

MINUTES OF THE DECEMBER 16, 2015
MEETING OF THE
INTERIM FINANCE COMMITTEE
Carson City, Nevada

Chair Paul Anderson called a regular meeting of the Interim Finance Committee (IFC) to order at 10:36 a.m. on December 16, 2015, in Room 4100 of the Nevada Legislative Building, 401 South Carson Street, Carson City, Nevada. The meeting was videoconferenced to Room 4401 of the Grant Sawyer Office Building, 555 East Washington Avenue, Las Vegas, Nevada.

COMMITTEE MEMBERS PRESENT:

Assemblyman Paul Anderson, Chair
Senator Ben Kieckhefer, Vice-Chair
Senator Pete Goicoechea
Senator Mark Lipparelli
Senator David Parks
Senator Michael Roberson
Senator Aaron Ford for Senator Smith
Senator Joyce Woodhouse
Assemblyman Derek Armstrong
Assemblywoman Teresa Benitez-Thompson
Assemblywoman Irene Bustamante Adams
Assemblywoman Maggie Carlton
Assemblywoman Jill Dickman
Assemblyman Chris Edwards
Assemblyman John Hambrick
Assemblyman Pat Hickey
Assemblywoman Dina Neal
Assemblyman Randy Kirner
Assemblyman James Oscarson
Assemblyman Michael Sprinkle
Assemblywoman Heidi Swank
Assemblywoman Robin Titus

COMMITTEE MEMBERS EXCUSED:

Senator Debbie Smith

LEGISLATIVE COUNSEL BUREAU STAFF PRESENT:

Rick Combs, Director, Legislative Counsel Bureau
Cindy Jones, Fiscal Analyst, Assembly
Mark Krmpotic, Fiscal Analyst, Senate
Sarah Coffman, Deputy Fiscal Analyst
Alex Haartz, Deputy Fiscal Analyst
Brenda Erdoes, Legislative Counsel
Eileen O'Grady, Chief Deputy Legislative Counsel
Cheryl Harvey, Fiscal Analysis Division Secretary
Carla Ulrych, Fiscal Analysis Division Secretary

EXHIBITS:

Exhibit A: Agenda

Exhibit B: Meeting Packet – Volume I

Exhibit C: Meeting Packet – Volume II

Exhibit D: Meeting Packet – Volume III

Exhibit E: Dr. Shawn McGivney – Public Comment

Exhibit F: Letter from Carson Water Subconservancy District (Distributed but not discussed)

A. ROLL CALL.

Rick Combs, Director, Legislative Counsel Bureau and Secretary, Interim Finance Committee, called the roll; all members were present, except Senator Smith, who was excused.

B. PUBLIC COMMENT.

Dr. Shawn McGivney said he represented the Residential Care Home (RCH) industry, which included the Association of Homecare Owners of Northern Nevada and the Residential Care Home Community Alliance of Nevada (Southern Nevada). He noted there is a rapid decline in the number of available long-term care beds in Nevada. Dr. McGivney said RCH facilities could provide safe and cost-effective long-term care beds; however, current practices and funding of RCH facilities needed to be reevaluated to develop a payment system based on the amount and type of care provided in specific settings. Refer to Exhibit E for Dr. McGivney's full testimony.

Theresa Brushfield, Licensed Administrator and Owner of a Residential Care Home (RCH), said she had been in business for 25 years and also worked as an administrator for several RCH facilities. She said Medicaid provided \$20 to \$65 per day for residential facilities for groups, which was not enough for a facility to operate properly, especially with the degree of assistance required by the people living in RCH facilities. Ms. Brushfield said she recently raised her monthly rate by \$300, which was a significant increase. She said several residents indicated the increase would deplete their funds within the year and they asked Ms. Brushfield to become a Medicaid provider so they could remain at the facility. She said recent changes made it increasingly difficult to operate, such as the reduced number of residents permitted to live within a facility and changes instituted in Senate Bill (S.B.) 146. Ms. Brushfield said it was challenging to provide quality care with the funding provided by the state. She said adult daycare facilities were provided \$38 per day for six hours of care; however, RCH facilities were provided less funds even though the care was 24 hours. Ms. Brushfield thought this was unacceptable and encouraged the Committee to investigate the issue.

Ed Guthrie, Opportunity Village, said he supported an updated review of rates for services for seniors and adults with disabilities. Mr. Guthrie said he was the chairman of a 2001 committee charged with reviewing rates for Medicaid services for seniors and adults with disabilities, and the rates had not been reviewed since that time. As a result, Nevada could be in violation of Medicaid law, due to long waiting lists. Additionally, there were not enough providers to assure that essential services, residential care

homes, adult daycare facilities, and jobs in day training facilities were equally accessible to the Medicaid population. Mr. Guthrie said Nevada may also be in violation of the Olmstead Decree, because people with disabilities lacked sufficient access to community-based services and, therefore, may be forced to use institutional services. He said the United States Department of Justice had filed actions against states in violation of the Olmstead Decree to ensure that people with disabilities and seniors have equal access to community services.

Mr. Guthrie said, in the past ten years, providers of services for seniors and adults with disabilities had seen nominal increases in the reimbursement rates. He indicated that federal law required states to provide methods and procedures relating to the utilization of and the payment for care and services, so that those payments were consistent with economy and quality of care, and that enough providers were enlisted so that care and services were available to those on Medicaid to the same extent that services were available to the general population.

Mr. Guthrie urged the Governor and Legislature to have the rates reviewed in time to be included in the 2017-19 budget to ensure that seniors and adults with disabilities had access to quality support and services in the community.

Lieutenant General Walter D. Druen Jr., retired Airforce member, said his wife was in a residential care facility. Prior to placing his wife in her current facility, he researched others and found the level of care questionable. He urged the Committee to redistribute funds for residential care facilities, because it would benefit the community and the state overall.

Lisa Foster, State of Nevada Association of Providers (SNAP), said SNAP was a consortium of organizations dedicated to serving individuals with intellectual disabilities. In partnership with the state, she said SNAP members provided various services through the Supported Living Arrangement (SLA) program, such as behavioral supports, counseling, medical support, skills training and related activities.

Ms. Foster clarified that the SLA program and group-home services were fundamentally different, falling under different statutes and regulations. She said SLA services were outlined in NRS 435.3315 and were defined specifically to assist those with intellectual disabilities. Ms. Foster said that several of the public comments provided at today's meeting referred to residential facilities for groups as outlined in NRS 449.017. She said she wanted the Committee to be aware of the important differences between SLA services and residential facilities for groups to avoid any confusion.

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

- 1. Department of Health and Human Services - Child and Family Services
Juvenile Correctional Facility - FY 2016** - Transfer of \$34,818 from the Personnel Services category to the Equipment category, \$634,225 from the

Personnel Services category to the Summit View Readiness category, \$16,790 from the Personnel Services category to the Uniform Allowance category, \$11,628 from the Personnel Services category to the Training category, and \$10,639 from the Personnel Services category to the Utilities category to fund unanticipated costs associated with the reopening of the Summit View Youth Correctional Center. Requires Interim Finance approval since the amount transferred from the Personnel Services category exceeds \$75,000. **Work Program #C34311**

Cindy Jones, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau (LCB), stated that Agenda Item C-1, Department of Health and Human Services (DHHS), Division of Child and Family Services (DCFS), Juvenile Correctional Facilities, would be heard in conjunction with Agenda Items D-50, DHHS, DCFS and D-51, DHHS, DCFS.

Refer to testimony under Agenda Item D-51.

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

Cindy Jones, Assembly Fiscal Analyst, Fiscal Analysis Division, LCB, stated that the Committee expressed an interest in hearing testimony on the following items: Agenda Item D-2, Office of the Attorney General; D-3, Office of the Attorney General; D-4, Office of the Attorney General; D-9, Department of Education, Student and School Support; D-11, Department of Education, Student and School Support; D-13, State Public Charter School Authority; D-25, DHHS, Director's Office; D-29, DHHS, Health Care Financing and Policy (DHCFP); D-34, DHHS, Division of Public and Behavioral Health (DPBH); D-35, DHHS, DPBH; D-36, DHHS, DPBH; D-37, DHHS, DPBH; D-38, DHHS, DPBH; D-39, DHHS, DPBH; D-40, DHHS, DPBH; D-41, DHHS, DPBH; D-44, DHHS, DPBH; D-50, DHHS, DCFS; D-51, DHHS, DCFS; D-53, Department of Employment, Training and Rehabilitation (DETR), Vocational Rehabilitation; D-55, DETR, Vocational Rehabilitation; D-64, Department of Motor Vehicles (DMV); D-95, Department of Transportation (NDOT); and D-99, DHHS, DHCFP.

Assemblywoman Titus requested further testimony on Agenda Items D-63, DMV and D-97, DHHS, DPBH.

Assemblywoman Benitez-Thompson requested further testimony on Agenda Item D-96, Public Employees' Benefits Program.

There being no further requests for testimony, Chair Anderson called for a motion to approve all remaining items on Agenda Item D.

ASSEMBLYWOMAN DICKMAN MOVED TO APPROVE
THE REMAINING WORK PROGRAM REVISIONS AND
POSITION RECLASSIFICATIONS FOR AGENDA ITEM D.

SENATOR KIECKHEFER SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY. (Senator Roberson was not present for the vote.)

1. **Office of the Attorney General - Administrative Account - FY 2016** - Transfer of \$90,308 from the Reserve category to the Department of Treasury (DOT) Equitable Distribution category to purchase investigative information technology equipment, and fund travel for criminal litigation. Requires Interim Finance approval since the amount transferred to the DOT Equitable Distribution category exceeds \$75,000. **Work Program #C34281**

Refer to motion for approval under Agenda Item D.

2. **Office of the Attorney General - Administrative Account - FY 2016** - Addition of \$100,000 in Gifts and Donations to assist Nevada service members and veterans to receive pro-bono legal assistance from private attorneys. Requires Interim Finance approval since the amount added to the Military Legal Assistance category exceeds \$75,000. **Work Program #C34272. RELATES TO ITEM J.**

Cindy Jones, Assembly Fiscal Analyst, Fiscal Analysis Division, LCB, stated that Agenda Item D-2, Office of the Attorney General, would be heard in conjunction with Agenda Item J, Office of the Attorney General. She noted that Agenda Item J was amended from \$100,000 to \$65,000.

Adam Laxalt, Nevada Attorney General, said the Office of the Attorney General created a statewide committee in February 2015 that included all the military communities, as well as pro bono partners and lawyers in the private sector who volunteered their time to provide free legal services to military members. The program was piloted in July 2015 and began service in November 2015. He said that during the pilot program 30 cases were established and each service member received legal representation within 24 hours. Attorney General Laxalt said it was a huge undertaking and he commended the team and his staff for their efforts.

Attorney General Laxalt said the Office of the Attorney General wanted to cover the start-up costs of the program via the private sector. He said the costs included travel and advertising.

Nick Trutanich, Chief of Staff, Office of the Attorney General, said Work Program C34272 sought authority to expend revenue donated to the Office of Military Legal Assistance (OMLA) by the Nevada Military Support Alliance (NMSA). He said it was critical to provide adequate and affordable legal services for service members in Nevada. In order to do that, the OMLA needed to educate service members about the program and simultaneously build a team of pro bono lawyers that could provide competent representation to military service members. Mr. Trutanich said Senate Bill (S.B.) 60 (2015) allowed the Attorney General to accept grants and donations to carry out the functions of the OMLA.

Mr. Trutanich said the NMSA donated \$65,000 for the Military Legal Assistance program. He said the original work program reflected an anticipated donation of \$100,000, \$85,000 of which would be placed into category 23 (Military Legal Assistance) to be used for advertising, travel and training. The revised work program reflected the actual donation of \$65,000, all of which could be placed into category 23 per Assembly Bill (A.B.) 20 (2015). He said \$10,000 would be used for travel and training expenses and a portion of the remaining \$55,000 would be used for advertising. Mr. Trutanich said the OMLA would like to have the flexibility to spend future funds donated by NMSA as needed. He explained that in September 2015 the Director of the OMLA traveled to Washington, D.C. to present the Military Legal Assistance program to the Under Secretary of Defense. However, because the travel was not budgeted, the National Association of Attorneys General paid the travel costs for the Director of the OMLA.

Assemblyman Armstrong asked if presentations such as the one in Washington, D.C. would help raise additional donations and grants for the program. Mr. Trutanich replied that NMSA was continually representing Nevada's veterans and military and raising money every year.

Assemblyman Armstrong asked if the OMLA was responsible for coordinating the pro bono services for service members. Mr. Trutanich said that was correct. He said the OMLA worked as a clearinghouse and in the past six months the office had successfully established a supply of pro bono attorneys. He said, when a service member was in need of representation, the office could make arrangements within 24 hours.

Assemblywoman Dickman asked if there were restrictions on the use of the donated funds. Mr. Trutanich replied that the funds would be used for purposes consistent with S.B. 60, which included travel, training, advertising and unexpected costs.

SENATOR KIECKHEFER MOVED TO APPROVE
AGENDA ITEM D-2 AND AGENDA ITEM J.

ASSEMBLYWOMAN DICKMAN SECONDED THE
MOTION.

THE MOTION CARRIED UNANIMOUSLY.

3. **Office of the Attorney General - Administrative Account - FY 2016** - Addition of \$1,714,377 in JP Morgan Chase settlement funds for pass through to the Las Vegas Metropolitan Police Department to test sexual assault kits. Requires Interim Finance approval since the amount added to the Sexual Assault Kit Initiative Testing category exceeds \$75,000. **Work Program #C34214.**

Refer to testimony and motion for approval under Agenda Item D-4.

4. **Office of the Attorney General - Violence Against Women Grants - FY 2016 -** Addition of \$1,983,533 in federal Sexual Assault Kit Initiative (SAKI) Grant funds to assist local law enforcement agencies in reducing backlogs of untested sexual assault kits and develop policies, procedures and practices to inventory and handle sexual assault kits. Requires Interim Finance approval since the amount added to the SAKI Grant category exceeds \$75,000. **Work Program #C34274.**

Wes Duncan, Assistant Attorney General, Office of the Attorney General, said Work Program C34214 requested the addition of \$1.7 million in JP Morgan Chase (Chase) settlement funds for pass through to community partners to eliminate the backlog of sexual assault kits. He said the work program established RGL-4279, Settlement Income, and category 25, Sexual Assault Kit Initiative Testing, for tracking and program transactions.

Mr. Duncan said Nevada had a backlog of 7,500 untested sexual assault kits spanning the past 35 years. He said there was a backlog of 70,000 untested kits nationwide.

Mr. Duncan said a Bureau of Consumer Protection settlement with Chase for a deceptive trade practice case resulted in a settlement of \$125.0 million, and Nevada's portion of the settlement was \$1.7 million. During the 2015 Legislative Session, the Office of the Attorney General transferred \$19.0 million into the General Fund. As part of the process of transferring the money into the General Fund, S.B. 506 (2015) changed the language regarding fees and penalties, and other monies, collected from the prosecution of deceptive trade practices cases to allow the Legislature to approve use of the funds for any other lawful purpose. Mr. Duncan said the Office of the Attorney General requested use of those funds for testing the backlog of sexual assault kits. He noted that all Nevada consumers had received their settlement funds. The funds requested by the Attorney General's Office were separate and apart from the consumer settlement funds as indicated in the Assurance of Discontinuance between the Attorney General and Chase (page 82, [Exhibit B](#)).

Mr. Duncan said \$1.3 million of the settlement funds would be transferred through an interlocal agreement to the Las Vegas Metropolitan Police Department (LVMPD). With that money, the LVMPD could test approximately 2,000 sexual assault kits in Southern Nevada. He said the remaining \$400,000 would be used to test kits in Northern Nevada. Overall, the funds would allow the majority of the backlog in Nevada to be tested.

Mr. Duncan said Work Program C34274 requested an additional \$1.9 million in federal Sexual Assault Kit Initiative (SAKI) grant funds to assist recipients with inventorying and reducing current backlogs for sexual assault kits. He said the grant was available for states and various law enforcement agencies through the Bureau of Justice with the Department of Justice. Mr. Duncan said Nevada was awarded approximately \$1.9 million in SAKI grant funds. The Office of the Attorney General was the grant program manager and LVMPD, Henderson

Police Department, Douglas County Sheriff's Office, the Rape Crisis Center and University of Nevada, Las Vegas were subgrantees. He said a portion of the grant funds would be used to test the backlog of sexual assault kits, but the larger scope of the grant would be used to catalog backlogged kits and for law enforcement investigation, system and community-based advocacy, and to provide services for victims of reopened cases. Mr. Duncan said a Projects Site Coordinator would oversee and disburse funds to the subgrantees.

Mr. Duncan noted that the New York District Attorney awarded a separate grant to the LVMPD, which would allow 2,900 additional kits to be tested.

Mr. Duncan stated that processing the untested sexual assault kits would send a positive message to the victims in the state. It would also send a message to offenders that their crimes would be punished.

Assemblyman Hambrick said he supported the initiative to manage the backlog of untested sexual assault kits. He asked if there was an estimated number of offenders that might be convicted.

Mr. Duncan replied that in Cuyahoga County, Ohio, there were over 100 indictments from the first 1,000 kits tested. Based on that information, he thought the numbers in Nevada would be equally astounding. However, additional resources may be required to investigate and prosecute the cases that resulted from the tested kits. He said the Attorney General was the chairman for a Sexual Assault Kit Working Group that was striving to find a solution.

Assemblyman Hambrick asked if there was any speculation as to how many cases were related to serial rapists. Mr. Duncan replied that other jurisdictions were finding DNA of defendants who had committed sexual assaults in various jurisdictions, so it was likely that serial rapists would emerge.

Senator Ford said he was also in support of the work programs. He noted the recent change to the statute of limitations from 4 years to 20 years, and asked how that would impact sexual assault kits that dated back to the 1980s. Senator Ford said, because the change to the statute of limitations was not retroactive, it was unlikely an individual could be prosecuted from an assault that took place 35 years ago.

