

**MINUTES OF THE
INTERIM FINANCE COMMITTEE
(Nevada Revised Statutes [NRS] 218E.400)
OCTOBER 10, 2024**

Chair Daniele Monroe-Moreno called the eighth meeting in calendar year 2024 to order at 9:29 a.m. on October 10, 2024, in Room 165 of the Nevada Legislature Office Building, 7230 Amigo Street, Las Vegas, Nevada. The meeting was videoconferenced to Room 4100 of the Legislative Building, 401 South Carson Street, Carson City, Nevada.

COMMITTEE MEMBERS PRESENT:

Assemblywoman Daniele Monroe-Moreno, Chair
Senator Marilyn Dondero Loop, Vice Chair
Senator Nicole Cannizzaro
Senator Pete Goicoechea
Senator Dallas Harris
Senator Dina Neal
Senator Rochelle Nguyen
Senator Heidi Seevers O’Gara
Senator Robin Titus
Assemblywoman Natha Anderson
Assemblywoman Shea Backus
Assemblywoman Tracy Brown-May
Assemblywoman Jill Dickman
Assemblywoman Michelle Gorelow
Assemblyman Gregory Hafen II
Assemblywoman Sandra Jauregui
Assemblywoman Heidi Kasama
Assemblywoman Erica Mosca
Assemblyman Philip P.K. O’Neill
Assemblyman Howard Watts
Assemblyman Steve Yeager

COMMITTEE MEMBERS EXCUSED:

Assemblywoman Sarah Peters

LEGISLATIVE COUNSEL BUREAU STAFF PRESENT:

Diane C. Thornton, Acting Director
Sarah Coffman, Assembly Fiscal Analyst, Fiscal Analysis Division
Wayne Thorley, Senate Fiscal Analyst, Fiscal Analysis Division
Brody Leiser, Chief Principal Deputy Fiscal Analyst, Fiscal Analysis Division
Cathy Crocket, Chief Principal Deputy Fiscal Analyst, Fiscal Analysis Division
Adam Drost, Principal Deputy Fiscal Analyst, Fiscal Analysis Division
Julie Waller, Principal Deputy Fiscal Analyst, Fiscal Analysis Division
Asher Killian, Legislative Counsel, Legal Division
Eileen O’Grady, Chief Deputy Legislative Counsel, Legal Division
Jessica Dummer, Deputy Legislative Counsel, Legal Division
Melissa Garvin, Committee Secretary, Fiscal Analysis Division
Natalia Garzoli, Committee Secretary, Fiscal Analysis Division

EXHIBITS:

- [Exhibit A:](#) Meeting Packet – Volume I
- [Exhibit B:](#) Meeting Packet – Volume II
- [Exhibit C:](#) Meeting Packet – Volume III
- [Exhibit D:](#) Meeting Packet – Volume IV
- [Exhibit E:](#) Public Comment – Mathilda Guerrero Miller, Native Voters Alliance Nevada
- [Exhibit F:](#) Public Comment – Tara Webster, Progressive Leadership Alliance of Nevada
- [Exhibit G:](#) Public Comment – Mike Fletcher
- [Exhibit H:](#) Public Comment – Lauren Beattie, Behavior Evolution
- [Exhibit I:](#) Public Comment – Ben Iness, Nevada Housing Justice Alliance
- [Exhibit J:](#) Revised Agenda Item C
- [Exhibit K:](#) Agenda Item J.1 – ARPA CSFRF Funding Obligations
- [Exhibit L:](#) Agenda Item J.2 – RPA Report from GFO
- [Exhibit M:](#) SB231 2024 Reporting Table
- [Exhibit N:](#) Public Comment – Steven Cohen

A. ROLL CALL.

MELISSA GARVIN (Secretary, Fiscal Analysis Division, Legislative Counsel Bureau [LCB]), called the roll. All members were present except Assemblywoman Peters, who was excused.

B. PUBLIC COMMENT.

NANCY JOHNSON:

I am a resident of Windsor Park. When I moved into my home in 1976 it was like going to heaven; it was beautiful, and I loved the neighborhood. I woke up one day and all of a sudden it looked like the residents were living like rats. The city came in, tore down homes, and left us there to deteriorate. God blessed the residents with Senator Dina Neal one day to come and help fight to get new homes. The Governor passed the bill, and the contractors are ready to build. It seems like every time the project moves forward, the city throws curve balls, and the project ends up going backwards.

Windsor Park residents are tired of it—tired of fighting for this bill for over 25 years. It does not make sense. Residents of Windsor Park matter and deserve to have new homes. The bill has been signed to have new homes, so what is the problem? Windsor Park residents need assistance. If the state and Windsor Park residents cannot work together, let us turn the page and decide how to get this project off the ground so things can get done and residents can have a better place for the sake of their grandchildren. Windsor Park residents would like to move forward if anyone has any suggestions. The residents do not trust the city because the city will tell us it is going to help in front of the camera and then turn its back, and the Windsor Park residents have to start over. That is why the process has taken so long.

JASON SMITH:

My family and I moved into our first house in Windsor Park in 2017. My family was approved for a Federal Housing Administration (FHA) loan, and a requirement is that the house cannot be on shifting ground. My family looked at a piece of property that is closest to the oldest adobe house that is still standing; however, that house had shifted and so my family was not allowed to get an FHA loan; my family was understanding about FHA loans and the legalities behind it. When my family and I moved to Windsor Park, we signed the document, and everyone did their due diligence. No one was informed that the property was on shifting ground, no one had any clue including the realtor and inspector. I remember looking out into the vast area next to my house, where there were many empty lots, and I remember remarking to the person about why the lots were empty. The only thing we could think of was that maybe these were government lots for people of low-income at one time and then were bulldozed down because they were damaged beyond repair.

Our house was completely remodeled when my family moved in. I found out the property needed to be fixed in 2018 because I wanted to buy the empty lots surrounding my property. It is sad, but I did give all of my very specific information on what I was looking for to purchase properties. I contacted legislators but Senator Dina Neal was the only one that responded to me. My realtor found out, I believe through Senator Neal, that the properties were in disrepair and the reason why everything was going on. The issue I have is that I would have never purchased this property had I known. The people that did the house flipping should have put that in the notes, but they did not. The one thing you will notice with people in these properties is they are of lower income, so they do not have the ability to fight correctly. If I had an extra \$10,000 in my bank account, I could have hired a lawyer and fought it, but I do not. My family is living paycheck to paycheck like most residents. I want to thank you all for fighting for us. The Bible says that for them that knoweth to do good and doeth it not, to him it is sin. I want to thank you all for doing the right thing.

BARBARA CARTER:

Once again, the residents of Windsor Park are speaking to someone else, another group. I am one of the original property owners in Windsor Park. My husband and I moved into Windsor Park on April 15, 1966, because Interstate 15 was being built where my husband and I were living on the westside. Windsor Park was being constructed, and my husband and I could afford the down payment to move into a home of our own. As a young couple, we had dreams and plans that this was something my husband and I could leave to our children, but now, that dream is dead. My house did not start giving me any problems until they started building warehouses around Windsor Park. My husband and I cannot see the main streets anymore from Windsor Park. I could sit and look out my living room window at Cheyenne with the trucks and traffic, I could see Simmons traffic, but now I cannot see anything but those warehouses all around. When they started building the warehouse with wrecking balls, my walls and ceiling started cracking and the cement around my driveway started cracking. I went to the City of North Las Vegas to get a permit to have a roof put on my house and I could not get a permit to do any upkeep on my home.

Thanks to Senator Neal, it looks like at last I can see a light at the end of the tunnel. I would like to see this project done before I am no longer here. I would like to see another home that my family can live in when I am no longer here because that is what I worked for all of my life, to have something to leave to my family. I do not think that the City of North Las Vegas has been fair to the Windsor Park residents.

The police used to ride through the neighborhood at least a couple of times a week, they would even wave and speak to you, but now I do not see anything. I hope that one day soon, Windsor Park will start building new homes that families feel safe in. If residents get a water leak, how long does it take us to get someone to come check it? Residents are still paying taxes and some of our homeowner's insurance has been cancelled because of our homes, which is not right or fair to the residents. If the gas line breaks, you might see someone come out in a couple days. I am saying this because I had a problem with my gas line and they did not come that day, they came the next day. This is not safe, not only for me, but also for residents that live around me.

DIANE BRADFORD:

My mom bought her home in Windsor Park in 1969. It was one of the last segregated neighborhoods. There are 242 residents. I understood growing up there and being a native of Las Vegas. I know what Las Vegas looks like and what it used to look like. Everyone was a community in the Windsor Park neighborhood and children ran around and played with everyone's kids. If I got in trouble on Constance, then over on Saber Drive where my friend's mom was, she told my mom, spanked me, and sent me back home where I got another spanking. That neighborhood has memories that you cannot purchase or buy. I did some research and said this is not accurate. You cannot do anything about a fault line, but you can do something when you know that there is an aquifer underneath, and you know that deteriorates because any water that flows through any rock is going to deteriorate over time.

Coming from the south, my mom was smart. I hated it because all of us had to help; seven kids had to get out and help. My mom would put concrete around her foundation, reinforcing it. I would be like "Mom, why are you doing this?" and she said, "it reinforces your house; do not worry about it." She does have damage, but it is minimal. Now the streets and sidewalks are horrible. My family is now the taxpayer since my mom passed away. As my mom's heirs, we are the taxpayer because we kept the property. It is not fair, and this is not the first time. The government did try to assist Windsor Park in the late 1980s and early 1990s and said that money was given to certain places; for the sake of time, I do not need to go through all that, but I know that is not true. I know that it dwindled away because that is the sleight of hand that segregated neighborhoods had been dealt. It did not feel segregated growing up because of the people and richness in the community. Now again, residents are being told the state has this amount of money, but here comes a deadline. I was not happy to hear my Governor say if it does not get used, he wants to take a chunk and use it somewhere else. How many times do people of color have to get walked over? I refuse to say it is not about that; it absolutely is about that. Until you can walk in another man's shoes, you do not know what you are looking at. The residents and their dependents deserve to have better.

I own my own home because my mom taught us to do that, but my family still maintains my mom's home; my sister lives there. My family is the only black and born and raised in Las Vegas. Those of you who are here and have been here 30 or 40 years know the mob runs things; they did some stuff. There does not have to be a deadline on that. Residents all want new homes, but the state has to stop acting like the residents are not taxpayers. Residents pay taxes. Those streets are so bad, if you drive over them you would think you were on a mountain. Please stop walking over the residents of Windsor Park and stop waiting for them to die out, not this Committee per se, but those that represent the City of North Las Vegas. My mom was right; residents do not trust the City of North Las Vegas; I do not trust anybody that cannot handle millions of dollars. The city has shown it cannot handle millions of dollars. When residents ask that question, the answer is, "I was not in seat there at the time," but that is not the answer.

JAMES CLEVELAND:

I have been in Windsor Park since I was six months old, and I am still there. A lot of stuff is getting built around us, but nothing is happening with the project phase that Windsor Park is going through right now. I would like to know why the residents are getting held up. The city used to come clean the lights off, but the city no longer comes through. Residents have code enforcements coming through everyday fining residents.

ELI VALDEZ:

I am fairly new to Windsor Park; I bought my house in 2019. It is fair to say I think I am the youngest of the neighborhood homeowners. It was a very happy time in 2019; I was a first-time home buyer, and I got married. That slowly started to go away. First, the City of North Las Vegas, the realtors, and the inspectors did not tell me about this. I did not find out until maybe two or three years later. Shortly after getting the house, things started to go wrong. I noticed cracks on the walls, paint from the bathtub started to discolor, the house has actually shifted to the left. If you are sitting in my living room and looking at my front door, you can tell that it is slanted. We had to replace the front door because it was not fitting correctly anymore. The doorman did a good job but he had to elevate it on the right side of the door so it would fit correctly.

My air conditioning went out completely, so I had to get a brand-new unit. The roofing started to come off, so I had to get new roofing. This was all within the first year or two and it was money I did not have. I also had to get half of the plumbing for my house fixed because the toilet on my side of the house was clogged, and the tub was clogged. I thought it was just regular maintenance that needed to be done but when we got it fixed, the pipes were closed with gunk from years of debris. To this day, the bathroom in our room cannot be used correctly and can only be used for number one. If it is the other thing, my wife and I have to go to the other bathroom. Imagine waking up in the morning getting ready to go to work and you go to take a shower but there is debris inside the tub that came up the sewer system, so now not only is there dirt that came from who knows where, but food from the garbage disposal. Food that is going down the sink into the garbage disposal is coming up through the tub and that was a problem for a while. That got kind of situated but when they started the construction on the warehouses, it became worse.

A lady earlier said that she did not have problems until the construction started happening, I already had problems before the construction started and that just made it worse. My house is right next to the warehouses so when they were doing the construction—and they still are not done—I thought my house was going to fall; I thought I am going to wake up and the roof is going to cave in on me. I do not think that is fair. The Legislature already passed the bill, but it is taking forever. I have only been living there for five years, I cannot imagine what the rest of the residents have been going through. I am tired and I just want this resolved.

LAQUANNA SONNIER:

I am new to Windsor Park; I moved in at the end of 2021. I am a single mother, 35 with 2 children. I was happy to see that I was able to become a homeowner. I also received funding from the City of North Las Vegas to purchase my home with my children. Finding out that my home was sinking probably a year and a half later from a reporter, Ms. Gentry, was a shocker. The only person that reached out to me afterward was Senator Neal and she gave me all of the information that I did not have. There was a lot of stuff I did not know as a new homeowner. I did not understand why I had so many issues with plumbing and foundation like many of the others. I would not have known any of that. My home insurance cancelled me within the first two months of me having the home and I did not know why. I faced a lot of issues like many others and to see and hear the other stories is disheartening to know that as long as I have been living, they have been having these issues, and they finally get a glimmer of hope, and it is trying to be taken away. I do not want my children to grow up having to fight this fight. I hope that this Committee can reach a solution to have this pushed through. Let them see what they have been working for.

NASIR ABED:

I moved from Afghanistan in 1986. I had an American dream to buy a house, live, have a family, and have kids. I have a five-year-old son who has a skin condition called Ichthyosis. The hard thing is watching him grow up, he used to pray to God to make his skin like his brothers. After him seeing the house sinking and problems with the house, now all he prays to God is to please not let this house fall on us and kill us; that is his prayer every day. When he wakes up, he thanks God for letting us live another day.

There have been problems since we moved in. The home inspector said everything was fine, but my family did not know until the Legislature passed everything and said that the Windsor Park residents were going to get new homes. He is praying on that right now. Please let us finish this, let the Windsor Park residents get a new house, let us live like Americans are supposed to feel.

WEBSTER DAVIS:

It has been a rough road, and it still does not seem like it is going to get any easier. Residents of Windsor Park keep getting roadblock after roadblock. North Las Vegas said it would help but that is only for the media; once the media is gone, residents do not see or hear from North Las Vegas. Residents have come this far back, not by man, but by faith, and residents want to thank the Lord for putting it on Senator Neal's heart to represent us, fight with us, and to fight for us; I will go as far as calling her Lady Moses because she fights hard. Residents do not have anyone else fighting for them. The Governor gave Windsor Park the money and now he wants \$25 million of it back to build low-income homes for someone else. What about the Windsor Park homes that have been falling, struggling, and tilting for years? They say it is okay and to get a contractor, then throw up roadblocks. The contractor has to meet with this group of people or that group, or this contract needs re-signed, or this part needs to be taken out of the contract. This is the hold up; they are fighting against us not with us. The residents keep fighting and hope the Lord keeps Senator Neal with full strength because the other week she had another battle to fight.

It is one fight after the other and they said they are going to help us and are for us, but they are not for us. Residents have not seen any more progress than years ago. Other than that, residents are supposed to have some land to build new houses, but they keep throwing up stumbling blocks like they cannot lay the foundation, so where is it getting us? How much longer do the residents of Windsor Park have to wait and what else do the residents have to go through before everyone can see that the residents are in desperate need of new homes? I guess when they start falling on residents then somebody will say we have to get them out of there. Houses are already cracking; the houses were not built on a foundation; they just had a frame for the foundation. Everything is giving way, the roads, everything. No one comes up and says it is okay, and they are going to red flag this and get everyone out of there as soon as possible. The City of North Las Vegas said it is going to come through and redo the streets, clean up the vacant lots; but that has not been done. I have been there since 1980; my father bought that house in 1967. Before he passed in 1981, he told me to do whatever possible to hold onto this house. The fight is still going on. Where do residents turn and who do residents turn to get some appreciation?

JOLLINA WALKER (State Policy Director, Make it Work Nevada):

Make it Work Nevada is a reproductive justice organization and part of the Environmental Justice Coalition. Make it Work Nevada strongly believes that the residents of Windsor Park should maintain the funding allocated in Senate Bill (S.B.) 450 (82nd [2023] Legislative Session). Senate Bill 450 is not just a bill about housing; it is about justice, dignity, and the ability to create stable healthy communities where families can thrive. To paraphrase Senator Neal's original presentation on S.B. 450, what the residents got was not right, what the residents got was not just, and what they got was not a remedy. Senate Bill 450 seeks to right these historic wrongs. The original residents of Windsor Park, predominately black families, have endured decades of neglect, broken promises, and systemic racism while builders and developers enrich themselves off their suffering and the city continues to collect taxes.

As a reproductive justice organization, Make It Work Nevada wants to emphasize this is a reproductive justice issue, which includes the right to raise children in safe and sustainable environments, which is a fundamental human right. Windsor Park families, many of whom are elderly now, do not want their children and grandchildren to have to pay another bill, nor do they want them forced into another cycle of displacement. The Governor's move to steal these funds shows us that he is not committed to his word, and he goes back on his commitments. As Senator Pat Spearman powerfully stated during the first hearing on S.B. 450, "Promise me \$100 and show up with a nickel, I am not going to trust you anymore." This economic exploitation steals hope and the fundamental right to live in a community where one's health, home, and family are valued and protected. Senate Bill 450 represents the hope of families who have been manipulated, lied to, and undercompensated. It ensures that Windsor Park residents are given the dignity that they deserve.

JACKIE SPICER (Policy Fellow, Nevada Environmental Justice Coalition):

The Nevada Environmental Justice Coalition is a statewide network of nonprofit organizations dedicated to ensuring sustainability, justice, and equity are brought into all levels of government decision-making in the face of climate change. Together, organizations fight to liberate frontline communities from environmental hardships.

The Nevada Environmental Justice Coalition appreciates the opportunity to speak with this Committee today and provide comment on Agenda Item Q. During the 82nd (2023) Legislative Session, members of the coalition were proud to support S.B. 450, the Windsor Park Environmental Justice Act, and celebrated its passage. The coalition is grateful for the courage of the Legislature and Senator Neal to stand by these families. The families of Windsor Park have waited more than 25 years, some even 50 years, for any kind of justice while their houses continue to sink, crack, and break at no fault of their own.

The Windsor Park Environmental Justice Act was meant to remediate years of generational harm done to these families. The living conditions of the Windsor Park families must be prioritized and any attempt to divert these funds is unacceptable. Governor Lombardo had a chance to take bipartisan action on affordable housing last session and chose to veto every bill instead. Attacking this bill is once again a step in the wrong direction when real solutions exist to address the housing crisis. The Housing Division must do everything possible to complete the project within the next two years and the Nevada Environmental Justice Coalition hopes the Office of the Governor will do everything in its power to assist our neighbors in Windsor Park. These Nevadans have suffered long enough due to government inaction, and this cannot happen again. Thank you for your time and for protecting our neighbors and the families in Windsor Park.

BURGESS HENRY HOUSTON III:

On behalf of the Windsor Park community, I want to thank everybody for showing up, thank the legislators for showing up and setting this time aside for us to speak and get the point across. I want to thank Senator Dina Neal for her time, footwork, and the paperwork that she has contributed in her position.

I am here today to propose a couple of solutions. Windsor Park residents have been having meetings where everybody talks about their problems. We all know that the property is sinking; not because of some fault line, trash being compacted, or anything like that. The problem is residents cannot live in the housing any longer, so the best solution is for residents to move. Residents need funding to move; they do not want a house that is built by someone else that has a bunch of stipulations. Residents want to move to a nicer part of town and if the Legislature has the money to do that, it should start disbursing that to get this situation out of the way so the state can start tackling something else.

If the state takes the houses down where residents are living now and constructs something else like an all-black college, a library, or something that can give back to the community, we can start working from there. That would be something that residents can give up their houses for.

As far as trying to figure out the land developers and reassurance of the funding; \$37 million, you guys do the math, residents need the housing. There are houses out there and residents can take half the money and go live in an apartment or put some money into stocks or something like that and watch our money grow. There are options for residents but that is not being brought up. The residents of Windsor Park need solutions and need to talk to the people who are going to give us answers. I do not know if there is somebody the residents can talk to afterward or could email or fax. Who is our community spokesperson, who is voting and giving us the meeting times and stuff like that? Residents would also like to know about the surveys; I heard people were supposed to be taking surveys of the land. Windsor Park has caliche around and I do not see how the property is sinking if it has caliche. As a carpenter, I know that if you do not put the foundation down right, do not have your type two, do not have the right concrete, or do not put the wire mesh in your concrete, your house is going to sink; that is how it works.

Senate Bill 450, everybody knows about that stuff. The state needs to start working on solutions. Going in circles is not doing anything so the best solution is to pay out the residents of Windsor Park, let us go somewhere, let us get some money that is worthwhile. The city had "big low" give residents an offer to double it; that is a good enough offer for me. I know a couple of stocks that I would like to put some money into. A couple other developers say they would like to buy Windsor Park property. Give us the option. I like to build and now I cannot build on my own property that I am putting taxes into, and my property has no value, who does that? Is that legal? I would like to build something.

CANDESE CHARLES (Communications Coordinator, Sierra Club Toiyabe Chapter, Resident, Windsor Park):

I wanted to make sure the Windsor Park residents got a chance to speak first because their stories really should be enough to shake you up; help them out and give them what they deserve. The Toiyabe Chapter believes that everyone has rights to a livable planet, and it works on supporting equitable renewable energy; increasing access to public transportation; and protecting and conserving land, water, and wildlife in the region. The Toiyabe Chapter represents 40,000 members and supporters and as such, is the largest grassroots environmental group in the state. The Sierra Club supported the Windsor Park Environmental Justice Act in 2023. Because of the overuse of ground water, Windsor Park had been sinking for decades, displacing a whole community. It is not lost on me that this community is predominately black, think about that for a second.

Thankfully, because of Senator Neal's advocacy and the advocacy of a lot of individuals in this room, Governor Lombardo signed a bill that gave \$25 million to families that need to rebuild and now the Governor is trying to pull bait and switch on North Las Vegas residents. It is critical that this environmental injustice be rectified, and that this Committee protects the residents that have been struggling for decades. The Toiyabe Chapter asks that this Committee preserve the funding from the legislation that Governor Lombardo signed in 2023 and ensure it goes to Windsor Park families. As drought conditions continue, the state must continue to protect all communities from being negatively impacted and act with empty intelligence leadership when environmental issues occur. Thank you in advance for the continued support for the Windsor Park community.

LIZ BECKER:

I am testifying today on behalf of the Progressive Leadership Alliance of Nevada, a member of the Nevada Environmental Justice Coalition, in opposition to amending S.B. 450, which established \$37 million in [federal American Rescue Plan Act (ARPA)] State and Local Fiscal Recovery Funds for relocating families to 93 newly built single-family homes adjacent to the sinking Windsor Park neighborhood in North Las Vegas. Governor Lombardo has proposed exchanging \$25 million of these committed ARPA funds to instead stream from the State General Fund. If unused, these funds will sunset in December 2026. Governor Lombardo's proposal presents three concerns: 1) redirecting this funding stream requires legislative approval and will further delay the completion of the new housing development; 2) it is unclear where the \$25 million from the State General Fund will come from and what the \$25 million of swapped ARPA funds would in turn be used for; and 3) it is unclear if the reallocated funds would continue to be used to relocate residents to the new housing development adjacent to Windsor Park.

An email sent on September 20, 2024, from the Governor's Chief of Staff Ryan Cherry states the reallocated funds will be used for "housing effort to offer rental assistance and down payment assistance." The reconstruction of Windsor Park is not solely a justice issue, but a housing equity issue to further close the racial wealth gap. Home ownership has been the cornerstone of creating generational wealth and autonomy and

building a thriving community for many residents. The residents who have called Windsor Park their home for decades have deeply expressed their desire to continue on track with the current redevelopment plans. They have waited far too long in homes that they feel unsafe in. Every Nevadan deserves a place to call home. The alliance strongly urges the Committee to reject this proposal and continue the effort to re-establish Windsor Park to the standard that once existed.

MATHILDA GUERRERO MILLER (Government Relations Director, Native Voters Alliance Nevada):

Native Voters Alliance Nevada is a member of the Nevada Environmental Justice Coalition, and I am here regarding Agenda Item Q.2. These are not just homes sinking into the earth, they are the shattered dreams of a community that was promised better. Windsor Park was built on unstable ground, but what has been more unstable is the Governor's commitment to these families. The Governor signed S.B. 450 into law so the state can finally provide justice for the Windsor Park residents, but now he is trying to snatch that justice away, looking for excuses to defund and dismantle a promise that he made. The cracks in their homes mirror the cracks in Governor Lombardo's responsibility to them and to Nevadans as a whole; a crack that widens with every day he fails to deliver and continues to back track on his promises to cover up his failures.

This is not just an attack on Windsor Park; it is an attack on basic decency and justice. It is a betrayal to the people he vowed to protect. The Governor's actions expose indifference to the suffering of black and brown families in Nevada. Governor Lombardo is not a king; he cannot simply undo the law because it is politically convenient or because he wants to save face. These families have waited long enough. If he truly cared about addressing the housing crisis, then he would not have vetoed housing bills that would have kept Nevadans in their homes. The families at Windsor Park deserve better, not tomorrow, not when it is politically convenient, but now. The Governor needs to stop creating obstacles, stop making excuses, and do what he said he would do, help these families; anything less is a failure in leadership. Hope floats, but not if the Governor keeps trying to sink it. The alliance stands with Senator Neal and Windsor Park, and it urges this Committee to uphold S.B. 450 to deliver the justice these families have been waiting for.

Ms. Guerrero Miller provided public testimony for the record ([Exhibit E](#)).

NOE OROSCO (Government Affairs Manager, Make the Road Nevada):

Make the Road Nevada is a member of the Nevada Environmental Justice Coalition, and I am here to speak on Agenda Item Q.2. The passage of S.B. 450 was a step at rectifying historical injustices and came with clear objectives and timelines offering hope and a path forward for residents that have faced decades of neglect. The residents before me have already conveyed, demonstrated, and shown much more eloquently than I can the historical and systemic discrimination that has been happening within the community.

The only thing I will add is that if the state fails to honor its financial commitments by reallocating already designated funds, it signals a blatant disregard for both law and the urgent need of this community. Such action not only betrays the intent of the legislation but deepens the wounds of historical injustices. The success of any legislation hinges not only on the passage, but also on its effective implementation and the tangible benefits it delivers to the community. This Committee is called to do more than simply adhere to the letter of the law; you must also embody its spirit. I urge this Committee to stand by S.B. 450 and to stand by this community.

JONATHAN NORMAN (Nevada Coalition of Legal Service Providers):

I want to provide comment on Agenda Item M.25. The Nevada Coalition of Legal Service Providers is excited that Nevada has chosen to receive the system of care grant. It is important for the ongoing mental health needs and the needs of very difficult kids in the foster care system, which the Nevada Coalition of Legal Service Providers serves every day. I want to thank the Department of Health and Human Services (DHHS), Division of Child and Family Services for bringing that forward.

Then also Agenda Item N, which is for foreclosure mediation. The importance of keeping that program intact during good times pays off when times are bad and foreclosures inevitably surge.

STEVE SHELL (Vice President of Behavioral Health, Renown Health):

I want to provide an update on the status of the Renown Crisis Care Center that will be opening this year. This public/private partnership between Renown Health and the DHHS Division of Public and Behavioral Health (DPBH) is creating the first crisis stabilization center for adults in Washoe County that will be located in a portion of the Northern Nevada Adult Mental Health Services facility. The renovation of the space it will occupy is on track for completion by the end of this month and has become a peaceful and safe setting to help adults 24/7 who are experiencing a behavioral health crisis. Renown has already hired some staff and is in the process of filling the remaining positions. Once all positions are filled and staff has completed the licensing process, the center will be able to open and begin serving the community.

Renown Health is also in the process of executing cooperative service agreements with community partners such as law enforcement, the Regional Emergency Medical Services Authority (REMSA), Cares Campus, and various healthcare organizations that will be instrumental to helping make this project a success. Renown Health appreciates the DPBH for the funding that was granted to Renown Health and its great support with the licensing process, as well as Nevada Medicaid for its efforts to establish reimbursement specific to crisis stabilization centers. Renown Health looks forward to doing its part to address the behavioral health needs for the community.

TARA WEBSTER (Progressive Leadership Alliance of Nevada) provided public testimony for the record ([Exhibit F](#)).

MIKE FLETCHER provided public testimony for the record ([Exhibit G](#)).

LAUREN BEATTIE (Behavior Evolution) provided public testimony for the record ([Exhibit H](#)).

BEN INESS (Coalition Coordinator, Nevada Housing Justice Alliance) provided public testimony for the record ([Exhibit I](#)).

C. STATEMENT OF IFC CONTINGENCY ACCOUNT BALANCE.

SARAH COFFMAN (Assembly Fiscal Analyst, Fiscal Analysis Division, LCB):

There is a revised statement of the IFC Contingency Account that has been provided as a separate document to the members; it is also on the website (<https://www.leg.state.nv.us/App/InterimCommittee/REL/Interim2023/Committee/1969/Meetings>). The document is entitled *Revised Agenda Item C* ([Exhibit J](#)).

There are two requests for unrestricted IFC Contingency Account allocations, as well as seven requests for restricted IFC Contingency Account allocations. Prior to today's meeting there was \$16.1 million in the unrestricted General Fund. The two unrestricted requests are seeking a total of \$810,421, and if those two items are approved today, there will be \$15.3 million in the unrestricted General Fund. There are no requests for unrestricted Highway Fund allocations, and currently there is a balance of \$1.6 million for the Highway Fund. For the restricted General Fund and Highway Fund, there is currently \$151.1 million with \$11,722,736 requested in restricted IFC Contingency Account requests for this meeting. If all of those are approved, there would be a total balance of \$139,417,654.

There was no further discussion on this agenda item.

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

1. OFFICE OF THE MILITARY - Division of Emergency Management - Request for an allocation of \$306,483 to fund costs associated with providing supplemental security and enhanced health care system availability to Clark County during the Formula 1 Heineken Silver Las Vegas Grand Prix 2024 race in November 2024.

JARED FRANCO (Chief Financial Officer, Division of Emergency Management and Homeland Security, Office of the Military):

The division is here to request an allocation from the IFC Contingency Account in the amount of \$306,483 to fund costs associated with providing supplemental security and enhanced healthcare systems during the Formula 1 race in November 2024.

