

THE SIXTIETH DAY

CARSON CITY (Thursday), April 1, 2021

Senate called to order at 12:45 p.m.

President Marshall presiding.

Roll called.

All present except Senator Spearman, who was excused.

Prayer by the Chaplain, Reverend Nick Emery.

Father God, thank You for this day. Thank You for these men and women. As these servant leaders press on with this week, I ask, Lord, that You fill them with strength and energy. Scripture says, "Where does my help come from? My help comes from the Lord, the Maker of heaven and earth."

Give each of these men and women places to process their concerns and gain true perspective. Give them opportunities to learn from those they are listening to and give them the resources needed to accomplish the various things You have placed before them. Help each of them to represent the Nevadans that elected them to their districts. Help them seek what is best for those who have trusted in their leadership. Help them leverage the relationships they have with one another, work well with each other and bring about a strong sense of purpose in each task they seek. Help them know what to do at the right time, know when to wait and what questions they need to ask to gain more information.

May the Lord richly bless this gathering of servant leaders, and may God bless Nevada.

In His Name, we pray.

AMEN.

Pledge of Allegiance to the Flag.

By previous order of the Senate, the reading of the Journal is dispensed with, and the President and Secretary are authorized to make the necessary corrections and additions.

REPORTS OF COMMITTEE

Madam President:

Your Committee on Education, to which was referred Senate Bill No. 342, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

MOISES DENIS, *Chair*

Madam President:

Your Committee on Growth and Infrastructure, to which was referred Senate Bill No. 204, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

DALLAS HARRIS, *Chair*

Madam President:

Your Committee on Legislative Operations and Elections, to which were referred Senate Bill No. 128; Senate Joint Resolution No. 6, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

JAMES OHRENSCHALL, *Chair*

Madam President:

Your Committee on Revenue and Economic Development, to which was referred Senate Bill No. 74, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

DINA NEAL, *Chair*

JOURNAL OF THE SENATE

MESSAGES FROM THE ASSEMBLY

ASSEMBLY CHAMBER, Carson City, March 30, 2021

To the Honorable the Senate:

I have the honor to inform your honorable body that the Assembly on this day adopted Senate Concurrent Resolution No. 1.

CAROL AIELLO-SALA
Assistant Chief Clerk of the Assembly

WAIVERS AND EXEMPTIONS

NOTICE OF EXEMPTION

March 31, 2021

The Fiscal Analysis Division, pursuant to Joint Standing Rule No. 14.6, has determined the exemption of: Senate Bill No. 375.

WAYNE THORLEY
Fiscal Analysis Division

April 1, 2021

The Fiscal Analysis Division, pursuant to Joint Standing Rule No. 14.6, has determined the eligibility for exemption of: Senate Bill No. 278.

WAYNE THORLEY
Fiscal Analysis Division

MOTIONS, RESOLUTIONS AND NOTICES

Pursuant to Senate Standing Rule No. 134.1(a), Senate Majority Leader Cannizzaro has authorized Senator Buck to use remote-technology systems to attend, participate, vote and take any other action in the proceedings of the Senate.

Senator Kieckhefer moved that Senate Bill No. 47 be taken from the Secretary's desk and placed on the General File.

Motion carried.

Senator Ratti has returned to full participation in the Senate Chamber, and the use of remote-technology systems to attend, participate, vote and take any other action in the proceedings of the Senate is no longer necessary.

INTRODUCTION, FIRST READING AND REFERENCE

By the Committee on Finance:

Senate Bill No. 406—AN ACT relating to wildlife; revising provisions governing the Wildlife Trust Fund; authorizing a tag to be in an electronic format under certain circumstances; revising the requirements for an annual resident specialty combination hunting and fishing license; and providing other matters properly relating thereto.

Senator Brooks moved that the bill be referred to the Committee on Natural Resources.

Motion carried.

GENERAL FILE AND THIRD READING

Senate Bill No. 47.

Bill read third time.

The following amendment was proposed by Senator Kieckhefer:

Amendment No. 70.

SUMMARY—Revises provisions governing public borrowing. (BDR 30-395)

AN ACT relating to state securities; revising provisions relating to the issuance of certain interim debentures to fund the general operations of the State; eliminating the expiration date of provisions authorizing the issuance of such interim debentures; making certain other temporary changes relating to state securities permanent; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Senate Bill No. 4 of the 31st Special Session authorized the State Board of Finance to issue certain interim debentures to pay for the general operations of the State until June 30, 2021, and established a procedure the Board is required to follow in order to determine whether to authorize such an issuance. This procedure requires the State Treasurer to submit a certification to the Board if he or she determines that: (1) the cash balance in the State General Fund has fallen below a certain percentage of its lowest average monthly balance for the immediately preceding 36 months; or (2) the cash balance in the State General Fund is insufficient to meet expected future obligations anticipated to be paid within the immediately succeeding 120 days. Upon receipt of such a certification, existing law requires the Board to determine the existence of either of those circumstances and, if so, authorizes the Board to issue general obligation interim debentures and special obligation interim debentures for the purpose of paying for the general operations of the State, subject to a maximum aggregate principal amount of any such interim debentures outstanding at one time of \$150,000,000. (NRS 349.073; section 1 of Senate Bill No. 4, chapter 1, Statutes of Nevada 2020, 31st Special Session, at page 2)