Mr. Duncan replied that NRS 171.083 was the prior statute that dealt with the statute of limitations on sexual assault cases. He said, if someone submitted a police report within four years of a sexual assault, the previous statute still states that the statute of limitations is tolled forever. For example, if there was a sexual assault kit and a police report filed within four years of an incident from 1985, the case could still be prosecuted, because the statute of limitations would be tolled. Mr. Duncan said the new statute of limitations allows 20 years to toll the statute if a police report is filed within 20 years of the assault, which means the case can be prosecuted in perpetuity. He said, if a sexual assault kit was done, but a police report was not filed within the statute of limitations, then the case could not

be prosecuted, because the statute of limitations was not retroactive.

Senator Ford asked if there was an estimated cost to investigate and prosecute cases that resulted from the tested kits.

Mr. Duncan replied that the number of Combined DNA Index System (CODIS) hits would drive the number of investigations and prosecutions and ultimately, the costs. As part of the SAKI grant, many jurisdictions requested funds to account for the anticipated overtime for case investigations. He thought the cost to marshal the resources to prosecute the cases could be in the millions. The Office of the Attorney General was prepared to request settlement funds from the IFC to assist in those endeavors to manage the problem. Mr. Duncan said it was beneficial that settlement funds could be approved for such a purpose.

Attorney General Laxalt clarified that a significant amount of the future costs for investigations and prosecutions would be borne by the Clark County District Attorney, as well as Washoe County to a degree. He said the Office of the Attorney General would help wherever possible, but would not be responsible for the entire long-term share of the costs.

Senator Ford asked if sexual assault kits with a police report would be a priority over those without a police report where the statute of limitations had expired.

Attorney General Laxalt replied that prioritization was certainly a part of the grant. He said Ohio and other jurisdictions had found that prioritization was an important part of the testing process, but the overall goal was to test all of the backlogged kits.

Mr. Duncan noted the LVMPD had already begun prioritizing backlogged kits.

Kimberly Murga, Director of Forensic Laboratory Services, LVMPD, said the first batch of 200 sexual assault kits would be sent for testing in January 2016. The kits in the first batch were collected between 1985 and 1999. She said the LVMPD had about 50 sexual assault kits that predated the statute of limitations for sexual assault crimes, which was reversed in 1997; therefore, only a small portion of backlogged kits may not be prosecutable. However, if there was a CODIS hit for an individual still serving time, additional time could be added to their sentence.

Assemblyman Sprinkle commended the Office of the Attorney General for its efforts in regard to backlogged sexual assault kits. He thought the situation should have been addressed a long time ago, and asked the reason for the backlog. Assemblyman Sprinkle also asked if the initiative and the working group would prevent a backlog from occurring again in the future.

Attorney General Laxalt said the working group had statewide participation, including legislators. He was hopeful that the backlog issue would be resolved long term. Attorney General Laxalt said the working group would strive to

produce recommendations for the 2017 Legislative Session.

Attorney General Laxalt said the nationwide backlog of sexual assault kits was historical. He said it cost \$1,500 to test each kit, so priority was given to cases that could be prosecuted. He said the current thought among jurisdictions was that all sexual assault kits should be tested. Attorney General Laxalt said Southern and Northern Nevada were both committed to resolving the backlog issue.

Assemblywoman Carlton asked if any remaining funds would be moved forward to prevent a backlog from happening again in the future. Attorney General Laxalt replied that all of the \$1.7 million being requested at today's meeting would be used to test the backlog of sexual assault kits. He indicated that between the Department of Justice grant funds and the New York District Attorney grant funds, the total would amount to approximately \$5.7 million, which would allow 6,500 to 7,500 kits to be tested.

Attorney General Laxalt said Kim Murga with the LVMPD had negotiated a reduced rate of \$600 per kit for sexual assault kit testing, which would allow the money to go further. He said negotiations were in progress for a reduced rate for Northern Nevada. If a reduced rate could not be negotiated for Northern Nevada, there may not be enough funds to cover the testing for the entire backlog of kits. Attorney General Laxalt said, ideally, the goal was to test 80 to 90 percent of the backlogged kits.

Assemblywoman Carlton said, as the backlog was reduced, more kits would be added to the queue. As she understood it, the funds could be used for the testing of those sexual assault kits as well. Attorney General Laxalt replied that the majority of agencies would not allow a new backlog to accumulate, which would avoid the problem in the future.

Assemblywoman Carlton asked if the reduced testing fees for the backlogged kits were the reason the kits were being sent to Virginia. Attorney General Laxalt said that was correct.

Assemblywoman Carlton said the backlog of untested sexual assault kits was a passionate issue for many people, and she recently had the opportunity to speak with a woman in her assembly district who would be directly affected by the testing of those kits.

Assemblyman Armstrong commended the Attorney General for addressing the issue of the untested sexual assault kits. He said that he and Assemblywoman Benitez-Thompson were invited to be part of the working group. He said the backlog of untested sexual assault kits was a tremendous project and the LVMPD, Sheriff Lombardo, Kim Murga and Wes Duncan, in conjunction with the Rape Crisis Center, were putting forth a great deal of effort to resolve the issue. Assemblyman Armstrong said he was happy to be involved.

Assemblywoman Bustamante Adams thanked the Attorney General and Deputy Attorney General for their efforts. During the testimony for A.B. 12 (2015), she recalled an overwhelming number of Nevadans had come forward to support the change to the statute of limitations. She was thankful that the state could be a voice for the victims.

SENATOR FORD MOVED TO APPROVE AGENDA
ITEMS D-3 AND D-4.

ASSEMBLYMAN HAMBRICK SECONDED THE
MOTION.

THE MOTION CARRIED UNANIMOUSLY.

5. **Department of Administration - Enterprise Information Technology Services - Network Transport Services - FY 2016** - Transfer of \$179,125 from the Reserve category to the Digital Microwave category to fund contracted technical services to draft the statewide microwave replacement request for proposal. Requires Interim Finance approval since the amount transferred to the Digital Microwave category exceeds \$75,000. **Work Program #C34334**

Refer to motion for approval under Agenda Item D.

6. **Department of Administration - Hearings Division - FY 2016** - Addition of \$140,000 in Charges for Services to fund an increased volume of hearings involving the divisions of Health Care Financing and Policy and Human Resource Management cases. Requires Interim Finance approval since the amount added to the Operating category exceeds \$75,000. **Work Program #C34053**

Refer to motion for approval under Agenda Item D.

7. **Department of Education - Student and School Support - FY 2016** - Addition of \$5,361,297 in federal School Improvement Grant funds to align state and federal authority to provide funding to improve the persistently lowest achieving schools. Requires Interim Finance approval since the amount added to the School Improvement Grant Aid to Schools category exceeds \$75,000. **Work Program #C34160**

Refer to motion for approval under Agenda Item D.

8. **Department of Education - Student and School Support - FY 2016** - Addition of \$682,952 in federal Nevada School Climate Transformation Grant funds to continue to develop, enhance or expand statewide systems of support to school districts and schools implementing evidence-based, multi-tiered behavioral frameworks to improving behavioral outcomes and learning conditions for all students. Requires Interim Finance approval since the amount added to the School Climate Aid to Schools category exceeds \$75,000. **Work Program #C34344**

Refer to motion for approval under Agenda Item D.

9. **Department of Education - Student and School Support - FY 2016** - Transfer of \$36,951 from the School Improvement Grant (SIG) Administration category to the Personnel Services category to fund one new position to provide support and oversight for the SIG program. Requires Interim Finance approval since the amount transferred from the SIG Administration category exceeds 10 percent of the legislatively approved amount for that category. **RELATES TO ITEM D.11. Work Program #C33583**

Refer to testimony and motion for approval under Agenda Item D-11.

10. **Department of Education - Student and School Support - FY 2016** - Addition of \$9,133,188 in federal 21st Century Learning Center grant funds to align state and federal authority to continue establishing community learning centers to increase student performance in low income schools. Requires Interim Finance approval since the amount added to the Federal 21st Century Learning Centers category exceeds \$75,000. **Work Program #C34329**

Refer to motion for approval under Agenda Item D.

11. **Department of Education - Student and School Support - FY 2017** - Transfer of \$75,995 from the School Improvement Grant Administration category to the Personnel Services category to fund one new position to provide support and oversight for the School Improvement program. Requires Interim Finance approval since the amount transferred to the Personnel Services category exceeds \$75,000. **RELATES TO ITEM D.9. Work Program #C34377**

Mindy Martini, Deputy Superintendent, Business and Support Services, Nevada Department of Education (NDE), said Work Programs C33583 and C34377 requested authority to fund one new federally-funded position to oversee implementation of the School Improvement Grant (SIG) program. She said the SIG program is a program authorized under Title I of the federal Elementary and Secondary Education Act (ESEA). The grants were provided to state departments of education to give subgrants to school districts that demonstrated the greatest need and capacity to improve, and substantially raise the academic achievement of the lowest performing schools in the state. Ms. Martini said Nevada had a tiered model for assistance of underperforming schools. She said the new state Turnaround program was the first line of help for underperforming schools; however, if performance did not improve then those schools may become SIG schools, which were comparable to Priority schools. If a school did not improve under the SIG program, the school would become part of the new Achievement School District (ASD). Ms. Martini said there were currently 73 underperforming schools in Nevada, 27 of which were Priority schools and 5 were SIG schools. She said, 4 of those SIG schools were in Las Vegas and 1 was in Nye County.

Ms. Martini said, since the ESEA waiver began in 2012, the NDE had never had a position dedicated solely to the SIG program. She said the duties related to SIG had been accomplished to the extent possible by Education Programs Professionals (EPP), however, EPPs also had other duties. In order to improve and expand the SIG program to additional low performing schools in the state, the NDE was requesting authority to utilize federal funds to support one position dedicated to the SIG program. She said the NDE received authority from the federal government in August 2015 to request the position. Ms. Martini noted that as many as 20 schools could be added the SIG program over the course of the 2015-17 biennium.

Senator Kieckhefer said it was his understanding that only one school applied for SIG funding in addition to the current five or six SIG schools.

Matt Smith, Education Programs Professional, State and School Support, NDE, replied that was correct. He noted that the NDE was waiting for the new federal application. Mr. Smith said the NDE planned to write a state-determined model that aligned with the NDE's theory of action. A state-determined model was different from the federal models currently offered within SIG. Based on the state-determined model, the NDE anticipated a significantly higher number of schools would be included in the SIG program going forward.

In response to a question from Senator Kieckhefer, Mr. Smith replied that additional schools would be included in the SIG program during the 2016-17 school year.

Senator Kieckhefer asked how many state Turnaround schools were managed by the NDE. Mr. Smith replied that the NDE was in the process of creating regulations for the Turnaround legislation and those schools would be formally identified within the next several months. He said there were currently 73 underperforming schools in Nevada, which were classified as Focus, Priority and One-star schools. Mr. Smith said Focus and Priority schools were eligible for the SIG program.

Senator Kieckhefer asked if the staff member dedicated to the Turnaround schools could manage the SIG schools as well.

Mr. Smith replied that a great deal of capacity was required to begin a new program and provide the level and depth of support and intervention the schools required. He said many of the high schools were also Priority schools and they were complex and distinct organizations. Mr. Smith said it was extremely time intensive to align all of the state and federal resources and ensure that the appropriate support was provided to each student. He said, during the past two years, the NDE made a significant shift from a focus on compliance to a focus on active intervention and support. Fulfilling the minimum requirements of state and federal legislation required less time than ensuring the correct resources and support were provided to schools. Mr. Smith said he had performed the SIG program duties in addition to his role as a Title I EPP and he

assured the Committee that the new position would be a tremendous benefit to current and future SIG schools.

In response to a question from Senator Kieckhefer, Mr. Smith replied that SIG funds were awarded by the federal government to the state and then distributed to the school districts as a subgrant. He said the current SIG funding extended through 2020, even with the passage of the Every Child Succeeds Act. Mr. Smith said Nevada would receive at least one more allocation from the federal government, which would extend SIG funding to 2021.

Senator Kieckhefer asked how much direct intervention was provided by state personnel if the districts controlled the schools and implemented SIG requirements.

Mr. Smith replied that the NDE was the granting authority and provided subgrants to the school districts. The NDE worked with the districts to ensure application requirements and outcomes were met. If the outcomes did not reach the anticipated level, then the NDE revised the grants to ensure the money was used efficiently and effectively. Mr. Smith said, even with the current number of SIG schools, a significant amount of time was required for onsite visits, communication with stakeholders, principals and other school improvement members, and to align resources at the federal, state and district levels.

Senator Kieckhefer said the EPP for the SIG program would still act primarily in a compliance and monitoring role. Mr. Smith replied that the NDE was in the process of shifting away from solely a compliance/monitoring role to one of support and intervention as well. He said the NDE was providing and leveraging resources from various sources to support the program in a well-rounded manner.

In response to a question from Assemblyman Edwards, Mr. Smith replied that there was potential to expand the SIG program to include 15 more schools. He said, when the SIG program first began in 2010, there was a dedicated staff member who oversaw the ten schools in the program. The grant cycle finished in 2013 and, to date, none of those schools were underperforming. Mr. Smith said SIG schools typically showed improved performance and success based on the amount of direct scrutiny and oversight by the NDE.

Assemblyman Edwards asked how much grant money was provided to each school. Mr. Smith replied that the grant funds varied significantly. He said the typical allocation was between \$300,000 and \$1.4 million per year. He said the idea was to provide a dramatic increase of resources for SIG schools to leverage, because those were the schools that were struggling and in need of the most support.

Assemblyman Edwards asked if the workload for the SIG program justified a full-time position. Mr. Smith replied that the EPP for the SIG program would write the new SIG application and create the state-determined model. The staff

member would also work with school districts statewide to ensure there was a critical mass of additional schools that would apply for the SIG program. He said the EPP would provide other support work as needed, such as 1003A funding and establishing the infrastructure for the state Turnaround program and ASD. Mr. Smith said, overall, there would not be a lack of work for the EPP of the SIG program. He said Nevada was at the bottom of nearly all indicators across the nation, and the addition of a federally-funded position for the SIG program would likely drive outcomes for students.

Assemblywoman Neal was aware of a Turnaround school that was placed on the ASD list; however, due to insufficient data review of that school, it was removed from the ASD list. She said the error was due to the fact that the school's SIG funds were not reviewed to determine whether the school showed sufficient change. The school was listed as underperforming in spite of the fact that the school had significant change and growth. She asked if the EPP for the SIG program would reduce the likelihood of errors and oversight in the future.

Mr. Smith replied that when he began managing the program, similar errors were discovered in terms of what was written in the grant and what actually occurred in the schools. He said the new EPP would provide a higher level of scrutiny to reduce errors.

ASSEMBLYMAN KIRNER MOVED TO APPROVE
AGENDA ITEMS D-9 AND D-11.

SENATOR ROBERSON SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.
(Assemblywoman Benitez-Thompson was not present
for the vote.)

12. **State Public Charter School Authority - FY 2016** - Transfer of \$253,722 from the Reserve category to the Operating category to expand academic testing of students in state sponsored charter schools to provide reliable, valid measures of academic achievement. Requires Interim Finance approval since the amount transferred to the Operating category exceeds \$75,000. **Work Program #C34196**

Refer to motion for approval under Agenda Item D.

13. **State Public Charter School Authority - FY 2016** - Transfer of \$63,675 from the Reserve category to the Business Development category to fund contractual services for a business consultant. Requires Interim Finance approval since the amount transferred to the ~~Consulting Services~~ **Business Development** category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C34285. REVISED 11-19-15.**

Patrick Gavin, Director, State Public Charter School Authority (SPCSA), said Work Program C34285 requested the transfer of \$63,675 from the reserve

category to the Business Development category. He said the funds were for a one-time expense related to the implementation of S.B. 509 and other legislation from the 2015 Legislative Session. He said today's request was aligned with items included in the SPCSA fiscal note for S.B. 509. Mr. Gavin said, subsequent to the legislative session, the SPCSA Board reviewed the statutory changes and directed staff to engage with a business consultant to perform an analysis of the required changes. He said the SPCSA intended to be strategic and intentional about the use of reserve funds, including how the funds were invested to increase authorizing capacity and for changes to the SPCSA local education agency (LEA) support capacity for schools.

Mr. Gavin said the National Association of Charter School Authorizers (NACSA) recently commended Nevada on policy changes during the 2015 Legislative Session, which raised Nevada to the top in terms of charter school oversight policy. However, he said the NACSA warned that there was a significant delta between the policies as outlined and the policies as implemented and resourced. Mr. Gavin said the SPCSA wanted to ensure that all policy changes were implemented in a fiscally responsible manner and aligned with the strategic objectives of the state and the Legislature.

Assemblyman Armstrong asked how the SPCSA determined a cost of \$63,000 for a consultant to write a strategic plan, create a business organization charter and review various regulations.

Mr. Gavin replied that the \$63,000 cost was based on other state agencies that also experienced significant statutory changes, specifically the precedent set by the Medical Marijuana program in terms of the costs incurred per month to establish the new functions of that particular business unit. He said the SPCSA tried to remain conservative and examine the costs of similar initiatives by other state agencies.

In response to a question from Chair Anderson, Mr. Gavin replied that the SPCSA had 13 full-time equivalent positions, 9 of which were currently filled.

Chair Anderson asked if there was expertise internally or at another state agency or organization who could help the SPCSA develop a strategic plan. Mr. Gavin replied that he had authorizing expertise; however, he was already overextended. He said the ASD was still in nascent form and there were some lapsed authorizers in the school districts who had not actively granted charters or opened or closed schools since 2007. Mr. Gavin said the SPCSA had increased the number of available seats from 11,000 in 2011 to 25,000 today, with similar projected growth increases over the next several years. He said the NACSA observed that the SPCSA had a tendency to focus more on its LEA function and less on its legal responsibilities for oversight, support and performance management of schools and granting of new charter schools.

