



NEVADA LEGISLATURE LEGISLATIVE COMMISSION

(Nevada Revised Statutes [NRS] 218E.150)

DRAFT MINUTES

April 28, 2026

The second meeting of the Legislative Commission for Calendar Year 2026 was held on Tuesday, April 28, 2026, at 1 p.m. in Room 165, Nevada Legislature Office Building, 7230 Amigo Street, Las Vegas, Nevada. The meeting was videoconferenced to Room 4100, Northern Nevada Legislative Building, 401 South Carson Street, Carson City, Nevada.

The agenda, minutes, meeting materials, and audio or video recording of the meeting are available on the Commission's [meeting page](#). The audio or video recording may also be found at <https://www.leg.state.nv.us/Video/>. Copies of the audio or video record can be obtained through the Publications Office of the Legislative Counsel Bureau (LCB) (publications@lcb.state.nv.us or 775/684-6835).

COMMISSION MEMBERS PRESENT IN LAS VEGAS:

Assemblymember Sandra Jauregui, Chair
Assemblymember Steve Yeager, Vice Chair
Senator Marilyn Dondero Loop for Senator Nicole J. Cannizzaro
Senator Rochelle T. Nguyen
Senator Melanie Scheible
Assemblymember Shea M. Backus
Assemblymember Howard Watts

COMMISSION MEMBERS PRESENT IN CARSON CITY:

Senator Skip Daly
Senator Ira Hansen
Senator Robin L. Titus
Assemblymember Alexis M. Hansen

COMMISSION MEMBER ATTENDING REMOTELY:

Assemblymember Gregory T. Hafen II

LEGISLATIVE COUNSEL BUREAU STAFF PRESENT:

Roger Wilkerson, Deputy Director, Director's Office, and Chief, Administrative Division
Tarron L. Collins, Office Services Coordinator, Director's Office
Daniel L. Crossman, Legislative Auditor, Audit Division
Asher A. Killian, Legislative Counsel, Legal Division
Jered M. McDonald, Deputy Research Director, Research Division
Maria Velazquez, Research Policy Assistant, Research Division

draft

Items taken out of sequence during the meeting have been placed in agenda order.
[Indicates a summary of comments or clarification.]

AGENDA ITEM I—CALL TO ORDER, ROLL CALL, AND OPENING REMARKS

Chair Jauregui:

Good afternoon and welcome to the Legislative Commission's second meeting of 2026. Madam Secretary, will you please call the roll?

[Roll call was taken.]

Chair Jauregui:

Good afternoon, everyone. Please note that we have members attending both in Carson City; down here in Las Vegas we have Senator Marilyn Dondero Loop attending for the Senate Majority Leader. And we also have Assemblymember Hafen joining us on Zoom. We do have a quorum.

But before we begin our meeting, I would like to go over some quick housekeeping items. If anyone present or listening today would like to receive a copy of the Commission's agendas, minutes, or reports, you may be added to our email list by following the links on the Legislature's website. Contact information for the staff is also listed on the Legislature's website. In addition, we accept written comments that may be emailed or mailed before, during, or after the meeting. The information regarding where to send written comments is also on the website and listed on the agenda for the meeting.

AGENDA ITEM II—PUBLIC COMMENT

Chair Jauregui:

That brings us to Agenda Item Number II, which is public comment. We will be accepting public comment at this time from persons here at the Nevada Legislature's offices in Las Vegas. Then we will be moving to Carson City, and from there, we will be moving to testimony by phone. If you prefer to wait to speak till after the meeting, we will have a second period of public comment at the end of today's meeting. Please remember that comments are limited to two minutes. And if you get to your two minutes and you still have remarks, please know that you can submit those as written remarks to be included in the record.

We will go ahead and start public comment with people here in Las Vegas. If you would like to provide public comment at this time, please come forward to the table in front of the dais. There are three seats. Please come up and fill all three seats. We do ask that you identify yourself before you begin your public comments, and please state your name and clearly spell it for the record. If you have not signed in, I would remind you to please sign in at the clipboard by the door before you leave, and again, if you have copies of your comments, please feel free to turn them into our Secretary. We can go ahead and begin. We can start here in Las Vegas.

Kelley Guidry, Air Force Veteran, and Cofounder, Forgotten Not Gone:

Thank you so much for allowing me to speak. I am an Air Force veteran and along with my husband Peter, who is also a disabled retired Air Force veteran. We are both disabled veterans and cofounded the veteran nonprofit Forgotten Not Gone, stomping out veteran

suicide through veteran peer support, outdoor recreation. I served in security forces guarding nuclear weapons, aircraft, and personnel. It was physically and mentally demanding work. And while I served honorably, it left lasting impacts on my body. For the past 12 years, I have continued my service in this community, supporting veterans, active duty, guard, reserve, and their families. In 2024, I was honored as Nevada's first-ever Woman Veteran of the Year and our organization also received a proclamation from the City of Las Vegas. I do not share that to brag, but to show that I am still serving and contributing meaningfully to this community.

For the past eight years, I have responsibly used pure kratom leaf to manage severe fibroid pain and service-related pain. I was introduced to it through my health food store, not a gas station and not a smoke shop. And I have followed the recommended guidance from three to five grams from a reputable American Kratom Association-approved company. Let me be clear, the plant is not the problem. The issue is a lack of regulation around enhanced products like 7-hydroxymitragynine. Nevada already addressed this through Kratom Consumer Protection Act. Moving toward a Schedule I classification directly conflicts with that intent. If kratom is scheduled as a Schedule I drug, you are effectively saying that it has no medical value and it is more dangerous than cocaine. That is not supported by current evidence, and even the FDA [Food and Drug Administration] has not made that determination. What it will do is criminalize people like me—disabled veterans who served honorably—and force us back into a system where the only options are prescription painkillers and psychiatric medicines, often with serious side effects and dependency risk.

I came here today directly from a community event at the Wynn, where I had to leave early, because this matters. This is what my life looks like continuing to serve. So, I ask you to consider the real impact of this decision. Focus on regulation; focus on safety. Uphold the intent of the Kratom Consumer Protection Act, but please, do not make criminals out of those who have served this country and continue to serve their communities. Thank you.

Chair Jauregui:

Thank you for your public testimony today. We can go ahead and go to the next.

Peter Guidry, Retired Air Force Veteran, and Cofounder, Forgotten Not Gone:

Good afternoon, Chair, and members of the Commission. You know, each week for the past 12 years, I have worked directly with veterans that are dealing with chronic pain, suicide ideation, mental health challenges, and I want to be clear that today, I am here in my personal capacity based on what I have seen boots on the ground engaged in stomping out veteran suicide in our community for those past 12 years.

What concerns me today is that the Board of Pharmacy's move to schedule kratom appears to be directly conflicting with the Kratom Consumer Protection Act already established in Nevada law. The legislation already made a decision to regulate kratom, not prohibit it. The framework was designed to ensure safety, labeling, and accountability. And when an unelected board takes action that effectively overrides that decision of that framework, it creates confusion and undermines the intent of the law itself. In the real world, policy decisions like this do not stay on paper. They impact people, and I have seen individuals seek out alternatives. They are trying to manage pain or improve their quality of life. And when access to regulated options disappear, like kratom, that we are able to get at a local health supplement store, when those options disappear, the problems do not disappear in our community.

And this just is not about kratom. It is about whether regulatory bodies can override the will of the Legislature. So, I am asking this Commission to take a hard look at whether the action aligns with existing laws and legislative intent and to consider pausing or rejecting it until the conflict is fully addressed. Thank you guys for your time.

Chair Jauregui:

Thank you for your public comments. We can go ahead and go to the next person.

Andrew Cowie, Member of the Public:

Good afternoon, Commission. Thank you guys for your service. I would like to present two issues that I believe are severe and significant public safety emergency matters. The first, in 2025, approximately 1,137 CCW [concealed carry weapon] permit holders were arrested, five of which resulted in homicide. The most prevalent, right in front of the Bellagio Fountain, a husband and wife were shot and killed by a CCW permit holder. Of those 1,137 permits, 5 had been recovered. So, I am taking a pause for a moment. You have thousands of CCW permits that have been revoked by the Las Vegas Metropolitan Police Department (Metro), but they have not been recovered. So long as those individuals possess those permits, they can purchase a firearm without a background check. That is a significant public safety issue, and the Department is not recovering these permits.

Item number two, the next time you see an armed security officer, I want you to ask yourself, is that person a convicted felon? Has that person been convicted of a misdemeanor of domestic violence? The probability is yes. I am an employer; I own a security company. I have been repeatedly contacted by Metro and the ATF [Bureau of Alcohol, Tobacco, Firearms and Explosives] and asked, "Why is this person in possession of a firearm?" The answer is, "I do not know." Well, now, I found out. The State of Nevada Private Investigator's Licensing Board is issuing firearm permits to convicted felons, to individuals who have been arrested and convicted for domestic violence. I was contacted by Metro, had an employee on the clock on the job with a firearm, and he was arrested for pending sexually related crimes. I have been contacted by ATF and asked, "Why did you hire this person?" The conclusion—the State of Nevada is issuing armed licenses to prohibited persons.

Thank you for your time, and I respectfully request that these issues be looked into or addressed. Otherwise, daily, prohibited persons will continue to obtain licensure as armed security officers. Thank you.

Chair Jauregui:

Thank you for your public comments. Is there anyone else in Las Vegas wishing to provide public comment? Okay, seeing no one else approaching the table, let us go ahead and move to Carson City. Is there anyone in Carson City who wishes to provide public comment? Okay, seeing no one approach the table, it looks like we can move to people on the telephone line. If you have called in and you would like to speak during this part of the meeting, you will be notified by our AVH [Audio Visual Hearings Unit] staff when you have been connected and it is your turn to speak. I remind you to please start with your name and the spelling of your name, and then you will have not more than two minutes to give your public comments. You are welcome to submit any additional comments in writing to our committee staff. AVH, can we please go to the telephone line?

AVH, Information Technology Services, Administrative Division, LCB:

To provide public comment, please press *9 or Raise Hand in your Zoom window to take your place in the queue. You are unmuted and may begin.

Sunny Valencia, Member of the Public:

Thank you. I am commenting on NAC [Nevada Administrative Code] 385B and AB [Assembly Bill] 184. I am asking that you pass whatever needs to be passed that allows a student to have a one-time high school transfer and retain eligibility to play sports. I will tell you my son's situation so you have an idea of why I am asking for this, and I think this issue affects many students across Clark County, maybe across the state. I have spoken with NIAA [Nevada Interscholastic Activities Association] at length, but their hands are tied by the statutes, and passing this rule, the rule that would allow one transfer will solve many issues including ours.

My son, Eli Valencia, is a junior and currently attends Nevada State High School, a charter school that offers college credit. We are zoned for Foothill High School. Eli attended Boulder City High School his freshman, sophomore, and half of his junior year on a COSA, which is the choice of school assignment. NAC 385B does not allow Eli to play sports at Foothill High School for 180 days, not even subvarsity, not even JV [junior varsity]. He was not being recruited by the school, and NAC 385B does not allow an appeal. AB 184 does not provide for a junior to transfer to another school and have eligibility to play sports unless you have a hardship appeal. Eli just wants to play volleyball and tennis. He will not be going to college to play sports. No one is recruiting him. He just wants the experience of playing sports and being on a team. He knew when he transferred to Nevada State High School that he would not be able to play varsity at Foothill for 180 days, but we thought that he would at least be able to play JV, but NIAA said that he is not eligible for 180 days to play any sport at Foothill, even JV. This seems punitive.

Eli decided to leave Boulder City so that he could get college credit for free, and now he has not been able to play volleyball, which is something he loves to do. When you go to a school on a COSA waiver, you can play JV sports for the first 180 days until you become eligible for varsity. A student should be allowed to transfer one time or at least a student should be eligible to play sports, at least JV, at their zone school even if they are on a COSA at another school.

The season is almost over. I do not know if it is possible for you to make any decisions soon that he may be able to play for the last few weeks of the season or if he could play tennis in next season if you guys could move on this. Thank you so much for your time. I also submitted a written comment (Agenda Item II A). Thank you.

Chair Jauregui:

Thank you so much for calling in. AVH, next caller, please.

Ellen Gifford, Member of the Public:

Good afternoon. For nearly a year, the statutes on the Nevada legislative website did not reflect current law. It appears that the Legislative Counsel Bureau has just completed codifying the results of Nevada's 83rd Legislative Session. However, over past years, this lack of timely codification seems to have become the norm, and Nevadans have not had reliable access to their current laws. Timely implementation of *Nevada's Administrative Code* is also impacted. There are no less than three statutes that state that the

Legislative Counsel shall keep the material in the *Nevada Revised Statutes* and its annotations current. Nevada's legislative website states that the Legislative Commission supervises the Legislative Counsel Bureau. Nevadans are requesting that the Legislative Commission work together with the Legislative Counsel Bureau to solve this issue of untimely codification. Today's technologies offer many opportunities to implement a process that efficiently and properly serves Nevada. Thank you.

Chair Jauregui:

Thank you for your public comments. AVH, next caller.

Camille Henry Love, Member of the Public:

Hello. I am calling to discuss the regulation and the decision about kratom. I am not someone who is into all of the scientific parts of it, and I am not someone who is a lot into the government and all of that, so I just want to speak to you as a person.