SENATOR CANNIZZARO MOVED TO APPROVE
AGENDA ITEM D.1.

ASSEMBLYWOMAN JAUREGUI SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY WITH THE MEMBERS
PRESENT.

2. DEPARTMENT OF VETERANS SERVICES - Request for an allocation of \$503,938 to provide funds for the emergency replacement of the heating, ventilation, and air conditioning system at the Northern Nevada State Veterans Home and the rental of temporary equipment until repairs can be made. **RECEIVED 9-23-24, AFTER THE 9-12-24 SUBMITTAL DEADLINE.**

JOE THEILE (Chief Financial Officer, Department of Veterans Services):

This request is to replace the chiller that failed in June at the Northern Nevada State Veterans Home. It is a total cost of \$503,938 and includes ten months of chiller rental. The department is working from a temporary chiller that costs \$15,000 per month. Based on a proposal by Savage and Sons, repair costs are \$307,772. There is also a 15% construction contingency on the proposal of \$46,166.

SENATOR TITUS:

When the state built this home not too long ago, there was some promise of the U.S. Department of Veterans Affairs reimbursing the state for some of this building. Is the state getting any support and why did the chiller fail so quickly?

MR. THEILE:

That has all been taken care of; the state has been reimbursed for the portion of the construction grant. I cannot explain to the Committee why the chiller is failing so quickly. I do not know if the State Public Works Division (SPWD) can explain, if anybody is there. For a smart chiller, it is not very smart and has caused a lot of problems. That is why the department is looking at putting in a different system all together rather than trying to make this limp along again; there have been problems from the get-go.

SENATOR TITUS:

Is there any chance of receiving additional reimbursement for these kinds of maintenance costs in addition to the reimbursement the state has already received?

MR. THEILE:

No, there is not. That grant has been closed out and the department has submitted all bills and been reimbursed.

BRIAN WACKER (Deputy Administrator, SPWD, Department of Administration):

This piece of equipment is just over 5 years old and is not performing to what the state expected. Typically, equipment like this has a 20-year life span, so it is disappointing to have a major repair so early into the life of this building. There have been continuous problems with the equipment to the point where the SPWD does not want to just do a Band-Aid on the system. The SPWD believes there should be a full replacement of the failed piece of equipment at this point. The building needs to remain cool and the occupants comfortable, that is why the SPWD, and the department are moving forward with this solution. It is going to be a different type of equipment that is not expected to fail going forward.

ASSEMBLYWOMAN ANDERSON:

Is there any warranty or guarantee that the state could recoup any of the cost, because five years feels very quick for a pricey item. This veterans home is in my district so I get a chance to talk with some of the individuals. I am happy that the state is doing this to help, but it seems like there should be a warranty or guarantee.

MR. WACKER:

A typical construction warranty for the SPWD is a one-year warranty. On this particular piece of equipment, there was a five-year warranty with the construction contract. It has now been just over five years and unfortunately just outside of the warranty period. The SPWD received a quote from Savage and Sons, which is the original contractor that installed the equipment. The SPWD is working with industry partners to get this replaced with the best cost efficiency possible.

CHAIR MONROE-MORENO:

It does seem fast, but I do not think there is any amount of money that would be too much for the state's veterans homes. Veterans gave up so much for us, this is the least that the state can do for them to make sure that this home is taken care of.

SENATOR TITUS MOVED TO APPROVE AGENDA ITEM D.2.

ASSEMBLYWOMAN JAUREGUI SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY WITH THE MEMBERS
PRESENT.

- E. REQUESTS FOR ALLOCATIONS FROM THE IFC CONTINGENCY ACCOUNT (GENERAL FUND) TO IMPLEMENT LANGUAGE ACCESS PLANS PURSUANT TO SECTION 1 OF ASSEMBLY BILL 480 OF THE 82nd (2023) LEGISLATIVE SESSION.** (Note: IFC may approve a different amount for an allocation than the amount requested).

SARAH COFFMAN (Assembly Fiscal Analyst, Fiscal Analysis Division, LCB):

I would note that Agenda Item E.2, Department of Taxation, has been withdrawn. As well, Agenda Item E.3, State Department of Agriculture, has been withdrawn. No other items on this agenda item have been recommended to be pulled for further discussion.

1. Office of the Governor - Office for New Americans - FY 2025

Request for an allocation of \$68,766 to implement language access plans in accordance with NRS 232.0081.

Refer to motion for approval under Agenda Item M.

2. Department of Taxation - FY 2025

Request for an allocation of \$326,884 to implement translation of documents in accordance with NRS 232.0081.

This agenda item was withdrawn.

3. State Department of Agriculture - Administrative Services - FY 2025

Request for an allocation of \$646,028 to implement language access plans in accordance with NRS 232.0081.

This agenda item was withdrawn.

4. State Department of Conservation and Natural Resources - Division of State Parks - FY 2025

Request for an allocation of \$180,419 to implement translation of documents in accordance with NRS 232.0081.

Refer to motion for approval under Agenda Item M.

- F. REQUEST FOR ALLOCATION FROM THE IFC CONTINGENCY ACCOUNT (GENERAL FUND) PURSUANT TO SECTION 7(1)(b) OF ASSEMBLY BILL 518 OF THE 82nd (2023) LEGISLATIVE SESSION (Note: IFC may approve a different amount for an allocation than the amount requested) - DEPARTMENT OF INDIGENT DEFENSE SERVICES** - Request for an allocation of \$92,000 to provide the JusticeText transcription platform to appointed attorneys providing indigent defense services in rural counties.

Agenda Items F and M.48 were discussed jointly. Refer to discussion and motion under Agenda Item M.48.

- G. REQUEST FOR ALLOCATION FROM THE IFC CONTINGENCY ACCOUNT (GENERAL FUND) PURSUANT TO SECTION 1.5 OF SENATE BILL 490 OF THE 82nd (2023) LEGISLATIVE SESSION (Note: IFC may approve a different amount for an allocation than the amount requested) - NEVADA GAMING CONTROL BOARD** - Request for an allocation of \$5,500,000 for the continuation of the replacement of the Board's information technology system.

KIRK HENDRICK (Chair, Gaming Control Board [GCB]):

The GCB is requesting an allocation from the IFC Contingency Account pursuant to S.B. 490, Section 1.5 of the 82nd (2023) Legislative Session in the amount of \$5.5 million for the continuation of the replacement of the board's information technology (IT) system.

SENATOR NEAL:

Please provide a brief update on the project status and timeline to complete the replacement of the IT system.

JIM BARBEE (Chief, Technology Division, GCB):

The project is approximately 68% complete. Core development along with engagement with the vendor is on track to be completed by June 2025. Significant developments recently completed include the GCB's new gaming employee registration system, the Audit Division's migration to a commercially available accounting case management system, motor pool, horse racing, and online payment processing. Overall, the Investigations Division is approximately 78% complete with its requirements, the Technology Division is approximately 59% complete, and the internal accounting requirement is approximately 52% complete.

SENATOR NEAL:

Has switching from time-based to effort-based enhanced how this is moving forward? I know that was a significant conversation during the 2023 Legislative Session.

MR. HENDRICK:

Yes, that was a big conversation during the legislative session. I am proud to say that with the legislative support of giving the GCB \$8.0 million and having an opportunity to come back in front of this Committee today for the extra \$5.5 million, the GCB set up a system where the work is only going to be paid for when it is done. That and working with the GCB's outside partner, is working very well. As this Committee may recall, this project started back in 2013 and was on a time and materials basis. I am not going to try to be a Monday morning quarterback and say that might have been the wrong decision 11 or 12 years ago, but I will tell you in 2023, it was absolutely the right decision to work with the GCB's outside contractors and have them know that progress needed to be seen before the state and taxpayers would pay for it.

This project is going to end up costing less than \$35.0 million by the time it is finished. This technology is the backbone of a system that correctly collects taxpayer money in the billion-dollar range per year. For \$35.0 million, I would say that is a wonderful return on investment. To answer your question, it is working very well because the GCB is able to track it. As Mr. Barbee mentioned, the GCB has spent almost the full \$8.0 million and will be coming in for a very soft landing if the IFC approves this \$5.5 million. The GCB will have the opportunity between the end of this month through June 2025 to spend that extra \$5.5 million if this Committee approves it, ending up exactly where the GCB wants to land this plane.

SENATOR NEAL:

What does the GCB project the ongoing annual licensing and maintenance costs for the new system will be once it is fully implemented?

MR. BARBEE

The anticipated costs are approximately \$163,000 annually. Those costs are primarily for licensing fees associated with some off-the-shelf components that comprise the information systems.

SENATOR CANNIZZARO MOVED TO APPROVE
AGENDA ITEM G.

ASSEMBLYWOMAN JAUREGUI SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY WITH THE MEMBERS
PRESENT.

H. REQUESTS FOR ALLOCATIONS FROM THE IFC CONTINGENCY ACCOUNT (GENERAL FUND) PURSUANT TO SECTIONS 74, 75, AND 76 OF SENATE BILL 511 OF THE 82nd (2023) LEGISLATIVE SESSION (Note: IFC may approve a different amount for an allocation than the amount requested).

SARAH COFFMAN (Assembly Fiscal Analyst, Fiscal Analysis Division, LCB):

The following items have been pulled for further discussion: Agenda Items H.1, Department of Health and Human Services (DHHS), Aging and Disability Services Division (ADSD); H.2, DHHS, ADSD; and H.3, DHHS, ADSD.

1. Department of Health and Human Services - Aging and Disability Services Division - Home and Community-Based Services

Request for an allocation in the amount of \$2,283,978 to cover staffing and associated operating costs relating to the community-based care programs caseload pursuant to Section 74 of Senate Bill 511 of the 82nd (2023) Legislative Session.

Agenda Items H.1, H.2, and H.3 were discussed jointly. Refer to discussion and motion for approval under Agenda Item H.3.

2. Department of Health and Human Services - Aging and Disability Services Division - Adult Protective Services and Long-Term Care

Request for an allocation in the amount of \$2,128,964 to cover staffing and associated operating costs for the Adult Protective Services program caseload pursuant to Section 75 of Senate Bill 511 of the 82nd (2023) Legislative Session. **REVISED 9-20-24.**

Agenda Items H.1, H.2, and H.3 were discussed jointly. Refer to discussion and motion for approval under Agenda Item H.3.

3. Department of Health and Human Services - Aging and Disability Services Division - Adult Protective Services and Long-Term Care

Request for an allocation in the amount of \$1,468,609 to cover staffing and associated operating costs for the Long-Term Care Ombudsman program caseload pursuant to Section 76 of Senate Bill 511 of the 82nd (2023) Legislative Session. **REVISED 9-20-24.**

DENA SCHMIDT (Administrator, Aging and Disability Services Division [ADSD], Department of Health and Human Services [DHHS]):

The division is here to request an allocation from the IFC Contingency Account pursuant to S.B. 511. During the 2023 Legislative Session, the division's caseload positions were allocated according to S.B. 511, which gave the ADSD funding in the first year. The division had to come to the IFC to ask for the funding for those caseload positions and for new positions in the second year of the biennium. Therefore, before the Committee today is the request for those caseload positions

associated with Long-Term Care Ombudsman, Adult Protective Services, and Community-Based Care, which includes the Waiver for Frail Elderly and Waiver for Persons with Physical Disabilities positions.

ASSEMBLYWOMAN MILLER:

Please provide a brief update on the current vacancies, efforts, and hiring for the new caseload positions for the Community-Based Care, Adult Protective Services, and Long-Term Care Ombudsman programs. I did see numbers for the new Adult Protective Services and for the Long-Term Care Ombudsman.

Ms. SCHMIDT:

The division received 50 new positions between the Long-Term Care Ombudsman and the Adult Protective Services programs in the biennium. The ADSD is happy to say that 42 of those have been filled as of yesterday and it is actively recruiting 6 of those while waiting for today's approval for funding before opening those for recruitment.

Within the community-based care programs, the division has been able to fill 18 of the 37 new positions. One of the challenges the ADSD faces and one of the things it has been trying to do is to attend all the hiring events. The ADSD is very appreciative of the Division of Human Resource Management (DHRM) for putting on multiple hiring events across the state, which have been very helpful, and the division has been successful in recruiting from those events.

The ADSD has reached out and has partnerships with both the University of Nevada, Las Vegas (UNLV) and University of Nevada, Reno (UNR) Schools of Social Work. The majority of vacancies continue to be social workers. It is required within the waivers to have licensed social workers do the case management; that has really been a challenge in the number of social worker vacancies.

The ADSD has a partnership with the School of Social Work. An ADSD staff member has been down south presenting to their classes every month; they love having staff there. The ADSD teams have created business cards with a QR code on how to apply to become a social worker. There have been quite a few efforts and the ADSD continues to look at any other ways to recruit to fill those social worker vacancies.

ASSEMBLYWOMAN MILLER:

It is good to hear where the ADSD is in the hiring process. Please explain what it means that the division is actively in the hiring process. Does that mean the division has candidates, and if this is funded, the ADSD will be able to offer them positions? Or if this is funded, the division will be able to open the applications for those positions.

Ms. SCHMIDT:

Yes, the second. The division has not opened them because it does not currently have the funding and is waiting for approval for those 2 out of 50 positions; the others are actively being recruited right now.

ASSEMBLYWOMAN MILLER:

Does “actively being recruited” mean they are in the application process?

Ms. SCHMIDT:

Correct.

ASSEMBLYWOMAN MILLER:

The hiring process?

Ms. SCHMIDT:

Correct. The ADSD has one pending offer at this time, but the rest are actively recruiting in the hiring process, meaning the announcement has been posted.

ASSEMBLYWOMAN MILLER:

If the \$5.9 million requested from the IFC Contingency Account was approved, how does the division plan to address the \$480,729 shortfall projected for the Long-Term Care Ombudsman program?

Ms. SCHMIDT:

One of the things to keep in mind is the funding requested today is for the caseload positions. The \$480,000 shortfall is created by the new salary adjustments and increases in salary so the division will follow that process to request those funds. The ADSD continues to monitor that account on a regular basis as well as other accounts where shortfalls are being seen in the Personnel category due to those raises. The division will look internally first to see if funding can be found to cover any shortfalls, and then within the department. If the ADSD is unable to find funding, it will then come back before this Committee to request funding. It is too early for the division to ask for those funds at this time because there are other opportunities within the budget to try to fill those shortfalls.

ASSEMBLYWOMAN TAYLOR:

Thank you for being here and for the work in filling those important positions. I do have a question regarding what the division mentioned. There is a grave shortage of social workers in the state across the board. One of the challenges with only being able to fill less than half of those positions, is that social workers are the ones that have to be the case workers. Is there a better way to get there or is that not best practice?

Ms. SCHMIDT:

Currently, it is the waiver application through the Centers for Medicare and Medicaid Services (CMS) that has that requirement. The division is actively working with partners at Medicaid and the CMS to make adjustments to add additional criteria of individuals who can be case managers to try and address that problem. The ADSD is hopeful that once that is approved, it can look at some of these vacancies and perhaps reclassify them to different positions or recruit different individuals with different criteria to fill those vacancies. That has been one of the limitations because as the division's current funding source, the CMS, requires that individuals are licensed social workers. The CMS has indicated that it is favorable to looking at alternatives and so the ADSD is in the process now.

ASSEMBLYWOMAN TAYLOR:

Any idea of a timeline in that conversation and what kind of positions; what are the alternatives?

Ms. SCHMIDT:

Last I heard, the division was hoping it was going to be before the end of this year. As far as the other positions, the ADSD has a couple other classifications, one is the Adult Rights Specialist classification that requires a bachelor's degree but not necessarily a licensed social worker. The division has been successful in the Adult Protective Services program in utilizing those positions and so a lot of individuals come in as an Adult Rights Specialist. The division also has a new scholarship program for social workers currently working for the state or working towards their licensure. The ADSD has several individuals taking advantage of that new way and then they are becoming licensed and can move into the Social Worker position. The Community-Based Care Unit is looking at potentially using Adult Rights Specialists once the division gets that approval, and the ADSD is also working with the DHRM to see if that is the appropriate classification or if there may be another appropriate category as the DHRM is looking at the classifications across the state. The division has had some success with it and is hoping to move into this program as well.

ASSEMBLYWOMAN TAYLOR:

I applaud the creativity in better ways to get there and growing the division's own is a big piece of that.

SENATOR CANNIZZARO MOVED TO APPROVE
AGENDA ITEMS H.1, H.2, and H.3.

ASSEMBLYWOMAN JAUREGUI SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY WITH THE MEMBERS
PRESENT.

I. REQUEST FOR THE TRANSFER OF AMOUNTS BETWEEN BUDGET ACCOUNTS OR WITHIN DEPARTMENTS PURSUANT TO SECTION 61 OF SENATE BILL 511 OF THE 82nd (2023) LEGISLATIVE SESSION - NEVADA SYSTEM OF HIGHER EDUCATION - Request to transfer funding in the following amounts from the Performance Funding Pool budget account to fund the 20% performance pool carve-outs.

1. \$42,411,033 to the University of Nevada, Las Vegas. **RELATES TO AGENDA ITEMS M.6 and M.15.**

Agenda Items I.1, I.2, I.3, I.4, I.5, I.6, and I.7 were discussed jointly. Refer to discussion and motion for approval under Agenda Item I.7.

2. \$6,135,087 to Nevada State University. **RELATES TO AGENDA ITEMS M.14 and M.15.**

Agenda Items I.1, I.2, I.3, I.4, I.5, I.6, and I.7 were discussed jointly. Refer to discussion and motion for approval under Agenda Item I.7.

3. \$2,943,760 to Great Basin College. **RELATES TO AGENDA ITEMS M.9 and M.15.**

Agenda Items I.1, I.2, I.3, I.4, I.5, I.6, and I.7 were discussed jointly. Refer to discussion and motion for approval under Agenda Item I.7.

4. \$7,038,352 to Truckee Meadows Community College. **RELATES TO AGENDA ITEMS M.13 and M.15.**

Agenda Items I.1, I.2, I.3, I.4, I.5, I.6, and I.7 were discussed jointly. Refer to discussion and motion for approval under Agenda Item I.7.

5. \$19,268,840 to the College of Southern Nevada. **RELATES TO AGENDA ITEMS M.12 and M.15.**

Agenda Items I.1, I.2, I.3, I.4, I.5, I.6, and I.7 were discussed jointly. Refer to discussion and motion for approval under Agenda Item I.7.

6. \$28,555,966 to the University of Nevada, Reno. **RELATES TO AGENDA ITEMS M.5 AND M.15.**

Agenda Items I.1, I.2, I.3, I.4, I.5, I.6, and I.7 were discussed jointly. Refer to discussion and motion for approval under Agenda Item I.7.

7. \$3,134,761 to Western Nevada College. **RELATES TO AGENDA ITEMS M.11 and M.15.**

CHRIS VITON (Vice Chancellor, Budget and Finance, Nevada System of Higher Education [NSHE]):

These items before the Committee today are the transfer for the FY 2024 and FY 2025 performance pool set-aside for the seven formula budgets of the instructional institutions of NSHE. These funds represent 20% of the campuses' base appropriations and these transfers are based on the results of the 2022-23 academic year. With that, I respectfully ask the Committee's approval of these transfers.

CHAIR MONROE-MORENO:

Would you put on the record what those transfer amounts are for each one of the agenda items?

MR. VITON

UNLV is \$42,411,033; Nevada State University is \$6,135,087; Great Basin College is \$2,943,760; Truckee Meadows Community College is \$7,038,352; College of Southern Nevada is \$19,268,840; UNR is \$28,555,966; and Western Nevada College is \$3,134,761.

SENATOR CANNIZZARO MOVED TO APPROVE AGENDA ITEMS I.1, I.2, I.3, I.4, I.5, I.6, and I.7.

ASSEMBLYWOMAN JAUREGUI SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY WITH THE MEMBERS PRESENT.

J. AMERICAN RESCUE PLAN ACT, CORONAVIRUS STATE FISCAL RECOVERY FUNDS.

1. Statement of American Rescue Plan Act, Coronavirus State Fiscal Recovery Fund obligations and remaining unobligated balance.

BRODY LEISER (Chief Principal Deputy Fiscal Analyst, Fiscal Analysis Division, LCB):

I will walk through Agenda Item J.1, the Statement of American Rescue Plan Act, Coronavirus State Fiscal Recovery Fund obligations and remaining unobligated balance. The table has been provided as a separate handout ([Exhibit K](#)). It is also available on the Committee webpage (<https://www.leg.state.nv.us/App/InterimCommittee/REL/Interim2023/Committee/1969/Meetings>).

I do want to address a couple updates to the table. The first is an added column to the table, just right of center in red text, to display the FY 2024 actual expenditures. These amounts are based on a manual review of data within the state's accounting system and are labeled as still being under review. The Fiscal Division is still completing its fiscal year end reconciliation efforts and will be working with state agencies and the GFO to ensure that the Fiscal Division is accurately reporting and capturing actual expenditures for each of these programs.

At the top of page 1 is a high-level summary displaying the actual expenditures for FYs 2022, 2023, and 2024, the amounts currently authorized, which would be inclusive of any request before the Committee, and the remaining unobligated balance. With the understanding that FY 2024 expenditures are still under review, the state has expended approximately \$1.4 billion, or just over 52% of the total \$2.7 billion award. As a reminder, these funds must be obligated by December 31, 2024, and must be expended by December 31, 2026. The previous statement did reflect that all Coronavirus State Fiscal Recovery Fund authority was obligated, but as previously communicated, the Fiscal Division did anticipate savings and the possibility of authority becoming available from previously approved programs that would not expend 100% of their award.

MR. LEISER:

On the table presented today, you will see it is showing an unobligated balance of approximately \$1.8 million. This amount was identified through efforts to reconcile the remaining project authority with the close of FY 2024; I can provide more details specific to that dollar amount if the Committee desires. With the deadline to obligate funds quickly approaching, there is a limited timeframe to identify any additional savings that may be available following the close of FY 2024 based on actual expenditures, if projects are experiencing delays, updated project expenditures from agencies, and then the time for any

identified savings to be repurposed or reobligated by the deadline to do so. The Fiscal Division has been in communication with the GFO regarding this effort and would anticipate the potential for work programs to be submitted for consideration at the December IFC meeting to obligate any additional savings that may be identified to ensure that those funds can be repurposed, obligated by the deadline, and ultimately expended by the state.

As a reminder, the table itself generally lists program descriptions and amounts in chronological order based on the budgetary approval date and as with prior practice, any revisions or updates to the table are identified in red text if there were any updates to existing rows following the August IFC meeting.

There were three items submitted for consideration today under Agenda Item L, which begin on page 24 of the table document. Each of those requests would align expenditure authority within the previously approved projects remaining award amount and would not increase or decrease overall project authority.

There was no further discussion on this agenda item.

2. Status report on the administration, obligation and expenditure of American Rescue Plan Act, Coronavirus State Fiscal Recovery Funds (Letter of Intent, 82nd [2023] Legislative Session)

AMY STEPHENSON (Director, Governor's Office of Finance [GFO]):

The GFO's State Local Fiscal and Recovery Funds summary report ([Exhibit L](#)) provides an updated summary of each allocation as of September 30, 2024. There is a discrepancy on savings between this report and Mr. Leiser's report. As Mr. Leiser mentioned, the state is still reconciling FY 2024 closing and is working with agencies, the Fiscal Division, and GFO staff to ensure that the state resolves this discrepancy by the next IFC meeting. There are no additional updates from the U.S. Department of the Treasury since March 2024.

CHAIR MONROE-MORENO:

Please explain where the discrepancy is that you mentioned.

MS. STEPHENSON:

Yes, it is line 124 for a specific project for the Division of Child and Family Services ([Exhibit L](#)).

SENATOR CANNIZZARO:

I know this is a lot and the GFO is trying to get information from agencies to verify the different ways in which funds were being expended, where the state might have savings, and their progress. As I understand it, the Committee received this report this morning, which is problematic and not the first time that

I have addressed this at an IFC meeting with respect to these reports. I know it is not because the GFO is not trying to get the Committee that information; the GFO and I have had a conversation about making sure that the Committee receives these reports on time. It is frustrating that the state does not have more compliance from these agencies in making sure that the GFO is getting this information so it can get these reports in a timely fashion to staff to take a look at it to make sure that if there are discrepancies, those discussion can take place and that we as a Committee can ask appropriate questions where needed.

There was no further discussion on this agenda item.

K. WORK PROGRAM REVISIONS IN ACCORDANCE WITH NRS 353.220(5)(a) - INFORMATIONAL ONLY - APPROVED BY THE GOVERNOR BECAUSE OF AN EMERGENCY AS DEFINED IN NRS 353.263 OR FOR THE PROTECTION OF LIFE OR PROPERTY.

1. DEPARTMENT OF HEALTH AND HUMAN SERVICES - Division of Welfare and Supportive Services - Addition of \$42,000,000 in federal U.S. Department of Agriculture, Food and Nutrition Service grant funds to provide summer 2024 benefits to school-aged children. **Work Program #C71976.**

KELLY CANTRELLE (Deputy Administrator, Division of Welfare and Supportive Services [DWSS], DHHS:

The DWSS is requesting \$42 million from the United States Department of Agriculture (USDA), Food and Nutrition Services, for the division to give Summer Electronic Benefit Transfer (EBT) benefits to children during the distribution that the division just wrapped up.

ASSEMBLYWOMAN JAUREGUI:

Please provide an update. I know the state was expecting approximately 350,000 participants. Does the division have those actual numbers since the funds will be sent to families who participated during this last summer program?

Ms. CANTRELLE:

As of this morning, the division has served 309,507 children with the early distributions. The division does anticipate getting closer to that 350,000 by the end of November with applicants. I want to note that individuals can apply for benefits through the online application through November 30.

ASSEMBLYWOMAN JAUREGUI:

Please discuss the outreach to the families who are eligible but have not registered.

MS. CANTRELLE:

The division has worked with the Nevada Department of Education and individual schools to get information out to parents. The division works with community partners, specifically the food banks in Northern and Southern Nevada, for any individual that goes through them. The division also has what it calls “trusted partners” in the community; 13 of them take applications on the division’s behalf and then get that information to the public.

ASSEMBLYWOMAN JAUREGUI:

I know this is retroactive, and I believe the money for the Summer EBT program will be going out before this next school year ends. Does that go out in a lump sum or are families given monthly installments for the three months of summer?

MS. CANTRELLE:

The Summer EBT is \$40 a month that goes out in one \$120 allotment per child.

ASSEMBLYWOMAN JAUREGUI:

Thank you for standing the program up so quickly.

SENATOR NEAL:

Did the grant require any additional reporting to find out whether families are eating healthier and that they are more secure within their households?

MS. CANTRELLE:

This year everyone and every state rushed through this to get the benefits out as quickly as possible. The federal government has allowed the state a little leeway on that. Next year, the state does have to build a database to house information to report more things. The final rule for this program has yet to come out so the state does not know exactly what the reporting requirements will be.

SENATOR NEAL:

With these being food insecure families, has any of the state’s trusted partners created any programmatic structure to help these families manage after the funds are expended?

MS. CANTRELLE:

I do not want to speak entirely for the trusted partners, but I do know outreach by some of the food banks goes on all year. The division works very closely with the food banks and two of them take applications on the division’s behalf.

Whether they have an actual plan in place and are taking exact steps, I am not sure. The division has seen their outreach, and it never stops; it is something they are constantly working on.

CHAIR MONROE-MORENO:

Thank you for setting this program up so quickly. I know the state has gone through a lot with the Summer EBT and feeding the children, but the Committee truly appreciates all of the work the DWSS is doing.

There was no further discussion on this agenda item.

2. DEPARTMENT OF CORRECTIONS - High Desert State Prison - Transfer of \$126,873 in American Rescue Plan Act, Coronavirus State Fiscal Recovery Funds to cover a shortfall for food costs. **Work Program #24FRF37621. RECEIVED 9-17-24, AFTER THE 9-12-24 SUBMITTAL DEADLINE.**

JAMES DZURENDA (Director, Nevada Department of Corrections [NDOC]):

To my understanding, this was an administrative error that came out of the August 15, 2024, IFC. Work Program #24FRF37621 was incorrectly included in the non-IFC items that should have been with Work Program #24FR132792 and Work Program #24FRF37171. This was the use for ARPA funds in the shortfall from FY 2024 in Category 50 for the food supply and services from Aramark Food Services for payments for receipts.

There was no further discussion on this agenda item.

- L. **APPROVAL OF WORK PROGRAM REVISIONS FOR THE EXPENDITURE OF AMERICAN RESCUE PLAN ACT, CORONAVIRUS STATE FISCAL RECOVERY FUNDS, IN ACCORDANCE WITH NRS 353.220.**

SARAH COFFMAN (Assembly Fiscal Analyst, Fiscal Analysis Division, LCB):

There are no items recommended to be pulled under Agenda Item L.

1. **Office of the Governor - Office of Federal Assistance - FY 2025**
Transfer of \$7,045 from the Reserve category and \$96,912 from the Personnel category to the American Rescue Plan Act (ARPA) Funding category to provide grant writing services to assist state agencies in applying for grants. Requires Interim Finance Committee approval since the amount added to the ARPA Funding category exceeds 20% of the legislatively approved amount for that category.
Work Program #25FRF13412

Refer to motion for approval under Agenda Item M.

2. **Department of Health and Human Services - Aging and Disability Services Division - Desert Regional Center - FY 2025**

Deletion of \$3,653,365 in federal American Rescue Plan Act (ARPA), Coronavirus State Fiscal Recovery Funds transferred from the COVID-19 Relief Programs account to align authority to available grant funds. Requires Interim Finance Committee approval since the amount deleted from the ARPA - Ackerman Center category exceeds \$350,000. **Work Program #25FRF32791**

Refer to motion for approval under Agenda Item M.

3. State Department of Conservation and Natural Resources - Water Conservation and Infrastructure - FY 2025

Addition of \$15,664,257 in federal American Rescue Plan Act, Coronavirus State Fiscal Recovery Funds transferred from the COVID-19 Relief Programs account and transfer of \$855,484 from the Administrative Operating category to the Water Conservation and Infrastructure category to realign current state fiscal year authority to support the Nevada Water Conservation and Infrastructure Initiative. Requires Interim Finance Committee approval since the amount added to the Water Conservation and Infrastructure category exceeds \$350,000. **Work Program #25FR41591**

Refer to motion for approval under Agenda Item M.

M. APPROVAL OF GIFTS, GRANTS, WORK PROGRAM REVISIONS, AND POSITION CHANGES NOT INVOLVING THE EXPENDITURE OF AMERICAN RESCUE PLAN ACT, CORONAVIRUS STATE FISCAL RECOVERY FUNDS, IN ACCORDANCE WITH CHAPTER 353 OF NRS.