Mr. Gavin said the SPCSA recently approved two charter schools that would open within the next several years. He said the SPCSA had also received

12 notices of intent to submit applications in January 2016. Mr. Gavin noted the SPCSA was in the process of closing certain schools under the new provisions of S.B. 509 and prior law. He said one Notice of Closure had been issued and statutorily-mandated board functions were being conducted for that school. Mr. Gavin said a receiver was installed in another school and operations would be winding down due to financial mismanagement.

Assemblyman Edwards asked if the cost for the business consultant could be lower than the anticipated amount of \$63,000. Mr. Gavin replied that the anticipated cost of the business consultant was based on precedent from other agencies. He said the SPCSA was currently reviewing bids from five different firms, and the SPCSA contract manager indicated that three proposals were within \$2,000 of the \$63,000 estimate and two proposals were significantly higher. Mr. Gavin noted that part of the selection process included a separate technical evaluation of the quality of the proposal, whether the proposal met the needs of the state, and price match.

Assemblyman Edwards asked if the contract would be a fixed price or a cost reimbursement, hourly wage contract. Mr. Gavin replied that he was unable to provide an answer until the SPCSA selection committee finished reviewing the proposals.

Assemblyman Kirner asked if charter schools were given an opportunity for remedial action prior to closure.

Mr. Gavin replied that the SPCSA Board or staff could issue a Notice of Closure based on deficiencies to any school under a written charter. The school had a minimum cure period of 30 days, which could be extended at the discretion of the SPCSA Board. Mr. Gavin said the Notice of Closure could be as long as 90 days per statute, and during that period the school could take corrective actions. He said it was at the discretion of the SPCSA Board as to whether those corrective actions satisfied and fully remedied the deficiency. Mr. Gavin said a Notice of Closure could be issued for organizational, academic or financial reasons.

Assemblyman Kirner recalled that one charter school made significant changes in leadership and accounting matters, but the SPCSA Board did not necessarily appreciate the school's efforts. He asked if the SPCSA Board was generally supportive of attempts to remedy deficiencies. Mr. Gavin replied that the SPCSA Board was generally accommodating and supportive; however, the Board had a statutory obligation and mandate to support and authorize high-quality charter schools.

ASSEMBLYWOMAN TITUS MOVED TO APPROVE
AGENDA ITEM D-13.

SENATOR ROBERSON SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

14. **Nevada System of Higher Education (NSHE) - Great Basin College – FY 2016** - Addition of \$15,083 in Budgetary Transfers from the Nevada System of Higher Education Performance Funding Pool Budget to distribute funding based on performance outcomes. Requires Interim Finance approval pursuant to A.B 507, Section 59 (2013 Legislative Session). **Work Program #C34203**

Refer to motion for approval under Agenda Item D.

15. **Nevada System of Higher Education (NSHE) - Truckee Meadows Community College - FY 2016** - Addition of \$12,091 in Budgetary Transfers from the Nevada System of Higher Education Performance Funding Pool Budget to distribute funding based on performance outcomes. Requires Interim Finance approval pursuant to Assembly Bill 507, Section 59 (2013 Legislative Session). **Work Program #C34184**

Refer to motion for approval under Agenda Item D.

16. **Nevada System of Higher Education (NSHE) - Performance Funding Pool - FY 2016** - Deletion of \$27,174 in Budgetary Transfers from the Nevada System of Higher Education Performance Funding Pool Budget to distribute funding based on performance outcomes to the universities, state colleges and community colleges. Requires Interim Finance approval pursuant to Assembly Bill 507, Section 59 (2013 Legislative Session). **Work Program #C34350**

Refer to motion for approval under Agenda Item D.

17. **Western Interstate Commission for Higher Education - Loan and Stipend - FY 2016** - Transfer of ~~\$611,254~~ **\$688,034** from the Student Loans category to the Stipend Grants category to correctly align expenditure authority. Requires Interim Finance approval since the amount transferred to the Stipend Grants category exceeds \$75,000. **Work Program #C34172. REVISED 11-19-15.**

Refer to motion for approval under Agenda Item D.

18. **Department of Agriculture - Nutrition Education Programs - FY 2016** - Addition of \$63,687 in Federal Professional Standards Training Grant funds to train staff in meeting federal school nutrition program requirements associated with the National School Lunch Act of 1946 and the Child Nutrition Act of 1966. Requires Interim Finance approval since the amount added to the Professional Standards Training category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C34158**

Refer to motion for approval under Agenda Item D.

19. **Department of Agriculture - Nutrition Education Programs - FY 2016** - Addition of \$616,280 in federal U.S. Department of Agriculture Summer Food Service Program 10.559 funds to continue to provide nutritious meals to children

age 18 and younger during school breaks, which has experienced an increase in participation due to the addition of year-round schools. Requires Interim Finance approval since the amount added to the Summer Food Programs category exceeds \$75,000. **Work Program #C34248**

Refer to motion for approval under Agenda Item D.

- 20. Department of Agriculture - Nutrition Education Programs - FY 2016** - Addition of \$49,071 in federal U.S. Department of Agriculture, Food and Nutrition New Meal Pattern Grant funds to continue the implementation of new meal pattern and nutrition standards associated with Section 201 of the Healthy, Hunger-Free Kids Act of 2010. Requires Interim Finance approval since the amount added to the Meal Patterns Grant category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C34279**

Refer to motion for approval under Agenda Item D.

- 21. Department of Business and Industry - Insurance Division - Captive Insurers - FY 2016** - Addition of \$689,700 in Examination Fees and \$344,850 in Administration Fees to fund 12 anticipated Captive Insurer examinations and one target examination if needed. Requires Interim Finance approval since the amount added to the Program Expenses category exceeds \$75,000. **Work Program #C33997**

Refer to motion for approval under Agenda Item D.

- 22. Department of Business and Industry - Insurance Division - Insurance Recovery - FY 2016** - Transfer of \$169,320 from the Reserve category to the Transfer to Education and Research category to facilitate an intrafund transfer from the Insurance Recovery budget to the Insurance Regulation budget. Requires Interim Finance approval since the amount transferred to the Transfer to Education and Research category exceeds \$75,000. **Work Program #C34004. WITHDRAWN 12-2-15**

Refer to motion for approval under Agenda Item D.

- 23. Governor's Office of Economic Development - FY 2016** - Addition of \$249,541 in federal National Aeronautics and Space Administration (NASA) cooperative agreement funding to facilitate Unmanned Aerial Vehicle testing support tasks for Unmanned Aerial System (UAS). Requires Interim Finance approval since the amount added to the NASA UAS Traffic Management grant category exceeds \$75,000. **Work Program #C34125**

Refer to motion for approval under Agenda Item D.

- 24. Department of Health and Human Services - Director's Office - Upper Payment Limit Holding Account - FY 2016** - Addition of \$1,082,165 in funds transferred from the Division of Public and Behavioral Health to allow for

Medicaid Upper Payment Limit supplemental payments to private hospitals. Requires Interim Finance approval since the amount added to the Transfer to Other State Agency category exceeds \$75,000. **RELATES TO ITEMS D.30, 31 and 43. Work Program #C34161**

Refer to motion for approval under Agenda Item D.

25. **Department of Health and Human Services - Director's Office - Indigent Hospital Care - FY 2016** - Addition of ~~\$13,083,685~~ **\$15,011,618** in Unmet Freecare Obligation funds to continue to provide reimbursement to hospitals for indigent claims and Medicaid supplemental payments to inpatient hospitals. Requires Interim Finance approval since the amount added to the Current Claims category exceeds \$75,000. **RELATES TO ITEM D.29 and 99. Work Program #C34169. REVISED 11-25-15.**

Refer to testimony and motion for approval under Agenda Item D-99.

26. **Department of Health and Human Services - Aging and Disability Services - Federal Programs and Administration - FY 2016** - Addition of \$170,000 in Fund for Healthy Nevada funds transferred from the Nevada Treasurer's Office to assist seniors and persons with disabilities with transportation needs through the Taxi Assistance Program. Requires Interim Finance approval since the amount added to the Taxi Assistance Program category exceeds \$75,000. **RELATES TO ITEM D.28. Work Program #C32935**

Refer to motion for approval under Agenda Item D.

27. **Department of Health and Human Services - Aging and Disability Services - Federal Programs and Administration - FY 2016** - Addition of \$157,186 in federal Medicare Improvements for Patients and Providers Act (MIPPA) for Beneficiary Outreach and Assistance Grant funds to continue providing outreach and assistance to Medicare beneficiaries. Requires Interim Finance approval since the amount added to the MIPPA Grant category exceeds \$75,000. **Work Program #C34327**

Refer to motion for approval under Agenda Item D.

28. **Department of Health and Human Services - Aging and Disability Services - Home and Community Based Services - FY 2016** - Deletion of \$170,000 in Fund for Healthy Nevada funds transferred from the Nevada Treasurer's Office to support the Traumatic Brain Injury program due to a reduced level of funding needed since more clients are insured with the implementation of the Affordable Care Act. Requires Interim Finance approval since the amount deleted from the Traumatic Brain Injury category exceeds \$75,000. **RELATES TO ITEM D.26. Work Program #C32934**

Refer to motion for approval under Agenda Item D.

29. **Department of Health and Human Services - Health Care Financing and Policy - Intergovernmental Transfer Program - FY 2016** - Addition of \$3,500,000 in 1.5 Cent Indigent Accident Fund/Unmet Freecare Obligation funds transferred from the Director's Office to provide supplemental payments to inpatient hospitals. Requires Interim Finance approval since the amount added to the Transfer to Medicaid Program category exceeds \$75,000. **RELATES TO ITEM D.25 and 99. Work Program #C34209**

Refer to testimony and motion for approval under Agenda Item D-99.

30. **Department of Health and Human Services - Health Care Financing and Policy - Intergovernmental Transfer Program - FY 2016** - Addition of \$748,412 in funds resulting from savings in the Division of Public and Behavioral Health transferred from the Director's Office to allow for Upper Payment Limit supplemental payments to private hospitals. Requires Interim Finance approval since the amount added to the Transfer to Medicaid Program category exceeds \$75,000. **RELATES TO ITEMS D.24, 31 and 43. Work Program #C34330**

Refer to motion for approval under Agenda Item D.

31. **Department of Health and Human Services - Health Care Financing and Policy - Nevada Medicaid, Title XIX - FY 2016** - Addition of \$1,385,640 in federal Title XIX grant funds and \$748,412 in funds resulting from savings in the Division of Public and Behavioral Health transferred from the Intergovernmental Transfer Program account to allow for Upper Payment Limit supplemental payments to private hospitals. Requires Interim Finance approval since the amount added to the Offline category exceeds \$75,000. **RELATES TO ITEMS D.24, 30, and 43. Work Program #C34357**

Refer to motion for approval under Agenda Item D.

32. **Department of Health and Human Services - Public and Behavioral Health - Immunization Program - FY 2016** - Addition of \$449,792 in federal Utilization of Nevada WebIZ to Conduct Assessment, Feedback, Incentives, and Exchange (AFIX) Visits Grant funds to modify the statewide immunization information system, NV WebIZ, to meet the Centers for Disease Control and Prevention's reporting requirements. Requires Interim Finance approval since the amount added to the Nevada Utilization of WebIZ AFIX Visits category exceeds \$75,000. **Work Program #C34143**

Refer to motion for approval under Agenda Item D.

33. **Department of Health and Human Services - Public and Behavioral Health - Biostatistics and Epidemiology - FY 2016** - Addition of \$203,070 in federal BioSense Program Grant funds for syndromic surveillance, which will allow staff to see real-time emergency room and urgent care data to promote timely exchange of electronic health-related information and will result in improved all-hazards public health situation awareness. Requires Interim Finance

approval since the amount added to the BioSense Grant category exceeds \$75,000. **Work Program #C33675**

Refer to motion for approval under Agenda Item D.

- 34. Department of Health and Human Services - Public and Behavioral Health - Chronic Disease - FY 2016** - Addition of \$255,847 in federal Preventive Health and Human Services (PHHS) block grant funds to support the Chronic Disease Prevention and Health Promotion Infrastructure and Capacity, Community Health Workers, Increased Physical Activity in Adults and Youth, Raising a Healthier Generation, Rape Prevention, Heart and Stroke, and Worksite Wellness initiatives. **Requires Interim Finance approval since the work program involves the allocation of block grant funds and the agency is choosing to use the IFC meeting for the required public hearing and since the amount added to the PHHS Block Grant category exceeds \$75,000. RELATES TO ITEM D.40. Work Program #C34312**

This item was discussed in conjunction with Agenda Items D-35, D-36, D-37, D-38, D-39, D-40 and D-41.

Refer to testimony and motion for approval under Agenda Item D-41.

- 35. Department of Health and Human Services - Public and Behavioral Health - Chronic Disease - FY 2016** - Addition of \$714,393 in federal Public Health Actions to Prevent and Control Diabetes, Heart Disease, and Obesity grant funds to fund a new Health Program Specialist position and enhance the overall well-being and health of children in Nevada by improving physical activity and nutrition in schools and early care and education settings. **Requires Interim Finance approval since the amount added to the Personnel Services category exceeds \$75,000. RELATES TO ITEM D.40. Work Program #C34028**

This item was discussed in conjunction with Agenda Items D-34, D-36, D-37, D-38, D-39, D-40 and D-41.

Refer to testimony and motion for approval under Agenda Item D-41.

- 36. Department of Health and Human Services - Public and Behavioral Health - Chronic Disease - FY 2016** - Addition of \$359,992 in federal Organized Approaches to Colorectal Cancer Screening Grant funds to fund a new Business Process Analyst and a new Health Resource Analyst to increase colorectal cancer screening rates among uninsured and underinsured for the target population and increase support for the Community Health Worker program. **Requires Interim Finance approval since the amount added to the Personnel Services category exceeds \$75,000. RELATES TO ITEM D.40. Work Program #C34030**

This item was discussed in conjunction with Agenda Items D-34, D-35, D-37, D-38, D-39, D-40 and D-41.

Refer to testimony and motion for approval under Agenda Item D-41.

37. **Department of Health and Human Services - Public and Behavioral Health - Chronic Disease - FY 2016** - Addition of \$27,736 in Ryan White Care Act funds transferred from the Communicable Diseases account and transfer of \$70,739 from the Personnel Services category to the Transfer from Ryan White category to provide necessary resources in Northern and Southern Nevada to assist people with HIV and develop a co-morbidities profile of HIV and chronic disease in Nevada. Requires Interim Finance approval since the cumulative amount added to the Transfer from Ryan White category exceeds \$75,000. **RELATES TO ITEM D.40. Work Program #C34031**

This item was discussed in conjunction with Agenda Items D-34, D-35, D-36, D-38, D-39, D-40 and D-41.

Refer to testimony and motion for approval under Agenda Item D-41.

38. **Department of Health and Human Services - Public and Behavioral Health - Chronic Disease - FY 2016** - Addition of \$19,997 in Women, Infants and Children (WIC) funds transferred from the WIC Food Supplement account, deletion of \$17,445 in federal Oral Health Program grant funds transferred from Maternal Child Health (MCH) Services account, and transfer of \$8,047 from the Wellness Program category to the Personnel Services category and \$8,518 from the Wellness Program category to the Oral Health category to align available funding to support the Oral Health and Wellness programs. Requires Interim Finance approval since the amount deducted from the Wellness Program category exceeds 10 percent of the legislatively approved amount for that category. **RELATES TO ITEM D.40. Work Program #C34146**

This item was discussed in conjunction with Agenda Items D-34, D-35, D-36, D-37, D-39, D-40 and D-41.

Refer to testimony and motion for approval under Agenda Item D-41.

39. **Department of Health and Human Services - Public and Behavioral Health - Chronic Disease - FY 2016** - Addition of \$17,783 in federal Tobacco Use Prevention and Public Health Approaches for Ensuring Quit Line Capacity grant funds, deletion of \$193,703 in federal Tobacco Control Grant funds, and transfer of \$14,666 from the Tobacco Grant category to the Personnel Services category, \$117 from the Tobacco Grant category to the Personnel Services category and \$245 from the Tobacco Grant category to the Operating category to add a new Health Program Specialist position to coordinate the cessation and health systems change interventions under the federal grants and to align state and federal authority. Requires Interim Finance approval since the amount deducted from the Tobacco Grant category exceeds \$75,000. **RELATES TO ITEM D.40. Work Program #C34198**

This item was discussed in conjunction with Agenda Items D-34, D-35, D-36, D-37, D-38, D-40 and D-41.

Refer to testimony and motion for approval under Agenda Item D-41.

40. **Department of Health and Human Services - Public and Behavioral Health - Chronic Disease - FY 2016** - Transfer of \$36,527 from the Personnel Services category to the Comprehensive Cancer category, \$31,992 from the Personnel Services category to the National Cancer Prevention and Control category and \$1,176 from the Personnel Services category to the Tobacco Settlement category to properly align categorical authority. Requires Interim Finance approval since the cumulative amount deducted from the Personnel Services category exceeds \$75,000. **RELATES TO ITEMS D.34, 35, 36, 37, 38 and 39. Work Program #C34338**

This item was discussed in conjunction with Agenda Items D-34, D-35, D-36, D-37, D-38, D-39 and D-41.

Refer to testimony and motion for approval under Agenda Item D-41.

41. **Department of Health and Human Services - Public and Behavioral Health - Chronic Disease - FY 2016** - Addition of \$79,805 in federal Healthy Hunger-Free Kids Act Grant funds transferred from the Welfare and Supportive Services Administration account to implement the Food Security Program in Nevada. Requires Interim Finance approval since the amount added to the Food Security Program category exceeds \$75,000. **Work Program #C34142**

This item was discussed in conjunction with Agenda Items D-34, D-35, D-36, D-37, D-38, D-39 and D-40.