When I was 38 years old, I was T-boned going through a traffic light on my way to work. Subsequently, I had just also had my son three years before that. He was a toddler, wonderful boy, but very energetic. Because of that accident, I had my L3-L4 fused. My L5-S1 have pins in them. I had a nerve stimulator in my back that helps my legs and controls the pain. And as you can imagine, I was on tons of medication. Of course, oxycodone was pushed on me. I got to 10, 15 pills a day and was not really able to take care of my son. It started to affect my marriage, and even now, my ex-husband and I, we have been divorced. But kratom saved my life. It was something where I stopped taking the drugs that the doctor was prescribing me. I said I did not like how it made me feel. Then they put me on Suboxone. I did not like how that made me feel, and I wanted to change my life for my child. Because I could not move, I had gotten up to almost 300 pounds. I got really, really big and things got really hard for me, but I can say kratom has given me the opportunity to be able to exercise, be able to work out. I have lost a lot of weight. My life is better. My ex and I are doing great, but I never would have been able to get there without kratom. I am not saying to just have it out for anyone to use. Yes, it should be regulated, and I believe that was already discussed. But what I am saying is do not take away something and now make me a drug addict or someone that can be arrested for a drug that has truly changed my life. It is safe. It is from the earth. It is natural. That is all I have to say. Thank you.

Chair Jauregui:

Thank you for your public comments. AVH, do we have any other callers?

AVH:

Chair, we have no additional callers for public comment.

Chair Jauregui:

Thank you AVH, and I do want to remind anyone in the audience in Las Vegas and in Carson City and anyone who might be listening online that we will have a second period for public comment after the hearing today. I will also note for the committee members that there were two comments submitted online regarding regulation R102-25. They have been uploaded to the committee's web page if you would like to review those (Agenda Item II B) (Agenda Item II C). I do also want to let the committee know that regulation R102-25 has

been pulled and will be rolled until the next legislative hearing, but there are comments on that regulation.

With that, we can move on. Before we go to Agenda Item III, I do want to pass it over to our Speaker Yeager.

Vice Chair Yeager:

Thank you so much, Chair, for the opportunity. I just wanted to make a comment. We had a few public comments on kratom. I have always called it kratom but perhaps I am saying it wrong, and I am not going to say the technical name, but I wanted to let folks know who are here for that. We do not have that regulation in front of us today. There is a different Board of Pharmacy regulation in front of us, and that is because the Board of Pharmacy has not formally moved to make it a Schedule 1 substance yet. They have to do an adoption hearing to do that. So, I wanted to let folks know that that decision is not in front of us today.

What my recommendation would be, of course, is that has to be a public hearing at the Board of Pharmacy before they could put that regulation in front of us, so stay tuned there. And then, if indeed they go forward with a proposed regulation, that would come in front of a future meeting of this committee for us to decide whether or not to accept or reject that regulation. Because there were some public commenters, I thought it made sense just to let you all know that that is not a decision before us today, but it very well may be one in the future. Thank you, Chair.

Chair Jauregui:

Thank you, Speaker Yeager. I appreciate that.

AGENDA ITEM III—APPROVAL OF THE MINUTES FOR THE MEETING ON FEBRUARY 26, 2026

With that, we can move on to Agenda Item III, approval of the minutes. Commission members, you have in your packet the draft minutes for the Commission meeting held on February 26, 2026 (Agenda Item III). These draft minutes are also available on the Legislature's website. Let me first ask if any of the members have any questions or discussion on the minutes before we accept a motion to approve.

VICE CHAIR YEAGER MOVED TO APPROVE THE MINUTES FOR THE MEETING HELD ON FEBRUARY 26, 2026.

SENATOR NGUYEN SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

AGENDA ITEM IV—REVIEW OF ADMINISTRATIVE REGULATIONS (NRS 233B.067 AND NRS 233B.0675)

The list of regulations to be considered can be accessed electronically at:
https://www.leg.state.nv.us/Register/IndexesRegsReviewed/LCMtg_List_2026_Apr28.pdf.

Chair Jauregui:

That takes us to Agenda Item IV, the review of administrative regulations. There are 31 regulations that were submitted for approval. These regulations are all contained in the binder provided to the members and posted on the Legislature's website under the tab for this meeting (Agenda Item IV). There is also a public copy in the notebooks by the sign-in table at each meeting location. I would like to remind the members and anyone listening that R102-25 has been pulled and will not be considered at this meeting.

At this time, I will ask the Commission members if there are any regulations to be held for further discussion. Once we identify those regulations, we will take a motion to approve the remaining regulations, then we will come back to the regulations held for further discussion.

I am going to go ahead and start with Senator Daly in Carson City. Senator Daly, I know you have a list of regulations that you would like pulled. Can you please go over those with the committee?

Senator Daly:

Thank you, Madam Chair. Yes, there are four, now that you have pulled 102. I have R182-24, R202-24, R027-25, and R084-25.

Chair Jauregui:

Is there anyone else in Carson City who would like to pull regulations? Seeing no one in Carson City with further regs to be pulled, I will go to Member Hafen. Member Hafen, do you have any regulations you would like pulled?

Assemblymember Hafen:

No, Chair.

Chair Jauregui:

Okay, I will move down to Las Vegas, and I will start with Senator Dondero Loop.

Senator Dondero Loop:

Yes. Madam Chair, can we pull Regulation 083-25?

Chair Jauregui:

Thank you, Senator. Members, are there any other regulations you would like pulled? Seeing none, I will repeat that. Oh, I am going to go to Senator Scheible.

Senator Scheible:

Sorry. Can we pull 050-25?

Chair Jauregui:

Members, I am going to repeat that list. We have R182-24, R202-24, R027-25, R050-25, R083-25, and R084-25. Members, any other regulations? I do not see any other regulations to be pulled. At this point, I would be looking for a motion to approve the remaining regulations under this item that were not pulled or rolled.

VICE CHAIR YEAGER MOVED TO APPROVE THE FOLLOWING REGULATIONS:
R066-24, R088-24, R185-24, R026-25, R032-25, R033-25, R034-25, R035-25,
R038-25, R040-25, R046-25, R047-25, R048-25, R067-25, R068-25, R078-25,
R080-25, R081-25, R086-25, R087-25, R098-25, R100-25, R107-25, AND R021-26.

SENATOR NGUYEN SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

Chair Jauregui:

If you are here to answer questions on your regulation and your regulation was just approved, now is the time for you to exit the meeting, and you are also welcome to stay and join us for the rest of the Legislative Commission meeting if you would like. All right, we will give everyone a few seconds.

Now that we have lost half our audience, let us go ahead and move to the regulations that have been pulled for further discussion. I will take them in order, and I am going to take R182-24 and R202-24, one right after another. We have, I believe, the Public Utilities Commission (PUC) approaching the table in Carson City. Once they are ready, Senator Daly, if you want to lead us off with questions.

Senator Daly:

Thank you, Madam Chair. I think you are ready. You guys ready?

Sam Crano, Utilities Hearing Officer, PUC of Nevada:

Yes, Senator, we are ready.

Senator Daly:

I just want to try to make sure I understand. I am not as familiar with some of these.

Chair Jauregui:

Senator Daly, we are having trouble hearing you. Can you speak closer to the microphone?

Senator Daly:

I will try, and sorry about that, Madam Chair. I will try to make sure that you guys can hear me.

I want to make sure we understand a little bit better on the general ratemaking process versus the alternative ratemaking process. Are those parallel processes? Are they separate? You do the general ratemaking one, and then you can apply for an alternative. How exactly does that work?

Mr. Crano:

Thank you, Senator. The first two . . . The way the regs are set up, the first two alternative ratemaking plans have to be filed either at the same time as a general rate case, a normal

one, or within 180 days after. They are sort of running parallel, use the same data. And that is so we can compare the rates and make sure that no one is being harmed by it, because the Commission has to find that those results of an alternate ratemaking application does not harm members of the public. At least the first two have to be run either in parallel or soon thereafter so we can compare the bill impacts, basically. After that, and we are more comfortable with it, they do not have to be necessarily run together or in that close order. But the first two we did just so everyone is more used to the process, and we can have a better basis of comparison for those first two, and after that, we should have more experience with it and hopefully not need to run in parallel like that. But the Commission can always require it if they file even like a third, fourth, fifth, or whatever, not with a general rate case and the numbers look funny, we can order them to file a general rate, a normal general rate case, so we have the basis for comparison there.

Senator Daly:

Thank you. If they have to put in a general rate case and they put in all the data, what is different in the alternative rate filing that they are going to put in, and if the general rate case is there and they are making their points, what does the alternative one generally do? Why would we go through the two things? There has got to be an advantage or disadvantage somewhere, either for the company and then you guys are looking to see if it is an unfounded advantage, or maybe it is an advantage to the consumer. I do not know; that is what I am trying to understand.

Mr. Crano:

Sure. Thank you, Senator. The idea was, because a normal general rate case, the rates are in place for up to three years and that is it. This process allows it to be longer, if possible, which would cut down on rate cases. Rate cases are expensive. The company itself spends half a million dollars to, electric anyway, to do a rate case. And you know that a lot of staff time, a lot of interveners, time, and money. If, once we are comfortable with them, it starts spreading that out, that should save money for everyone, while still allowing the utility an opportunity to meet its costs. Generally, for the first few, what it does is allows for different forms of billing, different forms of collection. It could be performance-based ratemaking if they meet a certain threshold in savings. They get a little extra return on equity if they fall below a certain level of savings, then their return on equity goes down. It allows a little more freedom in building incentives that should hopefully save customers money while then allowing the company to not lose that money, is the theory. Again, we have not done one here, so . . .

Senator Daly:

Understood. And thank you. Just not an expert in this area, but I am learning more all the time, that is for sure, which gets me to the question that I had when I was reading the regulation. I think in Section 15, subsection 3 where it talks about it has to go through your process, has to go to the PUC, has to go to the consumer advocates, the Attorney General's Office process. And it says that if you guys modify the alternative, somebody modifies the alternative rate plan, ratemaking application, and they reject your modifications, it is automatically considered to be withdrawn. In other words, I was just trying to figure out, they put it in, you guys review it. Normally there is going to be a back-and-forth, I am assuming, but you are going to say, well, here is our recommendation, here is the change we are making to it, and it is a take it or leave it. There is no . . . It just seemed unusual to me that you would not have another second review or subsequent breaking of the tie, if you

will. It is just automatically withdrawn. Your alternative ratemaking proposal is withdrawn because we said so.

Mr. Crano:

Thank you, Senator. Yeah, that was put in . . . Basically the utility puts forward its application, and it contains whatever alternative ratemaking mechanisms they think are appropriate, but then interveners can suggest their own. Our staff, the Bureau of Consumer Protection, oftentimes we have some of the large casino groups intervene, large grocery store groups intervene, Walmart, and some environmental groups intervene, and all of those folks can suggest other performance-based metrics or other things. The Commission can adopt those or not in its final order, and that is why the company has the . . . Basically, if the Commission puts in too many things the company is not comfortable with, they can just withdraw and we go back to the normal rates that are established through the regular normal GRC [general rate case] process that is done at either just before or at the same time. We actually use that process, and have for years now, with integrated resource planning. When they submit an Integrated Resource Plan (IRP), the Commission can modify it, and if they do not like the modifications, they can just withdraw and then the project that we modified, it is not approved. But they are not forced to do something that they do not agree with. It seemed to work there, and so we put it in this, and it is something that we have done, like I said, in integrated resource planning for years. The company seems comfortable with it, or at least in that arena, has been comfortable with it, so hopefully they will be in this one as well. And before it gets to that, they can ask for reconsideration of a Commission order within ten days of the order being issued, and they can, frankly, in that reconsideration, say you know, we think this one thing went a little too far. If it were here, we would be comfortable with it, but where it is at, it is not. And we can, if we are comfortable with the midway position they proposed, that in that case, we can accept that and reconsideration. It does sort of allow for that, maybe not concretely, but it is buried in the process there.

Senator Daly:

Thank you. And I know the process in order to get it to here, everybody had a chance to look it over, so I was just trying to look at that and make sure . . . I mean, if they are not objecting and we have got it to here, I did not see anything in that stuff, but it just seems to me that it is a one-sided negotiation almost and they got to put in their rate. They have to justify all of the things in order to get their rate and all those things, and there is a bunch of statute on what they are allowed to do and what they are not, and you guys are the check and balance on that. But it just seemed to me that if you say, well, we are going to check, but there is no rebuttal. It just seemed funny to me.

My second question is a little easier. Section 23, you have a new date, talking about May 1, 2026. Each electric utility shall file with the Commission a petition, joint, another electric utility. Is there enough timing on all that stuff? When I looked at it, I think my concern was, is there enough time for them to do all of this stuff? And again, they have got through to here, so apparently they must think they do. It is just . . . Why are we changing the date? What was not working before, or is it just making your system better by changing it to that date?

Mr. Crano:

These regs have been going through the process for quite some time. I think the original date was May 1 of 2024, and we obviously did not make that. We had changed it to 2026,

and the company was comfortable with that. I am sure they are already working on their list. I believe they plan to try and file an alternate ratemaking plan along with their normal GRC later this summer, so they would have to get that list of metrics in place before then and they seem comfortable with it. But if they are not, they can file a request for deviation, and if they file and say we are not going to file an alternate remaking plan until January so can we have until September or whatever to file the metrics, of course we would grant that.