SARAH COFFMAN (Assembly Fiscal Analyst, Fiscal Analysis Division, LCB):

The following items have been pulled for further discussion: Agenda Items M.1, Office of the Secretary of State; M.23, DHHS, Division of Public and Behavioral Health; M.25, DHHS, Division of Child and Family Services; M.37, State Department of Conservation and Natural Resources, Division of Forestry; and M.48, Department of Indigent Defense Services, which is recommended to be discussed with Agenda Item F.

Agenda Item M.41, Department of Wildlife, was withdrawn after the agenda was posted.

SENATOR CANNIZZARO MOVED TO APPROVE THE REMAINING WORK PROGRAM REVISIONS AND POSITION RECLASSIFICATIONS UNDER AGENDA ITEMS E, H, L, AND M.

ASSEMBLYWOMAN JAUREGUI SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY WITH THE MEMBERS PRESENT.

1. Office of the Secretary of State - Secretary of State - FY 2025

Addition of \$4,000,000 in federal Community Project grant funds to provide a new business licensing system. Requires Interim Finance Committee approval since

the amount added to the Community Project Funding category exceeds \$350,000.
Work Program #C70194

GABRIEL DI CHIARA (Chief Deputy Secretary of State, Office of the Secretary of State [SOS]):

This item is a work program to move a \$4 million grant that was granted to the SOS by the federal government for the purpose of improving Nevada's business licensing system.

SENATOR HARRIS:

Please provide a status update on the efforts made so far to enhance and modify the business registration and filing system.

MR. DI CHIARA:

Before getting to the update, which I think Deputy Shauna Bakkedahl is going to provide, I want to highlight where the SOS has come from. Improving the business licensing system was a priority for Secretary Aguilar since he first took office. I do not know if you recall, he certainly does, there were times when the system was out for hours, if not days. One memorable occasion was in February 2020 when it was out for a month at a time; there were regular system outages, glitches, and bugs. The SOS had a regular failed transaction rate between 1% and 2%, meaning anywhere from 1 in every 100 to 1 in every 50 transactions that a business owner tried to make through the system was a failure.

Something the SOS has not talked about at length but has now resolved is for years the state could not provide trust account statements to trust account holders, meaning that the SOS could not tell some of the state's highest volume customers what they had spent their money on or how much money they had in with the state without making some pretty serious manual operations, which was a very large legal liability to the state. You never want to not be able to tell someone, especially attorneys, how much money they have or where their money is. There were also a number of payment improvements. Where the SOS started from was not a great place and the SOS is very grateful to the Legislature and the Governor for moving these one-shot dollars to kick off Project Orion.

SHAUNA BAKKEDAHL (Deputy Secretary of State for Commercial Recordings, SOS):

I think one of the biggest accomplishments the SOS has had so far is being able to address 466 bugs in the system that were either stopping the performance of the system or creating difficulties with the business licenses to the point that it had a backlog of six months. Since then, the SOS has reduced the backlog to almost same day processing and addressed some of the most critical bugs that will allow the SOS to perform the system in the way needed to conduct business within the state where it is not impacting revenue in a negative way. A strategy the SOS initiated as a part of Project Orion was an enhanced self-help system to assist

business license users in obtaining self-help as they were going through the licensing application. It is a difficult process, and the state is trying to make it easier for businesspeople.

The next thing the SOS did was enhance the security posture. The SOS thought it was extremely important to ensure the security of the information that was contained within the systems. The SOS also looked at its automated testing. To increase the velocity of bugs that it was going to address, the SOS needed an automated testing system that would allow it to enhance that process, and it did in a great deal; 466 bugs in a year is quite a bit to address considering how much development was required to get those things addressed.

The next area was data cleansing efforts. Because the system was in disarray and things were not working properly, it was very difficult for license holders to get information they required to run their business because the system was not working properly. The SOS has continued to do those data cleansing efforts to make sure that the data is readily available to business holders.

The SOS also looked at the data storage strategy and what that might look like. That goes hand in hand with the data cleansing and how the state was going to make sure that data was readily available. In addition to those efforts, the SOS did process improvements that also assisted with the backlog. In addition to what the Deputy Chief said, being able to address some of the accounting issues and things that were inherent in the system were critical and something that needed to be done. Those are some of the accomplishments and things that the SOS has done since the launch of Project Orion.

MR. DI CHIARA:

I want to add that a lot of that is thanks to Deputy Bakkedahl's leadership. When the SOS started, the average hold time for someone calling to speak with a customer service representative was 30 minutes. That has been reduced to 7 minutes, which is still not ideal and can always be better. The SOS had complaints of people on hold for, in some cases, hours, before being able to talk to a person and get an answer on how to start their business in Nevada. The SOS is now in a much better place.

SENATOR HARRIS:

Please clarify whether Project Orion makes modifications to the existing system or if it is designed to put in place a new system to replace the existing system.

MR. DI CHIARA:

I think the best way to answer that question is with a complicated metaphor. The ideal kind of business licensing system the SOS would like for the State of Nevada would be something similar to a 2024 Ford F-150 Lightning Hybrid with a tow package. The SOS wants something that is pretty, modern, and has the latest and

greatest tricks but can also get the work done and is easy for businesses to use. However, the current system is something I would compare to a 2006 Honda Civic. It is not great, it breaks down a lot, it got us to this point but is not worth investing in too much more. When Secretary Aguilar took office, there was no long-term plan for how the SOS was going to get to a better place.

Former Secretary Cegavske's administration had started working on a lot of these bug fixes and a lot of this analysis had been done, but in terms of putting a timeline on it and coming up with a strategic plan to get to where the SOS wants to be, that is something that the SOS really had to spearhead and that is credit to Deputy Bakkedahl's work. The thing about the fun 2024 Ford F-150 is you cannot afford it if you cannot get to work and the 2006 Honda Civic was pretty busted. The SOS had to expend resources to get the system fixed to a point where it was not receiving angry phone calls from business owners and not scaring off businesses from registered agents to other states. The system had to get to a minimum viable product where it would work on a regular basis and would not cost the state additional revenue. Now that we can get to work every day in the slightly more trusty Honda Civic, we can focus on the replacement.

MS. BAKKEDAHL:

Some things the SOS originally started out with was assessing the viability of the system; what was happening within the system that created some of the hardships and the backlog. As the SOS went through this process to look at the enhancements versus replacements and which would be most beneficial to address some of the critical issues, the SOS concluded that getting to a minimum viable product was the best option. It would be least expensive to the state, reserving the rest of those funds to replace the system to get to the end goals. It is known that the current system was highly customized. It was customized to the point it did not interact with other systems; it did not exchange information with other systems, which made accounting and other things very difficult to navigate. It created a lot of manual processes on a lot of manual work for staff within the SOS.

The SOS was losing revenue that was going into the General Fund because businesses were getting frustrated using this system and not being able to navigate or get what they needed. With that, the SOS went through a minimum viable product process, including itemizing the critical bugs, what needed to be fixed, and what could be pushed off to the side to reserve those funds for another system. I am proud to announce that the SOS is in a stable condition now and can interact with constituents in a meaningful way. However, the SOS is not close to where it needs to be. There are still problems with the system, things that the SOS would not get to because of the amount of time and effort it would take to get there. It would cost more money to get the SOS where it needs to be with the current system versus getting a new one.

The SOS prioritized the initiatives under the Project Orion umbrella to ensure the ones that it did pay for and initiate, like the enhanced security posture, could translate to a new system. When talking about prioritizing within Project Orion, it was with the intent that whatever the SOS rolled out could be translated to a newer system so it would not lose that money spent.

As the SOS moves towards the modernization effort, the intent is to continue growth in the State of Nevada. The current vendor contract will seamlessly transition into a warranty model versus what the SOS has today, which is a stabilization highly development process, to fix bugs. The SOS will transition into that warranty support reserving almost \$9 million going into a new system. The SOS made sure the initiatives rolled out were communicated on a regular basis to internal staff, stakeholders, and the business environment. The SOS also has a website to make sure that everyone interested in Project Orion or where the SOS is going with business licensing in the State of Nevada can get updates.

SENATOR HARRIS:

Is it a fair summary of the SOS's response to my previous question that it is doing a little of both—fixing up the Honda Civic to continue going to work and now looking at purchasing the F-150?

MR. DI CHIARA:

That is accurate and again, due to Deputy Bakkedahl's leadership, the SOS is in the final stages of the request for proposal (RFP) process and cannot give an exact dollar amount for what that new system will cost. I do believe when comparing other states to a similar replacement the cost is anywhere between \$8 million and \$15 million, depending on how many bells and whistles they put in and the state's requirements. The SOS's hope is to have that dollar amount nailed down through the end of the RFP process, which should happen over the next couple of weeks.

SENATOR HARRIS:

Project Orion is in its change of direction and about \$4.6 million of the original \$15.0 million has already been spent. How much of those incurred expenditures are going to be able to be redirected to the new project and how much does the SOS anticipate will be unrecoverable?

MR. DI CHIARA:

I want to push back ever so gently on that framing. Respectfully, I would not consider those funds unrecoverable. For example, the data cleansing that Ms. Bakkedahl was talking about, prior to the SOS getting in there and getting the system fixed, there was no way for the SOS to transfer data from the old system to a new system; it was impossible and that is not a place the SOS wants to be in. The SOS does not want business records to be locked in a system that it is not happy with and needs a lot of care to get it to be even remotely affective. Although

those funds were expended, the Secretary very strongly believes that those funds were an investment in the state, an investment in growing the state's economy, getting the system stabilized, and helping business owners across Nevada; therefore, I would not frame it as unrecoverable.

SENATOR HARRIS:

Fair enough, I will slightly reframe. How many of those pieces can be transferred into the new project and how many cannot?

MS. BAKKEDAHL:

The enhanced security posture the SOS took is transferable, so that money was expended but can be translated to a new system platform. The automated testing tool the SOS purchased can be placed on any platform. The data cleansing effort is something that would be required whether the SOS is in the current environment or in a new environment so that is not lost. It would have been a task that had to be done no matter what, along with the data storage efforts. The things the SOS has completed are part of this project and will translate to a newer system and are not lost. I would argue that the SOS increased its revenue and was able to do that because of those development hours, so it is hard to say that it was unrecoverable. It was something that the SOS needed to do to impact business and the revenue in a positive way.

MR. DI CHIARA:

I would also highlight that a lot of the work on Project Orion was done by excellent contract staff that were brought on board to help with this modernization effort. Those contractors are working side by side with SOS employees daily. They understand what the business needs are and have been working to understand the statutory and regulatory structures; that will be invaluable as the SOS moves into a new system. Every state's business licensing is a little different and whatever vendor the SOS ends up going with to build the new system will not be intimately familiar with the specific business needs of the State of Nevada. Thanks to the contractors that have really been helping the SOS through Project Orion, they are going to be able to apply that knowledge immediately and I think that is of great value to the state as well.

SENATOR HARRIS:

I think all of that is fair, but I am hoping I can get an idea of conceptually, how much of the \$4.6 million are things that will be transferred into the new project and how much is money that was left to refine the old project and will not be transferrable. Can the Committee get an estimate of that general idea?

MS. BAKKEDAHL:

Approximately \$2 million of the \$4 million spent would have been spent on the previous contractor, and the development for the enhancements and fixes that were required for the current system.

SENATOR SEEVERS O'GARA:

To go over the numbers, the Committee's accounting has expenditures of about \$4.6 million versus \$4.0 million through October, if the SOS can address that. Also, I think there is some confusion because there has been one title for this project and I think it was intended to be one project, which is Orion, but then the SOS discovered while going through the process that it could not fix the current system, and it made some improvements. The SOS had some cleanup work to do—data cleansing, storage, security, and so forth—which is going to be able to move forward. My thought is once the SOS gets this RFP done, the SOS may want to rename the project. Orion to me seems like it was cleanup and working on some things the SOS needed to be able to move forward with another program or platform. What happens with some of these projects is that when you spend money, the total cost gets larger versus accounting-wise compartmentalizing or separating out what the SOS is actually spending the work on. The new system will be quite different from the current system, so that is a consideration.

MS. BAKKEDAHL:

The SOS can provide the Committee with the exact numbers on what it has spent.

SENATOR SEEVERS O'GARA:

The SOS can follow up with that. Separating different types of expenditures will be helpful moving forward, and I know the systems that the state has, a lot of times they are antiquated systems and are not easy to fix; there are so many innovative products out there. Hopefully the SOS can get something that works for the state and for the businesses that use the system.

MR. DI CHIARA:

Yes, absolutely. The Project Orion team has incredibly detailed records that show the breakdown of exactly what those costs are. I appreciate the feedback on the naming structure. Project Orion was what the SOS called this because the SilverFlume modernization efforts for the SOS for the State of Nevada was not helpful. Having that single kind of project enabled the SOS to talk to the business community to communicate about what it is doing in a way that is easy to understand, easy to package.

Ms. Bakkedahl, do you have a copy of the newsletter that can be provided to the Committee?

MS. BAKKEDAHL:

I do have a copy of the newsletter.

MR. DI CHIARA:

The newsletter is very detailed and talks about exactly what the SOS has done and where it is trying to go. I think it is likely that the Committee will see some newer messaging as the SOS moves forward with the RFP process—selecting a vendor, negotiating a contract, etc. Because the SOS knows that state government takes a while, especially for large IT implementations, which is not a bad thing, the SOS needs to make sure taxpayer money is being spent appropriately. It will be a while before this modernization effort is complete, so I do think the SOS has plenty of time to change some of that branding, make some of those distinctions, and ensure that the community at large, especially the business community, is educated about what the SOS is doing.

SENATOR SEEVERS O’GARA:

I am not so concerned about the branding as how the SOS is accounting for everything—where it is spending the money and why it is spending the money. The SOS had some improvements that will move forward, which I think is important to be part of this overall project, but there was also a bunch of patchwork, which is more like a maintenance area when looking at the accounting of it. I appreciate the work that the SOS is doing. I would agree that the state needs to update the system and really bring a lot of innovation to the state to make it easier for businesses to operate in Nevada.

CHAIR MONROE-MORENO:

Maybe Orion 2.0?

MR. DI CHIARA:

Yes, and the SOS will provide that accounting. Each of those 466 bugs, when you look at some of the things the system could not do—businesses not being able to pull up their own records, having to call to get something, staff sometimes having to manually pull things from the backend, requiring developers to inject new code so that people could see forms that they filed with the SOS office—although those funds will not be used for the new system, the piece of mind that the SOS is able to give Nevada businesses, especially registered agents which contribute a significant amount to the State General Fund, is very important.

SENATOR CANNIZZARO:

I know the SOS is still in the process of trying to put this new system together, get a contract, etc. Does the SOS know about how much that will cost or whether some of this allotment the state put forward for Orion is going to cover that?

MR. DI CHIARA:

The SOS thinks that similar estimates from other states for the kind of replacements it is putting in place ranges anywhere from \$1 million to potentially \$15 million. Again, that is why the SOS is grateful for these funds from the federal government and hopeful that the Legislature will see fit to approve the work program transferring them to the SOS. A lot of it depends on what goes into the system. For example, in Nevada the SOS oversees notary services. In an ideal world, the state would have a single unified system that can cover not just business licensing, uniformed commercial code, and all the other things from the commercial recording side, but also notary services and document preparation. A lot of what that cost is will come down to exactly how expansive the state wants the system to be versus how narrow. The SOS is doing everything possible to be judicious with the use of public money, and if for whatever reason this does not cost the full amount, then the SOS will be reverting some of these funds.

SENATOR CANNIZZARO:

I appreciate that and it makes sense the more that the SOS has the capacity to do things like notarize additional documents and provide those services to businesses, that system may be more robust and thus cost a bit more but would potentially be worth it. I think the Committee was just trying to get an idea of what it had allotted for Project Orion, what of that the Committee might see in the future in terms of additional funding requested with the move to a completely different system, which makes sense. I do not think that I have a question about that; I am just trying to get a sense of the money piece.

MR. DI CHIARA:

I want to be clear; I am in no way criticizing the biennial nature of the state's budgeting process; it can be very difficult to see. The SOS did put in a one-shot request to the GFO and the LCB for additional funds for Project Orion because it had to. If it turned out there would not be enough money based on what the SOS has now, it does not want to come up shorthanded. The SOS should hopefully have a contract and more concrete details about that pricing very soon; I cannot speak to exactly when it will be negotiated.

CHAIR MONROE-MORENO:

If any members had interactions with businesses in their districts, I can tell you that the businesses are appreciative of anything that the state can do to modernize the system, so thank you.

SENATOR CANNIZZARO MOVED TO APPROVE
AGENDA ITEM M.1.

ASSEMBLYWOMAN JAUREGUI SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY WITH THE MEMBERS PRESENT.

2. Office of the State Treasurer - State Treasurer - FY 2025

Addition of ~~\$316,667~~ **\$197,917** in Treasurer's Assessment funds to support a new investment portfolio management system. Requires Interim Finance Committee approval since the amount added to the Operating category exceeds 20% of the legislatively approved amount for that category. **Work Program #C69372. REVISED 9-25-24.**

Refer to motion for approval under Agenda Item M.

3. Department of Administration - Nevada State Library, Archives and Public Records - State Library - FY 2025

Addition of \$875,855 in federal Library Services and Technology Act grant funds to align state authority with federal authority. Requires Interim Finance Committee approval since the amount added to the Library Development Title I category exceeds \$350,000. **Work Program #C70759**

Refer to motion for approval under Agenda Item M.

4. State Public Charter School Authority - FY 2025

Addition of \$1,771,721 in Early Childhood Innovative Literacy Program (ECILP) funds transferred from the Early Childhood Literacy and Readiness budget account to support early childhood literacy and readiness programs for children less than six years of age. Requires Interim Finance Committee approval since the amount added to the Pre-K ECILP category exceeds \$350,000. **Work Program #C69518**

Refer to motion for approval under Agenda Item M.

5. Nevada System of Higher Education - University of Nevada, Reno - FY 2025

Addition of \$28,555,966 in Budgetary Transfers from the Nevada System of Higher Education (NSHE) Performance Funding Pool budget to distribute funding based on performance outcomes. Requires Interim Finance Committee approval since the amount added to the NSHE Operations category exceeds \$350,000. **RELATES TO ITEMS I.6, M.6, M.9, M.11, M.12, M.13, M.14, AND M.15. Work Program #C70077**

Refer to motion for approval under Agenda Item M.

6. Nevada System of Higher Education - University of Nevada, Las Vegas - FY 2025

Addition of \$42,411,033 in Budgetary Transfers from the Nevada System of Higher Education (NSHE) Performance Funding Pool budget to distribute funding based on performance outcomes. Requires Interim Finance Committee approval since the amount added to the NSHE Operations category exceeds \$350,000. **RELATES TO ITEMS I.1, M.5, M.9, M.11, M.12, M.13, M.14, AND M.15. Work Program #C70057**

Refer to motion for approval under Agenda Item M.

7. Nevada System of Higher Education - University of Nevada, Las Vegas - FY 2025

Addition of \$2,922,684 in General Funds transferred from the Nevada System of Higher Education Special Projects account to expand graduate and undergraduate nursing programs. Requires Interim Finance Committee approval since the amount added to the Senate Bill 375 Nursing Program Expansion category exceeds \$350,000. **Work Program #C68206**

Refer to motion for approval under Agenda Item M.

8. Nevada System of Higher Education - Statewide Programs - UNLV - FY 2025

Addition of \$1,369,321 in General Fund appropriations transferred from the Nevada System of Higher Education, System Administration account for the establishment of the Behavioral Health Workforce Development Center at the University of Nevada, Las Vegas pursuant to Assembly Bill 37 of the 82nd (2023) Legislative Session. Requires Interim Finance Committee approval since the amount added to the Behavioral Health Workforce Development Center category exceeds \$350,000. **Work Program #C70557**

Refer to motion for approval under Agenda Item M.

9. Nevada System of Higher Education - Great Basin College - FY 2025

Addition of \$2,943,760 in Budgetary Transfers from the Nevada System of Higher Education (NSHE) Performance Funding Pool budget to distribute funding based on performance outcomes. Requires Interim Finance Committee approval since the amount added to the NSHE Operations category exceeds \$350,000. **RELATES TO ITEMS I.3, M.5, M.6, M.11, M.12, M.13, M.14, AND M.15. Work Program #C70059**

Refer to motion for approval under Agenda Item M.

10. Nevada System of Higher Education - Western Nevada College - FY 2025

Addition of \$500,000 in General Funds transferred from the Nevada System of Higher Education Special Projects account to expand undergraduate nursing programs. Requires Interim Finance Committee approval since the amount added to the Senate Bill 375 Nursing Program Expansion category exceeds \$350,000.
Work Program #C68203

Refer to motion for approval under Agenda Item M.

11. Nevada System of Higher Education - Western Nevada College - FY 2025

Addition of \$3,134,761 in Budgetary Transfers from the Nevada System of Higher Education (NSHE) Performance Funding Pool budget to distribute funding based on performance outcomes. Requires Interim Finance Committee approval since the amount added to the NSHE Operations category exceeds \$350,000.
RELATES TO ITEMS I.7, M.5, M.6, M.9, M.12, M.13, M.14, AND M.15. Work Program #C70078

Refer to motion for approval under Agenda Item M.

12. Nevada System of Higher Education - College of Southern Nevada - FY 2025

Addition of \$19,268,840 in Budgetary Transfers from the Nevada System of Higher Education (NSHE) Performance Funding Pool budget to distribute funding based on performance outcomes. Requires Interim Finance Committee approval since the amount added to the NSHE Operations category exceeds \$350,000.
RELATES TO ITEMS I.5, M.5, M.6, M.9, M.11, M.13, M.14, AND M.15. Work Program #C70075

Refer to motion for approval under Agenda Item M.

13. Nevada System of Higher Education - Truckee Meadows Community College - FY 2025

Addition of \$7,038,352 in Budgetary Transfers from the Nevada System of Higher Education (NSHE) Performance Funding Pool budget to distribute funding based on performance outcomes. Requires Interim Finance Committee approval since the amount added to the NSHE Operations category exceeds \$350,000.
RELATES TO ITEMS I.4, M.5, M.6, M.9, M.11, M.12, M.14, AND M.15. Work Program #C70084

Refer to motion for approval under Agenda Item M.

- 14. Nevada System of Higher Education - Nevada State University - FY 2025**
Addition of \$6,135,087 in Budgetary Transfers from the Nevada System of Higher Education (NSHE) Performance Funding Pool budget to distribute funding based on performance outcomes. Requires Interim Finance Committee approval since the amount added to the NSHE Operations category exceeds \$350,000. **RELATES TO ITEMS I.2, M.5, M.6, M.9, M.11, M.12, M.13, AND M.15. Work Program #C70058**

Refer to motion for approval under Agenda Item M.

- 15. Nevada System of Higher Education - Performance Funding Pool - FY 2025**
Deletion of \$109,487,799 in Budgetary Transfers to distribute funding based on performance outcomes to the universities, state university, and community colleges. Requires Interim Finance Committee approval since the amount deleted from the Performance Pool 20% Carve Out category exceeds \$350,000. **RELATES TO ITEMS I.1, I.2, I.3, I.4, I.5, I.6, I.7, M.5, M.6, M.9, M.11, M.12, M.13, AND M.14. Work Program #C70056**

Refer to motion for approval under Agenda Item M.

- 16. State Department of Agriculture - Nutrition Education Programs - FY 2025**
Addition of \$3,535,558 in federal U.S. Department of Agriculture, Fresh Fruits and Vegetables grant funds to align state and federal authority. Requires Interim Finance Committee approval since the amount added to the Fresh Fruits and Vegetables Program category exceeds \$350,000. **Work Program #C70976**

Refer to motion for approval under Agenda Item M.

- 17. State Department of Agriculture - Administrative Services - FY 2025**
Addition of \$2,214,974 in federal U.S. Department of Agriculture - Resilient Food System Infrastructure Program grant funds to support food and farm businesses. Requires Interim Finance Committee approval since the amount added to the Resilient Food System Infrastructure category exceeds \$350,000. **Work Program #C71089**

Refer to motion for approval under Agenda Item M.

- 18. Department of Business and Industry - Division of Industrial Relations - Occupational Safety and Health Enforcement - FY 2025**
Addition of \$3,418,835 in elevator certification and permit fees, and \$796,654 in boiler certification and permit fees to fund a contract for database software to administer and track conveyance, boiler, and pressure vessel code compliance. Requires Interim Finance Committee approval since the amount added to the Transfer to Workers' Comp Fund category exceeds \$350,000. **Work Program #C71135**

Refer to motion for approval under Agenda Item M.

19. Department of Health and Human Services - Division of Health Care Financing and Policy - Health Care Financing and Policy Administration - FY 2025

Addition of \$500,000 in federal Centers for Medicare and Medicaid Services (CMS) state grant funds to expand the school-based services program to better meet the health needs of Nevada children enrolled in Medicaid or Children's Health Insurance Program. Requires Interim Finance Committee approval since the amount added to the CMS School-Based Services Expansion category exceeds \$350,000. **Work Program #C69861**

Refer to motion for approval under Agenda Item M.

20. Department of Health and Human Services - Division of Health Care Financing and Policy - Health Care Financing and Policy Administration - FY 2025

Transfer of ~~\$5,809,204~~ **\$5,809,240** from the Fiscal Agent category to the Pharmacy Benefit Manager category to provide transparency of pharmacy benefit manager contractual obligations. Requires Interim Finance Committee approval since the amount transferred to the Pharmacy Benefit Manager category exceeds \$350,000. **Work Program #C70553. REVISED 9-5-24.**

Refer to motion for approval under Agenda Item M.

21. Department of Health and Human Services - Division of Health Care Financing and Policy - Health Care Financing and Policy Administration - FY 2025

Transfer of \$10,821,652 from the Utilization Review category to the Fiscal Agent category to provide transparency of fiscal agent contractual obligations. Requires Interim Finance Committee approval since the amount transferred to the Fiscal Agent category exceeds \$350,000. **Work Program #C70607**

Refer to motion for approval under Agenda Item M.

22. Department of Health and Human Services - Division of Health Care Financing and Policy - Health Care Financing and Policy Administration - FY 2025

Addition of \$380,800 in federal Centers for Disease Control (CDC) and Prevention State Promotion of Strategies to Advance Oral Health Promotion grant funds to support interventions and practices to address oral diseases. Requires Interim Finance Committee approval since the amount added to the CDC Advance Oral Health Grant category exceeds \$350,000. **Work Program #C71236**

Refer to motion for approval under Agenda Item M.

23. Department of Health and Human Services - Division of Public and Behavioral Health - Crisis Response - FY 2025

Transfer of \$233,630 from the Reserve category to the Personnel category and \$424,194 from the Reserve category to the 988 Telecom Fees category to realign budget authority to continue to support operations of the 988 system. Requires Interim Finance Committee approval since the amount transferred to the 988 Telecom Fees category exceeds \$350,000. **Work Program #C70441**

SHANNON BENNETT (Bureau Chief, Bureau of Behavioral Health Wellness and Prevention, Division of Public and Behavioral Health [DPBH], DHHS):

Before the Committee today is Work Program #C70441, which transfers \$657,824 out of reserves; \$233,630 of this amount is being transferred to Category 1, Personnel, for coverage of 11 staff positions, and \$424,194 of this amount is being transferred to Category 23 from Reserve, to support the continued operation of the Crisis Response System.

A few months after the DPBH began collecting the \$0.35 charge on telecommunication lines in the State of Nevada, the division released an RFP to complete a revamp of the Behavioral Health Crisis Response System, or what the division calls the Nevada Behavioral Health Crisis Care Hub, in April 2024. The division has selected the most qualified vendor, Carelon Behavioral Health, through appropriate state purchasing guidelines. The division originally planned for an October Board of Examiners meeting but ran into a few discrepancies with the contract cost schedule that has now been corrected in collaboration with the vendor. The division now expects the contract to go to the November meeting of the Board of Examiners for complete approval.

Currently, the division answers approximately 70% of over 3,000 calls that are routed to the State of Nevada in-state each month, with the remaining 30% of those calls flowing out to national backup centers if they are unable to be answered immediately. The division anticipates that if this new contract is approved, it will create a massive improvement to the number of Nevadans who are connected to local treatment and to the speed it is able to answer calls when individuals are experiencing a behavioral health crisis. The division anticipates Carelon Behavioral Health to begin work with the beginning of the implementation phase right away after the contract is approved and anticipates it to last around six months.

ASSEMBLYWOMAN MOSCA:

When does the division think the Crisis Response System will start to be expanded and in use?

MS. BENNETT:

The division anticipates that after the contract is approved in November, the vendor will begin uplifting a new call center in Las Vegas within the first six months of the contract. The vendor will also be incorporating Crisis Support Services of Nevada, which is the current 988 call center in Nevada. The division will be working alongside the vendor to bolster the efforts. The DPBH expects a quick increase in the ability to answer calls in-state. Carelon Behavioral Health has a lot of experience across the country and is a leader. The division is excited to bring Carelon on board.

ASSEMBLYWOMAN MOSCA:

I read that the state is going to have this increased capacity, which I think is great, but also increased demand. Knowing that there has been more demand on calls, what does the division anticipate it will need to appropriately respond to the increased demand?

MS. BENNETT:

The contract is written to define the way the calls should be answered, and the division holds the vendor to that standard without specific call volume being mentioned. Carelon has responded to that by being able to staff that at 125% to whatever that level is. The division is confident in the way that this is negotiated at this point, that it will be able to promote 988, being able to bring those services to the Nevadans who really need it. It provides a platform for growth and expansion of the crisis response efforts across the state.

SENATOR TITUS:

I have some questions and concerns. It is good that this is being implemented, but unfortunate that there are more calls; based on the considerable number the Committee was given, it is almost doubling every year. The Committee heard a presentation before indicating that the calls that come in are based on the area code not necessarily the location of the person calling. Has that been resolved or is there any update?

MS. BENNETT:

Yes, in September of this year the division went to a georouting platform, which is done at the national level. That basically takes additional information that comes in with each call and georoutes it to the closet call center. If someone is calling from Reno, that call should be going to a Reno call center. The same will be true when the Las Vegas call center is operational. It will be the same across the state. It is no longer based on area code.

SENATOR TITUS:

Great, that is good information. The division now knows where people are located, but have any more resources been identified to refer these individuals to?

Ms. BENNETT:

This will be an ongoing process as the division continues to build out the Crisis Response System. A couple things the division is really excited about with Carelon is it has a lot of experience with this across the country, so Carelon will be able to help the division think about all those different pieces and how to provide the appropriate follow-up services for all callers. In addition, the division has other initiatives across the state regarding mobile crisis and crisis stabilization that it will continue to bolster and work with community partners to build up the Crisis Response System.

CODY PHINNEY (Administrator, DPBH, DHHS):

If I might add, you did hear Mr. Shell mention that the division is expecting the crisis stabilization center in the Reno/Sparks area to open this year. The DPBH is excited to have been able to participate with partners in Clark County; the county is expecting to open a crisis stabilization center in early 2025. The ladies that are working on this are amazing and humble staff. The work that is being done to increase the capacity for mobile crisis services while also creating an environment where existing services can be viable and expand is ongoing and there is quite a lot of focus there, so the DPBH is excited to get this contract up and running so the division can move on with those pieces.