Cody Phinney, Administrator, Division of Public and Behavioral Health (DPBH), DHHS, indicated that Agenda Items D-34 through D-41 were an effort to further align certain programs with federal grants.

Monica Morales, Health Program Manager, DPBH, DHHS, said the Chronic Disease Prevention and Health Promotion Department (department) housed a number of programs including the Obesity Prevention, Diabetes Prevention, Tobacco Prevention, Community Health Workers and School Health Programs.

Ms. Morales said, over the past four years, the department worked diligently to improve performance measures specifically to leverage federal dollars, because Nevada ranked 50th in the nation in obtaining federal grants. The department worked to align its operations with the evidence-based practices and other performance measures sponsored and utilized by the Centers for Disease Control (CDC) and Healthy People 2020. As a result, the department was able to increase its budget from \$5.0 million to \$7.5 million in the last three years and provide resources to Nevadans pertaining to nutrition, physical activity and tobacco cessation, as well as cancer screening resources for low-income individuals. Ms. Morales said the department required staffing to ensure that federal grant requirements were monitored and evaluated effectively.

In response to a question from Senator Kieckhefer, Ms. Morales said the work program was a request to replace a contractor with a full-time employee.

Senator Kieckhefer asked if the contractor position was insufficiently performing the duties of the job. Ms. Morales replied that contractors typically handled very short projects of approximately six months, but the average grant was five years in length. The department found that the longer a contractor was in place, the more likely the contractor was to obtain a permanent position with a state agency. She noted that the School Health Program had been through two different contractors over the course of ten months. Ms. Morales said it was difficult to fill a position for a five-year grant with a short-term position such as a contractor, because longevity, program history and partnerships were lost as a result.

In regard to Agenda Item D-36, Assemblywoman Titus said the purpose of the \$359,000 grant was to increase support for the colorectal screening program. She recently tried to gain authorization for a patient's colorectal screening and the patient was denied. Assemblywoman Titus asked if funding had been increased for the procedure itself, because it was ineffective to promote the importance of screening if there were not funds to support the cost of the actual procedure.

Ms. Morales replied there was a component in the grant specifically dedicated to pay for the cost of the colorectal screening procedures.

In response to a question from Senator Kieckhefer, Ms. Morales replied that two positions would be added to the Colorectal Cancer Program. One position was a Business Process Analyst (BPA) who would be responsible for reaching out to federally-qualified health centers and rural clinics to help identify populations that qualified for screening based on guidance from Healthy People 2020 or federal requirements. She said the department would also work to bring screening dollars to some of those entities, so the BPA would be responsible for establishing partnerships and bridging them with public health.

Ms. Morales said the other position was a Health Research Analyst (HRA) and would be responsible for tracking colorectal screening data. She said the CDC required the department to report the number of screenings, screening results, and whether individuals with a positive screening received treatment within a certain timeframe. Ms. Morales said the HRA would be responsible for tracking that data, which was required for evaluation purposes.

In response to a question from Senator Kieckhefer, Ms. Morales said the Tobacco Use Prevention-Public Health Approaches for Ensuring Capacity grant was a new grant for the department. She said the requested full-time Health Program Specialist would work with primary care facilities, federally-qualified health centers and rural clinics to promote the Nevada Tobacco Quitline.

Senator Kieckhefer asked when the Notices of Grant acceptance were received.

Ms. Morales replied that the funds for the Tobacco grant were received in March 2015, Colorectal Cancer Program grant funds were received in July 2015, and Quitline Capacity grant funds were received in August 2015.

Beth Handler, Health Bureau Chief, DPBH, DHHS, said the DPBH was working to reestablish an Oral Health Program and would pursue grant funding in the future. The work program requested the creation of category 16, Oral Health Program, for various oral health activities.

In response to a question from Senator Kieckhefer, Ms. Handler said the funds would be transferred from the WIC program initially, but the creation of category 16 would allow for funds from other programs as well.

Agenda Item D-34 involved allocation of block grant funds, which required a public hearing. Senator Kieckhefer opened the public hearing. There were no requests to testify and Senator Kieckhefer closed the public hearing.

ASSEMBLYWOMAN TITUS MOVED TO APPROVE
AGENDA ITEMS D-34, D-35, D-36, D-37, D-38, D-39,
D-40 AND D-41.

SENATOR PARKS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.
(Senator Roberson and Assemblywoman Carlton were
not present for the vote.)

- 42. Department of Health and Human Services - Public and Behavioral Health - Maternal Child Health Services - FY 2016** - Addition of \$140,049 in federal Project Aware grant funds transferred from the Nevada Department of Education to increase the capacity for Nevada students to access mental health support by offering youth mental health first aid training to adults who come into contact with school-aged youth. Requires Interim Finance approval since the amount added to the Project Aware category exceeds \$75,000. **Work Program #C34113**

Refer to motion for approval under Agenda Item D.

- 43. Department of Health and Human Services - Public and Behavioral Health - Maternal Child Health Services - FY 2016** - Addition of \$1,015,000 in Metabolic Screening Fees to continue operations of the Newborn Screening Program until regulations are amended to allow the transfer of the program to the University of Nevada, Reno. Requires Interim Finance approval since the amount added to the Medical/Dental Expenses category exceeds \$75,000. **RELATES TO ITEMS D.24, 30 and 31. Work Program #C34077**

Refer to motion for approval under Agenda Item D.

44. **Department of Health and Human Services - Public and Behavioral Health - Office of Health Administration - FY 2016** - Addition of \$599,840 in federal Substance Abuse and Mental Health Services Administration Certified Community Behavioral Health Clinics (CCBHC) Grant funds to support planning efforts to obtain CCBHC certification for Nevada's Rural Clinics. Requires Interim Finance approval since the amount added to the Planning for Clinics category exceeds \$75,000. **Work Program #C34352**

Cody Phinney, Administrator, DPBH, DHHS, said the Certified Community Behavioral Health Clinics grant would allow the DPBH to plan for the development of a certification program within Nevada.

Dr. Stephanie Woodard, Program Manager, DPBH, DHHS, said the Certified Community Behavioral Health Clinics grant showed substantial effort on behalf of the Substance Abuse and Mental Health Services Administration (SAMHSA) and Centers for Medicare and Medicaid Services (CMS) to promote health care reform. She said a patient-centered medical home was where the individual receiving treatment was primarily presenting for primary care and had access to ancillary and supplemental services through primary care, including behavioral health. Dr. Woodard said the grant was the bidirectional integration of behavioral health and primary care, where the target population were individuals with severe mental illness, serious emotional disturbance and substance use disorders. She said the model would create a behavioral health home for those individuals who exhibit significant behavioral health issues and integrate primary care and access to ancillary and specialty services for them.

Assemblywoman Titus thanked the DPBH, various police departments, community activists and rural health centers for their significant efforts to develop a certification program for community behavioral health clinics, because it would fill a large need throughout the state.

Senator Parks said community-based mental health providers were currently struggling and he asked how the program would impact them.

Ms. Phinney replied that the planning grant was not limited to state-provided services, so community-based mental health providers would be included. She said the grant would be offered to a broader scope and the DPBH would reach out to a variety of stakeholders to include them in the planning structure and gain their input. Ms. Phinney said the DPBH would work with one rural and one urban community provider for the first phase of the project.

Senator Kieckhefer asked if there were incentives for community-based providers to participate in the program. Dr. Woodard replied there were financial and quality-of-care incentives for community-based providers. She said quality-of-care incentives included increased coordination of care, particularly for hard-to-treat populations. She said financial incentives included the establishment of a Prospective Payment System (PPS), which would allow providers to bill for services similar to the way federally-qualified health centers billed in the form of a bundled set of services.

In response to a question from Senator Kieckhefer, Dr. Woodard replied that the PPS would run through Medicaid.

Senator Kieckhefer said part of the planning process was to propose a Medicaid rate structure. He asked if the proposed rate structure would be included in the state plan amendment. Dr. Woodard said that was correct. She said the grant was a one year planning grant. The planning would require considerable effort with Medicaid to develop its PPS, as well as data, reporting and certification, and selection of ancillary services in addition to the standard core services for Certified Community Behavioral Health Clinics (CCBHC). Dr. Woodard said, at the end of the planning grant the state would have an opportunity to be selected as one of eight states for the demonstration project, which would be an additional two years.

In response to a question from Senator Kieckhefer, Dr. Woodard replied that the demonstration project could have the enhanced Federal Medical Assistance Percentage (FMAP) component attached, which would be a financial incentive.

Senator Kieckhefer asked if the state plan amendment would have to be approved for the state to be considered for the second phase of the project. Dr. Woodard indicated that prior approval of the state plan amendment would not be an eligibility requirement.

Assemblywoman Benitez-Thompson was enthusiastic about the prospect of the two-year demonstration program and providing consumers easier access to behavioral health homes.

Assemblywoman Benitez-Thompson noted there was a large deficit in the number of psychiatrists and psychiatric nurses available for substance abuse and mental health treatment in the state. She asked if there was a more effective way to fill the vacancies. She said she supported the Community Behavioral Health Workers program, but thinking across the spectrum of service providers, there was a large deficit.

Ms. Phinney replied that the approach to filling the psychiatrist and psychiatric nurse vacancies was multi-pronged and the DPBH was looking for ways to address the issue. She said the touchpoint was largely related to the fact that it allowed the DPBH to develop a delivery model that would satisfy those types of providers and improve the health of the targeted patient population. The DPBH

believed that allowing the delivery model to blossom would improve the ability to have those providers within the state.

Senator Kieckhefer asked if any additional resources would be necessary to complete the project by next year. Ms. Phinney thought the DPBH, in partnership with Medicaid and the Grant Office, would have the necessary resources to complete the planning piece.

ASSEMBLYMAN OSCARSON MOVED TO
APPROVE AGENDA ITEM D-44.

SENATOR PARKS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.
(Senator Roberson and Assemblywoman Carlton were
not present for the vote.)

Senator Kieckhefer asked for an update on the Stein Hospital.

Ms. Phinney said Stein Hospital was now open and there were 12 patients as of December 15, 2015. She said an additional 13 patients were expected to be admitted before the end of December 2015. Ms. Phinney said another group of forensic staff would begin on December 21, 2015, which would allow the hospital to fill all 47 beds by February 2016.

Senator Kieckhefer asked if the DPBH had been successful in shifting existing employees to Stein Hospital. Ms. Phinney replied that 64 positions transferred from the civil service side of Rawson-Neal Hospital to the forensic side of Stein Hospital. She noted there had been a decrease in the Washoe County waitlist.

- 45. Department of Health and Human Services - Public and Behavioral Health - Community Health Services - FY 2016** - Addition of \$43,550 in federal Centers for Disease Control and Prevention (CDC) Grant funds transferred from the Public Health Preparedness Program account and transfer of \$11,746 from the Division Cost Allocation category to the CDC Public Health Preparedness category to provide rural community healthcare staff with Ebola virus readiness training. Requires Interim Finance approval since the amount added to the CDC Public Health Preparedness category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C34153**

Refer to motion for approval under Agenda Item D.

46. **Department of Health and Human Services - Public and Behavioral Health - Southern Nevada Adult Mental Health Services - FY 2016** - Transfer of \$5,268,929 from the Personnel Services category to the Professional Services category to fund contract psychiatrists to maintain quality patient care. Requires Interim Finance approval since the amount transferred to the Professional Services category exceeds \$75,000. **Work Program #C34262**

Refer to motion for approval under Agenda Item D.

47. **Department of Health and Human Services - Child and Family Services - Children, Youth and Family Administration - FY 2016** - Addition of \$80,626 in federal Children's Justice Act Grant funds to improve the investigation, prosecution and judicial handling of cases of child abuse and neglect. Requires Interim Finance approval since the amount added to the Children's Justice Act Grant category exceeds \$75,000. **Work Program #C33561**

Refer to motion for approval under Agenda Item D.

48. **Department of Health and Human Services - Child and Family Services - Children, Youth and Family Administration - FY 2016** - Addition of \$202,930 in federal Education and Training Voucher Grant funds for program expenditures related to former and current foster care youth to attend an institution of higher education. Requires Interim Finance approval since the amount added to the Education and Training Voucher category exceeds \$75,000. **Work Program #C34180**

Refer to motion for approval under Agenda Item D.

49. **Department of Health and Human Services - Child and Family Services - Children, Youth and Family Administration - FY 2016** - Addition of \$271,922 in federal Child Abuse Prevention and Treatment Act grant funds to prevent, assess, identify and treat child abuse and neglect. Requires Interim Finance approval since the amount added to the Child Abuse and Neglect category exceeds \$75,000. **Work Program #C34190**

Refer to motion for approval under Agenda Item D.

50. **Department of Health and Human Services - Child and Family Services - Juvenile Correctional Facility - FY 2016** - Addition of \$239,601 in General Fund Appropriation from FY 2017 to allow the completion of deferred maintenance projects prior to reopening the facility. Requires Interim Finance approval pursuant to Senate Assembly Bill 514, Section 45 (2015 Legislative Session). **RELATES TO ITEM D.51. Work Program #C34315**

This item was heard in conjunction with Agenda Items C-1 and D-51. Refer to motion for approval under Agenda Item D-51.

51. **Department of Health and Human Services - Child and Family Services - Juvenile Correctional Facility - FY 2017** - Deletion of \$239,601 in General Fund Appropriation to allow the completion of approved deferred maintenance projects prior to reopening the facility in FY 2016. Requires Interim Finance approval pursuant to Senate Assembly Bill 514, Section 45 (2015 Legislative Session). **RELATES TO ITEM D.50. Work Program #C34316**

This item was heard in conjunction with Agenda Items C-1 and D-50.

Kirsten Coulombe, Administrator, DCFS, DHHS, said Work Program C34311 requested transfer of authority from category 1 (personnel) to other categories related to Summit View Readiness, equipment, utilities, training and uniform allowance.

Danette Kluever, Deputy Administrator, Support and Fiscal Services, DCFS, DHHS, said Work Programs C34315 and C34316 requested to transfer authority from the FY 2017 Deferred Facilities Maintenance category for the HVAC project to the FY 2016 Deferred Facilities Maintenance category.

Assemblyman Armstrong noted the costs for Summit View had doubled since the 2015 Legislative Session. He asked why so many items had been overlooked that were key to the readiness of Summit View.

Ms. Kluever said, when the budget amendment was brought forward by DCFS during the 2015 Legislative Session, there was a remaining contract amount of \$604,455 from the previous vendor of the facility. The budget amendment was created based on the necessary high-level repairs. She said, during the legislative session, the division testified that additional funds may be required based on further evaluation from contractors and vendors. Ms. Kluever said the State Public Works Division (SPWD) was providing assistance with approximately five major projects including the closed-circuit television surveillance system, door controls, HVAC system, an Americans with Disabilities Act (ADA) compliant ramp/concrete project, and installation of additional fence lines. She said it was necessary to seek the assistance of SPWD due to the complexity of the projects, additional inspections and bonding requirements.

Assemblyman Armstrong asked when the facility would open. Ms. Coulombe replied that there were a couple factors preventing the facility from opening. As mentioned by Ms. Kluever, significant repairs were needed throughout the facility. Ms. Coulombe said the division was working with specialists to determine the extent of the repairs for some of the complicated systems that had prior damage.

Ms. Coulombe said one of the other delays related to staffing. The division worked with the Division of Human Resource Management to expedite the 62 new positions that were allocated to the division during the 2015 Legislative Session. She said there was an inherent delay as far as getting the new

positions approved, reclassified and recruited. Additionally, since Summit View was a juvenile justice facility, there were constraints, because the federal Prison Rape Elimination Act required background checks prior to offering employment. Ms. Coulombe said the division's nationwide search for a superintendent also added to the delayed opening of the facility. She said the new superintendent, Michael Fletcher, helped finalize the staff hiring process. Ms. Coulombe said 80 percent of the staff had been hired and the remaining staff would be hired by the end of December 2015.

Ms. Coulombe said the Clark County School District (CCSD) required 30 to 45 days notification prior to the opening of Summit View, and the division anticipated that CCSD would be onsite beginning January 17, 2016.

Assemblyman Armstrong asked if the anticipated opening for Summit View was now January 2016.

Ms. Coulombe replied that the physical repairs of the facility were near completion and CCSD would be onsite January 17, 2016. She said the recruitment process for clinical and medical staff was underway. Ms. Coulombe said it was difficult to identify providers in Nevada for those services, but the division was working diligently to find mental health providers to work at Summit View. She anticipated that everything would be in place by the end of January 2016 and a soft opening would follow.

Assemblywoman Carlton said she had been following the Summit View issue for a number of years. She recalled that the extent of the damage was unknown during the 2015 Legislative Session, and asked what legal action would be taken against the previous vendor to recoup a portion of the costs to clean and repair the facility.

Ross Armstrong, Deputy Administrator, Juvenile Services, DCFS, DHHS, replied that the division was noting the damages as they were discovered and providing an updated list to the Attorney General's Office on a regular basis. He said there was current litigation against the state from the former provider. The division was considering strategies to recoup the costs; however, Mr. Armstrong said he could not comment further given the pending litigation.

Assemblywoman Carlton recalled a discussion during the 2015 Legislative Session concerning uniforms at the Summit View facility. She said Summit View was a juvenile facility and a prison, but the Legislature agreed that the facility should be more of a treatment base with a public safety overlay, not the reverse. She recalled that the Legislature denied a uniform allowance to avoid the appearance of a full-fledged prison atmosphere at Summit View.

Mike Fletcher, Superintendent, Summit View, replied that Summit View was a hybrid facility with correctional staff, so the staff would not wear a traditional correctional uniform. He said the uniforms worn by all staff, including custody staff, consisted of khaki pants and polo shirts. Superintendent Fletcher said the

uniform allowance was very broad and it allowed the facility to also purchase restraints and similar items.