Senator Daly:

Understood. And I am not trying to hold up your regulation. It will go through, but May 1 is Friday.

Mr. Crano:

Yes, sir.

Senator Daly:

Hope we have enough time. They anticipate you getting it done.

Mr. Crano:

I hope so, too, sir.

Senator Daly:

Because Friday is Friday. That was all the questions I had, Madam Chair. If nobody else has any, when you are ready for a motion, let me know.

Chair Jauregui:

Thank you, Senator. Is there anyone else in Carson City who has questions for the PUC? Seeing none, I will check down here in Las Vegas. Assemblymember Hafen?

Assemblymember Hafen:

Thank you, Chair. I had the same question as Senator Daly regarding the May 1, but the deviation answered my question. And I did just want to go on the record to state that I do own and operate a small water company that is regulated by the Public Utilities Commission. However, these regulations are regarding electric utility companies, and so there is no direct or indirect impact on me. So, I will be participating on this one. Thank you.

Chair Jauregui:

Thank you. Senator Daly, would you like to make a motion?

SENATOR DALY MOVED TO APPROVE R182-24.

SENATOR DONDERO LOOP SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

Chair Jauregui:

We can move on to regulation R202-24. Senator Daly, would you like to lead us with questions?

Senator Daly:

Yes, thank you, Madam Chair. I am going to ask again some of the questions, just foundation for me. As I recall, some of the things that were changed in the last session, because we brought or changed gas to more parallel what electric does. Because if I recall—and some of the experts can tell me if I am wrong—the gas company did not have a requirement to do a general rate change as often, and now they are under a three-year cycle, as I understand. That is part of what was changed in these regulations, kind of parallel what you were doing on the electric side. Tell me if I am misunderstanding that.

Mr. Crano:

Senator, they were not actually required to file a general rate case, really, with any time frame. They had to file a depreciation case every six years. The best place to do that is in a general rate case, but generally, they took about five years or so to do a general rate case. But yeah, and in this last session, SB [Senate Bill] 442, I believe, also instituted, allowed alternate ratemaking for gas utilities as well. And I will, actually next week, send the regs over to LCB for preadoption review on that. But I have comments due on the fourth, on Monday, and after that, I will send them over to LCB for preadoption review. But yes, so it sort of brought it more into line with electric. Yes.

Senator Daly:

Thank you for that. The question is in Section 15. If I am reading it correctly, it seems like gas is treated differently than electric in that section. It is pretty short; there is a subsection 1 and subsection 2, but it seems to me that gas is treated differently than electric, and I do not know why. I guess I am asking what is the justification for that?

Mr. Crano:

Senator, thank you. Yeah, this is just these regs. The R202-24 deal with resource planning for gas utilities. Before that bill and these regs, gas utilities just filed an informational report. It was filed, the dockets opened, accepted the filing, and closed. It was just here is what we are going to build in the next three years. The bill that this responds to in these regs in front of you today institute an integrated resource planning process for gas utilities that is very similar to the electric. And Section 15 here just basically says you cannot file an IRP and a GRC at the same time because it just overwhelms staff, the interveners, and the company does not really have the resources to prosecute those two cases parallel. And so, it just . . . File a rate case, file an IRP, just do not do it at the same time is basically all 15 says.

Senator Daly:

And again, same thing. These went through the regulatory process. People had time to comment. I am just trying to make sure I get it. Section 24, we lower the number from \$10 million down to \$5 million. If I am thinking of that, there is going to be more projects now that are subject to the major facilities deals. How many more facility projects do you think will come under this review now by lowering that number? Not that I am saying it is a

bad thing, I just was curious how many more are going to come under, in line with the requirement?

Mr. Crano:

Thank you, Senator. Quite a few actually. Gas is, well, it sort of depends on the project. Gas, depending on the size of the pipeline . . . I just did a gas Integrated Resource Plan. Just had the order adopted by the Commission two weeks ago, two weeks ago today, and so a good number of the projects in there . . . The gas, if you get the large pipeline, large diameter pipeline in a populated area, it costs about \$1 million a mile to install a new gas pipeline. Anything, the next trip, instead of being able to go nine miles without it coming in, now it is four and one-half, I guess, that they would be able to go without it coming under that. So, quite a few more. I do not have a number that I could give you, but yes, you are correct, probably quite a few more.

Senator Daly:

Thank you. I just was curious. I did not figure you could give me an exact number or anything like that, and I know, depending on the diameter and where you are at, putting in a mile pipeline is expensive. Are you going to get extra review, more eyes on this, and more consumer checks by lowering that number?

Mr. Crano:

Yes, sir. Like I said, in the case I did, that went to hearing in February, and we had the Bureau of Consumer Protection was there, there were intervenors in the case, our staff was in the case, and I had a team of folks that looked at all of the projects they put forward in great detail. And a number of them were under \$10 million, but most of them were over \$5 million. There was one that was \$3.5 million that they brought in anyway because it was a little sensitive, but yeah, there are more projects. About half the projects in that IRP would not have been there if it was a \$10 million threshold instead of \$5 million.

Senator Daly:

Thank you. And last question. Another thing we are not going to solve today. I know it has been an issue, but I do not know if you have any comments. I know there seems to be . . . It seems gas is different than electric in this way on . . . But we have a resource plan, and we are going to approve that you can go forward and build out whatever to supply, et cetera. In these larger facilities, you are going to come under review and you are going to say yeah, you can go forward, but, and that is separate from the prudence question when they come back with the rate case and the various things, and they say, hey, now we need to get reimbursed for this and you said we could do it, but you are now going to disallow the expense. I learned a lot last couple of sessions on what goes into that—depreciation and this should have been already part of your cost, et cetera. It just seems to be an ongoing issue that, in my view, is not completely resolved and seems to be different than electric.

Mr. Crano:

Thank you, Senator. It is getting more similar. The gas IRP, they do get some prudence determination in the IRP, now that that is a thing. Yes, you are right. Back in the day when they were just doing the informational report—because it was just a report and there were not really any processes on it—they did not get a prudence determination there and they would have to prove it all in a general rate case. And now in the IRP, they do get some prudence review. In the rate case, when they come back to recover the costs, they have to

show that they built it prudently, but the determination to build it was already judged prudent in the IRP. They have to just show that they met all the requirements, 443, using prevailing wage, various other requirements, to make sure that they did not get the green light to build it and then just gold-plate the thing. They still have to build it in a prudent manner. And we do that with electric in the GRC, as well, they still get the prudency determination in an Integrated Resource Plan like gas now does. They still have to show that they built the facility prudently, in a prudent manner, in a rate case in order to recover. It is more in line now than it was, but it is still a little different, but it is more.

Senator Daly:

Thank you. Because I think the way I understood it—and I talked with both sides, I talked with PUC, I talked with the gas companies and various things—is that it created an unknown, which created a hesitancy to possibly do some upgrades or do some maintenance type of work, because it was unknown whether it was going to get approved on the . . . Now I am going to get the return for the investment under the prudency rule and before . . . If we are getting closer, that is good. I still do not think it is solved all the way, but that is why I asked the question. And it is not exactly on parallel with electric, and I will talk with as many people as I can and see if we can get all the way there. Those are my questions, Madam Chair. Thank you, and if you are ready for a motion, let me know.

Chair Jauregui:

Thank you, Senator. I am going to check to see if any of the other members have questions. Is there anyone else in Carson City with questions? Seeing none, Assemblymember Hafen?

Assemblymember Hafen:

Thank you, Chair. I just wanted to make the same disclosure again that I do own and operate a regulated utility regulated by the Public Utilities Commission. However, it is water- and sewer-related and this regulation is gas-related, so I will be participating in it. Thank you.

Chair Jauregui:

Thank you. Does anyone in Las Vegas have questions? Okay, seeing none, Senator Daly, would you like to make a motion?

SENATOR DALY MOVED TO APPROVE R202-24.

SENATOR NGUYEN SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

Chair Jauregui:

With that, we will move on to our next regulation, which is R027-25, and I believe that we have the State Engineer in Carson City to answer questions. Oh, I believe he is on Zoom?

Senator Daly:

I think they are up here.

Chair Jauregui:

Looks like they are in Carson City. Senator Daly, when you are ready.

Senator Daly:

Thank you, Madam Chair. I did call and talk to our LCB a little bit about this regulation, so I think I understand some other stuff. I am just looking at it. When I look at issuing a well drilling license by reciprocity, I do not think I have ever seen that in a regulation before. It is generally done by statute. And then there is a lot of things that we look at besides just do they have another license. And I do not want to get reciprocity confused with compacts because it is a whole different issue, but generally, we do want to say, hey, are we going to be put on notice from another state if that person has complaints against their license within a certain period of time, or, we got them licensed here in Nevada and they get a complaint in their other state, are we going to be notified? None of that seems to be in here on that part.

And then, from what I understand and was told, the State Engineer—and maybe our Legal Counsel can clarify if I say something incorrectly—but said technically I guess the State Engineer is not subject to 233B for the regular regulatory process. You guys came as a compromise because LCB said we are not going to do this if you do not do this. I understand you can go forward with it; I am just not comfortable doing this by regulation. I think it should be done by statute. I think there should be more parameters around it and all that stuff. But the law does say—and maybe Legal Counsel can correct me again—the law does say that the State Engineer can look at the qualifications of the person in regards to issuing the license. It is a bit unusual on where we are at. I still do not like to do this by regulation, so I probably will not be supporting this one, Madam Chair, but I would like to hear what you guys have to say in that regard. I do not know what my colleagues think, but I think it has got to be done by statute.

Chad Walling, P.E., Manager II, Office of the State Engineer, Division of Water Resources, State Department of Conservation and Natural Resources:

I am not the State Engineer but representing the State Engineer. In my position, I did this through the regulation process as a response to the Governor's executive order a couple of years ago to revise and revisit our regulatory requirements pertaining to licensure. We do have statutory requirements and minimums in there but were further directed to work with our advisory board, Well Drillers' Advisory Board, to adopt regulations pertaining to qualifications of applicants and the process for obtaining a license. It was in a combination with, and in coordination and communications with the Well Drillers' Advisory Board that we came to the language that we presented here. To your concern or question, I guess, whether it is done in statute or regulation, is not one that I can answer definitively for you. That is a little bit of the backstory of how we developed this, where we are.

Senator Daly:

Thank you, and I understand, and maybe the State Engineer should have been here, but that is neither here nor there because maybe you cannot answer this question. Are you guys opposed to doing it by statute rather than by regulation?

Mr. Walling:

I think you are correct. That is a better question for the State Engineer. In my capacity, when I was developing this, I think that the autonomy that it gives us and our staff to work with our applicants that are seeking to obtain licensure, we do have checks in here to seek and request information from both the applicant and the other states that they hold active licenses in. Some of those questions about any disciplinary actions or what the status is, what their limitations are, basically to assure that we are not issuing a license through reciprocity that they have not demonstrated their skills and ability to be able to perform.

Senator Daly:

Thank you. Some of my colleagues have heard me say this before, maybe you have not. I understand the intention that you can ask the questions and those types of things and you guys are in a unique situation where you do not really need this regulation to do some of this stuff, although, I am glad that you want it. And I understand the intent and various things, but when it comes down to it, I do not operate off of what the intent is because anybody can come back to me and say that is not what the words say. I had this great intent, you can tell me this was the intent, we have this ability, but that is not what the words say. It is not there; it is not written down; did not happen. And I understand about the Governor's request to review your regulations, and this is not the first time I have seen a bad idea come out of that process, but that is nevertheless.

Last question, I guess, is you went to the Advisory Board [inaudible]. Is there some big shortage of well drillers in Nevada that we are unaware of? Is there things that are not getting done because we do not have licensed well drillers? It would be a new revelation to me. I have not heard anything about it, but maybe I just have not heard anything about it.

Mr. Walling:

Thank you again for the question. That is a hard thing to quantify. We hear through hearsay, we know that our . . . The feedback I hear back are our well drillers, well drilling companies are not short on work. They are scheduled pretty far out, so I think there is a high demand. And I think there is interest from our well drilling companies. We have had—I do not have exact numbers—but the sense I get is we have had an influx of applicants seeking licensure, testing for licensure, trying to get into the profession. And we hear from a lot of the business owners that good well drillers are hard to retain. I do not think it is that there is a shortage necessarily, but there is a demand.

Senator Daly:

Thank you, and another thought occurred to me when we do this by statute. The other thing that we generally would have in there, that I do not see here, if we are doing statute is, if we are recognizing them, are they going to recognize us? And I do not see that here, and I do not think it is anticipated. It is a one-way thing. To me, we are going to be importing workers and companies from other states, and I do not know that that should be our first choice in the process. If we have reciprocity to go the other way and drill wells in Utah, or Arizona, or California, I do not see that here. I do not know if they have that already, but generally that recognition goes both ways, and I do not see it. Again, I do not know if you can answer all of that stuff. You did not say there was a shortage or big demand and all this stuff. There is not a lack of work. People can get licensed, and it seems to me that the next roadblock, or hurdle, or choke point is going to be getting their contractor's license and then you are going to want to expedite that. And I do not think that is the right way to go either.

It is a higher hurdle, I think, to get your contractor's license and make sure that you have all those qualifications as well. It is a two-part process.