SENATOR TITUS:

Good to hear because mental health access has been a major concern for the Governor, the interim healthcare committees, and the IFC members. It is good to know that there has been improvement and that this 988 will be able to address where the person is and not just the area code, as society is very mobile, especially in the State of Nevada. Thank you for all that the division is doing.

SENATOR NEAL:

In my notes it says there are some potential challenges with the hospitals and implementing the crisis stabilization centers. What are the challenges with setting it up in a hospital setting?

MS. PHINNEY:

The crisis stabilization center model does require that to be an endorsement and organizationally attached with a hospital. That might be perceived as a challenge at times; I am not thinking immediately of a current challenge. The division is working with those two organizations that I previously mentioned to get those stabilization centers up and running. Is there an additional question that might clarify?

SENATOR NEAL:

No, that was helpful.

SENATOR CANNIZZARO MOVED TO APPROVE AGENDA ITEM M.23.

ASSEMBLYWOMAN JAUREGUI SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY WITH THE MEMBERS PRESENT.

- 24. Department of Health and Human Services - Division of Public and Behavioral Health - Behavioral Health Prevention and Treatment - FY 2025**
Addition of \$706,607 in federal Garrett Lee Smith State/Tribal Youth Suicide Prevention funds to implement youth suicide prevention and early intervention strategies in schools and other youth-serving organizations. Requires Interim Finance Committee approval since the amount added to the Garrett Lee Smith Tribal Youth Suicide Prevention category exceeds \$350,000. **Work Program #C70107**

Refer to motion for approval under Agenda Item M.

- 25. Department of Health and Human Services - Division of Child and Family Services - Family Support Program - FY 2025**
Addition of \$3,000,000 in federal Substance Abuse and Mental Health Services Administration, Children's Mental Health Initiative grant funds for the System of Care program for youth with serious emotional disorders. Requires Interim Finance Committee approval since the amount added to the System of Care category exceeds \$350,000. **Work Program #C70616**

MARLA MCDADE WILLIAMS (Administrator, Division of Child and Family Services [DCFS], DHHS):

This is a work program to add \$3 million in federal Substance Abuse and Mental Health Services Administration, Children's Mental Health Initiative grant funds for the System of Care program for youth with serious emotional disorders. This grant is designed to support community providers with implementing evidence-based practices and to enhance the skills of child-serving agencies

statewide that provide services to children with serious emotional disturbance and intellectual disabilities or developmental disabilities. Children will be served by the grant, but the goals are to ensure the evidence-based practices are delivered to providers and those are the goals the DCFS will be reporting on for this grant.

SENATOR NGUYEN:

I noticed this work program does not include a reduction in the American Rescue Plan Act (ARPA) funds. If this work program is approved, is the DCFS going to submit another work program before the end of the year to deobligate those ARPA funds?

Ms. McDADE WILLIAMS:

The DCFS will be submitting a work program to the December IFC to deobligate the remaining funding.

SENATOR NGUYEN:

Will that deobligate the funds that support the Health Bureau Chief and Clinical Program Planner 1 positions?

Ms. McDADE WILLIAMS:

Correct.

CHAIR MONROE-MORENO:

How will the System of Care program differ under the new grant scope of work as the division indicates it would serve only 275 children from FY 2024 to FY 2028 compared to the approximate 908 children served from FY 2020 and FY 2024?

Ms. McDADE WILLIAMS:

As the Committee knows, the State of Nevada has undergone the U.S. Department of Justice (DOJ) investigation, and the finding was that the state has not developed community providers in a fashion to prevent commitments to residential facilities. What the division has done with this grant is create a design to build up the capacity of community-level providers. Children will be served but the deliverables are primarily to providers and ensuring that the state gets these providers adequate training so they can in turn provide services to children. It will expand access to services for children. The division's measures are not designed to identify the number of children who will get services based on the grant deliverables.

CHAIR MONROE-MORENO:

When I looked at it, I thought that was how many children the state was not going to be serving. Thank you for explaining that the state is not leaving any children unserved as it makes this transition.

MS. MCDADE WILLIAMS:

That is correct.

SENATOR NEAL:

What is the division going to be doing to build up the capacity of the providers? I do not know if there is a correlation, but when the state had those audit reports, it was wild what happened. How is the DCFS going to help these agencies perform what they are supposed to do legally?

DR. JACQUELINE WADE (Deputy Administrator, Children's Mental Health, DCFS, DHHS):

The goal is to provide training to community providers throughout the entire state so providers can be equipped to provide quality mental health services. The goal of the grant is to build capacity so that children, youth, and families can access services rather than stay on waitlists. That is the goal so the DCFS can have providers able to train those students coming out of universities and train them with evidence-based practices.

MS. MCDADE WILLIAMS:

I will supplement that by saying the Committee is talking about the residential providers that are licensed by various agencies throughout Nevada. The DCFS is targeting community-based practitioners, not residential practitioners, with these funds. Residential practitioners are held to certain standards, and I think the regulatory system is responsible for ensuring that people who work in those facilities have the appropriate training to manage the youth that are under their care and are adhering to their policies and procedures throughout that process, but this grant will not necessarily impact that residential setting.

SENATOR NEAL:

Does the DCFS have an idea of the timeline it will take and the number of students that are graduating in these particular degree areas where the division is going to be able to manifest this change of capacity and community-based providers that are trainable?

DR. WADE:

No, the DCFS does not have the number of students or providers that will be impacted but the division does know that the universities do provide training. The DCFS's goal is to provide those evidence-based trainings to the providers so they can be equipped to provide the trainings to their licensed personnel and students that they are mentoring.

MS. MCDADE WILLIAMS:

The grant is over a four-year period and during that four-year period, the division expects the provider community will be enhanced with the evidence-based practices that are necessary. For example, a provider might come out with a marriage and family therapy license and be able to provide a certain level of services. The DCFS is proposing to enhance their ability to provide services to children with serious emotional disturbance, intellectual disabilities, and developmental disabilities; a more specialized level of care in an evidence-based manner. The division will be doing RFPs to community providers and those who come in and want to be trained under these models will broaden the scope of providers that are available in Nevada.

SENATOR NEAL:

Has the division had any preliminary conversations with the universities about the cost to bring that on if the DCFS gives them a curriculum or training? I am sure there is a cost. Has the division had preliminary conversations with UNLV, UNR, or Nevada State University around how this would manifest within their current student programming and curriculum, or is it all theoretical at this point?

MS. MCDADE WILLIAMS:

Part of the grant requires the DCFS to develop an advisory committee and complete a needs assessment. Throughout those processes, the division will connect with all community-level providers that are relevant in this space. The DCFS will assess their needs and what they need from the division to be able to move forward and participate.

SENATOR TITUS:

The state has and refers to the audit that was done indicating that the state was woefully lacking in services for children, mental health services, etc. When was that audit done and how can it be accessed?

MS. MCDADE WILLIAMS:

I think the division and the Committee might be talking about two different things. One is the DOJ investigation, which is being managed through the DHHS Director's Office, and I believe the audit that Senator Neal was referencing was

before the Legislative Commission's Audit Subcommittee and was an audit of children's residential facilities, so that audit is available on the website. For the DOJ information, I would have to defer to someone in the DHHS Director's Office.

SENATOR TITUS:

Great, the DOJ decision is the one I am looking at mostly and where the Committee might find that audit.

CHAIR MONROE-MORENO:

If I heard correctly, the DOJ audit information is on the DHHS Director's Office website, correct?

Ms. MCDADE WILLIAMS:

For clarification, the settlement agreement being worked on with the DOJ is being managed through the Director's Office. I do not know that a final report is available just yet.

CHAIR MONROE-MORENO:

Thank you for that clarification.

SENATOR CANNIZZARO MOVED TO APPROVE
AGENDA ITEM M.25.

ASSEMBLYWOMAN JAUREGUI SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY WITH THE MEMBERS
PRESENT.

26. Department of Public Safety - Highway Patrol - Highway Safety Grants Account - FY 2025

Addition of \$769,673 in federal U.S. Department of Transportation - Federal Motor Carrier Safety Administration grant funds to purchase two mobile e-screening vans for agency mobile roadside commercial inspection activities. Requires Interim Finance Committee approval since the amount added to the Innovative Technology Deployment Grant Program category exceeds \$350,000. **Work Program #C70516**

Refer to motion for approval under Agenda Item M.

27. Department of Public Safety - Records, Communications, and Compliance - Central Repository for Nevada Records of Criminal History - FY 2025

Addition of \$163,578 in federal Sex Offender Sentencing, Monitoring, Apprehending, Registering, and Tracking (SMART) grant funds to continue to automate the process of digitizing and retrieving case files. Requires Interim Finance Committee approval since the amount added to the SMART Grant category exceeds 20% of the legislatively approved amount for that category. **Work Program #C70387**

Refer to motion for approval under Agenda Item M.

28. Department of Public Safety - Records, Communications, and Compliance - Central Repository for Nevada Records of Criminal History - FY 2025

Addition of \$1,827,425 in federal National Instant Criminal Background Check System Act - Record Improvement Program (NARIP) grant funds to continue funding for data entry into the Computerized Criminal History System and the Federal Bureau of Investigation's Interstate Identification Index. Requires Interim Finance Committee approval since the amount added to the NARIP Grant category exceeds \$350,000. **Work Program #C70389**

Refer to motion for approval under Agenda Item M.

29. State Department of Conservation and Natural Resources - Conservation Districts - FY 2025

Addition of \$43,000 in federal U.S. Department of Agriculture, Forest Service grant funds to reduce wildfire risk, improve watershed health, and restore wildlife habitat in the Santa Rosa - Paradise landscape. Requires Interim Finance Committee approval since the cumulative amount added to the Paradise Sonoma Conservation District Grants category exceeds 20% of the legislatively approved amount for that category. **Work Program #C71136**

Refer to motion for approval under Agenda Item M.

30. State Department of Conservation and Natural Resources - Division of State Parks - FY 2025

Addition of \$3,500,000 in Leona M. and Harry B. Helmsley Charitable Trust funds to support the construction of a new state-of-the-art visitor center at the Valley of Fire State Park. Requires Interim Finance Committee approval since the amount added to the Helmsley Grant Valley of Fire category exceeds \$350,000. **Work Program #C71058**

Refer to motion for approval under Agenda Item M.

31. State Department of Conservation and Natural Resources - Division of Water Resources - FY 2025

Addition of \$226,366 in federal U.S. Department of Homeland Security, Federal Emergency Management Agency, National Dam Safety Program State Assistance Grant Program funds to continue to support the state in the establishment, maintenance, and improvement of effective dam safety programs to ensure dam safety and to protect human life and property. Requires Interim Finance Committee approval since the amount added to the Federal Dam Safety Grant category exceeds 20% of the legislatively approved amount for that category. **Work Program #C71174**

Refer to motion for approval under Agenda Item M.

32. State Department of Conservation and Natural Resources - Division of Forestry - FY 2025

Addition of \$590,915 in federal U.S. Department of Agriculture, Forest Service Infrastructure Investment and Jobs Act (IIJA) - Bipartisan Infrastructure Law (BIL) - State Fire Assistance (SFA) and Volunteer Fire Assistance (VFA) grant funds to address critical preparedness needs for firefighter safety, increased initial attack capability, and training. Requires Interim Finance Committee approval since the amount added to the IIJA/BIL - SFA VFA category exceeds \$350,000. **Work Program #C70044**

Refer to motion for approval under Agenda Item M.

33. State Department of Conservation and Natural Resources - Division of Forestry - FY 2025

Addition of \$131,908 in federal Department of the Interior, Bureau of Land Management (BLM) grant funds to continue the monitoring of the rare endemic plant species, Threecorner Milkvetch, across the state. Requires Interim Finance Committee approval since the amount added to the BLM Endangered Species-Invasive Mustard category exceeds 20% of the legislatively approved amount for that category. **Work Program #C70474**

Refer to motion for approval under Agenda Item M.

34. State Department of Conservation and Natural Resources - Division of Forestry - FY 2025

Addition of \$76,495 in federal U.S. Department of Agriculture - Forest Service Western Bark Beetle - Forest Health grant funds to continue the treatment of the Western Bark Beetle infestation of pine trees in various locations throughout the state. Requires Interim Finance Committee approval since the amount added to the Forest Health/Western Bark Beetle category exceeds 20% of the legislatively approved amount for that category. **Work Program #C70549**

Refer to motion for approval under Agenda Item M.

35. State Department of Conservation and Natural Resources - Division of Forestry - FY 2025

Addition of \$871,246 in federal U.S. Department of Agriculture Forest Service Hazardous Fuels Reduction grant funds to develop and maintain efficient and effective fire protection services through the Cooperative Fire Program. Requires Interim Finance Committee approval since the amount added to the Fuels Reduction Grant category exceeds \$350,000. **Work Program #C70558**

Refer to motion for approval under Agenda Item M.

36. State Department of Conservation and Natural Resources - Division of Forestry - FY 2025

Addition of \$154,436 in federal U.S. Department of Agriculture, Forest Service (USFS) Legacy Program grant funds to continue to identify and protect environmentally and socially important forest lands. Requires Interim Finance Committee approval since the amount added to the USFS Legacy category exceeds 20% of the legislatively approved amount for that category. **Work Program #C70760**

Refer to motion for approval under Agenda Item M.

37. State Department of Conservation and Natural Resources - Division of Forestry - Forest Fire Suppression - FY 2025

Addition of ~~\$5,722,304~~ **\$4,541,863** in Forest Fire Reimbursements, and \$3,000,000 in Prior Year Refunds, **and \$7,541,863 in Advances from General Fund** for expenses incurred in the suppression of fires and response to emergencies charged to Forest ~~the~~ Forest Fire Suppression **budget account**. Requires Interim Finance Committee approval since the amount added to the Fire Suppression Costs category exceeds \$350,000. **Work Program #C72132. REVISED 9-20-24.**

ERIC ANTLE (Deputy Administrator, Division of Forestry [NDF], State Department of Conservation and Natural Resources [DCNR]):

The NDF is here today requesting a General Fund advance of \$7,541,863 with an equivalent increase in authority to pay for wildfire suppression response in the current and previous fiscal year. The division has worked closely with the GFO on this request. This request will help the NDF pay debts in the current queue but will not be significant enough to get the division to the end of FY 2025.

The NDF has already submitted Work Program #C72680 for the December IFC meeting, which is an additional General Fund advance of \$11,047,282 with the same equivalent increase in authority in the appropriate categories. I am happy to report today to the Committee that since May 1, 2024, the NDF's Incident Business Unit has been able to bill back \$17,567,282, mostly to the U.S. Forest Service for reimbursement.

As often as the State Forester has testified to this Committee, the NDF cannot guarantee when this reimbursement will come back to the agency. However, it is the hope that these funds will be paid back to the General Fund and give the division an opportunity to pay back the loan. If not, the supplemental included in the agency's 2025-27 Biennium budget will be used to pay back the advanced funds. The NDF appreciates the assistance of the GFO and LCB Fiscal with this ongoing issue that causes delays in getting reimbursed; it also causes hardships to local governments, fire districts, and contracted employees.

ASSEMBLYMAN WATTS:

To confirm, the best available information the agency currently has is that it will be submitting at least one additional item to the December IFC requesting approximately \$11 million in additional authority, as well as a General Fund advance. Are there any other plans for additional requests currently?

MR. ANTLE:

Currently, there are no additional requests, but the division knows and has seen that it is continually experiencing wildfires such as the Davis fire and the Castle Ridge fire, which is in Midas. At this time, the crystal ball says these are the numbers, but it may change.

ASSEMBLYMAN WATTS:

I know the NDF mentioned the ongoing process of seeking reimbursement from the federal government for these expenses. Is there any estimate on when the state would receive the funds back, and what is the latest information the NDF can provide the Committee?

MR. ANTLE:

That is probably the hardest answer to provide. The NDF nudges the U.S. Forest Service quite a bit, but the rest of the nation is doing the same. The good news to report to the Committee is that all the bills that are in the \$17.5 million have been adjudicated, agreed to, and are in the queue with the National System of Payment. Sometimes when those bills are not adjudicated and agreed upon, they drop to the bottom of the queue, so the NDF is in a good position. I could not tell you today where that position is, but it is projected to be within FY 2026, so roughly in a year or two.

ASSEMBLYMAN WATTS:

I want to say, first, this Committee appreciates all of the efforts that the division has brought forward to fight fires this year and every year and appreciates the NDF's efforts to do everything it can to get timely reimbursements from the federal government for those eligible expenses. I know this is an ongoing topic in terms of how the state budgets for and manages these expenses. I know the state tried

to make some improvements last session; I think the state is going to have to pick that conversation up again during the 83rd (2025) Legislative Session. I do appreciate the NDF giving the Committee the best information it has available on what additional resources will be needed for this fiscal year and where the state is looking in terms of getting some of those dollars back from the federal government.

SENATOR HARRIS:

Please briefly run the Committee through the connection, if any, between potentially less offenders available to fight fires and any shortfall the department is seeing.

MR. ANTLE:

During the 82nd (2023) Legislative Session, Assembly Bill (A.B.) 236 had a dramatic shortfall of offenders available to participate in the NDF programming. I have worked for the NDF for 20 years, the majority of that time was in the camp program, and in the heyday, it had 2,100 offenders statewide that provided roughly 21 hand crews. The current count or roster today is 236 offenders that qualify for the program, so there is a dramatic shortfall. With the support of this Committee and others last session, the NDF was able to pivot the agency to work towards having non-incarcerated or free fire staff crews, regular fire staff crews with the NDF staff and that has been great. There has been great notice of a tangible benefit and that is reliability for fire response, as well as retaining the qualifications of staff and meeting the mission demands not only in fire suppression but in pre-fire suppression, which is important. One of the main goals for the NDF is to treat more acres than it burns within that fiscal year.

SENATOR HARRIS:

I am happy to hear that the division has figured out a way to get other individuals working on fire duties here in the state. I do not particularly want the state to be reliant upon offenders to meet the bare minimum duties to citizens to clean up and mitigate these fires.

SENATOR CANNIZZARO MOVED TO APPROVE
AGENDA ITEM M.37.

ASSEMBLYWOMAN JAUREGUI SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY WITH THE MEMBERS
PRESENT.

Chair Monroe-Moreno called a recess at 12:46 p.m. The meeting reconvened at 1:41 p.m.

38. State Department of Conservation and Natural Resources - Division of Environmental Protection - Air Quality - FY 2025

Addition of \$43,654 in fees transferred from the Chemical Hazard Prevention budget account, and \$35,717 in fees transferred from the Air Quality Management budget account to provide additional in-state travel to perform onsite inspections. Requires Interim Finance Committee approval since the amount added to the In-State Travel category exceeds 20% of the legislatively approved amount for that category. **Work Program #C70403**

Refer to motion for approval under Agenda Item M.

39. Department of Wildlife - Director's Office - FY 2025

Addition of \$800,297 in Sportsmen Revenue transferred from the Wildlife Fund account, \$390,551 in federal Wildlife Restoration grant funds, and \$236,879 in federal Clean Vessel Act grant funds, and deletion of \$802,332 in federal Boating Access grant funds, \$8,085 in federal Sport Fish Restoration grant funds, and \$3,242 in federal State Wildlife grant funds to realign state authority with federal authority. Requires Interim Finance Committee approval since the amount added to the Wildlife Management Area and Hatchery Maintenance category exceeds 20% of the legislatively approved amount for that category. **Work Program #C71234**

Refer to motion for approval under Agenda Item M.

40. Department of Wildlife - Data and Technology Services - FY 2025

Addition of \$64,454 in federal Wildlife Restoration Grant funds and \$10,775 in Sportsmen Revenue transfers from the Wildlife Fund account to align state and federal authority. Requires Interim Finance Committee approval since the amount added to the Geographic Information Systems category exceeds 20% of the legislatively approved amount for that category. **Work Program #C70527**

Refer to motion for approval under Agenda Item M.

41. Department of Wildlife - Conservation Education - FY 2025

Addition of \$81,624 in federal Sport Fish Restoration grant funds, deletion of \$210,778 in transfers from the Wildlife Fund account, and \$199,341 in federal Wildlife Restoration grant funds to realign state authority with federal authority. Requires Interim Finance Committee approval since the amount deleted from the Administration category exceeds 20% of the legislatively approved amount for that category. **Work Program #C70466**

This agenda item was withdrawn.

42. Department of Wildlife - Game Management - FY 2025

Addition of \$353,810 in Predator Fee revenue transferred from the Wildlife Fund budget account to support approved predator management projects for the remainder of the fiscal year. Requires Interim Finance Committee approval since the amount added to the Predation Management Wildlife Service category exceeds \$350,000. **Work Program #C70547**

Refer to motion for approval under Agenda Item M.

43. Department of Wildlife - Game Management - FY 2025

Addition of \$160,687 in federal Animal Plant Health Inspection Service grant funds to align state authority with federal authority. Requires Interim Finance Committee approval since the cumulative amount added to the Veterinarian category exceeds 20% of the legislatively approved amount for that category. **Work Program #C71088**

Refer to motion for approval under Agenda Item M.

44. Department of Wildlife - Fisheries Management - FY 2025

Addition of \$776,497 in federal Sport Fish Restoration grant funds and \$407,209 in All Federal Small Grant funds, and deletion of \$271,485 in federal State Wildlife Grants, \$210,189 in Sportsmen Revenue transferred from the Wildlife Fund Account, and \$70,240 in federal Section 6 Grant funds to align state authority with federal authority. Requires Interim Finance Committee approval since the amount added to the Aquatic Invasive Species Outreach and Inspection category exceeds \$350,000. **Work Program #C70779**

Refer to motion for approval under Agenda Item M.

45. Department of Wildlife - Habitat - FY 2025

Deletion of \$429,708 in federal Wildlife Restoration grant funds, \$377,330 in Sportsmen Revenue transferred from the Wildlife Fund account, and \$179,289 in federal Sport Fish Restoration grant funds to realign state authority with federal authority. Requires Interim Finance Committee approval since the amount deleted from the Nevada Partners for Conservation and Development Program category exceeds \$350,000. **Work Program #C70524**

Refer to motion for approval under Agenda Item M.

46. Office of the Military - FY 2025

Addition of \$53,219,270 in federal Department of Defense grant funds to support activities and functions in the Army Facilities programs. Requires Interim Finance Committee approval since the amount added to the Army Facilities category exceeds \$350,000. **Work Program #C72185**

Refer to motion for approval under Agenda Item M.

47. **Office of The Military - Division of Emergency Management - FY 2025**
Addition of \$253,864 in opioid settlement funds transferred from the Department of Health and Human Services (DHHS) Director's Office - Fund for a Resilient Nevada budget account to continue funding the Mass Spectrometer program. Requires Interim Finance Committee approval since the amount added to the DHHS Spectrometer category exceeds 20% of the legislatively approved amount for that category. **Work Program #C70180**

Refer to motion for approval under Agenda Item M.

48. **Department of Indigent Defense Services - Office of the State Public Defender - FY 2025**
Transfer of \$137,600 from the Personnel category to the Operating category to fund a contracted attorney for White Pine County to comply with the Rural Nevada Indigent Defense Services Weighted Caseload Study final report. Requires Interim Finance Committee approval since the cumulative amount transferred to the Operating category exceeds \$350,000. **Work Program #C70394**

PETER HANDY (Deputy Director and acting Executive Director, Department of Indigent Defense Services [DIDS]):

The department is here to make a couple of requests. Agenda Item F is for an allocation of \$92,000 from the IFC Contingency Account for the implementation of 90 licenses of JusticeText to provide to attorneys in rural areas of Nevada. Agenda Item M.48 is for an allocation of funds being transferred from Category 1, Personnel Services, to Category 4, Operating, in Budget Account 1499 in the Nevada State Public Defender (NSPD) budget to allow the NSPD to contract with a part-time public defender for White Pine County.

SENATOR CANNIZZARO:

Please explain to the Committee how providing access to the JusticeText software for rural indigent defense attorneys will allow the state to demonstrate compliance with the *Davis* judgement.

MR. HANDY:

This is not a particular item in the *Davis* judgment per se, but it does improve the efficiency of public defenders in these spaces. JusticeText is a transcription software that transcribes body-worn camera footage into text and provides timestamps to body-worn camera footage or other footage that might be provided to defense counsel in these cases, making their jobs more efficient. An attorney might review the body-worn camera footage once to see if there are any issues to spot, watch it again to timestamp and annotate it, and a third time right before a hearing. It is providing a lot of those services all in one so that attorneys can see their annotations in real time with the software. It should make attorneys far more efficient in performing their duties and improve the amount of time it takes to work through a case or spend time more effectively working their cases.

SENATOR CANNIZZARO:

As I understand it, part of that stipulation included a request for the state to find ways in which to reduce the workload for those indigent attorneys. Would this fit into those parameters? I would assume, yes.

MR. HANDY:

By improving efficiency, it will allow these attorneys to take on more cases. In the long run it is going to help achieve better workload, but right now the way the National Center for State Courts (NCSC) study indicated—there is a minimum number of attorneys that are required in each of these counties—this would not change the number of attorneys that are required pursuant to that study, it would just improve the efficiency of attorneys that are there.

SENATOR CANNIZZARO:

Anything that has an impact on the attorneys' workload would be something that I think would fall into that; so, in terms of it being more efficient, that makes sense. Hopefully it is also impacting their ability to handle more work in other areas, addressing that piece of the stipulation.

I am curious about JusticeText. Is this something that DIDS is using in other places? I am not familiar with that software and some of the pieces it provides.

MR. HANDY:

Yes, it is currently being used by the Carson City Public Defender's Office. Charles Odgers may be present in Carson City and might be able to provide the Committee more information about the software since he is actively using it. I know it has been implemented by several public defender offices around the country, including Public Defender Services (PDS).

CHARLES ODGERS (Carson City Public Defender's Office):

I have been test driving, beta testing, JusticeText for about two months now.

SENATOR CANNIZZARO:

Does it seem to be helping attorneys with their ability to handle a more robust workload?

MR. ODGERS:

I provided the staff in the Carson City committee room with a transcript that the Carson City's Public Defender's Office did this morning; however, I do not know if it was scanned over for the Committee members in Las Vegas.

I took a closed case, so I was not violating any confidentiality at this point. It is a 33-minute interview of a suspect who was in the jail and it took 5 minutes to download, transcribe, and produce. This can be used for a trial or a preliminary hearing, which is where this really comes in handy. A preliminary hearing is to determine if there is evidence that a crime was committed, and that the client likely committed a crime. I can have a transcript of the interaction between law enforcement and the suspect in a matter of minutes. What does that mean? I have a case that is currently pending that is involving an act of terrorism with 20 hours of body camera footage. Those 20 hours of body camera footage would take an attorney about 60 hours of analysis. If I were to send it off to a transcriber, at \$6.80 per page, that would cost between \$12,000 and \$14,000 to get certified transcripts, which is what I would use if I had to go to trial.

This allows me to take that 5- or 10-minute interaction and get a transcript, which I can read a lot better than I can listen to body camera footage, which has other activities going on, just to find the content. If I want to find out if they read the Miranda rights, I can type in "Miranda" and it will take me to that part of the body camera footage and allow me to watch, read, and listen to the Miranda warning being given. If it is a driving under the influence case, it will allow me to search for consent for a blood draw. If I type in "consent" it will take me to the consent. Thus, it allows me to focus on those issues that become problematic in a particular case.

At a cost of \$92,000 for the State of Nevada for the rural public defender's office, I am going to cut 3 to 4 hours of staff time to get a transcript that I can use for a preliminary hearing by simply running this program. I have been in touch with JusticeText; there are eight lawyers, two investigators, and four support staff in my office. Each one of them, including support staff, will be able to download up to 240 hours of body camera footage per person, per year. For my office alone that is \$12,000; I am going to save that in one trial transcript. It is valuable. I know the Legislature has something similar to this where the hearings are recorded, artificial intelligence (AI) transcribes it, a secretary cleans it up, and then it is published back to the Legislature. Attorneys will have to put in the names, but it comes out looking like a transcript and I know who said what.

The bad part is it is only about 90% accurate; it is AI, and we still have to go through and clean it up. There are problems. For example, if it is a windy day, AI cannot filter out the wind; if there are multiple people talking at the same time, I am going to get one long block like the Legislature gets on the initial transcript and I will still have to go through and break that out. The department can do that and still save time. It is not going to change the fact that I am going to watch the body camera footage or use it in my cross examination. It will also not change the fact that if I get past a preliminary hearing and go to trial, I might have to use a certified

transcript. At least on the initial front of it, I no longer have to spend that \$14,000 or \$15,000 if I am not going to go to trial and get it resolved at the preliminary hearing stage. Even if I do not have to use the transcript, it is still a cost savings for my county, DIDS, and the state. It also saves time and effort by my staff, so it is a valuable tool.

SENATOR CANNIZZARO:

I appreciate that and I think you outlined for the Committee the various ways in which this does help to reduce the workload on attorneys and help them be more efficient, potentially resolving cases sooner that are resolvable and know where to fight when necessary.

I want to verify, are those 90 licenses annual licenses? It sounds like they are, but I wanted to double check if there is an hour amount for limits of what the attorneys could use.

MR. HANDY:

Yes, that is correct; it is an annual license.

SENATOR CANNIZZARO:

This would be providing it for this biennium. Would the Legislature expect to see this in a budget item with respect to DIDS for the 83rd (2025) Legislative Session?

MR. HANDY:

I cannot discuss items that are not made public yet by the Office of the Governor; however, that might be something that the Legislature could see.

SENATOR CANNIZZARO:

My point in some of the discussions the Legislature and DIDS has had with respect to indigent defense services is that, to the extent that the state is seeing certain measures being implemented during the interim to comply with the *Davis* judgement and stipulation, those efforts should be incorporated into the budget. If DIDS finds these measures useful and attorneys are benefiting from them, they should be built into the budget rather than submitted as interim funding requests.

MR. ODGERS:

I am building it into my county budget in the event that the IFC does not approve it, because I feel strongly enough about the software and associated cost savings. Eventually it will come back through Carson City through the reimbursement portions.

SENATOR CANNIZZARO:

I think that is the point—to the extent that through DIDS, the Legislature can see these as things that will be a cost to the state as opposed to having them come back in pieces for reimbursements or unknown expenses.

MR. HANDY:

Yes, certainly. That way there is some predictability in future budgets.

SENATOR CANNIZZARO:

That way an appropriate amount of funds can be allocated to continue to provide indigent defense services.

Please discuss and provide an update on the rural counties' efforts to comply with the *Davis*-mandated workload standards.