In response to a question from Assemblywoman Carlton, Superintendent Fletcher clarified that by restraints, he meant handcuffs and similar items. He explained that staff would not carry the restraints, but it was necessary to have them on the grounds.

Assemblywoman Carlton said there was no question about the Legislature's intent for Summit View and she was unhappy at the direction of the uniform allowance. She requested that Summit View be placed on a future agenda for further discussion.

Senator Kieckhefer said he had similar concerns to Assemblywoman Carlton. He said it appeared that some basic items, such as fencing and monitoring systems, were overlooked during the facility rehabilitation.

Senator Kieckhefer asked if all of the new positions were budgeted to begin July 1, 2015, or just the Superintendent position. Ms. Kluever replied that there were approximately ten positions that were supposed to begin July 1, 2015, and the balance was scheduled to begin August 1, 2015. However, there was a 45-day delay for all positions due to the lengthy hiring process.

In response to a question from Senator Kieckhefer, Ms. Kluever said there was a savings over the course of five months of approximately \$700,000 due to the unfilled vacancies.

Senator Kieckhefer remarked that there seemed to be a lack of planning and the fallback plan was to request funds through the IFC.

Ms. Kluever replied that most of the items, specifically the HVAC, were originally budgeted in the division's Deferred Facilities Maintenance (M-425) category. She said the division considered spreading the cost over a four-year period. She noted that the current HVAC units were R-22 units that could not be rehabbed. Ms. Kluever said the division determined that between the vendors and the SPWD, all the repairs could be accomplished in FY 2016, which was why the division was requesting to transfer the money from FY 2017 to FY 2016.

Ms. Kluever said the division knew there were issues with the closed-circuit television surveillance and door controls. She said some of the equipment, such as the server, was purchased by the previous vendor, and the manner in which the vendor removed the equipment forced the facility to use a manual-key override to the system. She said the manual-key override method caused additional damage to the system each time it was used. Ms. Kluever said PK Electrical performed a full assessment of the system. She said costs that were originally identified in the budget amendment increased based on the severity of the damages and repairs.

Senator Kieckhefer said, although the division did not have full access to the facility to realize the full extent of the damages, the cost was double the amount originally presented during the 2015 Legislative Session. He said there appeared to be a rush to include the costs in the division's 2015-17 budget, knowing that IFC was a fallback option, rather than searching for a comprehensive solution at the time of the crisis. Senator Kieckhefer said, although the situation was frustrating, he was not opposed to the work program.

Assemblywoman Benitez-Thompson asked, in the likelihood that more costs arose or there was difficulty securing behavioral health providers, would the soft opening be postponed to late January or early February 2016, with a full opening in March or April 2016.

Ms. Coulombe replied that the division did not anticipate additional costs, because they were accounted for in the work programs, and DCFS was working to identify behavioral health providers. She said DCFS had a Children's Mental Health Program with programmatic staff, so the division would utilize that staff if there was a delay in obtaining providers for Summit View.

Mr. Armstrong said, in regard to the soft opening and the transition to the full opening, DCFS intended to acquire children progressively rather than a mass transfer from the other two facilities. He said, when a child was committed to the division, an assessment team comprised of staff from all three facilities, mental health counselors and youth parole, determined which facility best fit the child. Summit View staff were included in those assessment meetings to get a feel for the process and learn what types of children may be coming to Summit View. Mr. Armstrong said a soft opening was expected in late January or early February 2016, with approximately ten children identified for the facility. He said Summit View would gradually reach capacity as more children were committed and identified for Summit View.

Assemblyman Sprinkle said he was fortunate to tour Summit View in August 2015. He remarked that the opening date for the facility was continually being pushed back in spite of efforts to have Summit View re-open sooner rather than later. That being said, he thought the work program requests were reasonable based on what he saw when he toured the facility and grounds.

Assemblyman Sprinkle said there was a lot of emphasis on minimal integration between the more violent offenders and the general population at Summit View. He asked for assurance that this would still be the policy of the institution.

Mr. Armstrong replied there were multiple factors that determined the appropriate facility for each youth. Summit View, because of the security, would be designated for some of the more violent offenders. He said it was important to consider both the crime itself, as well as the child's history of violent behavior while in county probation. Mr. Armstrong said the intention was to avoid placing a non-violent youth with a youth with a history of violence. He said that was

taken into consideration when determining the appropriate facility for a child and where they would be housed within the facility.

Assemblyman Sprinkle replied that he needed more assurance than that, because limited contact between violent and non-violent offenders was a very significant issue during the 2015 Legislative Session. He strongly believed minimal integration of violent and non-violent offenders should be a fundamental policy of Summit View.

Chair Anderson suggested the division meet with Assemblyman Sprinkle offline to provide further clarification. He said the issue could be revisited at a future IFC meeting if necessary.

Ms. Coulombe noted that the division would provide a semi-annual report to the IFC by February 1, 2016, per a letter of intent.

Assemblywoman Neal said that page 23 of the packet stated that approximately \$92,000 was spent on an internal fence line, exterior closed walkway, courtyard security fence, razor wire and gate repairs ([Exhibit B](#)). She asked for clarification about the request for fencing costs.

Superintendent Fletcher replied that Summit View originally had only an outer fence that was within six feet of a roadway. He said the purpose of the interior fencing was to create a buffer to keep the youth safe from contraband entering the facility and prevent the youth from going behind the buildings.

In response to a question from Assemblywoman Neal, Ms. Kluever explained that the interior fence was an addition that was not originally included in the budget.

Assemblyman Oscarson said he was the chairman of the subcommittee that reviewed the budget for Summit View. He commended Ms. Coulombe for putting staff in place that recognized important details such as the need for an interior fence and reinforced door locks. He recalled stating in his testimony during the 2015 Legislative Session, that Summit View could not fail, and he thought Ms. Coulombe and staff were working diligently to make the facility a success. Assemblyman Oscarson was disappointed that the facility was not open, but he understood the challenges the division faced. He encouraged the division to expedite the process as much as possible.

SENATOR KIECKHEFER MOVED TO APPROVE
AGENDA ITEMS D-50 AND D-51.

ASSEMBLYMAN SPRINKLE SECONDED THE
MOTION.

THE MOTION CARRIED UNANIMOUSLY.

52. **Department of Health and Human Services - Child and Family Services - Caliente Youth Center - FY 2016** - Transfer of \$198,000 from the Personnel Services category to the Operating category and \$30,000 from the Personnel Services category to the Maintenance of Buildings and Grounds category to fund a projected increase in medical-related expenses and necessary repairs due to aging equipment failures. Requires Interim Finance approval since the amount transferred from the Personnel Services category exceeds \$75,000. **Work Program #C34213**

Refer to motion for approval under Agenda Item D.

53. **Department of Employment, Training and Rehabilitation - Rehabilitation - Vocational Rehabilitation - FY 2016** - Addition of \$159,604 in federal Section 110 Vocational Rehabilitation grant funds to support the Third Party Cooperative Agreement with the University of Nevada, Las Vegas to provide vocational rehabilitation services through the CareerConnect program. Requires Interim Finance approval since the amount added to the Third Party Cooperative category exceeds \$75,000. **RELATES TO ITEM D.55. Work Program #C34120**

Refer to testimony and motion for approval under Agenda Item D-55.

54. **Department of Employment, Training and Rehabilitation - Rehabilitation - Vocational Rehabilitation - FY 2016** - Addition of \$169,799 in federal Supported Employment Grant funds for client outreach and services to individuals who, due to their disabilities, will require long-term support to maintain competitive, integrated employment. Requires Interim Finance approval since the amount added to the Supported Employment category exceeds \$75,000. **Work Program #C34138**

Refer to motion for approval under Agenda Item D.

55. **Department of Employment, Training and Rehabilitation - Rehabilitation Division - Vocational Rehabilitation - FY 2017** - Addition of \$399,649 in federal Section 110 Vocational Rehabilitation Grant funds to support the Third Party Cooperative Agreement with the University of Nevada, Las Vegas to provide vocational rehabilitation services through the CareerConnect program. Requires Interim Finance approval since the amount added to the Third Party Cooperative category exceeds \$75,000 and the request includes a new position. **RELATES TO ITEM D.53. Work Program #C34231**

Shelley Hendren, Administrator, Rehabilitation Division, Department of Employment, Training and Rehabilitation (DETR), said Work Program C34231 was the department's fifth third-party cooperative arrangement and third with the Nevada System of Higher Education (NSHE). She said DETR had third-party cooperative arrangements with Truckee Meadows Community College and Western Nevada College, and now a third with the University of Nevada, Las Vegas (UNLV). Ms. Hendren said third-party cooperative arrangements required the partner agency to be a government agency and provide matching

funds, which would allow DETR to draw down subsequent federal funds from its Section 110 grant. She said it was a means to capitalize on funds that would otherwise be reallocated or relinquished.

Ms. Hendren said the UNLV program worked with youth who were transitioning from high school into college. The program provided a number of support services to help a student be successful in their college career, as well as assistance with soft skills and job readiness training. She said the program placed an emphasis on work experience, including internships, to allow the student to become successfully employed after college.

Senator Kieckhefer said the successful closure projections seemed reasonable considering it was a population of students who were inherently difficult to place in permanent employment. He asked if continued support was provided to students after job placement.

Ms. Hendren said a continuum of care had been established, because the goal was for students to be successfully employed and stable in employment.

Janice John, Deputy Administrator, DETR, explained that the colleges follow a student for at least 90 days after job placement. She said 90 days was considered successful employment, but the colleges could work with a client up to six months after graduation. Ms. John said the colleges could intervene if there was an issue during that time period. She said the Vocational Rehabilitation program offered post-employment services for students and clients if there were any issues on the job. The program could assist with changes in job duties, technology assistance, or any other work-related barrier.

Senator Kieckhefer asked if UNLV thought it would be difficult to find participating employers, or had prospective employers been arranged.

Raquel O'Neill, Interim Director, Disability Resource Center, UNLV, replied that the Career Services staff had leads, including MGM and several other businesses that wanted to enhance their diversity and provide employment for persons with disabilities.

Assemblyman Edwards asked how many people the program served each year and how many would be served with the requested funds.

Ms. Hendren replied that there were approximately 5,100 people that were currently being served at some level. She said approximately 3,000 cases close each year with successful employment or because an individual withdrew from the program. Ms. Hendren said approximately 930 individuals with disabilities became successfully employed in 2014. She said programs like the Vocational Rehabilitation program would help with the bottom line, which was to assist individuals with disabilities become self-sufficient and employed.

Assemblyman Edwards asked which types of disabilities were seen in the program, and which were the most common.

Ms. Hendren replied that the Vocational Rehabilitation program served anyone with a disability, of any level significance or type. She said psychological counseling for clients with mental health disabilities was a unique service provided through the third-party cooperative agreement with UNLV. Ms. Hendren said approximately 50 percent of the program's clients had mental health disabilities.

SENATOR KIECKHEFER MOVED TO APPROVE
AGENDA ITEMS D-53 AND D-55.

ASSEMBLYMAN SPRINKLE SECONDED THE
MOTION.

THE MOTION CARRIED UNANIMOUSLY.
(Senator Roberson and Assemblywoman Carlton were
not present for the vote.)

- 56. Department of Employment, Training and Rehabilitation - Rehabilitation Division - Blind Business Enterprise Program - FY 2016** - Transfer of \$547,765 from the Reserve category to the Business Enterprise category for the transition of blind operators at the Hoover Dam Store and Hoover Dam Café. Requires Interim Finance approval since the amount added to the Business Enterprise category exceeds \$75,000. **Work Program #C34216**

Refer to motion for approval under Agenda Item D.

- 57. Department of Employment, Training and Rehabilitation - Rehabilitation Division - Blind Business Enterprise Program - FY 2016** - Transfer of \$640,000 from the Reserve category to the Blind Enterprise Program (BEP) Repair category to fund repairs to the ceiling at the Hoover Dam Store and Hoover Dam Café. Requires Interim Finance approval since the amount added to the BEP Repair category exceeds \$75,000. **Work Program #C34249**

Refer to motion for approval under Agenda Item D.

- 58. Department of Employment, Training and Rehabilitation - Employment Security - FY 2016** - Addition of \$235,183 in federal Re-employment Services and Eligibility Assessment Grant funds to support the re-employment services program. Requires Interim Finance approval since the amount added to the Information Services category exceeds \$75,000. **Work Program #C34154**

Refer to motion for approval under Agenda Item D.

59. **Department of Corrections - Prison Industry - FY 2016** - Transfer of \$288,329 from the Operating category to the Northern Nevada Correctional Center Metal Shop category to fund ongoing metal shop activities for the remainder of the fiscal year. Requires Interim Finance approval since the amount transferred from the Operating category exceeds \$75,000. **Work Program #C34091**

Refer to motion for approval under Agenda Item D.

60. **Department of Corrections - Prison Ranch - FY 2017** - Transfer of \$59,984 from the Wild Horse Program category to the Personnel Services category to reallocate federal grant authority to provide for a new Prison Industries Supervisor position to expand the Wild Horse program. Requires Interim Finance approval since the amount transferred to the Personnel Services category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C34278**

Refer to motion for approval under Agenda Item D.

61. **Department of Motor Vehicles - Automation - FY 2016** - Transfer of \$312,000 from the Personnel Services category to the Master Service Agreement (MSA) Programmer category to meet current deadlines and reduce backlogs. Requires Interim Finance approval since the amount transferred to the MSA Programmer category exceeds \$75,000. **Work Program #C34201**

Refer to motion for approval under Agenda Item D.

62. **Department of Motor Vehicles - Pollution Control - FY 2016** - Transfer of \$91,051 from the Reserve category to the Land and Building Improvement category for the design through construction documents for the new Department of Motor Vehicles Sahara office in Las Vegas. Requires Interim Finance approval since the amount transferred to the Land and Building Improvements category exceeds \$75,000. **Work Program #C34038**

Refer to motion for approval under Agenda Item D.

63. **Department of Motor Vehicles - License Plate Factory - FY 2016** - Addition of \$233,498 in Special Plates Cost Allocation transferred from the Special Plates Trust Account and transfer of \$707,846 from the Reserve category to the Operating category to fund increased costs due to inventory and production changes related to new production equipment. Requires Interim Finance approval since the amount added to the Operating category exceeds \$75,000. **Work Program #C34236**

Assemblywoman Titus asked why the Department of Motor Vehicles (DMV) was unaware of the additional production costs for the License Plate Factory during the 2015 Legislative Session. She understood there was a 6 percent increase in postal costs, but basic items such as utility carts and embossing dyes should have been anticipated.

Sean McDonald, Administrator, Central Services Division, DMV, replied that after the department transitioned to the new license plate factory, new equipment, production processes and techniques were required to produce license plates. He said the new equipment arrived shortly before the move to the new factory on July 6, 2015. The department was unsure if the old materials would work with the new embossing equipment and production line. Mr. McDonald said the sheeting and aluminum available through the previous vendor was 12 inches and the new material was 11 15/16 inches. He said that small difference necessitated new materials and other supplies to produce license plates. He said the department traditionally balanced forward materials each fiscal year to continue with uninterrupted production. Mr. McDonald said there was typically a 30 to 45 day lead time to get materials from the vendor; however, the timing could be longer. In preparation for moving into the new facility, the department let the old materials dwindle to avoid carrying over excess materials that could not be used in the new facility. He said the previous vendor allowed the department to exhaust the existing supplies. Mr. McDonald said roughly 80 percent of the work program request was related to materials; however, the cost of materials would be recouped through the sale of license plates. He said, at the time of the legislative session, the department was in the request for proposal (RFP) process and did not know who would be the new vendor. Mr. McDonald said the department had anticipated the need to order materials, but did not know what materials would be required for the new production processes.

Assemblywoman Titus asked why the DMV had not been forthright during the 2015 Legislative Session about the impending additional cost of materials.

Mr. McDonald said there were many unknowns during the relocation process, and at the time of the legislative session, the department did not know how the transition would occur or who the new vendor would be for materials. He said the department had shown measured success with the new facility, with 1.1 million license plates produced in FY 2016 and 1.8 million license plates that would be produced in FY 2017. Mr. McDonald said there would be a license plate reissue in FY 2017; therefore, the demand for supplies would be considerably greater beginning in July 1, 2016. He said, if the department ordered supplies in FY 2017 to cover the costs of regular production and the reissue of license plates, it would be difficult to meet the needs starting July 1 due to the lead time with the vendors. Mr. McDonald said the funds requested at today's meeting would carry the factory through the rest of the fiscal year, because the DMV had not balanced forward materials and also in preparation for the next fiscal year.

Assemblyman Edwards recalled discussions during the 2015 Legislative Session concerning the cost of new license plates and whether license plates would be issued or reissued. He said the DMV had determined a set license plate fee during the legislative session, and he asked how those fees were determined if there were still unknown costs at that time.

Mr. McDonald said the basic cost to produce a license plate was approximately \$3.50. He said the materials acquired during FY 2016 would help the DMV transition into FY 2017. Costs remained relatively stable in the past, because the department always balanced forward materials. If the DMV procured materials in FY 2017 for FY 2017 production, the cost per plate would be lower, but there would not be enough materials to produce and maintain uninterrupted production into FY 2017 due to the vendor lead time. Mr. McDonald said the missing component was the balance forward of raw materials, because of the new production processes.

In response to a question from Assemblyman Edwards regarding the increased cost associated with producing license plates in FY 2016, Mr. McDonald said, as with any new business venture, FY 2016 would be challenging for the DMV. He explained that new equipment had to be calibrated and there were unanticipated costs that were part of any start-up process. Based on the projected forecast, he said the cost per license plate would decrease considerably when the \$3.8 million Capital Improvement Project (CIP) of the new factory, as well as equipment leases, were balanced out over the production estimation of 1.8 million license plates in FY 2017. Mr. McDonald said in FY 2016 the cost per license plate would be slightly higher, but the DMV would have reserves to carry through that period. He said the requested funds would allow the department to be well positioned in FY 2017.