Anyway, I am not going to support this by regulation. I am hoping you guys withdraw it, maybe, and try to do some legislation in February.

Chair Jauregui:

Thank you, Senator Daly. I do have a couple of questions as well, but I want to go to the members first. Are there any members in Carson City who have questions?

Senator Titus:

Madam Chair?

Chair Jauregui:

Senator Titus.

Senator Titus:

Yes, thank you, and thank you for being here. I actually do support it. I think the legislative process can be somewhat cumbersome, and when there is a need, I like the regulatory bodies to be able to have some authority with our oversight, which is why we are here today. My question revolves around the types of drilling operations. Will this affect—because there are different types of wells that are being drilled from commercial to agriculture to domestic—does this affect all of those types of well drillers?

Mr. Walling:

Thank you for the question. When we issue a well drilling license for water production well, we can implement limitations by types of well, or a number of different reasons that we can limit the license, but this is universal across for all of our applicants. If there is a limitation, if somebody is seeking reciprocity, and if there is limitations on the state that they are seeking reciprocity from, we would carry those forward.

Senator Titus:

Great. Thank you, and can you tell me what the liability and the responsibility to the citizens or companies that they are drilling for, that is going to remain the same, you have the oversight. The fact that you are giving license, they are still held to the same standard and same responsibilities, correct?

Mr. Walling:

Yes, absolutely, and if I may elaborate on the language here a little bit. It is not a simple apply for reciprocity and prove that you have a license and you get it. We have actually used some data to drive the . . . We are still going to require those applicants to come and sit for our written examination. We have a two-part examination; currently, a written exam and an oral interview in front of our Advisory Board. We have raised the minimum passing score for applicants seeking reciprocity from our standard 80 percent to 87 percent, and that is because we looked at passing scores of our applicants that went before our Advisory Board and determined that the applicants that were coming in and scoring above, well above the minimum passing score were largely successful, with maybe one exception,

in front of our Advisory Board for applying for their license. The purpose of this and the intent behind it, the language, is that by holding licenses that are similar or comparable to how Nevada issues a license currently in another state and demonstrating that they know our regulations well enough to score an 87 percent or higher, which is what our written examination is largely based on is the regulations, the State Engineer and our Advisory Board should have a pretty high level of confidence that this person is qualified as a well driller and that they have demonstrated a superior knowledge of our regulations to issue them a license without sitting for an oral interview in front of our Board.

Senator Titus:

Great. Thank you. My grandfather and my uncle were the well drillers in Smith Valley for literally decades, so I am very familiar with process and well drilling. What kind of numbers . . . Because it is my observations, there is a limited number of drillers out there. People do wait a long time. In our valley, we have had to drop some wells; water tables are dropping. What kind of numbers are you looking at as far as availability of well drillers?

Mr. Walling:

Because different well drillers have different specialties, that is hard to say. We currently have somewhere—I do not have the exact number—but there is somewhere around 320 licensed well drillers in the state right now.

Senator Titus:

I know folks in my area, when they start sucking sand and they need to have a driller drop their well some, it has been some difficulty getting folks.

Final question if I might, Madam Chair. Just confirming that none of these regulations . . . We are worried about overallocation of water, all of these things. Nothing in this regulation changes the amount of water that we have supplied. These folks that are drilling these wells, the people have to have appropriate authority to use that water. They have the water rights, and this does not change any of the issues with overallocation?

Mr. Walling:

Thank you for the question and the clarification, and that is absolutely correct. This is only touching licensing of a well driller. Any water right permits, any requests to drill a well, all of those will still follow the channels they always have been.

Senator Titus:

Great. Thank you, and thank you, Madam Chair.

Chair Jauregui:

Thank you, Dr. Titus. Is there anyone else in Carson City with questions?

Assemblymember Hansen:

Yes, Madam Chair.

Chair Jauregui:

Assemblymember Hansen, please.

Assemblymember Hansen:

Thank you. Thank you for being here. I just wanted to add a little bit of context. I am a licensed realtor in Nevada and most of my work is in the Reno-Sparks area, but I also represent a lot of rural areas in northern Nevada. And just from experience, when you mentioned that you do not know if you could definitively say there is a shortage but certainly there is a demand, I just want to verify that I have seen that to be true. When we deal—and we do have a lot of wells in the areas that I represent—a lot are on city, but we do have a lot of the outlying areas where people are on five-acre, ten-acre parcels on wells. When I have a real estate transaction, it always will involve a well inspection, and those well drillers, which, to my knowledge, there is about five in the whole area that I represent in the Reno-Sparks area, Truckee Meadows. That is always the very first concern in a transaction with an escrow with a closing date because if we cannot get the well company out to verify and do the inspections, it strings out the transaction. And then, they are also doing the work for people in new construction that are building a custom home, things like that that require the actual well to be drilled. Because we have had a lot of growth in our area, many people are having to drill deeper in their wells. I just wanted to put on the record that there is this very strong demand, especially in the Reno-Sparks, northern Nevada area, and so I support the regulation and appreciate you helping us to have an understanding. Thank you, Chair.

Chair Jauregui:

Is there anyone else in Carson City? We will go to Member Hafen next.

Assemblymember Hafen:

Thank you, Chair, and thank you guys for bringing these regulations. I, too, appreciate it. I think in the Pahrump Valley there are about 12,000 wells, and I am only aware of about 3 well drillers, so definitely a need out here. But I did want to clarify on the 87 percent versus the 80 percent. If they apply for the—we will call it the “expedited process” where they are required to get the 87 percent—if they do not meet that, can they resubmit under the—we will call it the “current process” that requires the 80 percent—or would they not be eligible for applying under the current procedures?

Mr. Walling:

Thank you for the question. The way that we have been implementing this—and we did these as temporary regulations almost a year ago or about a year ago—so we have had some time to adjust to them as well. If an applicant seeking reciprocity scored above an 80 but less than 87 percent, they would default back to our standard procedure, and we would still call them for an interview in front of our Advisory Board. They just would not be eligible for that expedited process. And the other point I will make on that, too, is that we are giving them one attempt. We have applicants that will fail below an 87 percent, or excuse me, an 80 percent and miss the minimum passing score at all, and if they were to come back again and say they scored a 90 percent, we would still have them go before our Board because that initial attempt did not meet our requirements.

Assemblymember Hafen:

Thank you, and thank you, Chair.

Chair Jauregui:

Assemblymember Watts.

Assemblymember Watts:

Thank you, Chair. The previous response brought up a question for me. Based on what you said, my understanding now is that this is something that your office has already been doing for a year under temporary regulations. Has there been any change in the number of licensed well drillers, or in the backlog or the time delay that it takes for people to get wells drilled, since it sounds like this is something that the agency has already had implemented for 12 months?

Mr. Walling:

Thank you for the question. There is nothing contained in the regulations that influences the speed on which the current well drillers can operate. And truthfully, when a request to drill a well comes before us, we really do not know how long they have been working with their client on their project. That is not a question that I can answer for you, unfortunately.

Assemblymember Watts:

Thank you, and maybe I did not lay out the question properly, but in trying to understand the justification for this, you discussed, essentially, the high demand that we are seeing, and that the idea of trying to create this reciprocity through a regulation and not through bringing a statute forward is trying to kind of relieve that pressure and allow more folks to more quickly be able to drill wells in the state, and that that will hopefully address the overall demand that can lead to backlog. I am just trying to understand, has there been any significant change or impact as a result of having this temporary regulation in place for the last year?

Mr. Walling:

Thank you for the question, and to date, we have had—I do not know that number with me—we have had a number of applicants from other states apply for reciprocity, and we are currently processing our first one that would be eligible. These were concerns that were raised by our Advisory Board and in some of the drillers in the community and in the industry, that we do not want to just create an opportunity for underqualified drillers, whether they hold a license in another state or not, to get a free pass, so to say, into Nevada. In the industry and in the community we have a pretty established standard of minimum qualifications and licensure process to obtain a license, and we wanted to create this opportunity to give well-qualified drillers from other states an opportunity to get through the process without sacrifice to that standard of qualification that we are known for.

Chair Jauregui:

Seeing no other questions from my colleagues, I do have a couple of questions as well. Thank you for being here to answer them. I want to start first by going over the documentation that you submitted. You have said that this regulation was needed because of the onerous regulatory barriers when it comes to getting a license. Can you walk us

through what those onerous barriers are? If someone from another state wants to come and they have a license in another state and they want to apply for a license in Nevada, what does that onerous process look like?

Mr. Walling:

Thank you for the question. To answer that, I would point that these regulations, the only purpose, excuse me, the reciprocity language or creating a pathway for reciprocity is not the only thing that is being addressed with these regulations. The consideration of what we would consider potentially onerous barriers is more of a revisit and a cleanup of our existing regulations that have been adopted and in place for many years. For example, for a long time we have required a pass-fail requirement for a well driller to get their license to identify a point on a map using basically a USGS [United States Geological Survey] map. And in our discussions about preparing these regulations and referring to the Governor's executive order, we felt that it was an unnecessary barrier to have a well driller identify a point on the map and if they failed that process, potentially be denied a license to drill wells. This has a part to do with advancements in GPS location if we needed to find where a well application was being submitted for and we asked for GPS coordinates, that satisfies that same condition that previously we would need to rely on paper maps and locations for. Cleaning up some of that existing language is more about what we are trying to revise some of these onerous barriers.

Chair Jauregui:

Thank you for that answer. And then, I want to go on, specifically focus on the reciprocity part because you had mentioned in answering one of the questions that it is a two part to issue that license through reciprocity, but it is really only one part because it is just mandatory written test unless they score below that 87 percent, then it is the oral test as well, so it is not a two-part test automatically for everyone.

And I want to touch on the availability of well dwellers. You had mentioned that you do not have the number of people who have actually come in and tried to apply for a license from out of state, but you had mentioned in the last 12 months, you guys are in the process of removing your first one. It does not seem like there is a high demand for reciprocity if you guys are just reviewing your very first application. And I tend to agree with my colleague from the north that since there is not that demand that we need to meet right now, because there is not a flood of applications coming in for people seeking reciprocity, that this could be a discussion that is had in February during the legislative process.

I also had concerns with Section 2 (1) (b), and this is the question I want you to answer because you are removing the language that requires that two years of experience be in the immediately preceding five years. If someone wants to come and seek a license for reciprocity—and I am in favor of reciprocity, but I am in favor of doing it through the legislative process—they could have practiced, you know, eight years ago. Their two years of experience could be sometime, anytime in the last decade, and they would still be eligible for reciprocity under these regulations. Could you explain why you are just removing that the two-year experience be within the immediate, preceding five years?

Mr. Walling:

Thank you for the question. And one clarification I would like to make is that we are not now reviewing our first application for reciprocity. We are processing our first applicant that has met the requirements and has—I believe he scored a 97, or excuse me, a 90 percent on

our written examination—so we are processing his application to waive that requirement that he appear before the Board. We have received, I would estimate, about a dozen applications for reciprocity. Many have scored very poorly on our written examination, well below our minimum passing score of 80 percent, and so they have not been eligible through that process.

To the question about the immediately preceding five years of experience. That is not exclusive to reciprocity, that also is applicable for . . . Actually, it is more applicable for a new applicant seeking licensure for the first time in Nevada. In the language for being eligible for reciprocity, we require that that person for reciprocity hold a current license in the state that they are licensed in for at least two years, an active license for two years, before they would be able to apply in Nevada. So, a little bit different processes. The regulation here in 534.280 is for a new applicant. And there is a couple of points to make. One is it felt overly prescriptive to have such a regimented time frame on when that experience could be acquired. And the very next sentence in there still gives the State Engineer discretion to determine whether the experience that they are providing to us on their application is satisfactory and appropriate for the license that they are applying. It felt like it was too prescriptive and too restrictive of our office to look at an applicant's entire history of experience rather than just the last five years.

Chair Jauregui:

Thank you for that and I did read that following sentence, but we do not always know who the State Engineer is going to be and giving that discretion to somebody who is an unknown is also concerning. Just to confirm, you said in the last 12 months you have only had 12 applicants, and you are processing the only one that met our standards that scored over, I think it was 97 percent you mentioned. So, you are already handing out reciprocity. It is already being done. We have only had one applicant who is eligible, and so I do not see this as something that is an emergency that would require it to go through Legislative Commission. I understand removing some of the red tape from the other regulations for Nevadans who are applying for licensure. I would just encourage you to maybe come back to the June IFC [Interim Finance Committee] [sic] and bring back those regulations, maybe cleaning up the red tape for licensure here in Nevada and work on the reciprocity part during the legislative session that is before us in 2027.

Members, with that, I am going to pull this regulation for consideration and ask that the State Engineer's Office come back in June with regulations. Thank you. Thank you for being here to answer questions.

With that, members, we are going to move on to the next regulation, R050-25. I believe Senator Scheible pulled that regulation. Senator Scheible, as soon as we have the state agency before us—and I believe that is the Commission on Mineral Resources and it looks like they are getting ready to set up at the table—you can begin with your line of questioning.

Senator Scheible:

Thank you so much. Thank you for being here to answer a couple of questions. Hopefully this will be quick. It is just really one question about the confidentiality portion of the proposed changes. I understand moving up the filing date, but I just was not sure of the reasoning behind the confidentiality, if you could explain that, please.