MR. HANDY:

Yes, most of the *Davis* counties are currently in compliance with the standards rolled out by the NCSC study. DIDS is currently doing a review on a county-by-county basis. A lot of counties are updating their county plans to indicate how they are going to be complying with workloads. Several new contracts are being entered into, including Douglas County. Lyon County is currently entering into several contracts, and Nye County has indicated it intends to roll out several contracts very shortly. DIDS is seeing a lot of progress from the counties towards achieving compliance. A lot of them are spending a lot of fiscal sums to lay out new buildings, new positions, and starting to try to bankroll those efforts.

SENATOR CANNIZZARO:

Are there other counties that are experiencing similar difficulties in meeting the workload standards with full-time attorneys as opposed to using contract attorneys? If so, please discuss what is being done to help achieve compliance with that judgement.

MR. HANDY:

Yes, but it varies greatly by county. Every county has [inaudible] and its own resources available. It is difficult to get people to take full-time salary positions in these counties, especially when the hourly rate has increased for selection of counsel. A lot of counties that have had public defenders in the past are moving to contracts. The amounts that are being paid on these contracts have been increasing steadily over the last several years. I anticipate they are going to keep increasing until the state meets the workload requirement of numbers. DIDS is seeing increases in places like Nye County. Humboldt County, which is not a *Davis* county, recently lost its public defender. That public defender is now working

under contract in Douglas County, which is a *Davis* county. DIDS is scrambling to find contractors to fill the need. The department anticipates Humboldt County is going to be opting into the Public Defender's Office come next biennium, so DIDS is working to achieve hiring or contracting there when it gets to that point.

SENATOR CANNIZZARO:

I hope there is some thought being given. I think it was the last IFC or the one before that the Committee talked about some of these contract positions. I understand that attorneys might make more on contract attorney rates than as a full-time public defender in a particular county, but there are individuals who I think would take those jobs. I am hopeful that the department will give some serious consideration for how it is recruiting students and encouraging them to take those positions. I think the rural communities have a lot to give to this state and it could find people to do that, so that hopefully the state is not just spending money on contract attorneys who are not necessarily living in those communities but might be commuting between counties, so the state can continue to provide consistent indigent defense.

MR. HANDY:

Absolutely, I could not agree more. I think it does the best service to those counties when they have attorneys who are local and active in their communities. I think DIDS' efforts to get new attorneys into those areas have been progressing. DIDS has the Law Student Supervision Operation (LASSO) program. There is actually an event this afternoon at the law school if you happen to have free time. Stephen Bright, a professor at Yale Law School, is going to talk to law students. DIDS will make them aware that it has this program to provide students with stipends to come work with the Public Defender's Office as an extern or intern. The department is hopeful to grab as many law students as possible to work with the Public Defender's Office.

SENATOR CANNIZZARO:

Yes, and hopefully the state can keep those law students in those positions.

SENATOR NGUYEN:

I know the department is undergoing an abrupt transition with the Director of DIDS right now and the previous Director had been working with the monitor to make sure the state is on its way working towards addressing the concerns that are contained in the *Davis* settlement agreement. I also know those final compliance reports are due in November, correct?

MR. HANDY:

Yes, the *Davis* judgement requires compliance with the NCSC study within a year of publication. It was published November 2, 2023, so the deadline within the settlement is November 2, 2024.

SENATOR NGUYEN:

The Committee is seeing work programs that DIDS has submitted that will help the department become more in compliance. Does DIDS expect that it will be in full compliance by that November 2 deadline?

MR. HANDY:

I do not think that is likely. It is still difficult to attract and retain attorneys in those rural counties. Some counties are not offering enough to increase the pool size of attorneys. There are a couple of counties that are of concern for the department. If Nye County does roll out those contracts and can obtain attorneys, it may or may not achieve compliance by November 2, and Churchill County has a Public Defender's Office. Churchill County spent a lot of money creating a new building and new positions but has not attracted more attorneys yet to fill the necessary positions in that county.

SENATOR NGUYEN:

When looking at the non-compliance sections of the *Davis* settlement agreement, are they primarily focused on the inability to get attorneys into these rural communities or are there other areas the state should be looking at, like additional work programs surrounding that, to make sure it is in compliance?

MR. HANDY:

Would you restate your question? I am not quite sure I understand.

SENATOR NGUYEN:

With the state heading in the direction of non-compliance in this full report, is it centered around the inability to fill these positions in these areas or are there other things the state can do, such as JusticeText or other programs, that might help the state become in compliance in other areas that the monitors expressed concerns in?

MR. HANDY:

Yes, I think the main issue is getting public defenders into those vacancies. There are some other things the monitor has raised as issues such as attorney-client meeting space. DIDS is working on a county-by-county basis to get those things worked out. The department has addressed several of the items most recently

brought up by the monitor in her 13th report and has been addressing those on an item-by-item basis to achieve the most compliance possible in the short time frame that is left. I think DIDS has complied with most of the items or has created an outline, or roadmap, for compliance such that most things should be achieved by November 2, so that really the outstanding large thing that is there is having the number of attorneys in those places. DIDS is trying to roll out as many programs as possible to incentivize attorneys to go to those places.

The department is working with the Supreme Court and the State Bar to modify rules to make opportunities more available to attorneys outside of the state or recent graduates of law school. DIDS is trying to work with counties to try to increase the incentives that might exist, and what counties could offer potential attorneys to get to that area. Being able to make attorneys' jobs easier and being able to make the workload not as demanding is a good incentive to offer. For example, DIDS previously offered Westlaw to incentivize data reporting. These are all things that would cost money if someone was opening their own firm or running a private practice. There are some cost savings that DIDS is trying to use to incentivize attorneys to take these positions. Certainly, DIDS needs the buy in of the counties to really make this effective. The department cannot do it with just incentives on these smaller programs to make it work with long-term sustainably.

SENATOR GOICOECHEA:

I live close to White Pine County. This 800 hours in additional contract services, is that going to be a contract attorney or does DIDS have someone in place in White Pine County? Case in point, Mr. Odgers was the city attorney for Ely and now he is in Carson City. There is definitely a void in availability of attorneys in these areas.

MR. HANDY:

DIDS has someone in mind. Julie Cavanaugh-Bill with Cavanaugh-Bill Law Offices is based in Elko, which is where the juvenile detention center is located for White Pine County. She is familiar with the area, works in both counties frequently, and DIDS believes she will be a good fit for this contract.

SENATOR GOICOECHEA:

She will be commuting between Elko and Ely? When you spend five hours on the road, those are billable hours I would assume.

MR. HANDY:

Yes, they are, and they are long distances. If DIDS could have found someone else in White Pine County that met the needs for this position, it would be open to having discussions with those attorneys, but as you mentioned, there are not that many attorneys in these areas. If you look at the attorney list of licensed attorneys in White Pine County, it is mostly current public defenders or the contractor, the district attorney's office employees, and the judges; it is a short list of private attorneys that are available to take these jobs.

SENATOR GOICOECHEA:

I appreciate that and whether it is White Pine, Eureka, or Lincoln County, which are all in the same judicial district, it is a problem.

SENATOR CANNIZZARO:

I wanted to clarify something I think the department just talked about with Senator Nguyen. I know meeting workload standards with full-time attorneys was discussed. Does DIDS expect that several counties will not be in compliance with the workload standards by the deadline for next month?

MR. HANDY:

It is two, maybe three of the ten *Davis* counties—Nye, Churchill, and possibly Lyon County. Currently, there are contracts in place for 7+ full-time equivalent positions; however, the NCSC requires 12. There have been a lot of transitions in the last several months and changing out who [inaudible] some left prior contracts and have not renewed contracts, so they are in a state of flux right now. As of today, I do not know what the status will be on November 2.

SENATOR CANNIZZARO:

That is concerning given the nature of why we are having this discussion and the *Davis* case judgement and the understanding that the state would try to meet those requirements. Is there anything else DIDS is doing to help those counties to make sure to the extent possible that it can alleviate and make sure they are meeting those workload standards even if it is with contract attorneys?

MR. HANDY:

DIDS is reminding the counties that it has these funds that are set aside by the Legislature already to reimburse some should they outlay the cost. The department is encouraging the counties to increase contract rates to attract new talent and increase salaries if the county has a Public Defender's Office, to make them more competitive with surrounding counties. Again, letting the counties know that DIDS has funds in the budget; they are funds reserved and set aside in the IFC Contingency Account to reimburse the counties for these expenditures, and

the department is trying to encourage the counties to do that. DIDS has only one effective regulatory hammer as the department, which is corrective action planning, which seems to be a slow process that would not implement these kinds of changes rapidly, that would make it difficult to achieve these kinds of compliance numbers in a speedy amount of time. The counties on their own can be much more flexible and independent of that happening so they have the opportunity. Counties could have a board meeting every other week and pass an ordinance or resolution or whatever is needed to increase the contract values to hire new contractors.

SENATOR CANNIZZARO:

Part of what this department is charged with is making sure that the state is meeting those standards. This has been a discussion in the interim; this has been a lot of what [inaudible] are for. I hope the state is not in a position where it has several counties that are out of compliance with the judgement because that puts the state in a precarious situation. As the person who happens to be here for the department today, that is where it falls on you. I am hopeful there is to the extent that yes, the counties may be able to be more flexible, but there also must be action from the department to make sure that happens.

MR. HANDY:

Yes, absolutely.

SENATOR CANNIZZARO MOVED TO APPROVE
AGENDA ITEMS F AND M.48.

ASSEMBLYWOMAN JAUREGUI SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY WITH THE MEMBERS
PRESENT.

49. Department of Public Safety - Records, Communications, and Compliance Division - FY 2025

Transfer of \$800,000 from the Personnel category to the Operating category to fund a contract for temporary emergency dispatch staff through the remainder of the fiscal year. Requires Interim Finance Committee approval since the amount transferred to the Operating category exceeds \$350,000. **Work Program #C71594. RECEIVED 9-20-24, AFTER THE 9-12-24 SUBMITTAL DEADLINE.**

Refer to motion for approval under Agenda Item M.

RECLASSIFICATIONS

Refer to motion for approval under Agenda Item M.

Agency	Agency/ Budget Account Number	Position Number	Present Class, Code, Grade & Salary	Proposed Class, Code, Grade & Salary
Nevada Department of Public Safety / NV State Police / Investigation Division	653/3743	0010	Management Analyst 1 Code: 7.637 Grade: 33/01 Employee/Employer Paid Retirement: \$59,257.44	Intelligence Analyst 2 Code: 11.152 Grade: 33/01 Employee/Employer Paid Retirement: 59,257.44
State Department of Conservation and Natural Resources / Division of Natural Heritage	708/4101	0005	Accounting Assistant 3 Code: 2.301 Grade: 27/10 Employee/Employer Paid Retirement: \$67,296.24	Management Analyst 1 Code: 7.637 Grade: 33/10 Employee/Employer Paid Retirement: \$87,570.72

- N. REQUEST FOR TRANSFER FROM THE INTERIM FINANCE COMMITTEE'S ACCOUNT FOR FORECLOSURE MEDIATION ASSISTANCE PURSUANT TO NRS 107.080(13)(b)** - Request for the transfer of \$34,447 to Home Means Nevada, Inc. for support of the program for foreclosure mediation.

PERRY FAIGIN (President, Home Means Nevada, Inc.):

The request before the Committee today is for \$34,447 from the Account for Foreclosure Mediation Assistance.

ASSEMBLYWOMAN JAUREGUI:

Is there a future plan for the budget of this program and keeping it solvent?

MR. FAIGIN:

The program and the account are administered by the Legislature. The program is mandated to collect fees from notices of default that are filed throughout the State of Nevada. The break-even point for notices of default is about 4,000 per year, based on expenses and items mandated as part of Senate Bill (S.B.) 490, of the 79th (2017) Legislative Session.

There is a limit on what can be collected, and the program is limited by the number of notices of default filed throughout the state. This year, the program will probably receive a similar amount to what has been received in the last couple of years, which is between 2,600 and 2,700 notices. The program is having difficulty remaining solvent due to the fact that notices of default are down, which is a good thing for homeowners. However, there is nothing that can be done by the program to change any of the fees of the program.

Recommendations have been made in the past through letters to the Committee about possible options, one of which would be to move the program to a successor designee, which is possible per S.B. 490.

The program has not been looking for anything, as it is the agency's job to turn around and maintain it as is. However, the program, with its small number of employees, could be moved to another agency that has a larger staff and the ability to take on the program. There may be some other options as well from a legislative standpoint. I believe there may be a need for some changes in order to give the program a little more flexibility with the way the program is currently running.

The board has had some other ideas, and I am available to discuss those at some point; however, there are no further options as far as increasing or changing fees; that is impermissible the way the program is currently set up.

ASSEMBLYWOMAN JAUREGUI:

I am happy the program is here requesting money from the Committee, as that is proof that notices of default are down, which is good. I would be open to having a conversation with you to see if there is a different agency that would be better equipped to operate this program. I think there is a need for the program, but if not needed now, the state should be prepared for when the need does arise.

CHAIR MONROE-MORENO:

This agenda item originally requested \$34,447; however, I believe there is approximately \$53,800 in that account.

SARAH COFFMAN (Assembly Fiscal Analyst, Fiscal Analysis Division, LCB):

That is correct. The account currently has \$53,817.

CHAIR MONROE-MORENO:

I know \$53,000 is not going to provide everything the program needs, or will need in the upcoming months, but it will get the program a little closer.

SENATOR CANNIZZARO MOVED TO APPROVE AGENDA ITEM N
FOR THE REVISED AMOUNT OF \$53,817.

ASSEMBLYWOMAN JAUREGUI SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY WITH THE MEMBERS
PRESENT.

O. DEPARTMENT OF ADMINISTRATION - State Public Works Division

1. Request to modify the scope of CIP Project 23-C36, Improvements for Buildings Purchased in Las Vegas, to include the dismantling and storage of the Veterans Memorial Monument currently located at the Grant Sawyer State Office Building, pursuant to NRS 341.145(1)(f). **WITHDRAWN 9-27-24.**
2. Request to modify the scope of CIP Project 23-M44, Upgrade Perimeter Security Fence, Southern Desert Correctional Center, and to increase the authority to receive and expend an additional \$2,053,913 to address increased costs due to proposals/bids from contractors exceeding the current legislatively approved budget, pursuant to NRS 341.145(1)(f), and to transfer in identified savings of \$1,400,000 from CIP Project 23-P08, Advance Planning: Underground Piping Replacement, High Desert State Prison, and \$653,913 from CIP Project 23-M04, Replace Doors, Locks, and Security Glazing, Southern Desert Correctional Center to fund the additional costs for CIP Project 23-M44 pursuant to Section 23 of Assembly Bill 1 of the 34th (2023) Special Session.

WIL LEWIS (Administrator, State Public Works Division [SPWD], Department of Administration):

The SPWD requests to modify the funding of CIP Project 23-M44, Upgrade Perimeter Security Fence, Southern Desert Correctional Center, and to increase the authority to receive and expend additional funding of \$2,053,913 in General Funds due to receiving bid proposals from contractors that exceed the current legislatively approved budget; the transfer of \$1,400,000 from CIP Project 23-P08, Advance Planning: Underground Piping Replacement at High Desert State Prison; and \$653,913 from CIP Project 23-M04, Replace Doors, Locks, and Security Glazing at Southern Desert Correctional Center, pursuant of Section 23 of Assembly Bill 1 of the 34th (2023) Special Session.

CHAIR MONROE-MORENO:

Please explain to the Committee why the cost for the additional electrical and IT infrastructure required to support the new electrified fence and the realignment of the existing chain link perimeter fence to provide the required space for the electrified fence were not identified to be added to the original cost when the Legislature was presented with CIP Project 23-M44 prior to legislative approval?

BRIAN WACKER (Deputy Administrator, SPWD, Department of Administration):

The reason the division did not identify this cost is that it was unanticipated. The electrical connections required for the project were more expensive and extensive than noted in the project budget. The electrical fence does take

electricity to work, and that was more extensive. The alignment of the fence has always been a problem at the Southern Desert Correctional Center; there are sightline issues that were not correctly identified in the project budget, which, when looking into the design, revealed the need for realignment to provide the security that the facility requires to make it safe.

CHAIR MONROE-MORENO:

Moving forward, what updates or changes does the division intend to implement to improve the cost estimation process, get the dollar request closer to the actual need, and minimize any future overfunding of CIP projects?

MR. LEWIS:

The division is spending more time with its user agencies, asking more in-depth questions, so when the scope of a project is defined, this type of unforeseen occurrence is clearly identified. And if not, that there is an allowance to make sure that needed funding is available. The division's goal is to be more clear and descriptive with the agencies to understand the scope of the work, rather than making assumptions as has been done in the past.

CHAIR MONROE-MORENO:

The anticipated completion date for this project is June 2025, correct? The timeline is clear. Do you anticipate being on time?

MR. WACKER:

Yes, the division intends to meet that timeline. The project has been bid out, and the contractor is waiting for this request to be heard and approved, at which point the division is able to move directly into construction.

CHAIR MONROE-MORENO:

Perfect. You are saying that the division is ready to move right into construction. Do you have an estimate of how long that will take? Is it a matter of weeks?

JAMES DZURENDA (Director, Nevada Department of Corrections):

The contractor has been onsite for the last few weeks and was ready to start last week. They are just waiting for this answer and can then begin immediately.

SENATOR GOICOECHEA:

Are any of the changes in these plans driven by the fact that some offenders were transferred from Northern Nevada to Southern Nevada? Some offenders went to High Desert State Prison, and some were moved from Southern Nevada back to the system in Ely.

MR. DZURENDA:

No, this was related to two issues. First, there was erosion of the fence line at Southern Desert State Prison from water running off the mountain to the side. The real exacerbation of this was an escape that happened in September 2022, when a convicted bomber escaped over the fence line.

SENATOR GOICOECHEA:

The states needs to deal with the water and the holes in the fence.

SENATOR CANNIZZARO MOVED TO APPROVE AGENDA ITEM O.2.

ASSEMBLYWOMAN JAUREGUI SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY WITH THE MEMBERS PRESENT.

3. Request to modify the scope of CIP Project 23-P04, Advance Planning: North Las Vegas State Veterans Home, to include the emergency replacement of failed and critically necessary heating, ventilation, and air conditioning equipment and the rental of temporary equipment until repairs can be made, pursuant to NRS 341.145(1)(f). **WITHDRAWN 9-23-24.**
4. Request to modify the scope of CIP Project 23-C30, Construct Administration Building, Kinkead Building Site, to change the design and construction of one building to the design and construction of two buildings and a parking garage, pursuant to NRS 341.145(1)(f).

WIL LEWIS (Administrator, SPWD, Department of Administration):

The SPWD requests to modify the scope of CIP Project 23-C30, Administration Building, Kinkead Building Site, to change the design and construction from one building to the design and construction of two buildings and a parking garage, pursuant to NRS 341.145(1)(f).

ASSEMBLYMAN CARTER:

What prompted the SPWD to explore the option of using two three-story tilt-up buildings instead of one six-story building after incurring \$8.8 million in design expenditures on the six-story building?

JACK ROBB (Chief Innovation Officer, Office of the Governor):

Could you please repeat the question?

ASSEMBLYMAN CARTER:

Yes. What prompted the SPWD to explore the option of two three-story buildings instead of the original single six-story building, after already incurring \$8.8 million in design costs?

MR. ROBB:

Some of the design work for the location of the building, the location of one of the proposed buildings, the geotechnical engineering, a lot of the site work, and the utility offsite infrastructure coming in will carry over to the new building; therefore, a portion of the \$8.8 million spent will still go toward the new build.

The reason the division looked at the change is because the build cost is \$1,272 per square foot, and the state can do better than that. By my calculations, the price should be under \$800 per square foot, even going through the SPWD process and all the rules the division deals with.

By changing the design to a tilt-up, it is possible to have a more economically built building that is durable, long-lasting, and easy to maintain. It is the same type of construction the division purchased through Thomas and Mack in Las Vegas. The reason Thomas and Mack went with that design and type of architecture is that the buildings were built to hold onto for the long term, not to flip or make a profit from selling. The state intends to hold onto these buildings long term and wants something that lasts. A six-story building comes with additional problems of elevators and building costs. There are many issues associated with it. The division believes that changing this scope will save a considerable amount of money and present a longer lasting durable product.

CHAIR MONROE-MORENO:

The legislative body, working in partnership with the Executive Branch, made the right decision to work together on the Thomas and Mack buildings. It took working in collaboration to get it done. Thank you, Mr. Robb, for the work that you did, the countless hours you spent with Senator Dondero Loop, and the leadership in both the Senate and Assembly to accomplish this.

SENATOR DONDERO LOOP:

Are the scope changes in Agenda Items O.4, O.5, and O.6 in alignment with the master plan that was presented, or is this going to change over time?

MR. ROBB:

The master plan that was seen in the past for the mall in Carson City did not account for parking and had many five- and six-story buildings. The new plan will account for parking and more buildings to get to the square footage without the five- to six-story buildings. There continue to be problems with elevators and access issues; the division is looking for a building that works long term. The master plan will change, but the division will still build out the campus.

SENATOR DONDERO LOOP:

The Legislature approves projects, and later on, approves additions to the projects. I know there are changes as projects move along a timeline, similar to building a house; you may decide to upgrade the cabinets from what was originally planned. However, in this case, it feels like that has occurred on almost every project. The Legislature may be approving the changes, but the actual upgrades and changes are not coming from the Legislature; they are coming from the SPWD. I am trying to discern where the disconnect might be. This applies to the next three agenda items.

MR. ROBB:

This is a cost saving measure as opposed to an upgrade. The square footage is very equivalent. The cost for the Department of Public Safety building that was planned for South Carson Street is in excess of \$350 million, including a parking garage. If you take the square footage of the two projects the division is looking to change the scope on, it is almost identical, with the same number of parking places in the parking garage; it is just split into two parking garages to accommodate where the garages could fit on the campus. I do not see this as an upgrade; I see this as a tremendous cost savings to the state of around \$200 million, and something that can serve State of Nevada employees as well as Nevada residents for years to come, in an economical building that is durable and easy to maintain.

MR. LEWIS:

The master plan is a road map on how the department plans to develop the Capitol itself, and the mall and the green area that you have seen in earlier renditions of the master plan will still be a major feature. As the division is making the master plan and constructing the buildings, the project will start off with open parking, which will eventually turn into buildings in the future. The master plan is a road map that will lead to the final product. The division is not going to build the entire mall 100%. The division is systematically developing the master plan in the most economical way.

SENATOR DONDERO LOOP:

Is this in alignment with the Capitol Complex Master Plan?

MR. ROBB:

Yes, without a doubt. The state will have something to be proud of. There will be a Capitol Mall in Carson City, like other capital cities have.

SENATOR CANNIZZARO MOVED TO APPROVE AGENDA
ITEM O.4.

ASSEMBLYWOMAN JAUREGUI SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY WITH THE
MEMBERS PRESENT.

5. Request to cancel CIP Project 23-P01, Advanced Planning: Headquarters Building, Carson City, Department of Public Safety, pursuant to NRS 341.145(1)(j). **RELATES TO AGENDA ITEM O.6.**

Agenda Items O.5 and O.6 were discussed jointly. Refer to discussion and motion under Agenda Item O.6.

6. Request to create CIP Project 23-P10, Advanced Planning: State Office Buildings, Capitol Complex, with authority to receive and expend \$9,819,346 in General Funds appropriated for CIP Project 23-P01, Advanced Planning: Headquarters Building, Carson City, Department of Public Safety upon the cancellation of that project as requested in Agenda Item O.5, pursuant to NRS 341.142. **RELATES TO AGENDA ITEM O.5.**

Agenda Items O.5 and O.6 were discussed jointly.

WIL LEWIS (Administrator, SPWD, Department of Administration):

Item O.5, pursuant to NRS 341.145(1)(j), requests to cancel CIP Project 23-P01, Advance Planning: Headquarters Building, Carson City, Department

of Public Safety. Item O.6, pursuant to NRS 341.142, requests to create CIP Project 23-P10, Advance Planning: State Office Buildings, Capitol Complex, with authority to receive and expend \$9,819,346 in General Funds as well as to transfer \$9,819,346 from CIP Project 23-P01, Advance Planning: Headquarters Building, Carson City, Department of Public Safety pursuant to Section 23 of Assembly Bill 1 of the 34th (2023) Special Session. I will be glad to answer any questions you may have.

ASSEMBLYMAN WATTS:

When did the Governor's Office begin discussions about canceling Agenda Item O.5, CIP Project 23-P01, for the Department of Public Safety headquarters? It appears that around \$3.5 million has already been expended or obligated for this project. Please provide some clarity on when the department decided to go in a different direction.

JOY GRIMMER (Director, Department of Administration):

The Department of Administration began working with Mr. Robb, the Chief Innovation Officer at the Governor's Office, on July 1, 2024, when the department was looking for agency space in Carson City. Although there is limited space in Carson City, the department was recently able to purchase the two newest buildings in the city. The department knew there was a scarcity of square footage to offer agencies, and changing the project to make four buildings instead of two made sense. The price decreased from almost \$1,300 per square foot to under \$800 per square foot, which is fiscally responsible.

ASSEMBLYMAN WATTS:

Did the discussions about moving away from this project begin in July?

Ms. GRIMMER:

That is correct.

ASSEMBLYMAN WATTS:

You mentioned discussions with the Governor's Office. What discussions have there been with the Department of Public Safety (DPS)?

MS. GRIMMER:

I have been working with Director George Togliatti and some of the DPS fiscal staff. The Department of Administration is aware that one of the concerns was having a forensic laboratory, and the department has been working with the DPS on plans to incorporate a forensic laboratory into a building that is being looked at, next to the building that the DPS occupied this month in Southern Nevada, since that is where the majority of the DPS forensic items are located.

ASSEMBLYMAN WATTS:

When does the department anticipate a forensic laboratory will be constructed and available for use in Southern Nevada?

MS. GRIMMER:

It is in the planning phase right now, so there is no timeline available.

ASSEMBLYMAN WATTS:

It appears there will be a delay in the availability of a state forensic laboratory.

The proposed buildings in Agenda Item O.6 are only going to provide 145,000 square feet of office space. Does the Governor's Office have a plan to address the remaining 289,835 square feet of leased office space in Carson City that is set to expire before May 2027?

MS. GRIMMER:

The department realizes there are leases set to expire. Looking at the situation, the four buildings being constructed will put department staff and the local construction industry at capacity, and unable to do any more than that right now. Some agencies will be kept in leased buildings. The department will try to move agencies into buildings with landlords that have been cooperative and made changes and repairs to buildings and move agencies out of any buildings that are more run down.

ASSEMBLYMAN WATTS:

To be clear, the department plans to extend leases or move agencies to other leased facilities in light of the lack of state-owned space?

MS. GRIMMER:

That is correct.

ASSEMBLYMAN WATTS:

I have some concerns about this project and these two agenda items overall, particularly with the delay in getting some of these projects, including the state forensic laboratory, built out.

There is also a lot of shuffling going on between Northern and Southern Nevada, and I am wondering what the impact will be on the agencies. It sounds like the agencies have expressed some concerns, and it is a substantial shift from some of the previous plans being considered during the 2023 Legislative Session.

SENATOR NEAL:

Why was the \$3.5 million expended, knowing the building was not the right size?

JACK ROBB (Chief Innovation Officer, Office of the Governor):

The size of the building is what the DPS had planned, and what is being planned going forward is equivalent square footage. The two canceled projects and the two new projects are identical in square footage; there is no square footage being gained or lost. What is being gained with the DPS moving to the south is a new building in the south and a vacant building next door that can be occupied in the future, with the potential to purchase.

For both the Cannabis Compliance Board and the DPS, the majority of items that require sampling through a laboratory are located in the south, and it would not be a delay in timing to get a laboratory online; it would expedite that process and put the building where it needs to be located. Some of these processes will be expedited and much more economical in their process, both north and south, with space available where needed.

SENATOR NEAL:

Is there a plan to recover the \$3.5 million that was expended?

MR. ROBB:

I want to clarify something for the record. Joy Grimmer is the Director of the Department of Administration and is very capable, and Bob Ragar is the Deputy Director, and also very capable. I have been referred to as Director multiple times; however, I now work in the Governor's Office as the Chief Innovation Officer.

The \$3.5 million is lost money; it will never be recovered. I do not like losing money; however, the department stopped spending money on that project in early July and will save \$200.0 million by not going forward with the plan, which is saving money in the end.

Unfortunately, it was not caught sooner because the agency was busy getting the McCarran Center, the Arrowhead building, and 4070 Silver Sage up and running, and relocating people in Reno, Las Vegas, and Carson City. The department bought 1,003,000 square feet of office space, and plans on moving 4,220 employees in a 12-month period. It is a prudent idea to walk away from \$3.5 million in the end, saving hundreds of millions of dollars.

SENATOR NEAL:

I appreciate the time and effort you spent and the forthrightness of your answer.

SENATOR SEEVERS O'GARA:

I appreciate the stewardship of the taxpayer dollars and trying to balance between what can be built, what can be bought and remodeled, and what needs to shift north or south. The explanations make a lot of sense, and the department demonstrated last session that it saved hundreds of millions of dollars by remodeling at a much lower cost than building new.

In thinking about what is going to happen during the 83rd (2025) Legislative Session, I would suggest that this be explained, because it is hard for the Committee to understand why there are last-minute changes. Perhaps it is evolving because there are opportunities that have presented themselves as far as buildings that may be released or taken over. I hope that before the 2025 Legislative Session starts, you can map this out so there is a clear path of what will happen in Carson City and Las Vegas with the dollars, what dollars will be required to accomplish the plans, and demonstrate the savings realized from the work you are doing. I think \$1,600 per square foot is too much taxpayer money to spend when there are other ways to get equivalent or better properties that include parking.

CHAIR MONROE-MORENO:

This has been an interesting discussion, and I appreciate the request for the cancellation of CIP Project 23-P01; the department should definitely not expend further funding on the project.

In the discussion on Agenda Item O.6, I was hoping to hear a little more about the planning moving forward, but when asked about the forensic lab, the answer was that it is still in the early planning stages, with no clear target date. All of these issues were discussed at length during the 2023 Legislative Session, and as the Chair of this Committee, that is where this discussion needs to be. Some of the leases will end in May 2027.

I agree with Agenda Item O.5, but Agenda Item O.6 needs further discussion as a legislative body, not as the IFC, and should be a discussion held during the 2025 Legislative Session. With that, I would entertain a motion to approve Agenda Item O.5 and to deny Agenda Item O.6.

SENATOR TITUS:

I am curious about the delay in the state forensic laboratory in Southern Nevada and wondering if a motion to deny would further delay that construction.

CHAIR MONROE-MORENO:

In the testimony heard today, there was no targeted plan; it is still in the planning phase. I did not hear anything about the plan being completed before the 2025 Legislative Session starts in a few months. If the department would like to put in a work program request for the December IFC meeting, where the plan is mapped out and in hand, I would be more comfortable moving forward. If not, this is a conversation that needs to be had as a legislative body.