In response to a question from Assemblyman Edwards, Mr. McDonald replied that the cost per license plate would be approximately \$4.08 in FY 2016 and approximately \$3.00 in FY 2017.

Amy McKinney, Administrative Services Division Administrator, DMV, reminded the Committee that the License Plate Factory budget was a self-funded budget that did not receive Highway Fund appropriations or General Fund appropriations. Accordingly, this work program would allow the department to continue operations at the factory utilizing the license plate fee revenue that was collected in prior fiscal years and placed in reserve.

ASSEMBLYWOMAN DICKMAN MOVED TO
APPROVE AGENDA ITEM D-63.

SENATOR PARKS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.
(Senator Roberson was not present for the vote.)

- 64. Department of Motor Vehicles - Field Services - FY 2016** - Transfer of \$60,000 from the Reserve category to the Information Services category to enhance the Customer Queue System (QLESS). Requires Interim Finance approval since the cumulative amount transferred to the Information Services category exceeds 10 percent of the legislatively approved amount for that

category. **Work Program #C34227**

Tonya Laney, Field Services Administrator, DMV, said Work Program C34227 requested \$60,000 from reserves for an enhancement to the current queuing system located in 12 DMV offices statewide. She said the enhancement would provide a remote check-in feature and allow customers to make appointments with the DMV. Ms. Laney said the pilot program began on November 2, 2015; however, because the vendor needed to make additions to the system, the pilot was extended through December 19, 2015.

ASSEMBLYWOMAN NEAL MOVED TO APPROVE
AGENDA ITEM D-64.

SENATOR LIPPARELLI SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.
(Senators Ford and Roberson were not present for the
vote.)

- 65. Department of Public Safety - Highway Safety Grants Account - FY 2016 -** Addition of \$518,146 in Federal Motor Carrier Safety Administration's (FMCSA) Performance Registration and Information Systems Management (PRISM) Grant funds for the development of a computer program that will link Nevada's commercial vehicle registration and licensing systems with federal motor carrier safety information systems. Requires Interim Finance approval since the amount added to the PRISM category exceeds \$75,000. **Work Program #C34131**

Refer to motion for approval under Agenda Item D.

- 66. Department of Public Safety - Highway Safety Grants Account - FY 2016 -** Addition of \$316,365 in Federal Motor Carrier Safety Administration (FMCSA) Commercial Vehicle Information Systems and Networks (CVISN) Program Grant funds to upgrade the Department of Motor Vehicles' motor carrier data system transfer capabilities, which will position the Nevada Highway Patrol to take advantage of opportunities to upgrade to mobile inspection technologies. Requires Interim Finance approval since amount added to the CVISN category exceeds \$75,000. **Work Program #C34136**

Refer to motion for approval under Agenda Item D.

- 67. Department of Public Safety - Parole and Probation - FY 2016 -** Addition of \$30,000 in federal Office of Criminal Justice Assistance Operation Safer Street Grant funds transferred from the Department of Public Safety, Office of Criminal Justice Assistance, to support the Operation Safer Streets project. Requires Interim Finance approval since the cumulative amount added to the Offender Surveillance Program category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C34215**

Refer to motion for approval under Agenda Item D.

- 68. Department of Public Safety - Criminal History Repository - FY 2016 -** Addition of \$299,400 in federal Criminal Justice National Criminal History Improvement Program (NCHIP) Grant funds transferred from the Department of Public Safety, Office of Criminal Justice Assistance, to fund replacement of 13 Livescan fingerprint devices utilized to transmit and post criminal arrest records to the Central Repository for Nevada Records of Criminal History and the FBI's National Crime Information Center (NCIC)/Interstate Identification Index (III). Requires Interim Finance approval since the amount added to the NCHIP Grant category exceeds \$75,000. **RELATES TO ITEM D. 73. Work Program #C34174**

Refer to motion for approval under Agenda Item D.

- 69. Department of Public Safety - Criminal History Repository - FY 2016 -** Addition of \$278,613 in federal National Crime Statistics Exchange (NCSX) National Incident Based Reporting System (NIBRS) Grant funds transferred from the Department of Public Safety, Office of Criminal Justice Assistance, to support phase one of a multi-year technology project for collecting crime data. Requires Interim Finance approval since the amount added to the NCSX_NIBRS Grant category exceeds \$75,000. **RELATES TO ITEM D.73. Work Program #C34175**

Refer to motion for approval under Agenda Item D.

- 70. Department of Public Safety - Criminal History Repository - FY 2016 -** Addition of \$196,245 in federal Criminal Justice Sex Offender Sentencing, Monitoring, Apprehending, Registering and Tracking Office (SMART) Grant funds transferred from the Department of Public Safety, Office of Criminal Justice, to continue with the digitization of case files and automate document handling. Requires Interim Finance approval since the amount added to the SMART Grant category exceeds \$75,000. **RELATES TO ITEM D. 73. Work Program #C34197**

Refer to motion for approval under Agenda Item D.

- 71. Department of Public Safety - Motorcycle Safety Program - FY 2016 -** Transfer \$54,369 from the Reserve category to the Equipment category to purchase a replacement vehicle for the Motorcycle Safety Program. Requires Interim Finance approval since the cumulative amount transferred to the Equipment category exceeds 10 percent of the legislatively approved amount for that category. **RELATES TO ITEM D. 72. Work Program #C34241**

Refer to motion for approval under Agenda Item D.

- 72. Department of Public Safety - Motorcycle Safety Program - FY 2017 -** Transfer of \$54,369 from the Equipment category to the Reserve category to adjust for the purchase of a replacement vehicle in Fiscal Year 2016. Requires Interim Finance approval since the amount transferred from the Equipment

category exceeds 10 percent of the legislatively approved amount for that category. **RELATES TO ITEM D.71. Work Program #C34284**

Refer to motion for approval under Agenda Item D.

- 73. Department of Public Safety - Justice Assistance Act - FY 2016** - Addition of \$198,245 in federal Sex Offender Monitoring and Registration Tracking (SMART) Grant funds, \$283,898 in federal National Crime Statistics Exchange Grant funds, \$66,679 in federal Forensic Science Improvement Grant funds, \$304,157 in federal National Criminal History Improvement Program Grant funds, \$21,951 in federal Prison Rape Elimination Act Grant funds, and \$274,466 in federal National Instant Criminal System Act Record Improvement Program Grant funds to continue new and ongoing federal projects. Requires Interim Finance approval since the amount added to the SMART Grant category exceeds \$75,000. **RELATES TO ITEMS D. 68, 69 and 70. Work Program #C34102**

Refer to motion for approval under Agenda Item D.

- 74. Department of Public Safety - Justice Assistance Grant Trust - FY 2016** - Deletion of \$507,729 in federal Justice Assistance Grant (JAG) Grant funds and transfer of \$672,586 from the Reserve category to the JAG category to align state and federal budget authority. Requires Interim Finance approval since the amount added to the JAG Grant category exceeds \$75,000. **Work Program #C34108**

Refer to motion for approval under Agenda Item D.

- 75. Department of Conservation and Natural Resources - State Parks - FY 2016** - Addition of \$75,000 in Settlement Funds from Global Aero, Inc. to rehabilitate burned property at Big Bend State Recreation Area. Requires Interim Finance approval since the amount added to the Big Bend Rehabilitation category exceeds \$75,000. **Work Program #C34126**

Refer to motion for approval under Agenda Item D.

- 76. Department of Conservation and Natural Resources - Forestry Division - Forest Fire Suppression - FY 2016** - Transfer of \$277,214 from the Fire Suppression Costs category to the Personnel Services category to provide sufficient authority for fire suppression services for the remainder of the fiscal year. Requires Interim Finance approval since the amount transferred to the Personnel Services category exceeds \$75,000. **Work Program #C34149**

Refer to motion for approval under Agenda Item D.

- 77. Department of Conservation and Natural Resources - Forestry Division - Forestry Inter-Governmental Agreements - FY 2016** - Transfer of \$181,249 from the Reserve category to the Elko County category and \$587,429 from the Reserve category to the Clark County category to return unspent Fiscal Year

2015 funds to the appropriate counties due to the elimination of the division's All-Risk Program. Requires Interim Finance approval since the amount transferred to the Clark County category exceeds \$75,000. **Work Program #C34050**

Refer to motion for approval under Agenda Item D.

78. **Department of Conservation and Natural Resources - Environmental Protection - Industrial Site Cleanup - FY 2016** - Addition of \$809,683 in settlement income from the Nevada Environmental Response Trust (NERT) to fund professional services to plan for and implement a regional groundwater remedial investigation that will identify contributing sources and pathways of chemical loading to the Las Vegas Wash. Requires Interim Finance approval since the amount added to the NERT category exceeds \$75,000. **Work Program #C34159**

Refer to motion for approval under Agenda Item D.

79. **Department of Conservation and Natural Resources - Environmental Protection - Air Quality - FY 2016** - Addition of \$123,161 in federal U.S. Environmental Protection Agency (EPA) - Clean Diesel Grant funds for the replacement of older diesel-powered equipment in an effort to maintain the National Ambient Air Quality Standards. Requires Interim Finance approval since the amount added to the Clean Diesel Grant Program category exceeds \$75,000. **Work Program #C34041**

Refer to motion for approval under Agenda Item D.

80. **Department of Conservation and Natural Resources - Environmental Protection - Water Pollution Control - FY 2016** - Addition of \$22 in federal Environmental Protection Agency (EPA) - Water Pollution Control Grant funds and transfer of \$45,694 from the Reserve category to the Federal Clean Water Act, Section 106 Grant funding category to align state authority with the approved federal EPA Grant. Requires Interim Finance approval since the amount added to the Federal 106 category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C34104**

Refer to motion for approval under Agenda Item D.

81. **Department of Conservation and Natural Resources - Environmental Protection - Water Pollution Control - FY 2016** - Deletion of \$342,293 in federal U.S. Department of Energy (DOE) Grant funds transferred from the Environmental Protection Administration account and transfer of \$77,612 from the DOE Grant category to the Water Permit Fees category to align state and federal budget authority. Requires Interim Finance approval since the amount transferred to the Water Permit Fees category exceeds \$75,000. **Work Program #C34116**

Refer to motion for approval under Agenda Item D.

- 82. Department of Conservation and Natural Resources - Environmental Protection - State Revolving Fund Administration - FY 2016** - Addition of \$294,224 in federal U.S. Environmental Protection Agency - Safe Drinking Water State Revolving Fund Grant funds to align state and federal budget authority. Requires Interim Finance approval since the amount added to the Drinking Water State Revolving Fund 15 percent Set-Aside Local Assistance category exceeds \$75,000. **RELATES TO ITEM D.84. Work Program #C34032**

Refer to motion for approval under Agenda Item D.

- 83. Department of Conservation and Natural Resources - Environmental Protection - Water Quality Planning - FY 2016** - Addition of ~~\$238,645~~ **\$525,915** in federal Clean Water Act Section 106 Monitoring Initiative Environmental Protection Agency (EPA) Grant funds to align state and federal budget authority. Requires Interim Finance approval since the amount added to the federal Clean Water Act Section 106 Monitoring Initiative EPA Grants category exceeds \$75,000. **Work Program #C34258. REVISED 11-25-15**

Refer to motion for approval under Agenda Item D.

- 84. Department of Conservation and Natural Resources - Environmental Protection - Safe Drinking Water Regulatory Program - FY 2016** - Addition of \$70,751 in federal U.S. Environmental Protection - Public Water System Supervision Program Grant funds, \$294,224 in Transfer from the State Revolving Fund, deletion of \$364,975 in Transfer of federal Department of Energy Grant funds, and transfer of \$132,180 from the Operating category to the Federal Drinking Water State Revolving Fund (DWSRF) Grant category to align state and federal budget authority. Requires Interim Finance approval since the amount transferred to the Federal DWSRF Grant category exceeds \$75,000. **RELATES TO ITEM D.82. Work Program #C34224**

Refer to motion for approval under Agenda Item D.

- 85. Department of Wildlife - Conservation Education - FY 2016** - Addition of \$49,000 in Resource Enhancement Stamp fees transferred from the Wildlife Fund account to promote the Dream Tag Program. Requires Interim Finance approval since the amount added to the Administration category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C34237**

Refer to motion for approval under Agenda Item D.

- 86. Department of Wildlife - Conservation Education - FY 2016** - Addition of \$34,560 in federal U.S. Fish and Wildlife Service - Wildlife Restoration Grant funds and \$11,520 in Sportsmen Revenue transferred from the Wildlife Fund account to implement the National Values Study that will scientifically assess

public values toward wildlife and wildlife management. Requires Interim Finance approval since the cumulative amount added to the Administration category exceeds \$75,000. **Work Program #C34256**

Refer to motion for approval under Agenda Item D.

87. **Department of Wildlife - Game Management - FY 2016** - Addition of \$202,264 in Predator Management Fees transferred from the Wildlife Fund account to implement predator management activities. Requires Interim Finance approval since the amount added to the Predator Management Department of Wildlife Projects category exceeds \$75,000. **Work Program #C34040**

Refer to motion for approval under Agenda Item D.

88. **Department of Wildlife - Game Management - FY 2016** - Addition of \$390,352 in federal U.S. Fish and Wildlife Service - Wildlife Restoration Grant funds and \$130,118 in Sportsmen Revenue transferred from the Wildlife Fund account for the development of two wildlife safety crossings for two highways in Nevada. Requires Interim Finance approval since the amount added to the Mule Deer Research category exceeds \$75,000. **Work Program #C34047**

Refer to motion for approval under Agenda Item D.

89. **Department of Wildlife - Game Management - FY 2016** - Addition of \$43,986 in federal U.S. Fish and Wildlife Service - Wildlife Restoration Grant funds and \$14,662 in Sportsmen Revenue transferred from the Wildlife Fund account to fund the Game Management Veterinarian program. Requires Interim Finance approval since the amount added to the Veterinarian category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C34240**

Refer to motion for approval under Agenda Item D.

90. **Department of Wildlife - Fisheries Management - FY 2016** - Addition of \$56,926 in Trout Stamp Revenue transferred from the Wildlife Fund account for statewide fish hatchery refurbishment projects. Requires Interim Finance approval since the amount added to the Hatchery Refurbishment category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C34245**

Refer to motion for approval under Agenda Item D.

91. **Department of Wildlife - Fisheries Management - FY 2016** - Addition of \$60,518 in federal U.S. Fish and Wildlife Service - Sport Fish Restoration Grant funds and \$20,173 in Sportsmen Revenue transferred from the Wildlife Fund account to fund the Sport Fish Management program. Requires Interim Finance approval since the amount added to the Sport Fish Management category exceeds \$75,000. **Work Program #C34247**

Refer to motion for approval under Agenda Item D.

- 92. Department of Wildlife - Fisheries Management - FY 2016** - Addition of \$178,820 in federal U.S. Fish and Wildlife Service - Fish and Wildlife Management Assistance Grant funds for conservation efforts of aquatic species which are currently state protected or listed on the Endangered Species Act list. Requires Interim Finance approval since the amount added to the Fisheries Small Grants category exceeds \$75,000. **Work Program #C34251**

Refer to motion for approval under Agenda Item D.

- 93. Department of Wildlife - Diversity - FY 2016** - Addition of \$128,138 in federal U.S. Fish and Wildlife Service - State Wildlife Grant (SWG) funds and \$68,998 in Sportsmen Revenue transferred from the Wildlife Fund account for wildlife diversity activities. Requires Interim Finance approval since the amount added to the SWG Plan Implementation category exceeds \$75,000. **Work Program #C34257**

Refer to motion for approval under Agenda Item D.

- 94. Department of Wildlife - Habitat - FY 2016** - Addition of \$961,308 in federal U.S. Fish and Wildlife Service - Wildlife Restoration Grant funds and \$320,436 in Sportsmen Revenue transferred from the Wildlife Fund account for the Nevada Partners for Conservation and Development (C&D) program for habitat restoration in Nevada. Requires Interim Finance approval since the amount added to the Nevada Partners for C&D Program category exceeds \$75,000. **Work Program #C34242**

Refer to motion for approval under Agenda Item D.

- 95. Department of Transportation - Bond Construction - FY 2016** - Addition of \$105,000,000 in Proceeds from Sale of Bonds to accept and expend proceeds to complete pending and anticipated highway projects. Requires Interim Finance approval since the amount added to the 2016 Bond Issue category exceeds \$75,000. **Work Program #C34269**

Robert Nellis, Assistant Director of Administration, NDOT, said the selected contractor's proposal for Project NEON accelerated the construction schedule. Based on this schedule, the revised estimated completion is anticipated to be in fall 2019, which would save approximately 312 days of construction time. Mr. Nellis said the groundbreaking would be spring 2016.

Mr. Nellis said rates were still historically low, which made it an opportune time to conduct a large bond sale. He said Work Program C34269 requested \$105.0 million in additional funds for the first year of construction costs. Additionally, the bond sale would be an opportunity to refund up to \$160.0 million in previous bonds issued in 2006 and 2008, which would save the state

approximately \$7.7 million.

Senator Kieckhefer noted that federal interest rates increased that morning. Although it was probably too soon to determine potential impact on Project NEON, he asked if NDOT felt confident that a quarter percent increase in short-term rates would not impact the completion of the project.

Mr. Nellis replied that the quarter percent increase would be taken into account in the department's analysis. He said the savings would be less than expected, but the rates were still historically low.

Assemblyman Edwards said, regardless of the rates, the revised completion date would save commuters approximately 312 days of traveling delays through the spaghetti bowl area of Las Vegas, which he supported. Mr. Nellis confirmed that the completion schedule would not change as a result of the increased interest rates.

Assemblyman Sprinkle asked how much the state would save with the new bonds, and if the money would revert to the Highway Fund.

Mr. Nellis replied that today's request of \$105.0 million, combined with \$100.0 million authorized during the 2015 Legislative Session, would provide approximately \$205.0 million for construction costs. The department hoped to also sell up to \$160.0 million in bonds to refund the bonds that were sold in 2006 and 2008. However, he said, due to the increased interest rates, that figure may be closer to \$100.0 million.