Rob Ghiglieri, Administrator, Division of Minerals:

Thank you for the question, Senator. The concept behind confidentiality came to us by industry, and the reason behind that is a lot of times this data will be reported into the Division or [inaudible] we are moving this regulation at the same time as the net proceeds reporting. But before it becomes available, they have not done their annual report as a publicly traded company, and they would like to have that information on an individual basis held until that April time frame. The ultimate goal of this regulation is to try to get the information out faster to the public. We saw that as a good compromise to where we would be able to aggregate and provide data of total the state produced X, Y, and Z but not at the individual operation level until after April 15, and that would be after any annual reporting for a publicly traded company.

Senator Scheible:

If I may follow up? That does make sense to me. Is there precedent for that kind of confidentiality that is then "lifted," for lack of a better term, other places in either this industry or others?

Mr. Ghiglieri:

The only other example I would be able to point to would be the USGS also has reporting requirements to these companies, and they actually never report it out at the individual company level. It is always done at a national or state level. But besides that, I would not be able to answer anything past that point.

Senator Scheible:

I think that answers my question. I am comfortable with the regulation because that does explain why those confidentiality provisions are in there.

Chair Jauregui:

Does anyone else in Las Vegas have questions? Assemblymember Hafen? Does anyone in Carson City have questions?

Senator Daly:

No questions here.

Chair Jauregui:

Okay, would you like to make a motion Senator Scheible?

SENATOR SCHEIBLE MOVED TO APPROVE R050-25.

SENATOR NGUYEN SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

Chair Jauregui:

Thank you so much for being here. With that, we can move on to our next regulation, which is R083-25, and Senator Dondero Loop had that pulled. Senator Dondero Loop, as soon as you are ready, you can go ahead and begin with your questions.

Senator Dondero Loop:

Thank you very much, Madam Chair. I just had some questions about Section 1 that is referenced, Chapter 387 of the NAC, and they are amending the new section to read and then they outline some of the vulnerable and historically underserved populations. First, I was curious about number eight, which was, "Children residing in a household with a parent or guardian who is raising a child or children without a spouse or partner to assist in the upbringing of the child." I feel like that is an assumption that you cannot do this alone. I would say probably 50 percent of our parents are alone, and being alone in a household does not mean you do not have a father or a mother that is active in that child's life in another location. If you were in the military, you may very well be a single parent a lot of the time. And there have been a lot of famous people with a lot of money who have raised children by themselves, and I know people right here in Las Vegas who have chosen to adopt children as single people, whether they are male or female. I am just curious as to why this "being single" is singled out.

Amelia Thibault, Management Analyst III, Division Compliance, Nevada's Department of Education (NDE):

I am joined by my colleague, Director Michael Mitchell in Las Vegas, who I am hoping will be able to come forward and provide comment.

Michael Mitchell, Education Programs Director, Office of Learning and Development, NDE:

Yes, thank you for the question, Senator. When we went about creating the criteria for this . . . What it says actually in the NRS is children who are members of vulnerable and historically underserved populations, but without a set definition, there was concern that people would apply that differently throughout the state. Our team goes out and they audit and verify that, and so we do not want to make a decision on the fly of whether we consider that historically underserved or vulnerable populations.

I appreciate what you had to say about single parents. I was raised by a single mother. I am a single dad myself, so I do not think that the intent of this is to single out single parents or to say that those children cannot be successful, similar that we would not say that a child who is in a zip code that only has one- and two-star zone schools would not be successful. However, what we did is we reached out to all of the subgrantees within the Nevada Ready! Pre-K (NRPK) program to ask them what are the things they would like to see or what they would like to put forward. Those were one of the items. We also know that typically, if you are a single parent, your income is going to be, more often than not, lower than a two-parent household, which can either be dual income or just a single high earner.

There can also be complexities just in terms of pickup and drop-off and how that affects the access of childcare. Thinking about those situations, which could lead to a place where children might be underserved, and also hearing the feedback of our subgrantees is why that was included in there.

Senator Dondero Loop:

I am going to push back just a little bit, and I am glad you raised the one- and two-star schools because that was another one that I highlighted. Because you are not married, does that mean you are "single"? I mean, that is the definition. If someone is living with a spouse, a chosen spouse, but not a legal spouse, then are they single? And once again, unless you are going to identify finances within this, how do you justify saying because I am a single parent, I do not have as much money, because I could be making a lot of money and being a single parent. Like I said, I know I probably could rattle off ten single parents right now, and every one of them are doing very well. It is because the parents, even though they are not married, get along very well and they co-raise this child, maybe not in the same house, but they are doing a very good job of doing that and maybe, by the way, even better than some people who are married in the same house. We have situations all the time where there is domestic violence in a home of two people and the children are hauled away. That has nothing to do with single, and married, and everything else. It has to do with who is minding their business. I am just struggling with the fact that once again, 50 percent, probably, of the people in Nevada, or any state, could be single because a lot of people choose to live together now, so they are single by definition of law. And I would also say that while I recognize the one- and two-star . . .

Chair Jauregui:

Senator Dondero Loop?

Senator Dondero Loop:

Yes?

Chair Jauregui:

We are going to take a quick pause. I heard from AVH. It looks like we have lost our Zoom connection.

Senator Dondero Loop:

Okay, thank you.

Chair Jauregui:

We will be in a quick recess.

[The Commission stood in recess.]

Chair Jauregui:

The committee will come back to order. I just want to say thank you to our fabulous IT [Information Technology] team. Just so that everybody knows, this was actually a Zoom software failure, and our fabulous IT team did a great job of navigating around that, and they are working on getting us back to the full capabilities of that Zoom. Right now, we do have Assemblymember Hafen just on audio, and for those who are listening, when we get to the end of the meeting, we are going to take public testimony in person in Las Vegas and in Carson City, but if Zoom is not back up, then we will not be able to take testimony via the phone, so you are more than welcome to submit your written testimony to the committee staff for inclusion. If we are fully back up and running, then we will take phone testimony.

With that, I am going to pick up where we left off on regulation R083-25, and I am going to come back to Senator Dondero Loop so she can finish her questioning. Thank you, Senator.

Senator Dondero Loop:

Thank you, and thank you for allowing me a second round. I guess that when I think about some of these criteria, I do not necessarily see anything financial. And also, when does a parent become a single parent? I can start out as a married parent, become a single parent, or vice versa. I guess I am just struggling with some of the criteria, because if we are wanting our underserved populations to actually be in pre-K, yes, does a homeless assistance team provide that? Yes, I would say that would be, but there are other things in here that I am not sure that . . . I just feel like we need to define the criteria a little bit to make sure we capture all those kids and make sure that we do the right thing because we do want . . . I personally was a kindergarten teacher for ten years, so I know how important this is. I guess I am just struggling with it is not exactly where I feel like it should be. I was wondering if you could just talk about that a little bit. And by the way, are we able to adjust some of this and have more discussion?

Ms. Thibault:

I will just begin with a few quick points before I turn it over to Director Mitchell. The first regarding the single parent. I think the wording here in Section 8 is very careful, "Residing in a household with a parent or guardian who is raising a child or children without a spouse or partner to assist in the upbringing of the child." This does not necessarily predicate that the partner or spouse to assist in the upbringing of the child would reside in the same home. If there were another parent, if there were community supports who were providing other supports to that parent or guardian, that would qualify as a parent or guardian who is receiving support in assisting the upbringing of the child.

I think I would also draw attention to having to define the term *vulnerable and historically underserved populations*. The provisions under Nevada Ready! Pre-K do have other financial provisions that are specifically outlined in terms of how we go about prioritizing those funds, but the term *vulnerable and historically underserved populations* was added towards the end of that list and was slightly more open. I do believe that some of the pieces of information that have arrived on this list, especially during the process of stakeholder engagement, is to capture vulnerable and underserved populations, but to also look at what has been deemed as historically underserved. That is not always going to be the right now, but we do know that many of the kind of groups or children that are presently listed in the regulation have been historically underserved. We do have to take into consideration, not just those children that might be vulnerable or underserved in the present circumstance who are in our present systems, but to also accommodate that the language is specific in historically underserved, and that does tend to be a bit more expansive, particularly around the idea of single parents or parents who might not have community assistance, or partnership, or even other parents who may reside outside of the household, but are still providing that partnership in raising the child. To that, I would then turn it over to Director Mitchell for additional comments.

Director Mitchell:

Thank you for the opportunity to further answer this question. Going back to what Amelia said, there is four eligibility criteria for Nevada Ready! Pre-K. The criteria you have today are just to define the fourth criteria. The first criteria is children who are four years of age whose household has a household income, which is not more than 250 percent of the

federally designated level signifying poverty. That is the first criteria we look at. Second, who have an individualized educational program (IEP). Third, whose primary language is not English. And then fourth, who are members of vulnerable and historically underserved populations. These regulations will only define that fourth regulation; it will not impact one through three, so the first eligibility criteria will still be income.

I think it is also important to point out that we at the Office of Early Learning and Development work with our subgrantees, and part of that expectation, that work, is that they are also serving children by need. Even the income qualification used to be 200 percent; it moved to 250 percent. But if you have ten spots and you have a child at 40 percent the poverty, 100 percent the poverty line, we want that child served before 249 percent of the poverty line because of that established need. Those processes will not change, and those initial criteria will not change. Those children will also be prioritized in that process.

Just echoing what Amelia said about the language. It specifically does not say single parent for a reason but tries to qualify that. At our centers, at pre-K centers, at our community-based organizations, we will get the family information for pickup. Community-based organizations must scan the ID [identification] of those people that pick up, so we are going to be aware of if there are two people residing in the home.

And I think it is also important to point out that for childcare subsidy in our state, a parent would have to have a max income of \$33,072; for Nevada Ready! Pre-K, a single parent with one child, the max income would be \$52,875. My child's program is \$305 per week. She is in pre-K now, [inaudible] NSHE [Nevada System of Higher Education] institution. That is going to cost a family over \$15,000 a year, if they are staying full-time. When we are thinking about these parents, we are thinking about that parent making \$53,000; \$58,000; \$62,000. That does not qualify for NRPK based on that 250 percent poverty line, but still putting 20, 30 percent of their income would be a big barrier to them and their family.

Just to give some further information, The Children's Cabinet released their *Early Education and Care Fact Sheet* for 2025. I am just going to read from this fact sheet. They marked for our state, the median family income for married couple families is \$112,561; for a male head of household with no spouse present, \$64,942; for a female head of household, no spouse present, \$39,499. The cost of licensed childcare is a percent of median income. For all families in the state is 10.68 percent; for married couples, that drops to 8.62 percent; for a male head of household, that increases to 16.35 percent; and for female head of households, 24.96 percent. I can understand there may be a concern, hey, are we prioritizing the students with the highest need? But our processes and our work with subgrantees will do that because a child who is in poverty, a child who, with an IEP is going to be receiving priority enrollment over, say a single parent who is a high-income earner. But we do see differences in the state based on home composition, household composition, and salary and how much of that has to go to pay for pre-K or otherwise childcare.

I am not sure if I answered you fully, but if there are any further questions, I would love to hear them.

Senator Dondero Loop:

Thank you very much.

Director Mitchell:

If I could just say one more thing. In 2024, NRPK served 3,472 students. That number has increased every year since then. This upcoming school year, we are going to allocate, or we have allocated, 8,500 and I believe 8,532, I believe is the number; sorry, 8,537 is the number. When we had 3,472 kids, 200 percent was the criteria. There was no other criteria. This is the first year there is an expanded criteria where those numbers two, three, and four are included, and it is not only income-based, but income-based is still the first criteria. And with those growth of seats, we feel very confident that we are still able to serve kids at the highest need but also expand up the criteria to ensure that those students are fully enrolled.

Chair Jauregui:

Thank you. And Director Mitchell, I just want to confirm, you just repeated it again, but I just want to confirm that this is already in regulation. The first eligibility requirement is income, and then after income, then you go to two, three, and this would be new four.

Director Mitchell:

Yes, and this number four is in regulation as "historically underserved and vulnerable populations," but there is no definition of what that means. And so, we are using these criteria to define that instead of letting each subgrantee define it for themselves, and then we determine if that was actually an eligible child. If you consider something like income, it is very easy to establish eligibility. We look at the tax forms, we see if it is under that 250 percent of the poverty line, but without a definition here, it would be very difficult.

Chair Jauregui:

Okay, so again, just to confirm, income is already in regulation.

Director Mitchell:

Yes.

Chair Jauregui:

It is income, and then you go to two, three, four . . .

Director Mitchell:

Yes.

Chair Jauregui:

And vulnerable and historically underserved population is already in regulation with no definition, and every grantee is defining it on their own, how they want to define it, and this is just going to make it clear.

Director Mitchell:

Yes.

Chair Jauregui:

Committee members, does anyone else have any questions? Let us go to Carson City. Does anyone in Carson City have any questions? Assemblymember Hafen, I know we cannot see you, but we can hear you. Do you have any questions?

Assemblymember Hafen:

No, Chair. Thank you.

Chair Jauregui:

Thank you. With that, I would be looking for a motion.

VICE CHAIR YEAGER MOVED TO APPROVE R083-25.

SENATOR NGUYEN SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

Chair Jauregui:

Thank you for being here and for your patience during our technical difficulties. Thank you.

With that, members, it takes us to our last regulation for review. We have R084-25 that was pulled by Senator Daly. I believe the Superintendent's Office should be here ready to answer questions, and I see that they are already at the table. Senator Daly, when you are ready.