MR. ROBB:

The forensic lab is a separate issue from the project going forward. The forensic lab was scheduled to be built in Carson City. Northern Nevada has a small cannabis cultivation industry compared to Southern Nevada. The department is looking at working with both the Cannabis Compliance Board and the DPS to get a lab constructed in Las Vegas, where the need is higher for both criminal and legal activity, and a site has already been chosen. There is no plan on that, but I believe there will be a cannabis lab in Southern Nevada years ahead of when one could be built in Northern Nevada, at the same cost. There is a building that it can be put in, next to the DPS, and not far from the Cannabis Compliance Board. It is a prime location and will be completed quicker than if it were built in Northern Nevada.

I do not know if the CMAR (Construction Manager at Risk) process is competitive enough, and by having two projects going at the same time, there would be one CMAR taking care of two buildings on the canceled Kinkead project and one CMAR taking care of the two buildings on the canceled DPS project. There would be an architecture firm working on the northern project, and an architecture firm working on the southern project. There would be a CMAR contractor on the northern project and a CMAR contractor on the southern project.

By doing two projects at one time, the department gets exactly what it wants, which is competition. It would be a competition with the two architects to present an economical design, and with two contractors, the department would be able to measure project implementation, project management, completion, project scheduling, and quality of product service after the sale. If there are two CMAR projects going at the same time, the department would get the competition I have been striving for through that process.

The state has met with both design architects that were canceled and both contractors that were canceled. TSK and Van Woert Bigotti are the design firms. The firms support where the department is going because they know things can be done more economically. Two of the major contractors the department works with regularly for public works projects, Core and Clark/Sullivan, have been very supportive of where the department is going and think things can be done more economically.

I have met with the head of the Associated General Contractors in Northern Nevada, Craig Madole. Mr. Madole said it is about time the state looked in its direction. The Associated General Contractors is in favor of where the department is going. If the two projects can be built at the same time, the department could measure a lot of metrics. With these two design firms and two contracting firms in head-to-head competition, I think the state is going to get a better product, an on-time product, a measurable product, and in the end, a quality product.

SENATOR CANNIZZARO:

Before the Committee is Agenda Item O.5, which is the cancellation of CIP Project 23-P01, with a motion that the Chair discussed approving. There is also Agenda Item O.6, which is advance planning. Can you please explain the answer the Committee just heard about two different projects going on at the same time? Agenda Item O.6 is to allow for advance planning, but that project would still need to go before the legislative body to be approved, which is what the Chair's motion was discussing. If this is just advance planning, there should be a more comprehensive plan for all the CIP projects that may be considered, so there is a good idea of what is being approved.

The answer that was just provided to the Committee regarding the forensics lab suggests that there are now multiple projects going on at the same time if both items are approved, but Agenda Item O.6 is just advance planning; it would not be the actual approval or construction of anything.

MR. ROBB:

You are correct. The SPWD would have to come before the legislative body to get approval to build the building. The department is looking for the planning implementation at this point, so that when it goes before the 2025 Legislature

to ask for the money, the planning will be in process to better time when the leases expire in Carson City, giving a head start prior to the 2025 Legislative Session. If time is lost between now and the legislative session in the planning phase, it would offset that timing, and there would be no head-to-head competition.

What was approved in the previous motion is the Kinkead Building project being changed into two buildings. That has been approved, and the funding is already in place. That CMAR was going forward but was canceled. The funding for the second set of buildings is not in place. The department would have to come to the Legislature for that funding, but if the advance planning is done now, the department could simultaneously see how this is going. There is no way to start construction on the Kinkead Building prior to the 2025 Legislative Session.

SENATOR CANNIZZARO:

What is confusing about the answer you gave prior to my question is that there are not currently two projects going on. In order for there to be a second project going on, you would have to come before the Legislature with the CIP to ask for that as part of the budget. The Committee is being asked to approve advance planning dollars for something that may or may not be approved by the Legislature, in hopes that in the future, that would potentially be approved, and then you would have this competition. There could be an entire discussion outside of this meeting about the pros and cons of CMAR and competition, but the item before the Committee is whether to approve dollars for advance planning for something that would then be subject to the full Legislature deciding to approve a CIP budget with a package of whatever will come before the Legislature in terms of capital improvements.

MR. ROBB:

That is correct. What the department asked to cancel was an advance planning project of a DPS building, and the department was in the advance planning process when it was canceled but did not have the funding to build that building. The department would have had to come back to the 2025 Legislative Session to get funding to construct that building. The department is trying to get back to exactly where things stand today. Advance planning was in place for the DPS building, without funding to build that building. On the Kinkead Building site, there was planning and construction of that building. On the other site, there were just the planning dollars; no construction dollars were allocated by the Legislature. The department is trying to get back to that same place.

SENATOR CANNIZZARO:

I understand that explanation. The difference is that when the other advance planning dollars were approved, it was before the full Legislature, included in an entire CIP budget containing multiple projects, and with a full idea of exactly how dollars would be spent. The entire Legislature had an opportunity to not only discuss the CIP budget in multiple Senate Finance, Assembly Ways and Means, and Joint Full Committee hearings, but also vote on the budget as an entire legislative body.

What the Chair was getting at with respect to the motion is that the advance planning dollars were approved by the whole Legislature, looking at an entire CIP budget, not coming before the IFC with a single work program. The reason to deny Agenda Item O.6 is not because the Committee does not want to see advance planning, but to approve it in the same way it has been done in the past, which is before the full Legislature.

MR. ROBB:

I understand. The department will bring it forward in that manner. I appreciate the Committee approving the cancellation in Agenda Item O.6, as it is fiscally responsible.

SENATOR SEEVERS O'GARA:

I agree with the Chair and the Senate Majority Leader in this discussion. Agenda Item O.6 needs to go through the regular planning processes, laying out the entire picture moving forward. It is unusual to bring something to an IFC meeting when trying to create a new work program for construction or planning.

ASSEMBLYMAN O'NEILL:

Mr. Robb, if I understand your statement, what the department is asking for is a redirect of the money; to cancel the planning and architectural work on what was approved during the 2023 Legislative Session, and to start the planning on the same type of program, with the same goal in mind for the forensic lab, but in a more economical way, and that by delaying it until it can be discussed before the full Legislature could delay the delivery of the lab in the long run costing more money. Inflation and the demands that are put upon the various providers and construction companies are also something to consider.

MR. ROBB:

I wish I could say yes, but the forensic lab is not what is being asked for today. The forensic lab, and moving it to Las Vegas, needs to go before the Legislature; there is no plan to bring it to the IFC. The department will work with the Cannabis Compliance Board and the DPS to bring that forward.

The DPS is in some buildings with expiring leases, which is why the department had planned the building in Las Vegas on the old armory site. The forensic lab and housing employees in Carson City are two different things.

ASSEMBLYMAN O'NEILL:

Thank you for the clarification. I know the DPS needs to move out of some of the space it is currently occupying. I appreciate your work on this item.

CHAIR MONROE-MORENO:

It is the Chair's wish that the Committee vote in favor and approve Item O.5, and after hearing the extensive conversation on Item O.6, that Item O.6 be denied. I look forward to having further conversation during the next legislative session.

SENATOR CANNIZZARO MOVED TO APPROVE AGENDA ITEM O.5 AND DENY AGENDA ITEM O.6.

ASSEMBLYWOMAN JAUREGUI SECONDED THE MOTION.

THE MOTION PASSED WITH THE MEMBERS PRESENT.
(Senator Titus and Assemblywoman Dickman opposed the motion.)

7. ~~REQUEST PURSUANT TO SECTION 3(9) OF ASSEMBLY BILL 84 OF THE 80TH (2019) LEGISLATIVE SESSION STATE DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES Request to reallocate \$3.7 million in general obligation bond funding for CIP Project 23-C12, Remodel Freight Barn, East Ely Railroad Museum, to mitigate the risk of arbitrage due to ongoing litigation. **Request to delay the commencement of CIP Project 23-C12, Remodel Freight Barn, East Ely Railroad Museum, pursuant to NRS 341.145(1)(j). REVISED 9-23-24.**~~

WIL LEWIS (Administrator, SPWD, Department of Administration):

The SPWD, pursuant to NRS 341.145(1)(j), requests to delay the commencement of CIP Project 23-C12, Remodel of the Freight Barn at the Ely Railroad Museum. I am willing to entertain any questions you may have.

ASSEMBLYWOMAN CONSIDINE:

Can you please provide a status update on the pending lawsuit and provide an estimated timeframe to begin the remodeling for CIP Project 23-C12?

MR. LEWIS:

Could someone from the State Department of Conservation and Natural Resources please respond?

BRANDON BISHOP (Program Manager, Diversity and Inclusion Liaison, Coordinated Nursing Program Language Access Coordinator; Conserve Nevada, State Department of Conservation and Natural Resources [DCNR]):

The litigation is ongoing, with no way to know the completion date. The funding being utilized for this project requires the department to spend 85% of the funds within three years, or Internal Revenue Service (IRS) arbitrage penalties will be incurred. One year has already passed while waiting for the project to get underway, leaving two years to expend the money, which is why the department is seeking a delay of the project and to shift the money to another project that is ready to start.

ASSEMBLYWOMAN CONSIDINE:

If the funding is moved to another project to be spent by the December 2026 deadline, what is the plan to fund the \$3.7 million shortfall for this project if the litigation is resolved?

MR. BISHOP:

The \$3.7 million would be a future bond request. Portions of it could certainly be funded with bond interest proceeds, but that would not be enough to offset the full cost.

ASSEMBLYWOMAN CONSIDINE:

What is the plan if the department is unable to raise the entire \$3.7 million? Is there a plan for the remodeling, and if so, will the work start as soon as funds are received, or is the plan contingent upon the amount of money raised?

MR. BISHOP:

There will be some flexibility to start phasing in the project if the litigation ends. However, the department would need to go before the Legislature for a bond issuance to be able to fulfill the rest of the project.

SENATOR GOICOECHEA:

I have been on both sides of this my entire legislative career, and I know what the issues are. A settlement has been offered in place of litigating over who owns the street and what sidewalk belongs to whom, and I know it is down to that small piece. The real losers in this are the facilities; a real asset is being lost in the struggle. I loaded wool in the freight barn over 60 years ago. I would suggest doing everything possible to move it ahead.

ASSEMBLYMAN WATTS:

I am also familiar with some of these issues, and it does not come as a surprise to me or Senator Goicoechea. I do hope a resolution is reached, because it is the overall site and the community that loses out when these conflicts continue.

In reading some of the meeting materials, it looks like there is a plan for \$2.0 million of the \$3.7 million to be reallocated, with other projects in the works for the remaining \$1.7 million. Are these projects that may still come through, for example, the December IFC meeting in a work program, or will these projects be incorporated into the CIP budget in the 2025 Legislative Session?

MR. BISHOP:

If the \$3.7 million is reobligated, \$2.0 million would be for the East Shore Trail. The department has received a blend of federal funding, and the \$2.0 million would be the state match for that. During the 2023 Legislative Session, Tahoe was not quite ready to fund the next segment of the East Shore Trail; however, it has since become ready to proceed with the project.

There is a laundry list of projects that have been received from across Nevada for conservation bond programs, with around 30 active projects in the program, all of which are running into increased costs for items like construction, so there is a need for the funds. There is also a need for a variety of other projects. There would be no problem getting \$3.7 million expended through all the various entities. Anything that was not funded this time around would be put forward during the 2025 Legislative Session with potential bond requests. There is a representative here from the Tahoe Transportation District if you would like to hear any specifications on that project.

ASSEMBLYMAN WATTS:

I do not need any additional information currently. The Committee wants to ensure the state is getting those bond proceeds from bonds that have already been issued. It sounds like there are some plans lined up to do that, and I understand there are some cost overruns occurring on projects across the board as well. I want to make sure that it is getting taken care of and understand the process for that moving forward. I know there is also a lot of interest in the competitive grant pool for the conservation bond program. I look forward to seeing that come forward during the 2025 Legislative Session.

SENATOR CANNIZZARO MOVED TO APPROVE AGENDA
ITEM O.7.

ASSEMBLYWOMAN JAUREGUI SECONDED THE MOTION.
THE MOTION PASSED UNANIMOUSLY WITH THE MEMBERS
PRESENT.

Chair Monroe-Moreno called a recess at 2:54 p.m. The meeting reconvened at 3:18 p.m.

**P. STATE DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES -
Division of State Lands** - Request for approval to sell three properties pursuant
to NRS 321.335(2).

CHARLIE DONAHUE (Administrator and State Lands Registrar, Division of State Lands,
DCNR):

The DCNR is seeking approval for the disposal of three state properties, two of which are in Las Vegas: the Grant Sawyer Building, which has been emptied of all state employees, and a one-acre parcel on South Jones Street, just south of the Southern Nevada Adult Mental Health Services Campus. The third property is a former Nevada Division of Forestry (NDF) resident fire station in Spring Creek, Elko County.

ASSEMBLYWOMAN ANDERSON:

Is there a timeline for this process, and are there separate timelines for each property?

MR. DONAHUE:

Yes, there is an individual timeline for each of the three properties.

The highest priority is the disposal process called out in NRS 321.335 for the Grant Sawyer Building. Advertising would start in November 2024 for four weeks in a Southern Nevada newspaper. The DCNR would move to have sealed bids received in mid-December. The sealed bids are then opened, and the department will hold a formal auction at the facility with individuals or entities deemed responsible bidders.

The DCNR wants to secure an appraisal for the other two properties in the first quarter of 2025 and dispose of those properties through the same process—advertising in local newspapers, receiving sealed bids, and holding an auction.

ASSEMBLYWOMAN ANDERSON:

To be clear, Spring Creek is the first property you spoke of, and the other two properties in Las Vegas were going to be early 2025.

MR. DONAHUE:

The highest priority is the disposal of the Grant Sawyer Building in Las Vegas, then the Spring Creek, Elko County property, and the South Jones Street property would probably move on a very similar course, hopefully, with disposal by July 2025.

CHAIR MONROE-MORENO:

I will not be sad to see the Grant Sawyer Building go. The building suited its purpose for many years, and it was good to the state, but I am happy it will be turned over to someone else so it can be a blessing to them as they move forward in whatever their ventures are.

SENATOR TITUS:

I am curious about the Spring Creek property. Did the NDF move to a new location? Fire has been an issue in that area, and I am wondering if the division abandoned the property or tore it down.

MR. DONAHUE:

The property held a residence, and although it was called a fire station, it was really an oversized garage that had one Type 2 engine in it. There was an issue at that property years ago, and after that issue, the property was not kept up and was highly vandalized. The DCNR tried to shop it around to other state agencies that have programs in the area to see if there was interest in investing in it and possibly using it as a residence, but the cost benefit analysis did not return a favorable result, so the NDF demolished the building around 2022 or 2023. It is currently a vacant property.

ASSEMBLYMAN O'NEILL:

I understand the estimated value of the Grant Sawyer Building is around \$19.0 million. For the bidding process, is there a low mark, or will the state take any bid?

MR. DONAHUE:

Yes, the appraisal for the facility was \$19.4 million, which would be the foundation. Someone coming in with a sealed bid would need to meet that fair market value appraisal. When the sealed bids are opened, the department will determine who has qualified. If someone submitted a bid of \$17.0 million, that individual would be disqualified. Bids

must meet the appraised fair market value of \$19.4 million. After receiving successful sealed bids, the auction would happen. During the auction, incremental bids by an individual would have to raise the value by 5% each time the property is bid on. If the division is successful in disposing of the property, the state would receive \$19.4 million or more for the General Fund.

ASSEMBLYMAN O'NEILL:

Having experience with that process in Carson City with the Ormsby House, what happens if no one submits a bid for \$19.4 million, and you get a series of bids at \$19.0 million or \$18.3 million that do not meet the initial value?

MR. DONAHUE:

I am not that familiar with the Ormsby House situation, but it has not been occupied since I started with the state in 2001, so I am not surprised by your comments.

By statute, I can reject all bids, and I can also reject a bid of \$19.4 million if I do not believe, for whatever reason, it is not in the best interest of the state. I would start the process again, recognizing the Chair's comments and that the Department of Administration has done a wonderful job in terms of relocating the agencies out of that facility and setting them up at the McCarran Center.

The Division of State Lands maintains a portfolio of properties and knows which properties are performing for agencies, which properties are being held for strategic assets, and which properties are not performing at all. The Grant Sawyer Building is considered a non-performing asset, and the division would do its best to market it until it could be sold.

ASSEMBLYMAN O'NEILL:

Does the division feel comfortable that it can get \$19.4 million for the property without a lot of advertising? I am concerned about the valuation of the property; is it within the ballpark and reasonable? I know the division received an estimate on the property; however, I am thinking worst-case scenario and not having to hold on to the property and maintain it for years while trying to sell it, as has happened in Carson City.

MR. DONAHUE:

I am not an appraiser, but the division does value things with an internal formula. The division did not do that on this property because it was appraised by an outside source. I was a little surprised to see the value come in, I thought it was a little light. I think that is a good thing in terms of the competitive process, but it is also a good thing to motivate buyers to secure a 23-acre parcel not that far off the old strip. From conversations that I have heard and other possible disposals in that area, it could line up very well for someone to come in and secure and make a stake hold in that part of the valley.

ASSEMBLYMAN O'NEILL:

That is the part I wanted to hear.

CHAIR MONROE-MORENO:

I know there is a lot of interest in that area of town for other projects, so I do not think this will be a property that the state will have to hold for long. I think a buyer will come in at the price needed to make it right for the State of Nevada.

SENATOR CANNIZZARO MOVED TO APPROVE AGENDA ITEM P.

ASSEMBLYWOMAN JAUREGUI SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY WITH THE MEMBERS PRESENT.

Q. DEPARTMENT OF BUSINESS AND INDUSTRY - Housing Division - INFORMATIONAL ONLY

1. Status report on the Home Means Nevada Initiative for affordable housing as requested during the April 7, 2022, meeting of the Interim Finance Committee.

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

The Committee has received a slightly inaccurate spreadsheet, so I will present a verbal update. The total Home Means Nevada Initiative spend on projects to date is \$133 million, roughly \$10 million above what is listed on the spreadsheet. Ten projects have fully expended their funding, and there have been two ribbon cuttings: the Washoe Housing Authority project in south Carson City and the Dick Scott Manor in Reno. All projects have either financially closed or are on track to close by December 31, 2024.

There was no further discussion on this agenda item.

2. Update on the progress of the Housing Division in carrying out the provisions of the Windsor Park Environmental Justice Act (Senate Bill 450 of the 82nd [2023] Legislative Session).

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

I want to thank the Committee for allowing the division to speak on this, as well as to thank and address the residents who provided public comment earlier today. The Housing Division hears you, understands your frustrations, and has the division's assurance that it is working diligently to provide the needed solutions to resolve the Windsor Park issues.

Please know the division cannot speak to what happened before it became involved—the actions or inactions of the realtors, title companies, home inspectors, and local officials that were heard during the public comment period—but I can speak to what the division has been doing since S.B. 450 was signed into law in June 2023, appropriating \$37 million of funding (including \$25 million of American Rescue Plan Act [ARPA], State and Local Fiscal Recovery Funds [SLFRF]) for the relocation of the residents whose homes have been subsidizing.

Since that time, the division has made an unwavering commitment to facilitate the bill to the best of its ability. The division created and convened the Uplift Windsor Park Advisory Committee, consisting of various community leaders; has created a request for proposal for the development of the new community; accepted and reviewed responses from the two developers that responded to that request for proposal; and awarded the developer for the project, Community Development Program Center of Nevada, led by Frank Hawkins.

I want to address Mr. Hawkins' dedication to the project—he has a history in Windsor Park, has the passion to get the project done, and has the energy to do it. The division, in my estimation, has made the right choice for the developer.

The division has also applied for additional funding resources from the U.S. Department of Housing and Urban Development (HUD) and has met with the City of North Las Vegas, Clark County, and HUD to open lines of communication for future coordinated efforts associated with the development. Since the division became involved, I can attest to the full cooperation of the City of North Las Vegas.

The division hosted a community meeting on June 15, 2024, distributing questionnaires to determine residents' interest in participating in the home program exchange, and continues to collect community input, including going door-to-door to better understand the residents' situations and share the home exchange program questionnaire.

I would like to let the Windsor Park residents know they can reach out to the division via email at NHDinfo@housing.nv.gov or by calling the division contact in Las Vegas, Nia Girma, at (702) 486-5985.

Since awarding the contract, the developer has contracted with Geotech to determine the suitability of the adjacent land for the relocation of the residents. The developer reached out to landowners in the adjacent land to determine if there was a desire to sell and created a request for proposal for architectural services. That information is documented in the report dated October 4, 2024, which was submitted to the Committee.

As an update on the soil testing progress, all the soil samples have been drilled, cored, and sent off to a lab for analysis. The results should be back before the end of the month. Those results will show, according to conversations the division has had with the Chief Executive Officer of Geotech, what modifications will need to be made to the foundations to build on that land.

The division has also contacted a realtor to determine land valuations in the adjacent land being proposed for the new community to get an idea of the value of the vacant parcels.

I want to emphasize a couple of things. The division and the Governor's Office want to see this done. Collectively, this is viewed as an investment in the community that has long been neglected and subject to injustice. None of the current discussions have delayed the process; the division is still working through the process of enacting S.B. 450, including the soil testing and the land valuation.

I want to recognize that the division has identified significant risk to the projects through the continued use of SLFRF funding and the impending obligation deadline of December 31, 2024, which locks in the dollars and the expenditure deadline.

CHAIR MONROE-MORENO:

This is a situation that should have been fixed long ago, before any of the present legislators were elected to this Committee. During the 82nd (2023) Legislative Session, the legislators believed there was a fix for this, or something that could get the state toward the fix. If you were here earlier or listening in, you heard the heartbreaking stories from the residents of that community. The legislation passed during the 2023 Legislative Session gave the residents hope that there was at least a solution.

I am not sure if every project the Housing Division works on receives the scrutiny this one has, but it has received a lot of media attention. When the division says there may be some concerns about the ability to finish the project by the deadline, why were those concerns not previously communicated to the Committee? What are the division's next steps to be included in the third quarter report to this Committee? What are those concerns? The state has until December 31, 2026, to expend those funds, and I believe the federal funds should be utilized before any General Funds on this project because of the timeline.

MR. AICHROTH:

The division has had concerns about the project since before it was signed into law. The division has kept an eye on the funding and continues to work through it. There have been many internal discussions, and as the obligation deadline approaches, it has become clear that the division will potentially have

some issues. Those issues were shared, starting in the summer, with the Governor's Finance Office (GFO), and the division has continued to provide updates to the GFO.

As the division evaluated the progress and what was happening in real time, it recently became apparent that the division would potentially miss the mark. The division did not think that was going to happen initially, but that is where things stand, and there is still quite a bit of work to do on the project.

The division does not have site control. Potentially, 93 individual lots will need to be pulled down. Once the soil samples return, the division will have to look at the potential cost that may be associated with changing the foundation design parameters. That is where the division has questioned whether it will meet the timeline.

CHRISTINE HESS (Chief Financial Officer, Housing Division, Department of Business and Industry):

The scrutiny the division has put on the Windsor Park project is the same scrutiny put on all the division's projects. Although the division is focused on the December 31, 2026, deadline, the U.S. Department of the Treasury (Treasury) released new guidance this spring around obligations. When Administrator Aichroth mentioned that the division will be locked in on December 31, 2024, the issue with that is that after December 31, 2024, by the division's interpretation, the \$25 million of SLFRF, if not spent by December 31, 2026, will not just be lost to the project, it will also be lost to the state. That has prompted a lot of the discussions, and I apologize if it feels new to this Committee, but it is certainly something the division has kept an eye on internally for this project, and for the full \$566 million that the division is deploying; the division is having this conversation with all its partners.

CHAIR MONROE-MORENO:

The difference with these funds is that they were from a legislative bill that passed both houses and was signed into law. Other ARPA funds were from an application process where agencies knew that the money could be deobligated if the funds were not spent within a certain amount of time. This money cannot be deobligated—it is part of a legislative bill; it is totally different. There is an obligation to do everything possible to spend as much of that federal money on this project, for the families in that neighborhood, not to deobligate the money and then look for General Funds to backfill that money on this project. If the money is not spent and must go back to the federal government, then the division will know that it did what it obligated itself to do and did not take the funding away from those families.

What relocation activities have been done and paid for with that federal funding, whether it is soil samples or other activities? Has the division received or been offered receipts that could have come from the federal funding? What activities have been done that the Committee should know about on that piece of land for those families?

Ms. HESS:

To clarify, are you asking what the division has spent to date from the ARPA funding?

CHAIR MONROE-MORENO:

Yes. What activities have already occurred that have been paid for with the federal funding, or what activities have happened but have yet to be paid for with the federal funding?

Ms. HESS:

That is helpful, because when you say "relocation," it makes me think of the relocation terminology used in S.B. 450, which is a little different. I believe you are saying "relocation," meaning the building of the homes, because the \$37 million was designated to develop up to 93 homes.

CHAIR MONROE-MORENO:

I want to know all the activities that have occurred for Windsor Park; what has happened, how much money has been spent, and are there receipts for activities that have happened that have yet to be paid?

Ms. HESS:

I am in constant communication with the developer, and there are no receipts or invoices to be paid. Looking forward, the first activity that will generate expenses is the soil testing, for which the division has not yet been invoiced.

Once the contractual agreement was executed with the developer, the division immediately hosted a meeting between Mr. Hawkins, ICF [ICF Incorporated, LLC; the contractor assisting with compliance and technical assistance], and the division to outline the process going forward, work through procedures, and ensure that all parties are aligned around compliance, particularly regarding federal funds.

The division also made sure that the Community Development Programs Center of Nevada is a registered vendor, as that can be a stopping point. Entities will sometimes submit for reimbursement without being a registered vendor. The division is awaiting the first submission for a draw on the funds.

All other activities for which the division has incurred costs, such as for legal counsel, have been internal, and the division has managed those. There have been no expenses submitted for the \$37 million.

The firm conducting the soil testing is incurring expenses, so there will be an invoice at some point, and payment is on a reimbursement basis. Additionally, the developer may also submit for its share of the developer fee. The division will work with Mr. Hawkins when he is ready to submit for that fee. As discussed over the summer with Mr. Hawkins, there was no need to submit an invoice at the time; invoices will be submitted as the project progresses.

CHAIR MONROE-MORENO:

If Mr. Hawkins had invoices that needed to be submitted for payment, could he submit those tomorrow?

MS. HESS:

Yes.

ASSEMBLYWOMAN TAYLOR:

Thank you both for working on this heartbreaking issue. I would like a little clarity first. The federal funds must be allocated by December 31, 2024, correct?

MR. AICHROTH:

Yes.

ASSEMBLYWOMAN TAYLOR:

The funds must be allocated, meaning assigned, and it is known what the funds will be used for, but receipts or invoices are not yet required. Is that \$25 million of federal money?

MR. AICHROTH:

That is correct. Having a signed contract with the Community Development Program Center of Nevada will meet the definition of obligation effectively. The division is not at risk of not obligating those funds.

ASSEMBLYWOMAN TAYLOR:

Since the \$25 million is already obligated, the issue is whether the funds are actually expended by December 31, 2026.

MR. AICHROTH:

That is correct.

ASSEMBLYWOMAN TAYLOR:

The state owes the families of Windsor Park. As a Legislature, in a bipartisan way, with the support of the Governor, the state made a commitment to the families, and I know I speak for the Committee in saying that it matters.

These families have been suffering, some for 60 years, and the state has been promising and then pulling back help. I hear a lot of excuses as to why that might not happen, and it may not be you individually, please do not take it that way, but that is what I hear. This Committee has been around long enough to know that if there is something we really want to get done, we can get it done, so I am asking you to find a way to get it done. The state owes the families. What is it going to take?

MR. AICHROTH:

The division hears you and has incredible empathy for the Windsor Park residents. The division will continue to go down whatever path the Committee and the Governor tell it to and will go down that path as expediently and swiftly as possible, without skipping steps. It needs to be done right and within budget and timeline. If direction is provided that the division is going to use these funds, then that is what the division will do. I want to emphasize that Mr. Hawkins is the right contractor to do that as well.

ASSEMBLYWOMAN TAYLOR:

I did not hear an answer in your reply.

MS. HESS:

At no point in time has the division suggested that this project not move forward. The division leads with its heart, believes in this project, and has felt the same from the Governor's Office and this Committee.

The division is grateful to oversee this difficult project. The conversation is about the \$37 million. Only two developers responded to the request for proposal. It is a difficult project to pull off, and I believe it will need every bit of that \$37 million.

Looking at the timeline, this project does not have site control, permitting needs to be done, and the division is and will do that as it considers all the options. The division is trying to get funding that will allow this project to move forward and not put the project at risk. The federal funds, with the timeline and constraints, are the issue. At no time has the division nor the Governor's Office suggested that the funding be removed and not replaced. The division has been in serious conversations about what that looks like.

Madam chair, I feel your passion, and the division also wants this project to happen.

Assemblywoman Taylor, I believe part of the reason there is some frustration and uncertainty today from the Windsor Park residents, as was heard during the public comment period, is the residents felt the uncertainty of the funding; however, the division is working to ensure secure funding that does not have the potential of being lost if only \$15 million of the ARPA money is spent by December 31, 2026. By the division's interpretation, the state would send back \$10 million, and a \$37 million project has only \$27 million in funds, and again needs to rely on the General Fund.

ASSEMBLYWOMAN TAYLOR:

I appreciate that. I do not understand why there is any uncertainty about spending \$25 million in two years, considering there are plans in place to do so. If the \$25 million is not spent, the money is sent back, and the budget needs to go before the Legislature to ask for General Fund to complete the project. Meanwhile, people's houses are sliding off foundations, doors are ill-fitting and will not close, things are cracking, sewage is coming up out of bathtubs, and a myriad of other problems, while the state is trying to secure funds.

The Committee just talked about spending all kinds of other money in a much shorter time period, leading to frustration. I understand a lot, but not that. I would also like to hear from the division what it needs from the Legislature—I thought direction was already given, but if I am mistaken, what does the division need in terms of direction, so the money is spent down and not sent back?

MR. AICHROTH:

I think at this point it is important to consider looking at and identifying any funds that are potentially in jeopardy. The state and the division need to take a step back and figure out collectively how to solve this problem and what that funding will potentially look like. There are still two and a half months before the December 31, 2024, deadline. I do not know how to answer your question other than to say, let the division continue to work and see if there are some other options and available ways to get the project done. If there are not, and the current plan needs to go forward, then the division will do its damndest to get it done. That is the best I can tell you.

CHAIR MONROE-MORENO:

Ms. Hess, you said something important—that the division is looking for other funding. The issue is that there was a piece of legislation that was passed, a promise was made to these families, and the money is available now to complete the project. If the money is not spent in time and needs to be sent back, it would have to go to the next legislative session, because the IFC cannot do that. There is no guarantee for those families or the Housing Division that the next legislative body would agree to the replacement of that \$25 million from the General Fund. If the next legislative body were to take \$25 million from the General Fund and put it toward Windsor Park, what other programs would miss getting funded from that \$25 million?