Assemblyman Sprinkle asked if the bond sale would free up money that could be used toward other NDOT projects, and if so, how much money was estimated.

Rudy Malfabon, Director, NDOT, replied that the bonds for Project NEON were already anticipated. He said NDOT would be refinancing existing bonds to save money on the interest rates from prior years. Mr. Malfabon said NDOT was not considering additional projects within the scope of Work Program C34269. He said President Obama recently signed a five-year transportation bill that would benefit all national departments of transportation; therefore, NDOT had assurance that the state would continue to receive federal funds. He noted that gas prices were also reasonable, which encouraged people to drive more often. Overall, the Highway Fund had an adequate revenue stream, so the bond sale would not affect the funding of other projects.

Mr. Nellis said NDOT paid a certain amount each year for its existing bonds, so refunding the bonds would reduce those annual payments, which would increase the amount of funds available for other projects. He said, overall, it would amount to several million dollars.

Assemblywoman Carlton noted that NDOT's work program documentation indicated the bond funding would be used to complete pending and anticipated highway projects. She asked if the work program was solely directed at Project NEON. Mr. Nellis said that was correct and the department did not anticipate using the funds for reasons other than Project NEON. However, he explained that if Project NEON was delayed for some reason, the funds could be expended for other projects in Southern Nevada since the department would be paying interest on unused bond funds.

Assemblywoman Carlton said she wanted to be clear about the request prior to voting on the item, because there would be questions and concerns from constituents if there was a sudden change of projects at some point.

Senator Kieckhefer said there was a cap in terms of allowable debt, which was based on gas tax revenues. He said, by adding more debt earlier, it could prevent issuance of more bonds for another project. Senator Kieckhefer asked if the department could foresee the need to issue additional bonds, but would be unable to do so due to the debt cap.

Mr. Nellis said the department's cap was a \$90.0 million annual payment, which was established internally to maintain a AAA credit rating. He said the bond issuances for Project NEON would be about \$73.0 million per year between 2017 and 2020, which was well below the cap. Mr. Nellis said the payments would increase to \$83.0 million based on anticipated additional bond sales needed for Project NEON. He said there would be some pinch points, but NDOT would not exceed the \$90.0 million annual cap.

In response to a question from Senator Kieckhefer, Mr. Nellis said 2020 would be the last year that NDOT would pay the \$83.0 million annual payment. He confirmed that new bonding capacity would be available in 2020 if there were projects at that time.

ASSEMBLYMAN EDWARDS MOVED TO APPROVE
AGENDA ITEM D-95.

SENATOR KIECKHEFER SECONDED THE
MOTION.

THE MOTION CARRIED UNANIMOUSLY.
(Senator Ford, Senator Roberson and Assemblywoman
Bustamante Adams were not present for the vote.)

- 96. Public Employees' Benefits Program - FY 2016** - Transfer of \$6,177,746 from the Reserve category to the HSA/HRA Contributions category to fund projected expenditures through the remainder of the fiscal year. Requires Interim Finance approval since the amount transferred to the HSA/HRA Contributions category exceeds \$75,000. **Work Program #C34051**

Assemblywoman Benitez-Thompson recalled a discussion at a recent Legislative Commission meeting concerning a prospective premium rate increase of \$100 per month for single, non-state retirees. She said members of the Legislative Commission were concerned, because the increase impacted a group of people who were likely on a fixed income. She contemplated the amount of reserves and raising the reserves to offset some program costs, but not others. Assemblywoman Benitez-Thompson asked if the reserves were currently \$46.0 million.

Celestena Glover, Chief Financial Officer, Public Employees' Benefits Program (PEBP), replied that current reserves were approximately \$35.0 million. She said those reserves were identified to be used for plan design enhancements approved by the PEBP Board in 2014 for Plan Years 2015, 2016 and 2017. Ms. Glover said the premium rate increase for non-state retirees was a result of the change in PEBP's subsidy methodology. She said PEBP wanted to treat state and non-state retirees in the same manner as far as how much they received toward their plans from their former employers. Ms. Glover said the rate increase had already occurred. Going forward, new rates would be determined based on trend, inflation and other factors. She noted that all participants would benefit from the plan design enhancements paid for by reserves.

Assemblywoman Benitez-Thompson asked how much of the \$35.0 million in reserves was allocated for the plan changes. Ms. Glover replied that approximately \$25.5 million was identified for the plan enhancements; however, since the budget was built, there had been an 8 percent increase in enrollment and 12 percent increase in claims costs. She estimated that the revised cost to fund plan enhancements would be between \$30-\$32 million. Ms. Glover said early projections indicated that the majority of the reserves would be used for the plan enhancements.

In response to a question from Assemblywoman Benitez-Thompson, Ms. Glover replied that there were 2,168 non-state retirees and of those, 35 percent were negatively affected and 65 percent benefitted from the change. She said the new enrollment amount was 2,094 non-state retirees, but the percentage breakdown remained the same. She said the primary reason for the change in enrollment was due to individuals transitioning to the Medicare Exchange.

Assemblywoman Benitez-Thompson said it was difficult to see such a healthy reserve while at the same time asking individuals on a fixed income to spend an additional \$100 for their benefits.

ASSEMBLYMAN KIRNER MOVED TO APPROVE
AGENDA ITEM D-96.

SENATOR KIECKHEFER SECONDED THE
MOTION.

THE MOTION CARRIED UNANIMOUSLY.

(Senator Ford, Senator Roberson, Chair Anderson and Assemblywoman Bustamante Adams were not present for the vote.)

97. **Department of Health and Human Services - Public and Behavioral Health - Emergency Medical Services - FY 2016** - Addition of \$39,368 in federal Nevada Rural Opioid Overdose Reversal (NROOR) Grant funds awarded from the Desert View Hospital to reduce incidences of morbidity and mortality related to opioid overdoses in rural and frontier Nevada communities. Requires Interim Finance approval since the amount added to the NROOR Grant Program category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C34427. RECEIVED AFTER SUBMITTAL DEADLINE, 11-19-15.**

Assemblywoman Titus asked if the Nevada Rural Opioid Overdose Reversal (NROOR) grant was awarded specifically to Desert View Hospital. She also asked how the program was initiated, and its implementation and intent.

Steve Tafoya, Emergency Medical Services Representative, DPBH, DHHS, replied that the grant was a Health Resources and Services Administration (HRSA) grant, and could not be awarded to the university system or the state. The Nevada Rural Hospital Association and the University of Nevada School of Medicine (UNSOM) determined the ideal place to hold the grant would be Nye County, because there were a significant amount of overdoses in that county. Desert View Hospital was asked to be the lead applicant on the grant. After the grant was approved by the federal government it was divided into two subgrants. One subgrant was awarded to the Emergency Medical Services (EMS) program and one subgrant was awarded to UNSOM to help with training implementation.

Mr. Tafoya said Nevada have three levels of EMS providers: Emergency Medical Technicians (EMT), advanced EMTs and paramedics. He said advanced EMTs and paramedics were trained to carry and dispense medications to reverse opioid overdoses; however, EMTs were not. Mr. Tafoya said the grant funds would allow the EMS program to provide training to EMT agencies so the medications could be carried and administered by EMTs. He said the grant funds would also allow the EMS program to work with the university system to provide training to other agencies.

In response to a question from Assemblywoman Titus, Mr. Tafoya replied that training would be provided specifically for EMTs, because that was the only level of EMS provider not currently trained to administer the opioid overdose reversal medication. The grant funds would also be used to provide training to all future EMT classes. Additionally, the EMS program would work with other agencies that wanted to include the training in their protocol.

Assemblywoman Titus asked if first responders would be trained as well. Mr. Tafoya replied that S.B. 459 (2015) allowed training for any level provider

including first responders (Emergency Medical Responders). He said Emergency Medical Responders were not licensed on an ambulance, but administration of the opioid overdose reversal medication would still be part of their training.

Assemblywoman Titus asked if the EMS program had a contract with the provider of Narcan. A significant amount of funds would be spent to purchase the medication and she wanted to ensure that it could be returned if necessary due to its brief shelf life.

Mr. Tafoya said the division had two vendors and was working to secure a third vendor. He said the U.S. Food and Drug Administration (FDA) recently approved a nasal administration of the medication, so the division had a request through HRSA to have the grant amended to allow use of the nasal medication as well. Mr. Tafoya said the division was able to secure a lower price on the auto-injectors for Narcan for providers. He confirmed that there was an exchange program if the medication expired.

Dr. Tracey Green, Chief Medical Officer, DPBH, DHHS, clarified that nasal administration was already included in the EMT level training, and the division was looking to expand the purchase to include nasal Narcan, now that it was approved by the FDA.

ASSEMBLYWOMAN TITUS MOVED TO APPROVE
AGENDA ITEM D-97.

SENATOR GOICOECHEA SECONDED THE
MOTION.

Assemblyman Oscarson disclosed that he was employed by Desert View Hospital and would abstain from voting on Agenda Item D-97 for the purposes of Assembly Standing Rule 23.

THE MOTION CARRIED UNANIMOUSLY.
(Senator Ford, Senator Roberson, Chair Anderson and
Assemblywoman Bustamante Adams were not present for
the vote.)

- 98. Department of Agriculture - Administration - FY 2016** - Addition of \$10,342 in Animal Industry and Predatory Control funds, \$5,171 in Livestock Inspection funds, \$18,519 in Plant Industry funds, \$16,253 in Consumer Equitability funds, and \$12,415 in Food and Nutrition funds for the unanticipated replacement of the video conferencing system at the department's Sparks headquarters. Requires Interim Finance approval since the amount added to the Information Services category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C34380. RECEIVED AFTER SUBMITTAL DEADLINE, 11-19-15.**

Refer to motion for approval under Agenda Item D.

- 99. Department of Health and Human Services - Health Care Financing and Policy - Nevada Medicaid, Title XIX - FY 2016** - Addition of \$6,480,040 in federal Title XIX grant funds and \$3,500,000 in 1.5 Cent Indigent Accident Fund/Unmet Freecare Obligation funds transferred from the Intergovernmental Transfer Program account to provide supplemental payments to inpatient hospitals. Requires Interim Finance approval since the amount added to the Offline category exceeds \$75,000. **RELATES TO ITEMS D.25 and 29. Work Program #C34493. RECEIVED AFTER SUBMITTAL DEADLINE, 12-2-15.**

Ellen Crecelius, Deputy Director, Fiscal Services, DHHS, said Work Programs C34169, C34209 and C34493 were related to the Unmet Freecare Obligation funds in the Director's Office budget account. She said a portion of Unmet Freecare Obligation funds were transferred to the Division of Health Care Financing and Policy (DHCFP) for supplemental payments to hospitals.

Ms. Crecelius said that NRS 439B.320 required hospitals to provide uncompensated care to indigents in an amount equal to 0.6 percent of the hospital's net revenues. She said the requirement only applied to hospitals with greater than 100 beds in counties with at least two hospitals meeting that criteria, which was currently only Clark and Washoe Counties. Ms. Crecelius said, if a hospital was unable to meet the amount of its Freecare Obligation, the difference was placed in the budget account for the Director's Office. Those funds were disbursed to Medicaid to be matched with federal funds and allocated to hospitals as supplemental payments.

Senator Kieckhefer asked if the supplemental payments were based on an upper payment limit (UPL) system to raise Medicaid reimbursement up to Medicare-level rates. Ms. Crecelius said that was correct. She said the amount that Medicaid paid was below the UPL, which was the Medicare rate. The supplemental payment program helped increase the rate so hospitals received an amount closer to the Medicare rate, which is the allowable maximum amount.

Senator Kieckhefer inquired about the sizeable increase in the amount of collections. Ms. Crecelius replied that the amount of uncompensated care provided by hospitals had remained relatively stable, between \$14-\$16 million per year; however, fewer patients met the definition of an indigent without insurance. She said the uninsured rate in Nevada had decreased from 21 percent to 15 percent in 2014 under the Affordable Care Act (ACA). Ms. Crecelius said the Medicaid population also increased significantly. She said, in December 2013 approximately 323,000 Nevadans were on Medicaid, and the most recent caseload count was over 600,000. Ms. Crecelius said it was more difficult for hospitals to reach their uncompensated care obligation, because there were fewer uninsured individuals.

In response to a question from Senator Kieckhefer, Ms. Crecelius replied that approximately \$13.0 million in Unmet Freecare Obligation funds would be put

into reserves and \$3.5 million would be put into Medicaid for supplemental payments as directed by the state plan.

Senator Kieckhefer asked how the reserves would be utilized. Ms. Crecelius replied that the Board of Trustees for the Fund for Hospital Care (Board) monitored the Indigent Accident Fund. The Board included four county commissioners and a county social services director. She said the Board determined how the fund was used, such as payment for traditional Indigent Accident Fund and supplemental claims, offset county match obligations or an increased transfer to DHCFP for supplemental payments. Ms. Crecelius said, if the Board chose to increase the supplemental payments, an amendment to the state plan would be required.

Senator Kieckhefer asked if an increase to supplemental payments would also have an impact on the state net benefit, and Ms. Crecelius confirmed it would.

In response to a question from Senator Kieckhefer, Bonnie Long, Administrative Services Officer, DHCFP, DHHS, indicated that after the funds were placed in reserves, the Board could not expend the funds or make changes without IFC approval. Additionally, IFC approval was required if the expenditure of those funds would have a negative impact on the state net benefit and the General Fund.

Senator Kieckhefer said it was unlikely the uninsured rates would increase; therefore, the amount of Unmet Freecare Obligation funds were likely to remain high. Ms. Crecelius agreed.

Assemblywoman Carlton said that having a high amount of Unmet Freecare Obligation funds was an encouraging sign that more people had health insurance. Additionally, the extra funds could be used to leverage even more federal funds or address other hospital issues. She said reducing the uninsured rate was a positive step for the state. Assemblywoman Carlton said it was a unique problem to have and she was certain the state would find an alternate use for the funds.

Assemblywoman Titus said one of the large co-op healthcare exchanges in Southern Nevada recently went bankrupt and closed down, which might have a negative impact on the uninsured rates.

Ms. Crecelius was unfamiliar with the closure of the co-op in Southern Nevada, but she said the division monitored the state's uninsured rate. She said the most recent uninsured data was from 2014, and updated rates would not be available for some time, because there was typically a large delay between data releases.

Senator Kieckhefer said that anyone eligible for insurance through the co-ops would be eligible for a similar level of subsidy under a different plan on the healthcare exchange. He said the premium would probably be higher, however, since the co-op premiums were artificially low, hence the fiscal problems.

ASSEMBLYWOMAN CARLTON MOVED TO
APPROVE AGENDA ITEMS D-25, D-29 AND D-99.

SENATOR LIPPARELLI SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.
(Senator Roberson and Chair Anderson were not
present for the vote.)

RECLASSIFICATIONS

Agency	Agency/ Account Number	Position Number	Present Class Title, Class Code, Grade and Salary	Proposed Class Title, Class Code, Grade and Salary
Department of Business & Industry Insurance	741/3813	0342	Management Analyst 3, Code 07.624, Grade 37, Step 01, Employee/Employer Paid Retirement \$50,195.52	Insurance Examiner 1, Code 11.406, Grade 37, Step 1, Employee/Employer Paid Retirement \$50,195.52
Department of Business & Industry Industrial Relations	742/4682	0061	Safety Specialist Elevator Code: 11.538, Grade 37, Step 01, Employee/Employer Paid Retirement \$50,195.52	Administrative Assistant 2, Code 02.212, Grade 25, Step 01, Employee/Employer Paid Retirement \$30,484.80
Department of Business & Industry Industrial Relations	742/4682	0088	Safety Specialist Elevator Code: 11.538, Grade 37, Step 01, Employee/Employer Paid Retirement \$50,195.52	Administrative Assistant 2, Code 02.212, Grade 25, Step 01, Employee/Employer Paid Retirement \$30,484.80
Department of Transportation – Engineering	800/4660	017023	Business Process Analyst 2, Code 07.656, Grade 36, Step 01, Employee/Employer Paid Retirement \$48,086.64	Transportation GIS Supervisor, Code 06.342, Grade 38, Step 01, Employee/Employer Paid Retirement \$52,387.92

E. DEPARTMENT OF ADMINISTRATION – STATE PUBLIC WORKS DIVISION.

1. Request to modify the scope of CIP project 13-M42, Recondition Existing Water Tanks 2 and 4 – Indian Springs Prison Complex, Phase I, to defer work on water tank 2 and complete work on existing water tanks 3 and 4.
2. Request to modify the scope of CIP project 09-C18, Southern Nevada Veterans Cemetery expansion, to include grass removal, grading, marker realignment, irrigation and paver work, and to receive and expend \$3,500,000 in federal funds from the Office of Veterans Services pursuant to NRS 341.121, increasing total project authority by \$464,132.
3. Information regarding the Project Exception Report pursuant to NRS 341.100(8)(g).

Gus Nunez, Administrator, State Public Works Division (SPWD), said the division's first request was for a change of scope for Project 13-M42. He said the original scope was to fund the reconditioning of water tanks 2 and 4; however, during the design phases, SPWD learned that the final design may not supply the required water flow during a fire. Therefore, SPWD would recondition tanks 3 and 4 instead of tanks 2 and 4. He said SPWD would recondition tank 2 during the 2017-19 biennium. Mr. Nunez noted that the change would not affect cost.

Mr. Nunez said the division's second request was for a change in scope and authority to receive and spend federal funds in the amount of \$464,132 for Project 09-C18, the Southern Nevada Veterans Cemetery expansion. He said the additional federal grant was \$3.5 million; however, SPWD had CIP authority for \$3,035,868 in the current project.

SENATOR GOICOECHEA MOVED TO APPROVE
AGENDA ITEMS E-1 AND E-2.