Senator Daly:

Thank you, Madam Chair, and I have several questions on this proposal, if you will. When I am looking at Section 7, subsection 2, when it talks about the appointments of the people to the Board [Board of Education Service Center], it sounds to me like you guys are giving orders to the appointing parties on what their criteria has to be and none of that is supported in the actual statute. Are these suggestions, or are they orders? And if they do not follow your suggestion, do you reject their appointment, or are the people allowed to appoint who they would like? Cause there is nothing in the statute that requires any preference on anybody.

Steve Canavero, Ph.D., Executive Director, Education Service Center (ESC):

Madam Chair, members of the Commission, thank you for the question. It is a preference. There is no ability of the regulation to direct an appointing authority specific to a certain skill set. These are preferences, and in Section 56.5, the Superintendent of Public Instruction, one of the things that they can consider is some of the qualifications for the Board. We just held it at a preference, thinking through what the ideal composition of the Board would be, making those recommendations or preferences communicated to the appointing authority, and then the appointing authority would take those into consideration when they made their appointments. Just a preference, not an order in any way, sir.

Senator Daly:

And that is what I am saying, and you understand statutory construction, at least I do. You have “ands” and “ors” and various things, and you have “may” and “shall,” “must,” and it says that the Governor “shall” give preference to the people that you are offering, and it also says the same thing on the people that are appointed in the statute, I think (b) through (e). You have Majority Leader, Minority Leader in the Senate; Speaker and Minority Leader in the Assembly. The only one I think you have purview over to say is the one that the appointment from the public education folks. When you use the word *shall*, and I hear your words here, but that is not what the statute says. It says that they “shall” give this preference.

Executive Director Canavero:

I can say, as it has been implemented, there has been, I think, the appointing authorities have given consideration or preference to certain candidates, but so far, we have six of the seven members appointed and that has gone without any . . . We have not weighed in—at least I have never weighed in—to say that this particular preference was not met with this candidate. We just have accepted the appointments.

Senator Daly:

Understood. But again, intentions versus what the words actually say. What do the words actually say? Says you “shall” give preference, which means to me that at some point you would be able to say they do not meet this criteria. When we get further down in, to me, it seems like it would set up a barrier or a process where an otherwise qualified principal or teacher that were at a Level 3, 2, or 1 school—not even that that is a requirement that there be a teacher or a principal in the statute—but hopefully you are going to people with expertise. But it leads, to me, is that it is almost like we are setting this up. People are going to read these, they are going to think it says that they have to, and these are my qualifications, and if you are a principal or a teacher at a lower level than the two highest tiers, the way this reads, is they are not eligible. And you said you would not reject if they did not follow your criteria, so I am saying why are you even putting it in there?

Executive Director Canavero:

Great question. When we did the research, or at least when I looked at the 40 other states who have these intermediates, like the Education Service Center in Nevada, sits between the state and the school districts to provide service and support to the districts. There was sort of a theme around the types of capacity that the boards held and that we wanted to have that capacity, that experience here in Nevada. So that is the rationale behind requesting appointing authorities review these capacity, the skill sets and capacities that individuals have as a preference, not as a requirement, in making their appointments. Thus far, it has worked out fantastic. The six members of the Board who have been appointed thus far bring unique skill sets to the Board including: finance, district operations, high school principal, K-8 principal. I think, from my perspective—again, I do not have any authority to reject an appointment—but from my perspective as the appointments have come through, it seems like appointing authorities are very considered when they work through who they select for this body.

Senator Daly:

Thank you. If we can get past the Section 7 issue, when we get down to Section 8, if there is a vacancy that occurs, somebody is going to be putting a list of recommendations

forward, and I am sure you are going to use this criteria on what your preference is. And you are going to exclude—we could use the word *discriminate against*—other qualified people at lower-level schools because you are going to say, hey, we are going to give you two names, a list that is prepared. You say not less than two; I think it should be a higher number, maybe not less than four or something like that. But when you are making that list, you are going to follow your preference, and you are only going to give them names. And in my view, it is discriminating against otherwise qualified people at lower-level schools when the statute, again, does not support any such preference. And when you use the word *shall*, it still means that you “shall” do it, unless you have got a different definition of *shall*. And in statutory construction, even though there is just a regulation no longer applies to the word *shall*, I am not seeing how you get around that they have to do it. And you are telling me this here today. And it is going to be on the record, and we can go back and look at the history of what we are talking about, but that would not prohibit a future administrator or person in your position from saying that look, I interpret it differently. I know what my predecessor said, but it says I am going to reject you because it says right here that you “shall” give this preference and you did not do it. So, I am not accepting your nomination. You say I do not have authority to do that, I agree. You do not have authority to tell them what the preference is in the first place. If we put it in regulation, then we are sanctioning that, and I do not think we should.

Executive Director Canavero:

Thank you, sir. Just in response, I believe that the Superintendent of Public Instruction in constructing a list if there is a vacancy, would likely look at the composition of the Board and make recommendations to the appointing authority around a particular skill set or experience that would add or contribute to the Board's ability to be responsive to district and charter school needs. Now again, that list, just like the preferences, is nonbinding. If an appointing authority ultimately has, the appointing authority ultimately has the authority to choose their appointment, this is just an attempt to try to round out a skill set that we think, based upon experience and based upon looking at others across the country, would bring actionable, relevant skills to the Board. But again, preference, not necessarily a requirement. I think we started with the requirement and LCB said you cannot do that, so the preference language came out of that discussion.

Senator Daly:

LCB should have left out the “shall” part and said, hey, we are “recommending” this preference would have been better than you “shall” use this preference. And I understand. Tell me then, what is the measurable skill that a higher level principal or teacher has who happens to be in maybe a better neighborhood, a better area of town, you know, more involved parents, than a principal or a teacher at a Level 3, 2, or 1, school? What skills do the one over here have that these principals and the other schools do not have?

Executive Director Canavero:

One of the things that the idea behind identifying a teacher or principal educator who has led a high-performing school is to sit on the Board. One of the aspects or one of the required services and supports that the Education Service Center would provide is in fact improving student outcomes. If you read through some of the list, there is some finance, some efficiency work, and improving student outcomes. Having the experience of someone—ideally somebody who has grown a school over time from increased performance—would bring a bit of the boots on the ground to the Education Service Center

Board, so as we are designing services and support that are responsive to district need and school need, that we have that voice in the room.

Senator Daly:

I guess I would just disagree with the premise. I have had these discussions over many years in the Legislature. I am not an expert as some other people on our committee today on that, but you can make the argument, and it is a subjective measurement. You can have a teacher at a higher-performing school, like I said, more involved parents, more affluent area of town that brings a student from a C to a B. And they look at that success; is not that great? You are going to have, I think, oftentimes, a better teacher or a better principal at a lower-performing school with more issues to overcome, language barriers, various things. I got a student just to pass. That was a harder lift, and that was more effort, and that is the teacher and expertise that we might want to have on this Board. I just think that it is a false measurement that you are having on these stars in the schools, and I do not agree with the whole premise that just because there is this outcome at this school, that the person at a lower-performing school was not doing just as much work. In fact, maybe even more, and that that achievement just was not recognized or measured fairly.

Executive Director Canavero:

Just in a quick response. I do not think we are totally disagreeing. In a collaborative scenario, an appointing authority could reach out and say, hey, this is what I am really interested in bringing to the Board. I have seen a school, this particular school within my district, move from two stars to four stars or from one to three stars. What do you think about that? I think having somebody who moved from one to three stars in three years or two to four stars in three years would be an ideal person, ideal experience to bring to the Board and to support the Education Service Center. So again, you would love to have a collaborative discussion with an appointing authority, but again, as it is written, these preferences, they would not require an appointing authority to take a particular stance. It is just a view of a rounded-out set of experiences that the Education Service Center Board could strive for.

Senator Daly:

And I hear you, and you are saying that it is a preference, a recommended preference, but it does slant everything in a certain direction instead of looking at the full range, in my view. I do not like the way [Section] 7 is written with the word *shall*. I do not like the we are going to use this preference likely in the recommendation. I think two are too few, so I do not know how we get past those two things today.

My last question, if I can, Madam Chair. Moving on. I would like to look at Section 10, and I have a couple of questions there. Where "Within the limits of available funds, the Executive Director may employ such employees and hire such independent contractors as deemed necessary to carry out the duties . . ." And I have a problem. There is lack of prequalifying on the independent contractor part, cause when I go through—and I tried to be as thorough as I could and, you know, read as much stuff as I could—in SB 460, Section 56.5, sub 6(b), it says that the staff, right in the statute, that the staff of these agency are eligible for public employee benefits, PERS [Public Employees' Retirement System] and PEBP [Public Employees' Benefits Program] and all of that stuff. Where independent contractors would not be eligible for that, and then it also goes down to the section on Section 11, and it refers to the hiring practices under NRS 333 where they are talking about independent contractors, but I believe those statutes primarily apply to

professional employees. I understand hiring lawyers and accountants as professional employees, so I think in that Section 10 there, employees and hire such professional employees as independent contractors has to be there. Without that, I think it is ambiguous. I think they could hire just about anybody they wanted to as an independent contractor, and I think it would conflict with that they are eligible for PERS and the rest of it, and it is just not the employment practices that I have ever supported in any legislation. I am always wary of the use of the term *independent contractor* without some qualification on it, that you are talking about professionals, which does not exist here, which creates another problem for me.

Executive Director Canavero:

Let me take each of those one at a time and talk about the intent. The Education Service Center is brand-new. You created it; we are building it right now. It is currently being incubated, housed in the Governor's Office principally because that is the only really flexible spot within state government. I cannot hire full-time staff members. I have to obviously build a budget and come to you in 27 to do that. One of the ways of building capacity—and it is consistent with the Nevada Department of Education and others in bringing in the services that are necessary—is through a temporary temp agency, which is what independent contractors is referencing. It is us trying to be nimble, trying to be responsive, but also within the limits of how the state operates. We might bring in an hourly employee to help on reporting burden efforts when we are trying to streamline reporting. That is a six- to nine-month engagement, but I could do that under the terms of this particular piece of regulation.

The professional services is very similar, just ensuring . . . In some cases, I did not know how to respond to needs that were raised. I did a full statewide tour in December and January. Met with every superintendent in their office across the state, and most often their cabinet members if they had some, and at least one or two members of their trustees. And essentially asked three main things. First one was just talking about the Education Service Center. It is a new thing, making sure everybody understood what this entity was. The second, what their needs were, and then the third, if we had time, we talked about aspirational needs.

In some cases, we have school districts who are struggling to find specialized staff. School psychologists for students with disabilities is probably one of those that came up the most, especially along the I-80 corridor. And the Education Service Center could play a role, and many of the superintendents would say, well, it would be great if the Education Service Center could actually hire a school psych. We could all chip in, and if I knew that the second Tuesday of each month I have one full day with the school psych here, we will be fully prepared for that. But it enabled them to bring sort of the cost down, but the services would still remain.

And so, the professional services exemption . . . And again, it refers to the—within the constraints of the statute and regulation—but it also refers to the administrator and having a conversation with the administrator to see, well jeez, how can we bring on a school psychologist. Perhaps they could qualify for professional services exemption. We would just delay, I think, the inevitable if I was to go to bid for a school psychologist that could travel the Highway 80 corridors, familiar with every district from Humboldt to Elko, and could be there once a week over the course of a month. It would just delay the timeline, probably find that same person, but here we are just looking at ways that we can maximize flexibility within the confines of the law to ensure that we can stand up the Center and offer direct

services and supports to the needs the districts have. Maybe that is helpful or maybe it is not, but that is sort of the explanation where we are.

Senator Daly:

Thank you, and like I said, I do not have a problem applying that to professional services or psychologists and those types of things. When you mentioned employment agencies, that is where I got the concern. If you are looking at, well, I can just contract out and get this employment agency versus hire a person, FTE [full-time employee] on the payroll, and various things, I do not know if it compares apple to apple. We would want you to hire, and I think it was contemplated in legislation that says they are eligible for the state employee benefits, that you would be hiring people and not temporary agencies. Professionals, I understand that. There is an exemption in law for that already, rightfully so, so you can have that flexibility, but I just do not think it was qualified very well, and it is unclear that it is supposed to apply only to professionals. I do not know if you got any response or not, but . . .

Executive Director Canavero:

I apologize, sir. Do you mind repeating the question?

Senator Daly:

I am just saying that the words do not match what you say your intent is. I understand the professionals being hired, but you also mentioned hiring people through temporary agencies, and those are not professionals, and that is where I think the rub comes and I think conflicts, at least with the statute.

Executive Director Canavero:

Thank you. Again, because we are in the interim, I have no choice. If I were to . . . Because I do not have a PCN [position control number] that is approved by the Legislature to staff an individual, hiring a full-time individual, and it is within the limits of available funding. If I have \$35,000 or \$40,000 to support—and I think the reporting burden is a perfect project to outline—do not currently have enough to support a full-time employee for that particular project, but we know we have work to do in the next six to seven months to support a long-standing project that the state's been engaged in to reduce the administrative overburden by duplicative reports. In order to bring that support or capacity in, hiring an independent contractor, again, like a temp employee, is the way through to ultimately build a budget presented to you in 2027 that then has the positions. The intention is not to rely upon a set of independent contractors. The intent of the Center is to hire capacity, have full-time employees that are delivering needed and necessary service and support to the districts. That is the intention; it is just getting from here to there. But ultimately, it will be a conversation in 2027, or the legislative session, to your point, in February.