We need to put ourselves in these families' positions. There have been many promises made to the families over a lot of years for a lot of things that have not come to fruition, but the Legislature did make promises in 2023. If the state takes that money away and spends it on anything else, the families have no guarantee that the money will come back, because it would have to be voted on during the 2025 Legislative Session, and there is no guarantee that any of the current Committee members will still be here after election day in November. I hope and pray that we are, but there is no guarantee. The only thing the families do have a guarantee of is the legislation passed that gave \$37 million to get a job done. I do not know if it will complete the whole job, I do not work in construction, I do not build things, but even if it does not finish, the project is closer to completion.

I think that is some of the frustration I have heard from the community during public comment, on my phone, and in my emails. I know that if this money is taken away, there is no guarantee it is going to be put back. The Governor can say it, a legislator can say it, but it is going to come up to a vote of the entire Legislature, and if it does not pass, the project does not happen for those families.

ASSEMBLYWOMAN JAUREGUI:

The frustration for many of the Committee members who were on the IFC during the 2021-22 Interim stems from the division coming before the Committee and guaranteeing that it could spend \$500 million in three years for the Home Means Nevada Initiative with no problem. I know the division can; I have seen how hard the office works, and the division has no problem spending \$500 million by 2026, but the division is telling the Committee now that it cannot spend \$25 million by 2026. Please explain why there is such a significant difference of \$475 million.

MR. AICHROTH:

This is far more complex, though it does not sound like it, right? It is only housing potentially 93 households. The major projects the division has dealt with, which were talked about in the previous agenda item, are literally thousands of households. There are a couple of major differences.

The first difference is site control. When a developer proposes a project to the division, typically, the developer has site control. That land is not going to be susceptible to the subsidence that has been seen in Windsor Park, and if it is susceptible, because there are fault lines throughout Nevada, potentially, the developer has already accounted for what has to be done to stabilize the land.

Without site control, it is hard to build. In this instance, the land identified for building is individual parcels to the east of Windsor Park. That is where the soil samples are being performed, and those soil samples will come back, but then the division needs to purchase, potentially, 93 individual lots, not 1 lot that can be subdivided or 1 lot with a 200-unit apartment building on it. Ninety-three lots for potentially 93 homes. That is the biggest issue that is going to take some time.

The other difference is that this is basically a subdivision; this is not just a building standing on a corner, where you bring in one bit of infrastructure and it is done. There needs to be, among other items, sewer, roads, sidewalks, and lighting. It can be said that those items also get done in an apartment building complex, because you are building a parking lot, but this is much more complex than that. It takes cooperation with the city to do all that work, and that takes time. It is not just one project; it is multiple projects.

Those are the biggest reasons the division looks at this project and thinks there may be some issues. The division has architects, and I know the Community Development Program Center of Nevada has contracted or is in the process of doing a request for proposal for architects, to pick out exactly what they are looking for. A developer typically has that design as it comes to the division looking for funding. There is a whole litany of things that must be done in this project that do not apply to the previous projects that have been funded.

Ms. HESS:

I want to make sure it is clear what site control is. The land identified during the hearing, which is the most obvious choice for adjacent land, is currently held by 300 owners, including individuals and private investment companies. Taking down up to 93 lots can account for some of the time challenges.

The division does not know what is going on but is moving forward as best as it can. The division does not even allow applications and applicants to come in; they must have an option to purchase, or already own the land, otherwise it will take too long to complete, and the project is at high risk for that.

Usually, there is either the correct zoning in place as well, or it is in the process of getting done, and the division was assured that is happening. Even though \$25 million sounds small, taking down up to 93 homes is more than the Home Means Nevada Initiative has previously done. The division has supported 40 projects, 26 of which were new developments that part of the \$500 million has gone to, and those developers came to the division with site control. The division is not a builder, and this project is the first of its type that the division has done, so it is working with the partners and consultants to get things accomplished. The Housing Division does not want risky funding and has been discussing solutions that do not have risk for the residents, because it is unimaginable what the residents have been through.

ASSEMBLYWOMAN JAUREGUI:

The division is here taking the brunt of the Committee's frustration, and I appreciate that, but the division is no stranger to difficult projects. You work on affordable housing developments, and I know that funding and affordable housing developments are not easy. Working on stacking tax credits and finding gap funding is not easy, and I know the division can do it. I know that if the division can spend \$500 million in three years, it can do what is necessary to spend \$25 million in two years and two months.

SENATOR SEEVERS O'GARA:

In looking at S.B. 450, I can appreciate the complexity of the work the division is doing; it is kind of unimaginable. I was part of the revenue committee that Senator Neal chairs, which heard all the residents' stories, and I think the stories are part of why the Legislature stepped up to help the people of Windsor Park. It is vitally important to make sure that the Legislature helps the residents.

There is not a lot of flexibility in the bill, as the land must be adjacent to the current location. It is my understanding that there is no buyout for owners in Windsor Park that enables residents to choose a house in a non-adjacent neighborhood. Can the division find a way to allocate the money to a nonprofit

organization by the end of the year, and then the Legislature can address this project first thing in 2025, with the same type of legislation to really help provide some flexibility to these people?

The state does not want to put people in homes where the land will subside under them again; it wants quality homes for the residents. One of the priorities I heard was to keep as many residents together as possible. The bill really locks the division in to create a neighborhood adjacent to the current neighborhood, but the current neighborhood has huge issues. There are all kinds of owners of the 93 lots that you will potentially house.

If there is a way for the division to appropriate the money to meet the federal standard within the legislation, I think maybe somebody should be looking at that end of it and looking to propose language in a new bill to make sure these families are secure and provided more than adequate residences using the money that has been established within the timelines.

I understand the division's concerns about being able to clear the 93 lots in the time remaining. While the division is working on this, maybe there is a Plan B for some of the residents who opt not to live in an adjacent neighborhood, where the state has land that is readily available, to ensure that the state can help improve the residents' standard of living and give the residents the agreed-upon relief that is needed.

SENATOR CANNIZZARO:

I want to clarify something. It sounds like there have been relocation or other activities around this bill. I do not want to get specific with what qualifies as relocation activity versus something that could be related to this bill that would fall under either the \$12 million or the \$25 million—the total \$37 million for this project—there have been some activities that have already occurred. My understanding is the division has not yet received requests for reimbursement on those activities, but if the division receives requests, it would be able to pay for them. I would like to clarify that there are things currently occurring in relation to this project.

MS. HESS:

Yes, there have been some expenditures with the soil testing, but the division has not yet received any requests for payment. As soon as requests are received, the money can be spent. Activities have been occurring since the bill was signed. The division has been working to stand up the home exchange program, working on the questionnaires, and meeting with HUD. Many activities are happening, but activities that tap into the \$37 million that the Legislature appropriated, and the Governor signed off on, have not been requested for reimbursement.

SENATOR CANNIZZARO:

Activities are happening that could be part of the expenditure of the funds, including the \$25 million in ARPA money. I am tired of having this discussion about ARPA money because it is true of every ARPA dollar that Nevada has ever received: that it must be obligated to a project, and that project has to spend it. There has been a lot of contingency planning around that. There are regular IFC meetings where the Committee requests a summary of ARPA money and how it is being spent within all the executive agencies. The Legislative staff has been doing yeoman's work to make sure that there is also an accounting of where those dollars are being spent, so that if something cannot be spent, it can be reobligated, so that the deadlines can be met. Anything that is not obligated and meets the deadline, and then is subsequently spent, could be subject to clawback by the federal government, so that is not unique to these ARPA dollars. It is true of every ARPA dollar, and everyone is aware of that.

I want to dig a little deeper into what activities have occurred and how the dollars might be spent. The division mentioned that work has occurred, some of which is potentially reimbursable. Is the division planning to utilize the \$25 million in ARPA dollars before touching the \$12 million in General Fund?

MR. AICHROTH:

For any eligible expenses incurred, ARPA funds will be the first funds used.

SENATOR CANNIZZARO:

I appreciate that. There have been many conversations about eligibility during my time on the Committee. I am trying to figure out how the ARPA dollars are spent. There has been a lot of digging, even on this bill; that was a huge part of the conversation during the 2023 Legislative Session, to make sure that the various aspects of this project would be eligible for ARPA dollars instead of General Fund dollars. I know the division still has to do eligibility checks, but if the division is going back through and saying things that could have been eligible are now ineligible, that will definitely disrupt the timeline.

Are there expenses currently proposed to be paid out of the \$12 million in General Fund appropriations that could be paid using ARPA dollars instead?

MS. HESS:

The division entered into a contract for the full \$37 million with Community Development Program Center of Nevada to build up to 93 homes. Only expenses for the development of those homes are going to be utilizing that \$37 million. As noted earlier, the division is incurring internal costs that are not tapping into the \$37 million. Any administrative expenses are being

internally absorbed. Any expenses that come in for the construction of the project will go through the scrutiny of compliance, in particular for the \$25 million, to ensure the expenses meet federal compliance requirements for Treasury guidance. The division is eager to spend the \$37 million, especially the \$25 million in ARPA funds, but to date, it has not received a reimbursement request; however, a request is coming. I talk to the developer often, and the division is in touch with the project.

MR. AICHROTH:

The division knows items like pre-development costs and land acquisition are eligible SLFRF expenses. Those will be the first couple of boxes that are going to be checked. The division will not be touching the \$12 million until it runs into a situation where the compliance checks show that an expense is ineligible to be paid for with ARPA funds. That is the only time the division would use state monies as opposed to federal monies.

SENATOR CANNIZZARO:

Many of the expenses just mentioned will be incurred soon, correct?

MR. AICHROTH:

That is correct.

SENATOR CANNIZZARO:

Is there an overall timeline for this project, listing when certain items and benchmarks are expected to be met to complete the project within the specified timeline?

MS. HESS:

When the division went through the request for proposal process, it reviewed and approved a budget. Additionally, the division was provided with a timeline by the developer, Mr. Hawkins. Currently, the division is roughly eight to ten months behind schedule, according to the timeline, and while there is anticipation of finishing on time, some of the cushion in the schedule has been burned up. There are still many unknowns.

SENATOR CANNIZZARO:

I appreciate that, and I understand that this project is different than other projects the division has been tasked with, and the Legislature has approved. The struggle is that the Legislature passed this bill obligating ARPA funds in the 2023 Legislative Session, and a year has passed since that time, with none of those dollars spent, though some reimbursement costs are coming that could be paid with that money.

However, the intent from the Governor's Office is to deobligate the \$25 million in ARPA funds and obligate \$25 million in General Fund dollars, with the reasoning that the ARPA funds would not be spent by the December 31, 2026, deadline. The funds have already been obligated, and the 2024 deadline was met—this is about the 2026 deadline—and the idea that in the next two years and a few months, the \$25 million would not be spent. That means in December 2026, there would be \$25 million in General Fund dollars, assuming the Committee agreed to that, which would be attached to this project, that then would be unspent going into the 84th (2027) Legislative Session. That is hard to wrap my mind around.

I understand the frustration of the residents; it feels like they are going into 2026 with a 2027 legislative body needing to decide whether to continue to keep an unspent \$25 million in a project, and it further obligates two subsequent legislative bodies to potentially, at some point after the 2027 Legislative Session, hopefully do something to help these residents. If this Committee is unable to figure out a way to help the residents of Windsor Park, then I do not know what it is doing here.

I have heard several times that the division is dependent upon what this Committee and the Governor are telling the division to do, which was done in 2023 when the bill was passed by a bipartisan Legislature and signed by the Governor. The Legislature and the Governor have already spoken about what and how to accomplish this.

There needs to be a solution for this that does not include the 2027 Legislature discussing this again and how to make it work. I know it is tough; this is more complicated than saying, "Here is money, spend it however you want," or you might not have a developer coming in with a preplan on how it will get done, but I know that both Ms. Hess and Mr. Aichroth have come before the Committee with projects that have seemed impossible and have been able to complete them.

The division just needs to find a way to do this. The IFC cannot deobligate these specific ARPA funds that were obligated as part of a legislative bill. To deobligate the funds, a subsequent Legislature would have to take action, and the next legislative session is not happening until 2025.

I would request that the division figure out a way to make the ARPA money work, as that was the discussion and intent of the bill. The 2023 Legislature had a lot of one-time dollars, more than the state has had in a long time, to obligate to projects in the 2023 Legislative Session, and chose to use ARPA dollars for this project because it was within the allowable use, the Legislature thought it was a good use of the money, and that it could be done in the three and a half years following the 2023 Legislative Session. The ask to reconfigure the funds is above and beyond, and the division needs to figure out a way to make it work for these residents. This Committee cannot be another place where the Windsor Park residents' pleas have fallen on deaf ears.

SENATOR NEAL:

It was stated that there are zoning issues with how Cibola Park is designed. I did some research on Cibola Park and pulled every minute from 1966 onward. I never go into anything without understanding the framework. The city said that although it is a special improvement district (SID), and I have the records showing it has been a SID since 1961, that it was not actualized. In 1966, the land was platted, in 1971, the land was approved as a redevelopment area, and in 1992, there was a discussion around the existing Cibola Park, which has 45 residents.

Explain to me how one half of the street, which is less than 100 feet from the other platted lots and parcels, is not part of the SID that was established and created within 100 feet of the other houses. A house is sitting on the same side of the parcels that the state would like to build, where the infrastructure is in the street, and it is zoned R1. Please explain why the requisite components do not exist or cannot be established.

MR. AICHROTH:

The division has gone out and looked at June Avenue, as an example, from the east looking west. The only thing to be seen out there is a fire hydrant, and that is what the division has been told the entire infrastructure is. Parcels are individually distributed and there are right-of-way streets. I cannot speak to a SID that preceded my time with the division. There have been discussions with the City of North Las Vegas, where it was indicated, if I am not mistaken, that a SID does not exist in that location.

SENATOR NEAL:

You mentioned June Avenue on the east. Is that June Avenue and Coleman Street?

MR. AICHROTH:

I am not sure; I did not bring my maps with me. It is the portion of June Avenue that exists east of the vacant land of Cibola Park.

SENATOR NEAL:

There is a 2021 record for June Avenue and Coleman Street, which is on the other side of Walker Park, where R1 zoning was allowed for single-family houses.

June Avenue is all one street that may have some separation because of the desert. How is it that one part of June Avenue (to the east) can be part of R1 zoning and can include single-family homes, and the other part of June Avenue

(to the west) is not attached, or was separated, although there are houses in the entire area, whether or not they were demolished, and not part of the R1 zoning, and therefore it is not a SID. To do any single-family housing, water and electricity need to be available. Clearly, it was approved, and it is literally a hop, skip, and a jump away.

Is it possible to divide a street and allow R1 zoning in one part but not another? Cibola Park, which was a SID, has 45 houses that were moved by the City of North Las Vegas from 1994 through 1997, but within 100 feet of Cibola Park, that SID no longer exists. Is it possible or sensible for a city to divide its own SID within 100 feet, knowing there is a house on the other side of that supposed 100 feet, included in the Cibola Park?

Ms. HESS:

The division is still doing soils testing, and not where you are yet regarding the land. As far as the SID, the division has the full cooperation of the City of North Las Vegas at this time, and the city knows where the division is doing the soil testing. In fact, the city has allowed the division to do the soil testing on its land because the division does not have permission for each of the individual lots. The SID is very important in terms of getting infrastructure in place for the subdivisions, and although the division is still doing soil testing, it is also looking at the valuation and moving that all in real time.

SENATOR NEAL:

I can send the division all the records that I have. My question is about the charge for recompacting the soil after testing. What I, along with all the residents, heard from the developers at the church meeting was that the City of North Las Vegas is cooperating and said the soil could be tested, and after testing, the soil had to be recompacted for a fee of \$35,000. Why has the division or the developer not seen the \$35,000 invoice for the three different boring sites?

Ms. HESS:

I think the requirement by the City of North Las Vegas was to repack the soil in the condition it was found; they did not charge \$35,000. The cost comes from additional boring, at \$5,000 per boring, and there were seven borings. I do not think that \$35,000 was actually a charge from the city, but an extra charge from the company doing the soil testing.

I have not seen the invoice because either it has not been delivered to Mr. Hawkins, or it has been delivered and he has not paid it, or it has been delivered, he has paid it, and he has not sought reimbursement yet. As soon as the bill is sent to the division, it will be reimbursed. The expense has likely been incurred because the soil testing has been done; the division is just waiting for the bill. Mr. Hawkins is not waiting on any expenses from the division and knows full well he can submit bills whenever he is ready.

SENATOR NEAL:

Thank you for that. It has been said that the scrutiny on S.B. 450 has been applied to other bills. I was at an open public meeting a week ago Saturday, at Macedonia Church, and two staff members from the Governor's Office were asked directly by a reporter if this was the only bill under surveillance by the Governor's Office, to which the employees answered in the affirmative. When the Governor's Office employees were asked why this was the only bill out of all the bills that was being focused on, the Governor's Office employees said their office was always watching because they thought there would be some issues. The residents took that response to mean that not only was the bill a direct target, but that there was no other bill with this kind of consideration.

It was not mentioned at any point that it took four months to sign the actual contract, and that within those eight months, there was a lot of back and forth with the contract attorney, and that some of the delay in the project was the four months to get the contract signed, whether it was on the developer side or the back and forth with the contract attorney. There was a lot of needlepoint, which is good.

It is interesting that when the Governor's Office employees were asked about the bill, the answer was that this was the only bill receiving scrutiny, and yet the Housing Division has said there are several bills that get this level of scrutiny. Can you explain the Governor's Office employees' response regarding Windsor Park and S.B. 450?

MR. AICHROTH:

I am going to answer that as honestly as I can: I do not know. I would think that any bill that crosses the Governor's desk gets some level of scrutiny, but I cannot speak for the Governor's Office or its employees.

SENATOR NEAL:

Thank you. The division mentioned it is currently applying for HUD funds, correct? I know two grants were applied for. What is the current conversation with HUD around that additional money?

MR. AICHROTH:

If I am not mistaken, the division applied for the HUD Pro Housing Grant but did not receive the grant. There was a debrief with HUD, and the division was told it could reapply for the grant, which the division intends to do. I do not have a lot of hope in receiving the grant because this project is quite different than what HUD typically does. The division will have a conversation with HUD on October 15, 2024, regarding Community Development Block Grant (CDBG) funds.

SENATOR NEAL:

Can you please explain to the Committee how the Housing Division and the county got into a conversation with HUD, starting around April 2024, regarding the \$2.8 million of leftover money from 1994 that was put into the State Treasurer's Account? What was submitted to HUD that brought this to the state's attention in January 2024, prompting a response letter from HUD to the city, which the Committee became aware of. What was the city trying to do?

MS. HESS:

I think any letter you are referencing was an inquiry to HUD around the funds in terms of where the funds originated and their eligibility for use, which was unclear.

For the Committee, this is one of the activities the division has been engaging in per S.B. 450. It designates that the City of North Las Vegas take its CDBG funds that were leftover, which were dedicated to Windsor Park and some other things, and send the money to the state for the purposes of relocation.

SENATOR NEAL:

The city sent a letter to HUD to determine eligible uses for the funds, but it was a letter complaining about the \$12 million that the city had to pay back to the state, and asking if something was wrong with the \$2.8 million, so the city could find a way to get it back. Page 7 of the response from HUD said that HUD did not know there was any money left over, and the city owes 25 years of interest; the same city that talks about not receiving money from the Legislature. Then the Committee finds out that HUD did not even know the city had leftover money from the 1990s, and the families came to know that there was a direct effort by someone trying to remove the money from the state or put it in conflict. The families were upset when this came to light because they had been in their own fight for 15 years or more over the money that was left over.

It also directly related to the budgets that I put into the legislative hearing, trying to figure out where the money was and how much was left, and then came to find out that the one agency that should have known where it was, was complaining about it. The Committee found out that HUD had seen the books and did not know the money was there and then found out some other things associated with the county and who was supposed to be monitoring and managing the money.

I am honing in on this particular piece of information because the families felt, once again, that the city was saying it wanted to help and was going to do great things, but was working against the families behind the scenes.

I think it is significant because the relationship has been traumatic, and the trust is very low in regard to the city following the law, because this was happening from roughly January 1, 2024, through May 2024. It is important to note that these families are so wise and have such a strong intuition when someone is lying, which is still happening. I want that to be known, that it actually happened.

On the heels of that comes the state, saying it would like to help and swap out the ARPA money. You can understand why the families would be in a position where they found out not less than a few months ago that the city was saying it would help, and then complaining, and trying to figure out how to keep the \$2.8 million that they had been searching for, for over 15 years.

I would like to share all the records from Cibola Park with the Committee. I have every record on Cibola Park that might be worth researching around the SID, the redevelopment district, the R1 zoning, the platting, and everything else that has been associated with that land. It is worth documenting so there are no more excuses about what the land is. It was never supposed to be easy, but it was supposed to be worth it.

There was no further discussion on this agenda item.

R. INFORMATIONAL ITEMS.

SARAH COFFMAN (Assembly Fiscal Analyst, Fiscal Analysis Division, LCB):

Agenda Item R.4a, Nevada Department of Education, and R.6a through R.6o, State of Nevada School Districts, have been pulled for further discussion.

- 1) OFFICE OF THE STATE TREASURER - Annual report on the Nevada State Infrastructure Bank for the period ending June 30, 2024 (Letter of Intent, 82nd [2023] Legislative Session).

There was no discussion on this agenda item.

- 2) DEPARTMENT OF ADMINISTRATION - State Public Works Division
 - a) Information regarding the Project Status Exception Report, pursuant to NRS 341.100(8)(g).
 - b) Report on Veterans with Service-Connected Disabilities Bidders' Preference for the period January 1, 2024, through June 30, 2024, pursuant to NRS 338.13846.
 - c) Report on the status of CIP Projects 23-C35, Purchase of Buildings for State Offices, Las Vegas, and 23-C36, Improvements for Buildings Purchased in Las Vegas, for the quarter ending June 30, 2024 (Letter of Intent, 82nd [2023] Legislative Session).
 - d) Report on the status of CIP Projects 19-C08 and 23-C22, both titled Marlette Lake Dam Rehabilitation, Marlette Lake Water System, and possible impact on raw water sales (Letter of Intent, 82nd [2023] Legislative Session).

There was no discussion on these agenda items.

- 3) DEPARTMENT OF TAXATION - Quarterly report on the status of the Unified Tax System modernization project for the period ending June 30, 2024 (Letter of Intent, 82nd [2023] Legislative Session).

There was no discussion on this agenda item.

- 4) NEVADA DEPARTMENT OF EDUCATION
 - a) Report on the review by the Nevada Department of Education and the Commission on School Funding regarding various K-12 funding issues (Letter of Intent, 82nd [2023] Legislative Session).

JHONE EBERT (State Superintendent of Public Instruction):

There was a request for a review in the letter of intent from the 82nd (2023) Legislative Session, specifically regarding the work that has transpired over the last year with the Commission on School Funding (Commission).

The first of five items for review was to have the Commission look at and review the recommended changes for the Nevada Cost of Education Index. The Commission made its review, then recommended and voted to set the adjustment at 1.0 for all districts to remove the effect of the adjustment. The Commission also recommended that it be put in place once there is optimal funding for all the school districts. The Nevada Department of Education also adds that this could be run as designed, which was the intent of the law, and could be moved forward.

The second item looks at providing the school districts receiving the baseline funding for the statewide per pupil amount for online schools. The Commission recommended that the school districts continue running the online schools and receive the adjusted base per pupil.

There are three areas of review for the third item, which is a review of the GRAD score for the funding plan and its effectiveness in identifying at-risk pupils. The Commission recommends that the GRAD [Graduation Related Analytic Data] score continue to run and be funded for the students who are not on track to graduate with their cohort; that the current performance percentile codified in statute be removed in favor of the threshold that is revisited each biennium and updated by the State Board of Education; and that the term “at-risk pupil” be reidentified as “student success support funding.”

The fourth item was in regard to the English Language Learner weighted funding, and having the Commission make a determination to see if it could be used to operate dual language programs. The Commission reviewed the materials and felt that funding could be used in that area. The recommendation looked at schools that had at least 50% or more of students who were English Language Learners.

The fifth item was a follow-up to question four: if a dual language program weight was to be established, what would it be; however, it did not move in that direction.

SENATOR DONDERO LOOP:

With the information given to the school districts detailing the usage of the funds, were there many questions or clarifications needed, or was this detailed enough that no one came back asking questions?

MS. EBERT:

Are you asking about the implementation of the Per Pupil Funding Plan funds?

SENATOR DONDERO LOOP:

Correct. You clarified some of the definitions that you gave the school districts about allocation of the money, and I am wondering if there was any confusion among the 17 school districts.

MS. EBERT:

This is the second year of implementation. The school districts implemented the funding moving forward, with questions answered as they were asked, but there was not a plethora of questions asked during that time. Additional information is being prepared for public consumption, as the general public, not the school districts, is posing many questions on how the formula runs.

SENATOR DONDERO LOOP:

I felt there were clear instructions and I wanted to make sure none of the school districts are saying they did not know something, or something happened within the funding formula; that your agency gave clear instructions, because it is important to know if school districts are saying they did not know they could not spend money on certain items or that it had to be done by a certain date.

ASSEMBLYWOMAN ANDERSON:

Thank you for bringing forward the recommendations. The phrase “optimal funding level” has been used a few times in the documentation that was given to the Committee in the letter of intent, but that is not actually defined, so what exactly does that mean? Does that mean the state is funding at a level that is above the national average, or does that mean the state is meeting the national average?

MEGAN PETERSON (Deputy Superintendent, Nevada Department of Education):

As the Commission has been meeting and working through implementation of the Pupil-Centered Funding Plan, not only the national average but also more of what is originally identified within the work from Augenblick, Palaich, and Associates was the term “adequate funding.” During the work with the Commission, it was identified that “adequate” was not necessarily optimal. Having barely met the minimum was not what the department was looking to do, so the conversation morphed into addressing what “optimal” would look like.

Optimal does represent a value that is above and beyond the national average. The department has been looking at and working with subject matter experts to identify what that means in terms of a Nevada-specific context. Within the recommendations and the work of the Commission, it is looking for a funding value that is ideal for Nevada's education.

ASSEMBLYWOMAN ANDERSON:

Thank you for that clarification. I would agree with the Commission that “adequate” is not the best term.

The third item you spoke of was in regard to the effectiveness of identifying at-risk pupils. I am trying to understand the method for determining what an at-risk student is considered. I agree with the changing of the phrase to “student success support funding [sic]”; however, I need more clarification as to how that is being utilized.

MS. EBERT:

The at-risk funding and the GRAD score are used for students who are not on track to graduate with their K-12 cohorts. The Student Information System is used to identify the lowest quintile of students in performance across the entire state. Funds are allocated based on the number of students directly to the school districts, and it is currently weighted at 0.35.

ASSEMBLYWOMAN ANDERSON:

The weighting is at 0.35. The lowest quintile would be from testing scores that are similar across districts, or based upon grades, or based upon the possibility of students who start in one county and transfer to another county? I am confused about whether the lowest quintile would be based on test scores, grading, or location.

MS. EBERT:

There are 75 indicators that are used in the quintile, inclusive of behavior scores and how often a student moves; those large components are in the formula. That was one of the areas I was speaking about regarding the general public as well. There will be a meeting on October 28, 2024, to go through that, and I can also go through that with you again.

ASSEMBLYWOMAN ANDERSON:

Thank you for that clarification. I thought it might be those 75 indicators, but that is a lot of items to remember.

SENATOR NEAL:

I am trying to understand how the GRAD score is being used to pull kids up. I saw the recent achievement data for the 2023-2024 school year from the accountability report for the Clark County School District. For mathematics proficiency, African American students rated 23.9% in comparison to white students, who rated proficiency at 31.3%. In the framework being discussed, African American students in grades 3 through 12 would be at the bottom rung of 23.9%, therefore, not in alignment with their cohorts, and not on track to graduate based on the math score.

When that kind of data pops up, what happens with the information to inform the district that something is needed? There is a huge gap between the groups—how does that data help? GRAD scores show a picture, but what happens after you see the picture? I heard the score is in alignment with where the state is at, so is the department saying it is acceptable for this number to exist because children are failing in both places? Can you please address that?

MS. EBERT:

For the students who are least proficient (in this instance, you are specifically identifying the black students), the dollars go directly to the school where those students are located. It is the per pupil funding allocation. Those dollars now follow the student.

The school districts can give you more specifics, but what has been seen is that dollars have been allocated for extra tutorial support for students. It has been noticed that the students who are not achieving are usually not attending school, so also making sure students are in the classrooms and providing wraparound services. There are so many other reasons as to why a student is not achieving—they are not coming to school, they need additional resources, all those components—and that is what the school districts have been expending funds on.

Data is currently being collected to report to the Committee on how the provided funds are being used, but funds are now directed to students who are not achieving or on track to graduate with their peers.

SENATOR NEAL:

A former employee with the school district informed me that the numbers for the 2023-2024 school year are very close to the numbers from 17 years ago in English Language Arts and math for black students being equally as low.

The numbers are being targeted now, but there is a systemic long-term issue, and it cannot only be that children are not showing up to school, or you would have to say several generations of children never went to school; therefore, these numbers can be written off for other purposes. There is something deeper going on other than non-attendance.

How does the GRAD score or the Nevada Department of Education look at whether there are true systemic challenges? It was shown that when the state had wraparound services for Latino students in the past ten years, with Victory Schools, Zoom Schools, and reading centers, the students grew, and so did their advocacy. How is it that some children grow—same environment of Zoom, Victory, and the reading centers, in the same school—but one child is not growing, and it cannot just be non-attendance at school.

In the Nevada Department of Education's framework of the GRAD score, which is showing the Committee a picture, the picture needs to show where, within those 70 factors, a singular group is not performing. There is a benchmark from 17 years ago to now for comparison. Why is it just this group that is struggling?

MS. EBERT:

All the parties involved are trying to break that down. Today, the division had staff at Matt Kelly Elementary School. It is not as simple as saying that the children are not coming to school, and it is the community that will help make the determination on the solution, which will not be a top-down solution. It is working and having academics along with the families and the schools. I wish there was a panacea for Matt Kelly Elementary School and the students being referred to.

However, there is a shift from what has been done in the state of a top-down system, and saying that if the system is followed, the problem will fix itself. The work the state has been doing with the Portrait of a Nevada Learner, the competency-based network, and having the conversation directly with the students and the community is what will solve this issue. It is community solving community problems, just as you spoke about so gracefully in the previous agenda item; the community itself knows what the issues are, and the community has a voice in education.

There has been a lot of research lately showing that the state has not done a good job with boots on the ground, sitting in the classrooms with the students who are least achieving, and listening to their voices on what is needed.

Schools have met the needs, as you said, through the Zoom Schools, and the Victory Schools funding did have some effect from 2015 to 2017, which is why the formula was continued, but it is not enough. I agree with you 100%. Helping our black students needs to be approached differently than it has been in the past.

