions. Before I began, I wanted to state for the record that I prepared this report using financial data that is maintained by the LCB's Accounting Unit, and I would like to take a moment to express my sincere thanks to the Chief Accountant and all of the staff of the Accounting Unit for their efficiency and accuracy in maintaining the financial records of the LCB. I am pleased to report that 2023 now marks the fourth consecutive fiscal year with no deficiencies or findings noted during the audit of the LCB's annual financial statements. This is due primarily to the high level of competency and professionalism of the LCB's Accounting Unit, and I appreciate their efforts and dedication.

The annual financial report of the LCB was prepared in accordance with US generally accepted accounting principles and includes the stand-alone financial statements of the three state funds that are administered by the LCB. These are the Legislative Fund, the Contingency Fund and the State Printing Office. The financial section begins on page 1 with the independent auditor's report. The LCB's financial statements were audited by the CPA (Certified Public Accountant) firm of Crowe LLP, and it is important to note that the report is unmodified, which means that there are no modifications to the opinion were necessary. This is the same as an unqualified audit report in the private sector and is in essence a clean report. An unmodified report represents the highest level of assurance available from the auditing profession that the LCB's financial statements are fairly presented in accordance with generally accepted accounting principles. I wanted to take this opportunity to thank Crowe LLP for their professionalism during this year's audit and for working within the time frame necessary to ensure that the reporting deadline with the State Controller's Office was met.

As a governmental entity, the LCB's financial statements are prepared in accordance with the reporting standards issued by the Governmental Accounting Standards Board, or the GASB. These standards require that the LCB prepare two distinct sets of financial statements that use two different measurement focuses, also referred to as a basis of accounting. These are the government-wide financial statements and the fund financial statements. In the interest of keeping today's presentation brief, I will focus on the fund financial statements as, based on my experience, most users find the fund statements more useful than the government-wide statements as they present the LCB's activities in the same general format as the budget, and the activities of the Legislative and Contingency Funds are more easily discerned. The fund financial statements, which as the title implies, present the three separate funds administered by the LCB individually as discrete stand-alone funds. The fund statements include the balance sheet on page 11 and the statement of revenues and expenditures and changes in fund balances on page 13. These statements are prepared using the current financial resources measurement focus, also referred to as the modified accrual basis of accounting. As a result, only the LCB's current assets and liabilities are included on these statements.

Because the government-wide and fund statements are prepared using these different measurement focuses, reconciliations between these statements are included on pages 12 and 14. These reconciliations show the specific balances that caused the differences between the statements. On page 11, the balance sheet shows that the Legislative Fund, which accounts for the operations of the LCB, ended the fiscal year with a fund balance of approximately \$145 million. Of this total, \$1.1 million is classified as non-spendable as it relates to inventory and prepaid expenses and \$121.4 million has been committed for specific purposes. This leaves about \$22.8 million of assigned fund balance for the general operations of the LCB. The Contingency Fund ended the year with approximately \$477 million of committed fund balance. There is additional detail provided on what comprises the committed fund balances for both the funds in note I on page 31 of the report. On page 13, the statement of revenues and expenditures and changes in fund balance shows that the Legislative Fund's fund balance increased by approximately \$118.5 million and the Contingency Fund's fund balance increased by approximately \$463 million in Fiscal Year 2023. These significant increases were the results of multiple bills that were passed and approved during the 2023 Regular and Special Sessions. Under generally accepted accounting principles, appropriations revenue is recognized upon passage and approval of the related bills. Therefore, appropriations from bills that were effective upon passage during the 2023 Regular and Special Sessions are reported as Fiscal Year 2023 revenue. Pages 15 through 17 present the financial statements of the Printing Office Fund. The Printing Office's revenues roughly equaled expenses for the year and therefore the Fund's net position was virtually unchanged. The notes to the financial statements which begin on page 18 provide additional detail for certain balances reported in the financial statements. Note A summarizes the LCB's accounting policies and provides a detailed description of the significant balances reported in the statements. Note D provides details of the LCB's capital assets and, as previously mentioned, note I provides detailed information regarding the ending fund balances for both the Legislative and Contingency Funds.

Finally, the annual financial report concludes with the compliance section. This section contains an additional audit report required by governmental auditing standards that provides an assurance opinion on the LCB's internal controls over financial reporting, compliance with provisions of laws, regulations and contracts and other matters. As I noted at the beginning of today's presentation, this audit report is unmodified and there are no compliance or internal control audit findings reported for Fiscal Year 2023.