Senator Daly:

Thank you for that explanation. Let me translate at least from my point of view on what you are saying. We are in the interim. We may not have money for full-time employees, so we want to put language in a regulation that is not temporary, that is permanent. It is going to be there, and unless the Executive Agency, the Branch, decides to change it later, our only recourse would be to try to pass a law to change it. You did not come and say, hey, I just need to do this until I can bring a budget next time. Those words that we approve are going to be in there, and you are going to be able to hire independent contractors for whatever

position you want under this regulation as written. You understand why when we let it go from here, now it is in your arena. When it comes back to us, entirely up to the Executive Branch. The only thing the Legislature can do would be to try to pass a law to change it. But if the Executive Branch is happy with the regulation and they are going along, it is not that easy to pass a statute, which is why I scrutinize and agonize over these regulations before I let them go when it has some language like this that is unclear, it is uncertain, is not temporary that allows you to do something I fundamentally disagree with. Maybe I can live with it short-term till you get stood up and you come back in your budget next year, but you are not telling me that I am going to, I guarantee you, I am going to come and change this regulation after that next budget. You may not even be in that position next time. And that is the risk we are taking if we allow this to go forward.

Executive Director Canavero:

I hear what you are saying. I am just trying to appreciate the needs that come over the bow that I am hearing from our districts and how to staff those needs. I do not know that I could say . . . It is 100 percent the intention to staff the ESC with full-time folks. I think it 100 percent should be a public entity, needs to remain that way. We are working with the RPDPs [Regional Professional Development Programs] to ensure that we are efficient, we are coherent, and we are collected. I have one particular collected voice of support for our districts and our superintendents. And, I also could see the need for temporary support for a very short-term project that the districts might raise that I would not want to foreclose on. I do not want to mislead you, sir, by saying, oh this is just temporary. Having that option is kind of important in order to be flexible, in order to be responsive. If we can fill that role and have funding with a full-time, then that is the direction we would go, especially if they are skilled and nimble in what they can do. But, there are cases—and I could see it with the reporting burden project; I can even see it on the fiscal work that we are trying to do—where we might need someone over the course of just a few months to help stand up an infrastructure, let us say whether it is online, or it is a reporting, or it is some infrastructure that then they can hand over to the team at the ESC to then implement. I just want to make sure that I am clear with what I think the ESC needs going forward and how I think this language would support it.

Senator Daly:

Thank you. I am hearing you. I am still uncomfortable with it. You know, the road to hell is paved with good intentions. And then once it is passed here, those are the words, and that is the standard, and you know it goes against something I try to protect against in the independent contractors' side of the equation. And then you have the other "shall" and all the other stuff and the criteria that I think are too narrow. Obviously, the political appointees can do what they want, but they are going to only hear from people that are at these higher-level schools, and we talked about that.

I do not think I can support the regulation as written, Madam Chair, so that is all the questions I have now.

Chair Jauregui:

Thank you, Senator. Is there anyone else in Carson City who has questions?

Assemblymember Hansen:

Yes, I do Chair.

Chair Jauregui:

Go ahead, Assemblymember.

Assemblymember Hansen:

Thank you, Madam Chair. Thank you for being here. I wanted to go back to some of the concerns my colleague raised in reference to Section 7, particularly (b) and I think it was (d) in regards to a person who has served or served as a principal of a school in the school district or charter school attained highest or second highest ratings. The fear that there would be maybe discrimination, I want to say that I do not have that concern as I read this because I am familiar with the data of the performance of a lot of the schools in the state. I think it is important that we realize that yes, there are underserved communities. There are schools where they are a Title I school, maybe there is not a lot of parental involvement, but that does not necessarily mean those schools are not high performing. In fact, in the State of Nevada, what makes me excited about this regulation is the opportunity to have people from these high-performing schools. For instance, in Clark County, there is at least five of them that have achieved that top tier Title I performers in Clark County and two of those got national distinction. Lack of income of parents and lack of parental involvement is not necessarily—we know there is some impact—but it does not necessarily tie the destiny of a school to be a failing school, and fortunately, we have some great examples that I am so proud of in the State of Nevada, particularly in Clark County.

With that being said, I think the model that . . . It is just common sense, whether we have our own business, whether we serve as a teacher in a school, whatever the profession is, we want to learn from the best. That would mean that we need the best to be a part of the process or at least those who are having some success, and I think because we have some of these great-performing Title I schools, we have the opportunity to have feedback from schools that do deal with issues that maybe schools in another part of the city or the state might not. I feel confident in the way the regulation has been proposed. I understand “shall” in the sense that we have to give direction, but I am very comfortable with the word *preference* and understand “requirement” was not necessarily advised to be used. Thank you for bringing this. I just wanted to get that on the record that when we talk and worry about doing performance-based, as a selection, I do not see it as discrimination because we do have some really great high-performing schools that fall in the Title I category. Thank you.

Chair Jauregui:

Thank you, Assemblymember. Is there anyone else in Carson who would like to ask questions? Okay, seeing none, Member Hafen?

Assemblymember Hafen:

No, Chair. Thank you.

Chair Jauregui:

Anyone in Las Vegas? With that, I would be looking for a motion to approve the regulation.

VICE CHAIR YEAGER MOVED TO APPROVE R084-25.

SENATOR NGUYEN SECONDED THE MOTION.

THE MOTION PASSED. (SENATOR DALY VOTED NO.)

Chair Jauregui:

Committee members, that concludes Agenda Item IV, review of regulations. We can go ahead and move on to Item V.

AGENDA ITEM V—LEGISLATIVE AUDITS

A. SUMMARY OF AUDIT REPORTS PRESENTED TO THE LEGISLATIVE COMMISSION'S AUDIT SUBCOMMITTEE (NRS 218G.240 AND NRS 218G.615)

Chair Jauregui:

Item V does have two parts to it. The first part is a summary of audit reports that was presented to the Legislative Commission's Audit Subcommittee on April 15. We have with us today, I believe in Carson City, Daniel Crossman, our Legislative Auditor, to present the summary of audit reports, and following the presentation of the audit reports, we will move into part two, which is a summary of the six-month status of reports on the implementation of audit recommendations. With that, I will turn it over to our auditor, Mr. Crossman, to begin part one.

Mr. Crossman:

Good afternoon. Thank you, Chair, members of the Legislative Commission. Under Agenda Item V A today, you will see a letter from Assemblymember Backus, Chair of the Audit Subcommittee, indicating that on April 15, 2026, a meeting of the Audit Subcommittee of the Legislative Commission was held in which five audit reports were presented and accepted by the Subcommittee (Agenda Item V A). Three of these reports are multiagency reports and include audit work and recommendations for ten different agencies. Following the Subcommittee meeting, all Legislators were notified of the release of these reports via email with links to the reports on our website.

During the Audit Subcommittee meeting a couple of weeks ago, we presented a summary of the key findings in the reports to the Subcommittee, answered various questions from the committee members, and engaged in some robust conversation. Representatives from the agencies and school districts also provided remarks and answered various questions as well. Today, I will briefly summarize the key findings from those reports. Please note that the audit reports, the full reports, are available on our website where many more details can be obtained on our findings and our recommendations. Additionally, if members of the committee are interested in discussing any of these reports in detail, we would be happy to find time to do that. We are also available to present any of these reports to any interim committee.

Turning to the next page in the packet is a summary of the audit titled Multiagency Information Security, Division of Public and Behavioral Health, Office of the Secretary of State, Cannabis Compliance Board, and Employment Security Division. This multiagency audit was initiated in an effort to provide multiple agencies with an assessment of some key

IT controls all wrapped up into one audit process. The audit's objective was to determine if the agencies had adequate information security controls in place over information security risk assessments, asset inventory management, vulnerability management, and security awareness training to ensure the protection of information technology systems and the data those systems process, store, and transmit.

In summary, we found opportunities for improvement across all four of the agencies included in our work. The classifications of findings ranged from needs minor improvement to needs significant improvement. Various details on the conclusions reached are detailed in our report, and I will note that none of our findings rose to the level of a significant security vulnerability that would prevent us from including that information in our audit report. In all, we made a total of 27 recommendations in this report to the four agencies, all of which were accepted to help improve information security in the state.

On the next page is the summary for the audit, Compliance with Annual Report of Accountability, Clark County School District, Washoe County School District, and the State Public Charter School Authority (SPCSA). This is the first in a series of audits required of the Legislative Auditor by Assembly Bill 517 from the 2023 Session. The bill includes various objectives. The purpose of this audit was to determine if Clark County, Washoe County, and the State Public Charter School Authority complied with statutory requirements concerning the Annual Report of Accountability and utilized consistent methodologies for such reporting.

We found that the Clark County and Washoe County School Districts and the State Public Charter School Authority—jointly I will refer to them all as the “Districts”—substantially complied with statutory reporting requirements for the Annual Report of Accountability, providing most accountability metrics required by statutes. For accountability metrics within their control, the Districts achieved a reporting compliance rate of 93 percent. And just to clarify, this percentage is of the required metrics that were reported. This is not an assessment of the accuracy of each item reported.

We found some accountability data metrics were not reported due to factors outside of the Districts’ control, such as data that is reported by the Nevada Department of Education, or NDE, or a lack of prescribed instructions from NDE. Required accountability information gives lawmakers and citizens valuable insight into the performance of Nevada's education system. Greater collaboration between the school districts, NDE, and the Legislature would help ensure necessary accountability information is captured and reported.

Next, the Districts generally use comparable methodologies to collect and compute accountability data. To help ensure consistent methodologies are used by school districts, NDE prescribes instructions for each subreport on what data should be collected and how to compute different metrics. However, despite the statewide direction, we identified methodology inconsistencies for three accountability subreports tested. Furthermore, SPCSA relies on a charter school to compile the reported data. Ensuring consistent methodologies are used between districts allows decision-makers to receive reliable and comparable accountability data.

The Districts have established various controls to help ensure accurate and reliable information is reported. For example, the Districts have created units and procedures to collect, validate, and report accountability data. However, we observed areas where controls over accountability data reported can be strengthened. Specifically, SPCSA can improve additional oversight of its sponsored charter school level of accountability data. In addition, accountability data being reported by certain Clark County School District entities lacked

adequate controls, and the Washoe County School District can improve controls over its final reported data to ensure errors are found before submission to NDE. Controls over the collection and compilation of accountability data help ensure consistent methodologies are used and decision-makers receive reliable and comparable accountability data.

We made six recommendations to the Clark County School District, six recommendations to the Washoe County School District, and five recommendations to the State Public Charter School Authority. All recommendations were accepted by those entities.

On the next page is the summary of the audit titled Response to the Opioid Epidemic: Funds and Activities, Division of Public and Behavioral Health (DPBH), Attorney General's Office, and Department of Human Services (DHS). The purpose of this audit was to determine if state agencies are adequately overseeing opioid epidemic response funding, opioid litigation recovery, treatment providers, and statewide planning. This is the first of what we expect to be two audit reports that we will issue out of my office on this topic.

In summary, in this report, we found the following by agency. For the Division of Public and Behavioral Health, we found they play an important role in the fight against opioid use disorder. From 2018 to 2023, over \$115 million dollars in federal funds were overseen by DPBH to help counter the opioid epidemic in Nevada. We found DPBH can improve its oversight of provider activities and payments. In addition, DPBH's oversight of infant care plan preparation and administration was lacking for opioid-exposed infants. Furthermore, DPBH can enhance its oversight of statewide planning and grant preparation support activities. Improved DPBH oversight of funding, planning, and treatment providers will enhance statewide activities designed to reduce the opioid epidemic's impact on Nevada citizens. We issued 16 audit recommendations to DPBH.

Next, for the Attorney General's Office, allocations of settlement funds to the state and local governments were accurate. However, the Office can improve its oversight of opioid litigation costs and contractual amendments. The Office did not identify excess interest charges to the state and some inaccuracies occurred in interest calculations. After we notified the Office regarding these errors and interest calculations, the Office worked with the law firm to correct the interest charges. Additionally, invoice costs were approved for reimbursement even though some costs were unallowable or invoices were incomplete. Proper oversight and review of costs help ensure that the Attorney General's Office is appropriately and effectively overseeing litigation expenses. We issued five recommendations to the Attorney General's Office.

Next and last in this area in this report is the Department of Human Services. We found the Department can improve its monitoring of entities receiving opioid litigation settlement funding and its review of annual program reporting. Specifically, DHS can improve the quality of certain Fund for a Resilient Nevada agreements to ensure Fund recipients receive adequate oversight and provide sufficient reporting. In addition, DHS did not conduct regular site visits for some funding recipients. Insufficient oversight increases the risk funding will not be used effectively or in alignment with program goals. Finally, a public report submitted to the state leadership contained some errors in the Fund for Resilient Nevada expenditures that support the opioid epidemic mitigation efforts. We made three recommendations to the Department of Human Services.

In all, we made 24 recommendations to improve DPBH's management of grants and other statewide efforts related to the opioid epidemic response, the Attorney General's Office's oversight of opioid litigation costs and contracting, and the Department of Human Services'

oversight of entities spending opioid settlement funds. The agencies accepted all 24 of these recommendations.