CHAIR MONROE-MORENO:

You mentioned Matt Kelly Elementary School a few times. Black students are everywhere throughout the state. Are you only looking at black students at that school, or do you look throughout the state?

MS. EBERT:

Nevada has black students across the entire state. It also needs to be recognized that there are black students who are highly successful.

I have been on the Matt Kelly Elementary School campus several times myself, and I do not have the answer, which is frustrating. It must change, and much quicker than it has over previous decades. It is not just the education system itself; it is how the education system creates the public-public partnerships to make the shift across the entire system.

Across the state, absenteeism is at the highest rate it has ever been. There has also been a 9% positive shift, but it is the students being engaged when the school district has sat and listened to the students, especially during the last two years. The students want to learn, but not in the way schools are currently educating in classrooms today. That takes a huge shift of the adults in the system, who need the resources to understand how to work differently. That is the work that the education system is moving forward with across the state.

CHAIR MONROE-MORENO:

During the 2023 Legislative Session, as in every session, the Legislature discussed putting educators and staff in the classroom and on campus who look like the communities that those schools are in. What is being done to move forward in that area? Have there been improvements, particularly putting black men in classrooms so that black male children have someone they can look up to who may have shared life experiences and could educate the students differently or talk to them differently, in their own language?

MS. EBERT:

The state has invested quite a bit in making sure that there is a much more diverse population of teachers entering the system. In the last few years, hundreds of educators have entered the system, with recruitment on a more local scale, not just from outside, for the paraprofessional program, for which the IFC approved \$10 million in ARPA funds, which started the work being done at UNLV, UNR, and Nevada State University to diversify the workforce. The state is also working with private funds for models to help with retention and recruitment, so there is work being done outside of attracting more educators.

I do not have the black male teacher data with me, but I am happy to provide that to you after the meeting. There has also been work on a system statewide, merging the licensing system with the Infinite Campus system so that there is better insight into who is in each of the classrooms, how they are licensed, and whether they are long-term substitutes; all those pieces help to inform.

There is no one component, but I am proud of the work, particularly over the last three years, with the federal Elementary and Secondary School Emergency Relief dollars made available to help diversify the workforce.

CHAIR MONROE-MORENO:

As a more diverse work pool is being brought in, are they staying, and for how long, or is the state losing them almost as fast as it employs them?

MS. EBERT:

The superintendents have reported that the education workforce is stabilizing in many of the districts. Due to funding provided from the 2023 Legislative Session, the districts were able to start with a complete staff, which has not happened for many years.

CHAIR MONROE-MORENO:

Are you seeing better success in schools that have permanent teachers in their classrooms as opposed to schools that have long-term substitutes?

MS. EBERT:

Yes. In schools that have long-term substitutes, achievement is not the same as in schools that have permanent teachers who are there year-over-year.

There was no further discussion on this agenda item.

- b) Report on the study of the possibility of collecting user fees to support the new statewide professional development management system and the associated Management Analyst position (Letter of Intent, 82nd [2023] Legislative Session).

There was no discussion on this agenda item.

- c) Report on the review by the Nevada Department of Education and the Commission on School Funding on various issues regarding the Account for State Special Education Services budget account (Letter of Intent, 82nd [2023] Legislative Session).

There was no discussion on this agenda item.

- d) Report on the study regarding the funding of a Grants and Projects Analyst position and associated costs in the Individuals with Disabilities Education Act budget account (Letter of Intent, 82nd [2023] Legislative Session).

There was no discussion on this agenda item.

- e) Quarterly reports on Class-Size Reduction variances pursuant to NRS 388.700(5).
 - 1) For the period ending September 30, 2023, of the 2023-24 school year.
 - 2) For the period ending December 31, 2023, of the 2023-24 school year.
 - 3) For the period ending March 31, 2024, of the 2023-24 school year.

There was no discussion on these agenda items.

- f) Quarterly report summarizing the approved projects associated with the Elementary and Secondary School Emergency Relief II, Elementary and Secondary Emergency Relief III (ARP/ESSER), and the Governor's Emergency Education Relief II Funds for the quarter ending June 30, 2024 (Letter of Intent, 82nd [2023] Legislative Session).

There was no discussion on this agenda item.

- 5) LEADERSHIP INSTITUTE OF NEVADA - Report on the expenditures of the Leadership Institute of Nevada to implement educational leadership training programs, for the period ending June 30, 2024, pursuant to Section 8(8) of Senate Bill 503 of the 82nd (2023) Legislative Session.

There was no discussion on this agenda item.

- 6) STATE OF NEVADA SCHOOL DISTRICTS - Reports detailing the usage of funds allocated during the 2023-24 school year, pursuant to Section 1(6) of Senate Bill 231 of the 82nd (2023) Legislative Session.
 - a) Carson City School District
 - b) Churchill County School District
 - c) Clark County School District
 - d) Douglas County School District
 - e) Elko County School District
 - f) Esmeralda County School District
 - g) Eureka County School District
 - h) Humboldt County School District
 - i) Lander County School District
 - j) Lincoln County School District
 - k) Lyon County School District
 - l) Nye County School District
 - m) Storey County School District
 - n) Washoe County School District
 - o) White Pine County School District

CHAIR MONROE-MORENO:

Members, this is the last agenda item that was pulled for today's agenda, but it is a long one. First the Committee will hear a brief presentation from James Malone, Principal Program Analyst, from the Fiscal Analysis Division on Item R.6.

JAMES MALONE (Principal Program Analyst, Fiscal Analysis Division, LCB):

I am here to provide an overview of Items R.6a through R.6o. A table titled *SB231 2024 Reporting Table* ([Exhibit M](#)) has been uploaded to the committee webpage (<https://www.leg.state.nv.us/App/InterimCommittee/REL/Interim2023/Committee/1969/Meetings>) and a hard copy has been provided to the Committee.

As the Committee may recall, the IFC approved allocations to 17 school districts from the IFC Contingency Account for salary increases for certain educational personnel. Of those 17 school districts, 15 were approved salary increases in FY 2024. These school districts were required to report how the funding was allocated. The table ([Exhibit M](#)) provides an overview of the reports for these 15 school districts. The two school districts that did not report for the FY 2024 school year are Mineral County School District and Pershing County School District as their approved plans allocate funds in FY 2025.

If I may please bring your attention to the table ([Exhibit M](#)). Column B provides the total S.B. 231 allocation from the IFC Contingency Account per school district, which totals \$249.8 million over the biennium; columns C through F detail by personnel type, the approved proposal and the amount allocated for FY 2024 totaling \$66.9 million; columns G through J summarize what each school district has reported spent for FY 2024 totaling \$37.2 million; column K reflects allocated funding for the remainder of the biennium totaling \$212.7 million; and column L provides a description of the approved distribution methodology. This concludes staff's overview of the table. There are representatives in Las Vegas, Carson City and virtually if the Committee wishes to ask any further questions.

A.J. FEULING (Superintendent, Carson City School District):

Carson City School District was allocated about \$5.3 million to spend of S.B. 231 money. As of the end of FY 2024, the district has spent a little over \$2.5 million, which is about 48% of the total amount. In this next year, the district expects to expend the rest so that all the funding has been distributed to classified and certified staff members. Happy to take any questions.

DERILD PARSONS (Superintendent, Churchill County School District):

As you can see in the table, the district developed its plan, which provided a 4.52% increase, in addition to the other increases that the district did for FY 2024. For FY 2025, it is a 4.25% increase. The district is on track to expend all the funds. The district expended almost 50.0% of them last year, and by the end of this year, the district will have them all spent and out to employees as is the intention for these funds.

DIANE BARTHOLOMEW (Interim Chief Financial Officer, Clark County School District):

I want to apologize that you needed to call us; we have crossed wires, but we are here to represent. Please know that Interim Superintendent Brenda Larsen Mitchell is currently at a board meeting, so I am stepping in to hopefully present and answer any questions.

According to the report, as you can see, the district has expended about \$30 million of the funding so far. It has been used for increases for support and licensed staff.

The district intends to expend all the money. Right now, through September, the district is through \$40 million. The district's next drawdown will be updated, obviously, and the district intends on spending all the funds.

CHAIR MONROE-MORENO:

As I look at the backup documentation, it appears that, and if you could elaborate the reasons why, there was a delay in issuing payments for the FY 2024 salary increases and indicate if those issues have been resolved for the FY 2025 payments.

MS. BARTHOLOMEW:

They have. The district has a new HCM [human capital management] system within payroll. The district wanted to be able to label the money separately on paystubs, so it took a little working with programming to do that so that it would be easier to track the expenses to provide reliable reports to the Committee. Yes, that has been corrected, and things are moving forward.

CHAIR MONROE-MORENO:

The reason for the delay was the HCM system, correct?

MS. BARTHOLOMEW:

Yes, in developing programming.

CHAIR MONROE-MORENO:

Since the district did not utilize approximately \$6.6 million in funding that was intended for FY 2024 for salary increases, what is the district planning to do with that funding? Because as I look through the documentation that was supplied, it appears that \$6.6 million of funding that should have been utilized in FY 2024 for salary increases was not.

MS. BARTHOLOMEW:

I am reviewing this report, and my reporting shows the \$30 million for FY 2024, so I will have to review that with staff. It could also be a timing issue. In Clark County, there are two contract schedules depending on the start date, which could also play a part; it may just be a timing issue. It could be an expense just not shown in this report, but I can verify that.

CHAIR MONROE-MORENO:

Once you get that verified, if you could send that to staff and they can share that information with all the members. I would appreciate it.

FRANKIE ALVARADO (Superintendent, Douglas County School District [DCSD]):

The DCSD was allocated approximately \$4.5 million of S.B. 231 funds. In school year 2023-2024, the district utilized \$2.2 million, and those funds were used for salaries and benefits. The district has designated about \$2.3 million for the 2024-2025 school year also for salaries and benefits for certificated and classified employees.

CLAYTON "CJ" ANDERSON (Superintendent, Elko County School District):

I am happy to report on Elko County and its usage of the S.B. 231 money. First, thank you for valuing the district's staff and what they bring to the lives of children and how we can help them. Elko County School District received a total of just under \$7.4 million for the two years, of which about \$3.2 million was spent in FY 2024. That included a little over \$2.5 million for salaries, and then approximately \$750,000 in fringe benefits including the Public Employees' Retirement System contributions.

As a reminder, in the Elko County School District the method of disbursement was collaboratively put together with the district and the employee unions. It was a flat amount for all employees based on their request. All the calculations were done based on full-time equivalent and that flat rate. The calculation spreadsheet also accounted for additional positions including any vacancies that existed at that time. I am happy to try to answer any questions.

JAMES FOSSETT (Superintendent, Esmeralda County School District):

I would like you to know that this has been a significant piece of legislation that has made a real difference, especially in Esmeralda County. The district received about \$155,000, of which \$58,000 has been expended: year 1 included 4% increases in pay plus 4 more, and this year 3%, 3 more. That is significant in attracting and retaining good staff. That all went to certified, classified, and confidential staff. The Chief Financial Officer and I have paid very close attention to this, and she assured me today that the funds will be expended, and the district is on track. That is because it attracted people into positions that were difficult to fill and more highly qualified staff.

I am very pleased with what the district has been able to do with these funds. Maybe the single most impactful piece of legislation in the last couple of years; it has really made a difference.

TATE ELSE (Superintendent, Eureka County School District):

The district's allocation was \$338,000. After meeting with the bargaining units and negotiating over the two years, the district requested \$165,000. The district came very close to spending that; just under 50% of the expenditure spent for the year. The district anticipates spending the remainder this fiscal year. I am happy to answer any questions.

DR. DAVID JENSEN (Superintendent, Humboldt County School District):

I want to echo the appreciation for the funds. They make a profound difference. As you note in the spreadsheet, Humboldt County School District received an allocation of approximately \$2.7 million. Through negotiations, the district provided 3.2% in year 1. The district is on track and expended the funds with \$1.6 million remaining. The district is working with the bargaining units. Year 2, the district is providing 4.6%. The district is on track to expend all the funds.

PAM TEEL (Superintendent, Lincoln County School District):

I am representing Russ Klein, Superintendent, Lander County School District as well this evening. He apologizes that he was not able to attend. Our school districts are very similar.

Mr. Klein wanted me to share that Lander County School District has spent approximately 50% of FY 2024 funds and plans to spend the remainder in the coming year. There have been no problems with it.

CHAIR MONROE-MORENO:

In the backup documentation, Lander County spent a little more in FY 2024, so the funds will not be available for FY 2025 approved salary increases. In the backup, it said that the district indicated that it would fund any potential shortfalls. If he is listening, if Mr. Klein could send a message to staff verifying that is true.

MS. TEEL:

Lincoln County School District received \$872,278 and budgeted 5.1% of that and that was actualled out. There was a small remainder due to some vacancies; however, there were no vacancies last year. I am happy to report all the vacancies were filled and the district actually added some positions in areas such as art and music for the first time ever, which was really nice. The district does not see a problem expending the remainder of the funds in this coming school year.

CHAIR MONROE-MORENO:

How did you fill those additional positions? What was the magic that you used to attract those teachers?

MS. TEEL:

The magic in Lincoln County is that the county grows a lot of its own. I have paraprofessionals that start to get degrees as internal or there are spouses that lived in Lincoln County, moved away, and then came back when they got married because someone wanted an ARL [alternative route to licensure] program. I have 4 or 5 ARL candidates that are also in my world, including the gentleman that took the art/music position that the district created for an elementary setting that the district had not had in years. The district is lucking out really.

TIM LOGAN (Superintendent, Lyon County School District):

I too want to echo what my colleagues have said. The district is very appreciative of the funds. It has gone very well for support staff and teachers and is something that was well needed.

The Lyon County School District was allocated \$6.3 million, and the district is also on track to expend that money by the end of FY 2025. The district has approximately 953 full-time equivalents that it is going towards. The district also did a flat rate for all employees based off the full-time equivalents.

CHAIR MONROE-MORENO:

How is the district doing with its staffing levels? Do you have a lot of vacancies?

MR. LOGAN:

The district has about 42 long-term substitutes and about 8 interns. The district loves its interns because they are future teachers and are right where they need to be. With the long-term substitutes, the district does its best to help train them up and support them and hopefully bring them up. To be honest, the district's staffing is similar to where it has been in the past. The district struggles just like everybody across the nation.

JOE GENT (Superintendent, Nye County School District):

One nice thing about being from Nye County is we get to hear your questions by the time we are up here. I am going to try to head you off at the pass. The district received \$4,167,063 and went a little over 50% in the first year, about \$85,077 over. The answer to that is in the beginning of FY 2024, Nye County School District had 637 eligible employees who received S.B. 231 funds. By the end of FY 2024, the district filled 74 vacant positions for a total of 712 eligible employees. Since the close of FY 2024 and the beginning of FY 2025, the district filled additional vacancies. Total eligibility employees as of August 15 is 732 employees.

Nye County School District eligible employees will receive the planned upon S.B. 231 monies for FY 2025, 3.56%. Based on agreements with certified and classified bargaining groups, the district is prepared to transfer the necessary

balance out of the General Fund, or Pupil-Centered Funding Plan, to cover the additional cost. As of today, the district is projecting an amount of about \$272,240. Although the district exceeded the 50% in the first fiscal year, the district is committed to meeting that and making up the difference out of the general fund.

The district has been heavily recruiting. Word of mouth is the best source. The Legislature provided money to UNLV, which is assisting Nye County School District in growing its own. The district has close to 30, which is a big number for the county. Close to 30 paraprofessionals, custodial, and bus drivers are in that program and will become teachers for Nye County. The district is very excited about that. That does not count toward current hires, but that is a big deal for the district. If all those people became teachers and there were no additional vacancies, that would fill the staff.

Thank you for S.B. 231 and the assistance that you are giving us to ARL and to grow our own teachers. The research is solid that the longest lasting teachers are the ones that come from the community.

CHAIR MONROE-MORENO:

We love it when we hear that policies the Legislature put in place are working. The district filled those 74 positions. Were those some of the ones the district grew due to the partnership with UNLV?

MR. GENT:

No. The district just started that partnership this year. I understand Clark County School District was already a year or two into it, but Nye County just jumped on board this year.

CHAIR MONROE-MORENO:

The turnover rate in Nye County School District, do you find that when you are able to attract teachers higher than that they stay on, or what is your turnover rate?

MR. GENT:

We have six, what is classified by the federal government, as "remote rural communities." Pahrump is the main community and that is called a "remote rural cluster." The other areas are just remote rural communities. All five of the remote rural communities more than double the standard by the federal definition. Those communities are out in the middle of nowhere, and it is hard to keep teachers there, especially if they are young out of college because there are not a lot of prospects; at least that is their perception. When the county can grow within the community, they will stay. When they were raised there and they go away to school, they come back and stay. That is, of course, what all the research says. That is where the district has been finding most of its success.

JOE GIRDNER (Superintendent, Storey County School District):

I am pleased to provide a report on the usage of the district's S.B. 231 funds. The district was allocated approximately \$338,000. In that first fiscal year, the district spent \$226,000, leaving a remaining balance of \$110,000, which the district is on track to fully utilize.

I also want to thank you for allocating these funds. It did help the district recruit teachers. Storey County is a small rural community as well. The district has a benefit that some of the rural counties do not have, because the county is close to Washoe and Douglas Counties. Being surrounded by larger areas helps the district recruit staff. As I said, the district is fully funded and fortunate to be so.

CHAIR MONROE-MORENO:

Is the district's current vacancy low? Are there a lot of substitutes or are a majority permanent teachers in the classroom?

MR. GIRDNER:

The district was fully staffed at the beginning of the year but identified that one part-time position was needed after the school year started. That part-time position is currently a long-term substitute. Hiring at that time is extremely hard. If it were not for that late edition of the part-time position, the district would have been fully staffed.

JOE ERNST (Superintendent, Washoe County School District):

On behalf of the district, I want to extend gratitude as well for these funds. They have made a significant difference for staffing.

MARK MATHERS (Chief Financial Officer, Washoe County School District):

Washoe County's two-year allocation of S.B. 231 funds was \$38.665 million. Like Carson City and other districts, Washoe County spent slightly less than half of that, 48%. Part of the reason for that is the district had not yet settled with the School Psychologists Employees Association, at least as of the reporting period. Since then, the district has come to an agreement with that new association. The district is confident and will ensure that all the S.B. 231 monies are allocated and go to employees by the end of FY 2025.

CHAIR MONROE-MORENO:

What are the staffing levels looking like for Washoe County School District?

MR. ERNST:

The staffing levels were significantly impacted in a positive way to start the school year. The district was down to 10 vacancies to start the school year; however, the district did have approximately 40 long-term substitutes in those positions. Overall, staffing levels have definitely strengthened and the district is able to retain teachers, and these funds are impacting that.

CHAIR MONROE-MORENO:

Perhaps the district can get those 40 long-term substitutes to be permanent teachers; that would be nice.

SENATOR NEAL:

I was reading about your remaining funds. How is the district helping to bring unrepresented groups into the teaching portfolio? Washoe County is becoming diverse in different spaces, but how has that been going?

MR. ERNST:

I think the district's recruiting efforts overall continue to parallel what is seen throughout the country. That is that the district is simply trying to make sure that it is bringing teachers into the profession. Washoe County certainly wants a wide representation of teachers. The district is aware that when students can see teachers who are like themselves that it has an impact. The district is definitely trying to cast as wide a net as possible in terms of recruiting efforts and bringing teachers on staff. Like some of the other comments that have been made tonight, Washoe County School District has made some concerted efforts to work with classified staff to become teachers.

ADAM YOUNG (Superintendent, White Pine County School District):

I am the proud graduate of White Pine County School District and UNLV. I am coming to you live from the middle of everywhere as opposed to the middle of nowhere. I would have been there in person, but we are having an amazing economic and educational forum tonight and tomorrow, and I did not want to miss that. Thanks for allowing me the opportunity to be here remotely. I want to thank the Committee for your service to the state as well as for provisioning these funds, which have made a big difference in the school districts.

The White Pine County School District was allocated \$991,914. Negotiations were settled very early in the summer. The district went heavy in the first year of implementation and spent \$813,705, which is about 82% of the allocation. The district is scheduled to spend the remaining \$178,209 this upcoming fiscal year. That represents a 6.0% increase this year for licensed staff and an 8.5% increase for support staff, building on a 10.0% increase that was funded through the district's increased per pupil allocation. Next year, the percentages will be 1.0% for

teachers and 3.5% for support staff. Again, this made a significant difference in the district's ability to recruit, retain, keep staff happy and enthusiasm high, and continue to do the great work that the district is doing for the students and the community.

SENATOR DONDERO LOOP:

I am probably going to say exactly what you were going to say. First, thanks to Superintendent Young because he has been really leading the charge in the Portrait of a Nevada Learner and getting kids involved. I also want to thank all the 16 superintendents that showed up tonight. This was really an important discussion. It was an important bill. I am so glad that 16 decided that it was as important as we think to put this on the agenda. Thank you very much. We appreciate your time, and we know it is late.

CHAIR MONROE-MORENO:

Yes, I was going to thank all the superintendents for showing up. The Committee truly appreciates it and appreciates the work that you and your staff do with students, who are our future. They are the most important asset in the state.

There was no further discussion on this agenda item.

- 7) STATE PUBLIC CHARTER SCHOOL AUTHORITY - Annual report regarding the use of \$15.0 million in American Rescue Plan Act, Coronavirus State Fiscal Recovery Funds provided to charter schools through Assembly Bill 495 of the 81st (2021) Legislative Session (Letter of Intent, 82nd [2023] Legislative Session).

There was no discussion on this agenda item.

- 8) NEVADA SYSTEM OF HIGHER EDUCATION
 - a) Semiannual report on any additional fees and any additional non-resident tuition fees received by each institution beyond the authorized amounts for the period ending June 30, 2024, pursuant to Section 8(2) of Senate Bill 504 of the 82nd (2023) Legislative Session.
 - b) Annual report on the criteria for eligibility and amounts established for the retention incentives required to be paid pursuant to Section 29(2) of ~~S.B.~~ **Assembly Bill** 522 of the 82nd (2023) Legislative Session. **REVISED 9-17-24.**
 - c) Annual report on the reconciliation of staffing levels approved and funded by the Legislature, and changes to those staffing levels implemented by the institutions and/or approved by the NSHE Board of Regents in FY 2025 (Letter of Intent, 82nd [2023] Legislative Session). **REVISED 9-17-24.**
 - d) Annual report on General Fund appropriation expenditures approved by the 82nd (2023) Legislature for the Intercollegiate Athletics budget of the University of Nevada, Reno and the University of Nevada, Las Vegas (Letter of Intent, 82nd [2023] Legislative Session).

- e) Annual report from the Desert Research Institute on expenditures to support the Nevada State Cloud Seeding Program, pursuant to Section 1(1)(a) of Senate Bill 99 of the 82nd (2023) Legislative Session.
- f) Quarterly report on the progress of the University of Nevada, Reno School of Medicine in obtaining federal approval for a research program on the medical use of marijuana as well as the status, activities, and information received through the program for the period ending June 30, 2024, pursuant to NRS 678C.700(5).

There was no discussion on these agenda items.

- 9) STATE DEPARTMENT OF AGRICULTURE - Livestock Inspection - Semiannual report on the reserve level status for the period January 1, 2024, through June 30, 2024 (Letter of Intent, 82nd [2023] Legislative Session).

There was no discussion on this agenda item.

10) DEPARTMENT OF HEALTH AND HUMAN SERVICES

- a) Aging and Disability Services Division
 - 1) Semiannual report on the status of the Nevada Early Intervention Services program for the period ending June 30, 2024 (Letter of Intent, 82nd [2023] Legislative Session).
 - 2) Semiannual report on the status of provider rate increases and associated provider capacity and waitlists for intellectual and developmental disabilities waiver services for the period ending June 30, 2024 (Letter of Intent, 82nd [2023] Legislative Session).
- b) Division of Health Care Financing and Policy
 - 1) Semiannual report on the implementation and status of the private hospital provider tax program for the period ending June 30, 2024 (Letter of Intent, 82nd [2023] Legislative Session).
 - 2) Status report on the progress made in increasing the nursing facility reimbursement rate (Letter of Intent, 82nd [2023] Legislative Session).
- c) Division of Public and Behavioral Health - Annual report of the Nurse Apprenticeship program for FY 2024 as requested during the February 9, 2022, meeting of the Interim Finance Committee.
- d) Division of Child and Family Services - Southern Nevada Child and Adolescent Services - Semiannual report regarding staffing at the Desert Willow Treatment Center, average bed census, and an update on the hardening project for the period ending June 30, 2024 (Letter of Intent, 82nd [2023] Legislative Session).

There was no discussion on these agenda items.

- 11) DEPARTMENT OF EMPLOYMENT, TRAINING AND REHABILITATION - Employment Security Division
- a) Semiannual report on the implementation of the unemployment insurance system modernization project for the period ending June 30, 2024 (Letter of Intent, 82nd [2023] Legislative Session).
 - b) Final report regarding the American Rescue Plan Act, Coronavirus State Fiscal Recovery Funds subgrant issued to the Goodwill of Southern Nevada as part of the nonprofit Community Recovery Grant program, as requested during the February 9, 2022, meeting of the Interim Finance Committee.

There was no discussion on these agenda items.

- 12) DEPARTMENT OF CORRECTIONS - Prison Industries - Status of accounts receivable related to a program for the employment of offenders through August 31, 2024, pursuant to NRS 209.461(1)(i). **RECEIVED 9-26-24, AFTER THE 9-12-24 SUBMITTAL DEADLINE.**

There was no discussion on this agenda item.

- 13) DEPARTMENT OF MOTOR VEHICLES
- a) Semiannual report on the status of the DMV Transformation Effort project for the period ending June 30, 2024 (Letter of Intent, 82nd [2023] Legislative Session).
 - b) Fiscal Year 2024 report on the use of funds received by each local air pollution control agency from the quarterly and annual distribution from the Pollution Control Account, pursuant to NRS 445B.830(5):
 - 1) Clark County Department of Environment and Sustainability.
 - 2) Northern Nevada Public Health, Air Quality Management Division.

There was no discussion on these agenda items.

- 14) DEPARTMENT OF PUBLIC SAFETY - Semiannual report on the status of the Nevada Criminal Justice Information System modernization project for the period ending June 30, 2024 (Letter of Intent, 82nd [2023] Legislative Session).

There was no discussion on this agenda item.

- 15) STATE DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES
- a) Water Conservation and Infrastructure - Quarterly report regarding the allocation of \$100 million in American Rescue Plan Act, Coronavirus State Fiscal Recovery Funds for the quarter ending June 30, 2024, as requested during the October 20, 2022, meeting of the Interim Finance Committee.
 - b) Division of State Lands - Semiannual report on the status of the state's Environmental Improvement Program Fund to Protect the Lake Tahoe Basin for the period ending June 30, 2024, pursuant to Chapter 514, *Statutes of Nevada 1999*.

There was no discussion on these agenda items.

- 16) NEVADA DEPARTMENT OF TRANSPORTATION - Notice of the addition of one new Transportation Planner/Analyst position to ensure compliance with Federal Railroad Administration regulations, and one new Grants and Projects Analyst position to provide rail grants management for the department.

There was no discussion on this agenda item.

- 17) OFFICE OF THE MILITARY - Annual report on the status of the Battle Born Youth Challenge program for the period ending June 30, 2024 (Letter of Intent, 82nd [2023] Legislative Session).

There was no discussion on this agenda item.

- 18) DEPARTMENT OF VETERANS SERVICES
- a) Annual report detailing the expenditures made from the Gift Account for the Veterans Home in Southern Nevada and the Gift Account for the Veterans Home in Northern Nevada for FY 2024 pursuant to NRS 417.145(9).
 - b) Annual report detailing the expenditures made from the Gift Account for Veterans for FY 2024 pursuant to NRS 417.115(6).
 - c) Annual report detailing the expenditures made from the Account to Assist Veterans Who Have Suffered Sexual Trauma for FY 2024 pursuant to NRS 417.119(4).

There was no discussion on these agenda items.

- 19) JOINT INTERIM STANDING COMMITTEE ON THE JUDICIARY - Semiannual report required pursuant to NRS 209.4818 regarding the status of current and proposed industrial programs for correctional institutions.

There was no discussion on this agenda item.

S. PUBLIC COMMENT.

DENNIS HOLMES (Superintendent, Pershing County School District):

Realizing that I was not on the agenda, I still want to take this opportunity to thank you for this event today and for the benefits of S.B. 231. With that said I would just like to also make my presence noted. Thank you, I appreciate it.

CHAIR MONROE-MORENO:

Thank you so much. We appreciate you being here.

STEVEN COHEN provided public testimony for the record ([Exhibit N](#)).

SENATOR CANNIZZARO:

I wanted to take a moment to thank Senator Goicoechea and Senator Seevers O'Gara. It might be our last time on IFC with the two of you. I wanted to take a moment and thank both senators for their service, for being here with us so late in the evening, and for everything that they have done to serve their communities and be part of this legislative process. I will miss having both of you in the chamber. It will definitely be different on this Committee without Senator Goicoechea fighting for those rural communities. I know there will be people who will take up that helm, but I think that you bring a sense of wisdom and pragmatism that is appreciated by just about everybody sitting on this dais on a regular basis.

Senator Seevers O'Gara, I have enjoyed serving with you and I have enjoyed serving in leadership roles with you. Being able to get to know you not only as a colleague in the Senate, but also as a person and a friend. I appreciate all your work and will miss having you on this Committee as somebody who has shown and demonstrated that you care about the state and the people who reside here. Your presence will be missed by me and the members of this body.

I wanted to take a moment to thank you both. I know we are in IFC, and we are trying to keep it to committee-related topics, but that is difficult when we worked together over the last few sessions. I really appreciate the time we have spent together. Thank you again for your service, and I hope that the Committee can join me as well in thanking them for their service.

CHAIR MONROE-MORENO:

Well said. I believe you speak for everyone on this Committee. You both will be missed. Thank you for your service and I know you will not go too far. You will be serving somewhere, so we will see you again.

SENATOR TITUS:

I know it has been a very long day, but I also want to comment that this is their last Committee meeting today. We have had the privilege of serving with these people. I am honored to have them on my sides, because they have been at my side, on my side, on our side since 2014 when I first was elected. I want to acknowledge both of them. The State of Nevada is greatly indebted to these two people.

SENATOR GOICOECHEA:

It is after 6:00 p.m. and it is not a bad deal. Good night and thank you.

SENATOR SEEVERS O'GARA:

Thank you all. It was an honor to serve.

T. ADJOURNMENT.

Chair Monroe-Moreno adjourned the meeting at 6:08 p.m.

Assemblywoman Daniele Monroe-Moreno, Chair
Interim Finance Committee

Diane C. Thornton, Acting Director, Legislative Counsel Bureau,
and Secretary, Interim Finance Committee