At this time, I would like to turn over the presentation to Joseph Widjaja, Senior Audit Manager with the LCB's audit firm of Crowe LLP, for some formal communications that are required by generally accepted government auditing standards.

**Joseph Widjaja (Senior Audit Manager, Crowe LLP):**

Thank you, Dan. I'm Joseph Widjaja, Audit Senior Manager with Crowe LLP. Again, as Dan pointed out, we have issued what's called an unmodified opinion, which is the highest level of assurance that auditors can provide. It means that the financial statements are



clean and without any modifications or findings. We also consider internal controls over financial reporting. I'm pleased to report during the audit we did not identify any material weaknesses or significant deficiencies in internal controls. The last thing we need to communicate is that our professional standards require us to make certain communications to those charged with governance. So first, significant accounting policies: management has properly disclosed their policies in footnote 1 of the report, and we have reviewed them and they appear to be both clear and consistent from prior periods. Also, for management's accounting estimates, we have reviewed them and have no issues to report. As far as accounting standards that were applicable during the year, again, there is no new accounting standards that significantly impact LCB's financial statements. Lastly, we did not note any unusual transactions, disagreements with management or any independence matters. Before I turn it back to Dan, I'd just like to appreciate Dan Rushin and Jolanta Astronomo and the rest of the LCB finance team for their effort and time in getting this audit done. Thank you.

**Mr. Rushin:**

This then concludes the presentation of the LCB's Fiscal Year 2023 annual financial report, and I can answer any questions related to the report at this time.

**Chair Cannizzaro:**

Thank you so much, Mr. Rushin. Why don't we see if any members have any questions for this report? I am not seeing any. Senator Stone, please.

**Senator Stone:**

Thank you. Thank you, Madam Chair, and thank you for the presentation. Under expenditures for the legislative session, it was budgeted for \$34.938 million, actual was \$23.403 million, which is great. I was just curious, that's quite a big difference. What didn't happen or did happen to justify that we have \$11 million extra in that budget item, and where will those funds now go?

**Mr. Rushin:**

Thank you for the question. One thing to remember about this report is it is for fiscal year ended June 30, 2023. There were continuing expenses related to the 2023 Sessions after June 30, and as of December, right now those expenses are approximately \$3.7 million. Those expenses are related to that revenue and they will be reflected in the 2024 report. The remaining funds will remain in the Legislative Fund and can be used for future operation costs for the LCB.

**Chair Cannizzaro:**

Any additional questions? All right, I am not seeing any questions. Do I have a motion to accept this report as presented?

ASSEMBLYMAN YEAGER MOVED TO ACCEPT THE ANNUAL FINANCIAL REPORT OF THE LEGISLATIVE COUNSEL BUREAU.

SENATOR HARRIS SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

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**Chair Cannizzaro:**

The report will be adopted, and I want to just take a moment to congratulate Dan Rushin and also his amazing team and our accounting staff at the Legislative Counsel Bureau, especially Jolanta Astronomo, our Chief Accountant, for that independent auditor's review and the submission of an unqualified report, the absence of any audit findings. I think it just speaks to truly the amazing individuals that we have working at the LCB and how lucky we are to have them working with all of us and just doing a fantastic job. Congratulations, that's an amazing accomplishment.

All right, members, that will bring us to item VII on our agenda, which is an amendment to the rules and policies of the Legislative Counsel Bureau (Agenda Item VII). I believe that we have our Chief Human Resources and Contract Counsel, Heidi Remick, with us in Carson City. She is going to walk us through these proposed changes. I will turn it over to you to go ahead and proceed.

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

Good afternoon. Thank you, Madam Chair. We have today a proposed new rule to add to the rules and policies of the Legislative Counsel Bureau, which everyone should have in their packet as a draft in front of you, and it can also be found on the website with today's meeting materials. As you all will recall, during the last session Assembly Bill (AB) 522, the Pay Act—as part of that, the Legislature amended NRS Chapter 284 to encourage continuity of state service by providing executive branch employees with 8 years or more of continuous service with longevity pay bonuses to be paid out semiannually, and AB 522 also appropriated funding for the same manner of longevity payments to legislative and judiciary staff. We propose Rule No. 25.8 in order to

implement those longevity payments to legislative employees. I would be happy to take any questions. The language of the proposed rule mirrors that of AB 522 as closely as possible.