On the next page is a summary for our report of Government and Private Facilities for Children—Inspections, December 2025. This year's report includes the results of 25 children's facilities we inspected. We had notable findings at nine of these facilities. In each of these, we identified certain health, safety, and welfare issues and contacted the respective licensing agency to share the concerns we had. The various concerns are noted in much more detail in the report by facility.

One of our notable observations in our inspections was a loaded firearm in a facility in an area accessible to children in a foster care agency in Clark County. Our staff requested and observed the gun be unloaded and secured in our presence. We promptly notified Clark County Family Services and agency management about our observations and concerns. The employee was subsequently terminated from employment.

Across the facilities inspected, we also identified some additional concerns that fell under the following categories: notification to physician for medication refusals; fire safety; person legally responsible for consent documents; denial of rights reporting; fingerprint submission documentation; abuse or neglect mandatory reporting requirements; and completion of medication administration records in real time.

As a result of our reviews and based on the licensing agency's actions, various forms of corrective actions were taken for the facilities and homes we inspected to ensure that the standards of care were being met for the children. Through our continued work in this area, we will monitor and follow up with the facilities and their licensing agencies where we have ongoing concerns.

The Audit Subcommittee requested that we provide additional updates to them on facilities we have recently reviewed at subsequent Audit Subcommittee meetings. There are various other details in our reports on the deficiencies that we did note. We also include at the end of that report a couple of recommendations for legislative consideration to formalize the complaint reporting requirements and process and to enhance training.

As I mentioned earlier, we are available anytime to meet and discuss any of these reports and in any detail with Legislators or committees. For these agencies, the 60-day plan of corrective action is due on July 11, which we will then review. The 6-month reports on the implementation status of recommendations are due in January of 2027. These 6-month reports—which I will talk about in a minute on the next agenda item for other reports previously released—those will be prepared in part by the Governor's Finance Office, Internal Audit Division, and some by the audited agencies, all of which are reviewed by the Legislative Auditor's Office to assess the implementation status of recommendations and will be presented at later dates to the Audit Subcommittee and Legislative Commission.

Chair, that concludes my presentation on the audit reports that were accepted by the Audit Subcommittee on April 15 of this year, and as noted in the cover letter, the Subcommittee recommends acceptance of these reports. Thank you, Chair.

Chair Jauregui:

Thank you, Mr. Crossman. Committee members, does anyone have any questions or items for discussion with Mr. Crossman or for the Chair? Seeing none, then do I have a motion to accept the reports as presented to the Commission?

VICE CHAIR YEAGER MOVED TO APPROVE THE AUDIT REPORTS PRESENTED TO THE LEGISLATIVE COMMISSION'S AUDIT SUBCOMMITTEE.

SENATOR NGUYEN SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

Chair Jauregui:

Thank you, Mr. Crossman, and I believe we go to part two now.

B. SUMMARY OF 6-MONTH STATUS REPORTS ON THE IMPLEMENTATION OF THE AUDIT RECOMMENDATIONS BY THE LEGISLATIVE AUDITOR AS SUBMITTED TO THE LEGISLATIVE COMMISSION'S AUDIT SUBCOMMITTEE (NRS 218G.270 AND NRS 218G.620)

Mr. Crossman:

Great. Thank you. Just by way of a quick review, for the reports under today's Agenda Item VI [sic] B, six months after the audited agencies submitted a plan of corrective action, the Division of Internal Audits did perform an assessment and issued a report on the status of the implementation of those recommendations. My office then reviews Internal Audits' assessment, and where we feel it is warranted, we request additional information and hold discussions with the agencies. The six-month follow-up process and Internal Audits' responsibility are defined in statutes. This process was designed in a way to provide for certain Legislative Auditor's independence in relation to Executive Branch agencies in the recommendation implementation process while still providing us for the opportunity to review and assess the implementation status until implemented to the satisfaction of my office as well as the Subcommittee.

Under Agenda Item V B, you will see another letter (Agenda Item V B) from Assemblymember Backus, Chair of the Audit Subcommittee, which indicates that 11 6-month reports were reviewed and accepted at the last meeting on April 15 of this Audit Subcommittee. These follow-ups are on audit reports that were issued in September of 2024 and January of 2025. The letter shows the implementation status of the recommendations for 118 recommendations that were made in those audits. At the time of the 6-month reports issued by the Governor's Finance Office, 57 recommendations were fully implemented, 53 partially, and 8 had no action.

On page 2 and 3 of this letter, you will see the status of these recommendations based on the Legislative Auditor's office's assessment as presented to the Audit Subcommittee a couple of weeks ago. Since Internal Audits' assessments, agencies have made substantial progress in many cases towards implementation. As you can see, after reviewing the updated information, we have assessed 98 recommendations as fully implemented and 20 as partially implemented. We will continue to track the status of these partially implemented recommendations with these agencies as they move forward with their corrective action plans and may ask them to return to subsequent Audit Subcommittee meetings to update the Subcommittee on their progress.

Chair, that would complete my report on the 6-month reports, and as noted on the letter, the Subcommittee recommends acceptance of the 6-month reports.

Chair Jauregui:

Thank you, Mr. Crossman. Committee members, any discussion or questions for our Chair or Mr. Crossman?

Senator Titus:

Madam Chair?

Chair Jauregui:

Yes, Dr. Titus.

Senator Titus:

Thank you very much. These are helpful, and I am wondering, looking through the second part that you presented on how many were implemented, and how many partially, and no action whatsoever on a number of them, which has me concerned. Then do you just circle back at six months and what do we do from here? At that six-month thing, that they have not implemented any of them. Any consequences? What do we do?

Mr. Crossman:

Thank you for the question, Senator. If we are looking at the letter, on pages 2 and 3, none of them had no action at that point. They have all taken some actions on those recommendations, if I am looking at the right thing that you are looking at.

The process, the official six-month process, is defined in statute, and then we do that follow-up, but after that, that follow-up is at our discretion. Now, we have a meeting of the Audit Subcommittee scheduled in August of this year, coming up pretty quick. In preparation for that meeting, we will work with Chair Backus to identify those agencies she would like to return, or we can provide just a verbal update at that meeting to the members of the Subcommittee.

The Subcommittee has already accepted the 6-month report, which is a formality, must occur for those 6-month reports to be completed, but the follow-up continues in perpetuity. In years past, we have had agencies that have drug their feet a little bit, and it is not common, but we have had them come back for a period of a couple of years to multiple meetings to receive some tough questions from members of the Subcommittee. Our goal is 100 percent implementation of recommendations, otherwise, I do not want to make them. There are times when recommendations cannot be implemented for certain reasons, and we are very reasonable. We work with the agencies and understand things can change, but following and monitoring this is very important for us. It validates the work that we do.

Senator Titus:

Well, indeed, thank you, sir. Thank you, Madam Chair, for the question, but thank you, sir, for all you do and watching out. Thank you.

Chair Jauregui:

Thank you, Dr. Titus. Is there anyone else in Carson City? I will echo the sentiments of Speaker Yeager and Dr. Titus. Having had the honor of chairing the Audit Subcommittee, I know the good work that gets done there and the good work that gets done by

Mr. Crossman and his team, so thank you for all that you guys do. Seeing no other questions or discussions, I would be looking for a motion to approve.

VICE CHAIR YEAGER MOVED TO APPROVE THE SUMMARY OF 6-MONTH STATUS REPORTS ON THE IMPLEMENTATION OF THE AUDIT RECOMMENDATIONS BY THE LEGISLATIVE AUDITOR AS SUBMITTED TO THE LEGISLATIVE COMMISSION'S AUDIT SUBCOMMITTEE.

SENATOR NGUYEN SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

Chair Jauregui:

Thank you, Mr. Crossman.

AGENDA ITEM VI—APPOINTMENT OF MEMBERS TO COMMITTEES AND SIMILAR ENTITIES

Chair Jauregui:

That takes us to Agenda Item VI, and for Agenda Item VI, the appointment of members to committees and similar entities, I am going to turn it over to our Interim Director, Mr. Roger Wilkerson, who is going to assist us with this item.

Mr. Wilkerson:

Thank you, Madam Chair. In your packet, you will see recommended appointments for five bodies this afternoon: the Advisory Council on Mortgage Investments and Mortgage Lending; the Commission on Ethics; the National Conference of Commissioners on Uniform State Laws; the Nevada Commission on Minority Affairs; and the Nevada Silver Haired Legislative Forum (Agenda Item VI). After materials were posted for this meeting, we received notice from the proposed appointee for the Silver Haired Legislative Forum that she could no longer serve and wished to withdraw her appointment. As such, we recommend that the Commission "not" proceed with the Silver Haired Legislative Forum appointment, but instead, consider only the appointments of the remaining four bodies.

In the interest of time, I will not detail all of the bodies, but recommendations for appointments and reappointments are in your materials as is supporting information for each body. I am happy to answer any questions you may have or phone a friend as necessary. If you wish to proceed with these items, the appropriate motion would be to move to approve these appointments "excluding" the appointment to the Nevada Silver Haired Legislative Forum. Thank you, Madam Chair.

Chair Jauregui:

Thank you, Director Wilkerson. Members, any questions? Any in Carson City? Assemblymember Hafen?

Assemblymember Hafen:

No, Chair.

Chair Jauregui:

Seeing none, then I would be looking for a motion as stated by Director Wilkerson.

VICE CHAIR YEAGER MOVED TO APPROVE THE APPOINTMENTS AS STATED BY MR. WILKERSON, EXCLUDING THE APPOINTMENT TO THE NEVADA SILVER HAIRED LEGISLATIVE FORUM.

SENATOR NGUYEN SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

Chair Jauregui:

Thank you, Mr. Wilkerson.

AGENDA ITEM VII—PUBLIC COMMENT

Chair Jauregui:

Members, that takes us to our very last agenda item. This is the second period for public comment, and we will be accepting public comment first here in Las Vegas, then we will move to Carson City, and then I will check with AVH to see if we have public comment on the telephone line. In the meantime, if there is anyone in Las Vegas wishing to give public comment, please approach the table in front of the dais. You can begin by stating your name and clearly spelling it. I will remind everyone that public comment is limited to not more than two minutes per person. When you are ready, please begin.

Mr. Cowie, previously identified:

Good afternoon. Thank you for your time. That was my first meeting. Do not know how you guys do it. You guys are heroes in my book. You guys are the avengers—quick, fast, and in a hurry; brief, brilliant, and gone. The State of Nevada Private Investigator's Licensing Board (PILB) is applying unpromulgated regulations to me, as a licensee, in a multifaceted manner. I have called the LCB. I have called the Research Bureau. Every single person that I have spoken to has told me that what I am being forced to do and what thousands of security officers, or those regulated under NRS 648 or the NAC, are being forced to do something that was never submitted in accordance with the APA [Administrative Procedure Act]. There were no workshops, there was no submission to the LCB, nothing. So, my question is short and simple. Can anyone help me stop the PILB from forcing me and thousands of people to do something that was never adopted according to the APA and that the LCB has never approved? Does anybody, can anybody tell me who can I speak to to stop the PLIB from doing this?

Chair Jauregui:

Thank you for your comments. We do not take questions during public comment, but we can connect with you after to work with you on this.

Mr. Cowie:

Outstanding. Thank you for your time.

Chair Jauregui:

I appreciate you being here and sitting with us through this meeting for two public comments, so I appreciate that. I know that I will be reaching out to you to work with you on information you provided us during the first period of public comments. And as the Chair of Leg Commission, I would be happy to work with you.

Mr. Cowie:

Thank you for your time.

Chair Jauregui:

Members, that brings us to the end of our public comment. Does anyone have anything for the good of the order? Seeing none, we are adjourned. Thank you.

The following public comment was submitted for the record:

- Charlie De La Paz, on behalf of the Nevada Nurses Association (Agenda Item VII).

AGENDA ITEM VIII—ADJOURNMENT

There being no further business to come before the Commission, the meeting was adjourned at 4:27 p.m.

Respectfully submitted,

Janet Coons
Research Policy Assistant
Research Division, LCB

APPROVED BY:

Assemblymember Sandra Jauregui, Chair

Date: _____

MEETING MATERIALS

AGENDA ITEM	PRESENTER/ENTITY	DESCRIPTION
Agenda Item II A	Sunny Valencia	Public Comment
Agenda Item II B	Rick Harris, Executive Director, National Association of School Boards	Public Comment
Agenda Item II C	Paul Klein, TriStrategies	Public Comment
Agenda Item III	Tarron L. Collins, Officer Services Coordinator, Director's Office, Legislative Counsel Bureau (LCB)	Draft Minutes of the Meeting Held on February 26, 2026
Agenda Item IV	Asher A. Killian, Legislative Counsel, Legal Division, LCB	Administrative Regulations
Agenda Item V A	Daniel L. Crossman, Legislative Auditor, Audit Division, LCB	Summary of Audit Reports
Agenda Item V B	Daniel L. Crossman, Legislative Auditor, Audit Division, LCB	Summary of 6-Month Status Reports
Agenda Item VI	Roger Wilkerson, Deputy Director, Director's Office, and Chief, Administrative Division, LCB	Appointment of Members to Committees and Similar Entities
Agenda Item VII	Charlie De La Paz, on behalf of the Nevada Nurses Association	Public Comment

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