ASSEMBLYMAN HICKEY SECONDED THE
MOTION.

THE MOTION CARRIED UNANIMOUSLY.
(Senator Ford, Senator Roberson, Chair Anderson and
Assemblywoman Bustamante Adams were not present for
the vote.)

F. STATEMENT OF CONTINGENCY ACCOUNT BALANCE.

Cindy Jones, Assembly Fiscal Analyst, Fiscal Analysis Division, LCB, said the unrestricted General Fund balance was approximately \$14.0 million; however, there was one request before the Committee today, which would reduce the balance to approximately \$13.8 million if the request was approved. The balance of the restricted General Fund amount was approximately \$16.2 million and there were no requests before the Committee. Lastly, the Highway Fund unrestricted balance was approximately \$1.7 million and there were no requests before the Committee.

G. REQUEST FOR ALLOCATION FROM THE IFC CONTINGENCY ACCOUNT (GENERAL FUND) PURSUANT TO NRS 353.268. (Note: IFC may approve a different amount for an allocation than the amount requested). State Department of Conservation and Natural Resources – Division of Water Resources – Request for an allocation of ~~\$250,000~~ \$200,000 to restore funds in the account for the Channel Clearance, Maintenance, Restoration, Surveying and Monumenting Program pursuant to NRS 532.230 to provide funding for restoration and bioengineering projects. REVISED 11-19-15.

Eddy Quaglieri, Engineering Manager, Division of Water Resources, Department of Conservation and Natural Resources (DCNR), said the Channel Clearance, Maintenance, Restoration, Surveying and Monumenting Program was created in 1973. He said 25 projects on the Carson, Walker and Truckee Rivers had been funded since the creation of the program, with expenditures ranging from \$5,000 to \$100,000.

Mr. Quaglieri said cities, counties and other political subdivisions of the state could apply for a grant through the Division of Water Resources. The grant application would be reviewed to determine if the project had merit and met the requirements under NRS 532.220. He noted that the grant required a 50 percent match, and in most cases in the past, the match exceeded 50 percent.

Mr. Quaglieri said some of the benefits of the Channel Clearance, Maintenance, Restoration, Surveying and Monumenting Program were to prevent the loss of land, soil and vegetation adjacent to a water course; minimize damage to utilities, roads, buildings and other facilities adjacent to a water course; reduce sediment loads to streams; maintain the capacity of the stream channel; control unwanted meandering of river or streams; and improve the stream as recreational use or as habitat for fish and wildlife.

Mr. Quaglieri said the division had not officially received any projects as of yet, but in discussions with Carson Valley Conservation District and the Dayton Valley Conservation District, projects were under design and would be submitted shortly for review by the Division of Water Resources.

Assemblywoman Titus said there was extensive testimony on A.B. 430 in the Subcommittee on Natural Resources during the 2015 Legislative Session. She said Nevada was currently receiving much needed moisture and programs such as the Channel Clearance, Maintenance, Restoration, Surveying and Monumenting Program were important in assuring that the moisture was directed to the appropriate place and was not wasted.

ASSEMBLYWOMAN TITUS MOVED TO APPROVE
AGENDA ITEM G.

SENATOR GOICOECHEA SECONDED THE
MOTION.

THE MOTION CARRIED UNANIMOUSLY.
(Senator Ford, Senator Roberson and Assemblywoman
Bustamante Adams were not present for the vote.)

H. REQUEST FOR APPROVAL OF EXPENDITURES FROM THE FUND FOR NEW CONSTRUCTION OF FACILITIES FOR PRISON INDUSTRIES PURSUANT TO NRS 209.192. (Note: IFC may approve a different amount of the expenditure than the amount requested). Department of Corrections – Prison Industries – Request an approval to expend \$346,507 to purchase new and replacement equipment, new software, buildings and grounds improvements, and materials to allow for expansion and operation improvements to various program activities.

Brian Connett, Deputy Director, Prison Industries, Nevada Department of Corrections (NDOC), said Prison Industries' mission was to reduce government operating costs, provide inmates the necessary skills to successfully re-enter society and enhance the safe operation of correctional facilities. He said approximately 400 to 500 inmates worked for Prison Industries. Mr. Connett said Prison Industries was a completely self-funded operation with zero appropriations from the State General Fund. He said Prison Industries provided contributions back to the state in the form of inmate wage deductions. The deductions from inmate wages contributed to the inmate's room and board, the Victims of Crime fund and the Prison Industries Capital Improvement Project (CIP) fund.

Mr. Connett said Prison Industries was requesting to purchase equipment using the Prison Industries CIP fund. He noted the Committee on Industrial Programs, which oversees Prison Industries, and the Board of Examiners, unanimously approved the request. Mr. Connett said the request would increase revenue and provide opportunities for additional training on newer equipment. He said it would also allow Prison Industries to be more responsive to its customers' requests and provide work to approximately 55 additional inmates.

Assemblyman Armstrong said some of the programs were very specific, and he asked about return on investment (ROI). For example, was there a demand that warranted a hydraulic bender, and if so, what were the projections for the cost of that demand. He also asked how many inmates would be trained on the new services.

Mr. Connett replied that the new equipment would provide enough work for 55 additional inmates.

Bill Quenga, Marketing Coordinator, Prison Industries, NDOC, said there was a ROI on the hydraulic bender. He said the hydraulic bender would be used for a variety of projects. For example, several entities had requested ADA compliant handrails. Mr. Quenga said steel products were labor intensive and Prison Industries did not have the appropriate equipment to perform such projects.

Assemblyman Armstrong said it was beneficial that the new equipment would provide additional inmate training. He said the goal was to reduce costs, and with that in mind, he asked the expected ROI on equipment costing \$346,000. Mr. Connett replied that there was more of a demand for bending steel than cutting/welding, therefore, the expected ROI for the hydraulic bender was 24 to 36 months.

In response to a question from Assemblyman Edwards, Mr. Connett replied that a total of 55 new inmate worker positions would be added. He said inmates moved in and out of positions based on what they learned, length of sentence and time remaining on sentence.

Assemblyman Edwards asked if inmates nearing the end of their sentence would be given priority in the program. Mr. Connett replied that approximately 10 percent of inmate workers were in long-term or life sentences; however, he did not have a breakdown of the time that remained on the sentences of other inmate workers.

Assemblywoman Swank was pleased that the NDOC was moving away from flood irrigation, because it was an ineffective method, especially during a water shortage. She said it was disheartening that it took a drought to realize that flood irrigation should be avoided whenever possible.

Senator Goicoechea cautioned Prison Industries against purchasing a used Center Pivot Irrigation Line, because they were typically well used. He said a new Center Pivot Irrigation Line could be purchased for approximately \$10,000 per tower for a 4 to 5 tower machine.

Senator Parks said the list of items to be purchased by Prison Industries was reviewed by the Committee on Industrial Programs, of which Senator Parks was a member. He said many of the items on the list would replace items that had exceeded their life expectancy and he supported the action.

Assemblyman Oscarson said he was also a member of the Committee on Industrial Programs. He observed how Prison Industries considered replacing equipment and eliminating unproductive or unprofitable programs. Assemblyman Oscarson thought there had been good oversight of the process, and he thanked Prison Industries for their efforts.

Assemblywoman Carlton asked about the customers interested in the service of hydraulic steel bending. Mr. Connett replied that hydraulic bending was a new process for Prison Industries. Currently the process was performed using the cut/weld technique.

Mr. Quenga added that Prison Industries was working with Nevada State Parks on various projects. He said there were many fire pits, barbecues and picnic tables in the state parks and the hydraulic bender could be used to maximize efficiency and keep costs down for the state. Additionally, the Department of

Wildlife requested “headache” racks for several vehicles. The racks would be customized and include a winch and light system to assist in lifting large or heavy animals.

Assemblywoman Carlton said it was important to train inmates and provide them with a skill; however, it was also important that Prison Industries avoid competing with qualified machinists and others in the state.

Senator Kieckhefer said, prior to today’s meeting, staff inquired about the number of additional inmates that would be added to the program. Prison Industries had estimated 12 to 17 inmates based on the t-shirt shop; however, based on today’s testimony, that number increased to 55 inmates. Senator Kieckhefer requested that Prison Industries promptly provide a detailed account of the 55 employees, where they would be employed, and which pieces of equipment would be accountable for those employees.

ASSEMBLYMAN OSCARSON MOVED TO
APPROVE AGENDA ITEM H.

SENATOR GOICOECHEA SECONDED THE
MOTION.

THE MOTION CARRIED UNANIMOUSLY.
(Senator Ford, Senator Roberson, Chair Anderson and
Assemblywoman Bustamante Adams were not present for
the vote.)

I. COMMITTEE ON INDUSTRIAL PROGRAMS – Semi-annual report on the status of current and proposed industrial programs for correctional institutions, pursuant to NRS 209.4818.

Sarah Coffman, Deputy Fiscal Analyst, Fiscal Analysis Division, LCB, said the Committee on Industrial Programs had met once in FY 2016. During that meeting, the Committee received information regarding Prison Industries’ financial statements, and she said there were several items worth noting.

Ms. Coffman said, in FY 2015, Prison Industries generated a net income of \$976,557, which was an increase of \$620,900 from FY 2014. She said all six state-sponsored Prison Industries programs generated a profit for FY 2015; however, during FY 2014, the Garment Factory was consolidated with the Drapery Shop. Ms. Coffman noted that the Drapery Shop incurred a net loss of \$13,202, and the Committee on Industrial Programs would meet in March 2016 to contemplate recommendations regarding the continuation of the Drapery Shop.

Ms. Coffman said the Committee also discussed the discontinuation of Jacobs Trading Company. In September 2015, the NDOC received a letter stating that Jacobs Trading Company would no longer be operating at

Florence McClure Women's Correctional Center. Ms. Coffman said NDOC indicated that Jacobs Trading Company was operating with very reduced staffing, but had not moved out of the facility completely.

Ms. Coffman said the Committee also discussed the issue of Alpine Steel. She said Alpine Steel was a private steel manufacturer that operated at High Desert State Prison; however, Alpine Steel closed its shop in 2013 and owed Prison Industries approximately \$428,000. She said that debt had been turned over to the State Controller's Office, and NDOC was currently in the process of selling equipment that was left behind from Alpine Steel. Ms. Coffman said there would be testimony from the Controller's Office and the Attorney General regarding the matter at the Committee on Industrial Programs meeting in March 2016.

Ms. Coffman said, finally, the NDOC reported inmate wage and assessments for FY 2015 of \$469,132. Of that amount, \$333,152 went toward room and board.

SENATOR PARKS MOVED TO ACCEPT THE REPORT.

ASSEMBLYMAN ARMSTRONG SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.
(Senator Ford, Senator Roberson, Chair Anderson and Assemblywoman Bustamante Adams were not present for the vote.)

- J. REQUEST FOR APPROVAL TO ACCEPT GIFTS AND GRANTS, PURSUANT TO NRS 353.335** – Office of the Attorney General – Administrative Account – Request for approval to accept a donation of \$100,000 from the Nevada Military Support Alliance to the Office of Military Legal Assistance to assist Nevada service members and veterans to receive pro-bono legal assistance from private attorneys.

Refer to testimony and motion for approval under Agenda Item D-2.

K. INFORMATIONAL ITEMS.

Assemblywoman Bustamante Adams requested further testimony on Agenda Items K-2a, Department of Administration, Purchasing Division; K-4, Governor's Office of Economic Development (GOED); and K-6d, DHHS, Division of Welfare and Supportive Services.

1. GOVERNOR'S FINANCE OFFICE – Budget Division

- a) Quarterly report of the agency activity relating to contracting with current or former employees of the state, for the period ending September 30, 2015, pursuant to NRS 333.705.

- b) Follow-up report regarding waiver from the requirements of NRS 237.360(1) to make available on an Internet website, maintained by the state agency, an electronic version of each administrative form of the state agency which is used by any person to submit information to the state agency pursuant to NRS 237.360(3).

This item was not discussed.

2. DEPARTMENT OF ADMINISTRATION

- a) Purchasing Division – Six-month report on preference for bid or proposal submitted by a local business owned by a veteran with a service-connected disability for the periods ending March 31, 2015, and September 30, 2015, pursuant to NRS 333.3368.

Jeff Haag, Administrator, Purchasing Division, said, pursuant to NRS 333.3368, a preference is given to a bid or proposal submitted by a local business owned by a disabled veteran.

Mr. Haag said, for the period ending March 31, 2015, a total of 39 contracts were available to local businesses owned by disabled veterans, with a total value of \$32.7 million. He said no proposals were received, therefore, no contracts were awarded to any local businesses owned by disabled veterans. Additionally, for the period ending September 30, 2015, 49 contracts were available to local businesses owned by disabled veterans, with a total revenue of \$45.7 million. Again, no proposals were received, therefore, no contracts were awarded to any local businesses owned by disabled veterans.

Assemblywoman Carlton said it was unusual that there were no proposals from the disabled veteran-owned business community. She asked about outreach efforts to this particular community of business owners.

Mr. Haag said he was new to his position, and after reviewing the program and the report, he shared Assemblywoman Carlton's concerns. He said the division participated in multiple outreach programs throughout the course of a year. Two outreach programs were scheduled in 2016 in partnership with the Governor's Office of Economic Development (GOED). Mr. Haag said, during the outreach programs the division would present to potential vendors, educating them on the preference outlined in NRS 333.3368 and engaging them in conversation about how they could participate in the program. He said, historically, the division had not garnered much participation or been able to award much business to this community, which was very disappointing. Mr. Haag thought the lack of participation was attributed to a lack of resources to drive the program, identifying the community that could potentially benefit, and engaging them in a more proactive manner. He said, the division and its vendor management system, within procurement, had only 59 vendors registered that met the qualifications within the state. Mr. Haag said the services and

goods the vendors provided varied and the needs that the division solicited varied on an annual basis as well.

Assemblyman Edwards said he had additional questions about the program and requested further discussion with Mr. Haag offline.

- b) Division of State Library, Archives and Public Records – Requested to increase one vacant 0.75 FTE to a 1.00 FTE position to provide additional support for the Library Services and Technology Act (LSTA) grant program. This results in an increase from 16.75 FTE to 17 FTE.

This item was not discussed.

- 3. **NEVADA SYSTEM OF HIGHER EDUCATION** – Quarterly reports on the progress made by the School of Medicine in obtaining federal approval for the research program on the medical use of marijuana, as well as the status of activities and information received through the program, for the period ending September 30, 2015, pursuant to NRS 453A.600.

This item was not discussed.

- 4. **GOVERNOR'S OFFICE OF ECONOMIC DEVELOPMENT** – Annual report on projects supported by the Knowledge Fund, for the period November 1, 2014, through October 31, 2015 (letter of intent, 2015 Legislature).

This item was not discussed.

- 5. **DEPARTMENT OF TOURISM AND CULTURAL AFFAIRS** – Division of Museums and History – Museum Dedicated Trust Funds – Semi-annual report regarding the investment and expenditure of private funds, for the period ending June 30, 2015, pursuant to NRS 381.0033(b).

This item was not discussed.

- 6. **DEPARTMENT OF HEALTH AND HUMAN SERVICES**

- a) Aging and Disability Services Division – Quarterly report for the Senior Rx and Disability Rx Prescription Caseload Data, for the period ending September 30, 2015, pursuant to NRS 439.630(1)c.
- b) Division of Health Care Financing and Policy – Quarterly report on the state's Title XXI allotment and related program expenditures for the period ending September 30, 2015 (letter of intent, 2015 Legislature).
- c) Division of Public and Behavioral Health – Behavioral Health Prevention and Treatment – Quarterly report on the maintenance of effort requirements for the federal Substance Abuse Prevention and Treatment block grant funds for FY 2015 and FY 2016 (letter of intent, 2015 Legislature).
- d) Division of Welfare and Supportive Services

- 1) Temporary Assistance for Needy Families – Report on TANF program changes for the periods ending June 30, 2015, and September 30, 2015.
- 2) Assistance to Aged and Blind – Report for January 2016 on the implementation of the federal Supplemental Security Income payment increase (letter of intent, 2015 Legislature).

Steve Fisher, Administrator, Division of Welfare and Supportive Services (DWSS), DHHS, said, for the periods ending June 30, 2015, and September 30, 2015, there were no substantial changes to the Temporary Assistance for Needy Families program.

Naomi Lewis, Deputy Administrator, DWSS, said Agenda Item K-6d2 pertained to Supplemental Security Income (SSI) cost of living adjustments (COLA) and whether the agency would pass along the COLA to disabled/aged individuals. She said, once the COLA cost was passed along, then the agency determined how much was provided to the individual versus how much could be charged by the group home. Ms. Lewis said there was no January 2016 COLA for SSI, therefore, nothing to pass along to the individual.

7. DEPARTMENT OF PUBLIC SAFETY

- a) Parole and Probation – Quarterly report on the status of the agency's pre-sentence investigations backlog for the period ending September 30, 2015 (letter of intent, 2015 Legislature).
- b) Division of Emergency Management – Emergency Assistance Account – Quarterly report on the status of the Emergency Assistance Account for the periods ending June 30, 2015, and September 30, 2015, pursuant to NRS 414.135(5).

This item was not discussed.

8. DEPARTMENT OF TRANSPORTATION - Report on the activities of the Advisory Committee on Transportational Storm Water Management and the implementation and efficacy of the department's storm water program pursuant to S.B. 324, Section 10.3 (2015 Legislature).

This item was not discussed.

9. Reports on capital improvements from local governments pursuant to S.B.107 (2005 Legislature).

This item was not discussed.

L. PUBLIC COMMENT.

There was no public comment.

M. ADJOURNMENT.

Vice-Chair Kieckhefer adjourned the meeting at 3:17 p.m.

Assemblyman Paul Anderson, Chairman
Interim Finance Committee

Rick Combs, Director, Legislative Counsel Bureau,
and Secretary, Interim Finance Committee