**Chair Cannizzaro:**

Great. Thank you, Ms. Remick. Any members have questions or comments on this proposed rule change under agenda item VII? I am not hearing any, so do I have a motion to approve this policy as recommended?

ASSEMBLYMAN YEAGER MOVED TO APPROVE THE PROPOSED RULE CHANGE TO THE RULES AND POLICIES OF THE LEGISLATIVE COUNSEL BUREAU.

SENATOR HARRIS SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

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**Chair Cannizzaro:**

Thank you so much, Ms. Remick, for being here to present us with that policy. Again, we spent a lot of time, so I won't belabor the point, but we spent a lot of time last session making sure that we were letting our employees know statewide and certainly with all the amazing individuals who work with us at the Legislative Counsel Bureau how much we appreciate their time and service, because this is how we are able to do the good work of the people of Nevada. I wish we could do enough to make sure that everybody felt that they were really appreciated for everything that they do, and I think that this is a small little piece that I'm really proud we were able to do last session to say to our employees that we do value your service and we want you to stay here to continue the good work of the State of Nevada. I'm really pleased to see this come forward and just again reminded of, especially on the heels of our last agenda item, the really great work that we have been doing by the members of the Legislative Counsel Bureau and how much we do appreciate it, and hopefully that this particular type of a rule and this investment by the Legislature from the last session speaks to that, and certainly not in the way that I'm probably able to best put into words, but hopefully that is felt. We appreciate everything you do.

All right, members, that brings us to item VIII, which is our second period of public comment on our agenda for today. We will again be accepting public comment at this time from anyone who is in person joining us here in Las Vegas and anyone who is joining

us in Carson City, and then we will move on to our phone lines for anyone joining us via phones. Please remember that all of our comments will be limited to not more than two minutes and that you will be required to state and spell your name every time that you speak. Please make sure that you also sign in if you wish to speak at the clipboard by the doors here so that we can have an accurate record for our minutes. I'm going to invite anyone here in Las Vegas or in Carson City to take the chairs at the dais so that we will start with you. I don't see anyone coming up in either Las Vegas or Carson City, so we will go ahead and move on to our phone lines. BPS, if you could please connect us with any individuals who are wishing to give public comment via telephone? Again, we will be limited to two minutes. Please identify yourself for the record, and of course any additional comments beyond that two minutes we are always happy to take in writing. We'll turn it over to you, BPS.

**Broadcast and Production Services Staff:**

Thank you, Chair. Your public line is open and working, but you have no callers at this time.

**Chair Cannizzaro:**

Okay. Well, thank you very much. We will close item VIII on our agenda, and before we adjourn, I did want to take a moment. I know that we were able to sort of watch—those of us who were serving in the Interim Finance Committee yesterday were able to watch part of the vigil for the UNLV (University of Nevada, Las Vegas) victims and the shooting that happened on campus. I was glad that we were able to have that time and grateful to the Chair for providing that. I think I would be remiss if we also didn't just take a moment to also acknowledge that, while we are still doing the business of the Legislature, we do have friends and family and colleagues who are feeling the true sting of what was very much a tragedy. Not just with the UNLV shooting, but we talked a little bit about the two troopers that sadly lost their lives in the line of duty as well. I would like to just take a moment of silence to acknowledge that and to hopefully help to heal those around us who are dealing with the grief from these incidents and just take a moment to acknowledge that. I want to thank all of you for being here with us today, late into the afternoon. I appreciate your service. Seeing no further business before the Legislative Commission today, this meeting is adjourned.

RESPECTFULLY SUBMITTED:

\_\_\_\_\_  
Jordan Haas, Secretary

APPROVED BY:

\_\_\_\_\_  
Senator Nicole Cannizzaro, Chair

Date: \_\_\_\_\_

<b>Agenda Item</b>	<b>Witness/Agency</b>	<b>Description</b>
Agenda Item III	Jordan Haas, Commission Secretary	Draft Minutes of the Meeting Held on November 8, 2023
Agenda Item IV	Asher Killian, Legislative Counsel	Administrative Regulations for Review
Agenda Item V	Nicolas Anthony, Research Director	Appointment of Members to Committees and Similar Entities
Agenda Item VI	Daniel Rushin, Chief Financial Officer	Annual Financial Report of the LCB for Fiscal Year 2023
Agenda Item VII	Heidi Remick, Chief Human Resources and Contracts Counsel	Amendment to the Rules and Policies of the LCB