Sections 3 and 4 of this bill remove the expiration date, thereby authorizing the issuance of such interim debentures on or after July 1, 2021. Section 1 of this bill revises the criteria and procedure for the issuance of the interim debentures. Specifically, section 1 replaces the existing criteria under which the State Treasurer is required to submit a certification with a requirement for the State Treasurer, if he or she determines that the cash balance in the State General Fund is insufficient to meet future obligations, to submit to the Secretary of the Interim Finance Committee: (1) a certification of that fact and the amount of the insufficiency; and (2) a request for approval of the issuance of general obligation interim debentures in an amount that does not exceed a maximum aggregate principal amount of \$150,000,000. Section 1 then ~~requires~~ authorizes the Interim Finance Committee to consider the request and make a determination within 15 days after the date on which the certification and request are submitted regarding whether to approve or disapprove the request. If the Interim Finance Committee approves the request, section 1: (1) requires the Interim Finance Committee to establish by resolution the maximum amount of such interim debentures that may be issued; and (2) authorizes the Board to issue interim debentures in an amount not to exceed the maximum amount established by resolution. If the Interim

Finance Committee does not consider or disapproves the request within the 15-day period, section 1 ~~provides that the request is deemed approved in the amount set forth in the request.~~ prohibits the State Board of Finance from issuing any such interim debentures. Section 2 of this bill makes a conforming change by authorizing the Interim Finance Committee to perform the duties prescribed by section 1 during a regular or special session.

Senate Bill No. 4 of the 31st Special Session made several other changes to the existing law relating to state securities that expired on June 30, 2021. First, with respect to items that are authorized to be paid from the Consolidated Bond Interest and Redemption Fund, section 2 of Senate Bill No. 4 temporarily changed the term "bank service charges" to "bond administrative expenses," which includes expenses incurred to administer an interim debenture line of credit, notes or bonds. (NRS 349.110; section 2 of Senate Bill No. 4, chapter 1, Statutes of Nevada 2020, 31st Special Session, at page 3) Second, section 3 of Senate Bill No. 4 temporarily limited the type of act or resolution authorizing the issuance of state securities or any trust indenture or other instrument appertaining thereto that may fix a rate or rates of interest or provide for the determination of the rates or rates from time to time by a designated agent to: (1) securities bearing interest at a variable rate of interest; or (2) securities with a term of 270 days or less issued as commercial paper under a program for the issuance of commercial paper to be used for certain purposes. Section 3 also temporarily required such an act or resolution to specify the parameters for the interest rates if the interest rate is to be fixed by an agent. (NRS 349.227; section 3 of Senate Bill No. 4, chapter 1, Statutes of Nevada 2020, 31st Special Session, at page 3) Section 4 of Senate Bill No. 4 temporarily authorized the delegation of the authority to sign a contract for the purchase of bonds or to accept a binding bid for the bonds to the agent who is designated to fix interest rates. (NRS 349.303; section 4 of Senate Bill No. 4, chapter 1, Statutes of Nevada 2020, 31st Special Session, at page 4) Section 5 of Senate Bill No. 4 temporarily authorized: (1) the interim general obligation interim debentures and special obligation interim debentures issued as evidence of certain amounts borrowed by the State to be in the form of a note, bond or line of credit agreement, the proceeds of which are used for the general operations of the State or to pay the costs of a project; and (2) those interim debentures and the related bond administrative expenses to be secured by a pledge of security interest in and first lien on certain money and revenue. (NRS 349.318; section 5 of Senate Bill No. 4, chapter 1, Statutes of Nevada 2020, 31st Special Session, at page 4) Section 6 of Senate Bill No. 4 temporarily provided the period of maturity of an interim debenture in the form of a line of credit, which was temporarily authorized by section 5 of Senate Bill No. 4. (NRS 349.322; section 6 of Senate Bill No. 4, chapter 1, Statutes of Nevada 2020, 31st Special Session, at page 5) Section 3 of this bill makes the temporary changes made by sections 2-6 of Senate Bill No. 4 of the 31st Special Session permanent.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. NRS 349.073 is hereby amended to read as follows:

~~349.073 1. If at any time the State Treasurer determines that the cash balance in the State General Fund has fallen below 25 percent of its lowest average monthly balance for the immediately preceding 36 months or that the cash balance in the State General Fund is insufficient to meet expected future obligations anticipated to be paid within the immediately succeeding 120 calendar days, the State Treasurer shall submit a certification of that fact to the State Board of Finance. On the date on which the State Treasurer submits the certification to the State Board of Finance, the State Treasurer shall transmit notice of the certification to the Director of the Legislative Counsel Bureau for transmittal to the Legislature if the Legislature is in session, or to the Interim Finance Committee if the Legislature is not in session.~~

~~2. If the State Board of Finance determines that the cash balance in the State General Fund has fallen below 25 percent of its lowest average monthly balance for the immediately preceding 36 months or that the cash balance in the State General Fund is insufficient to meet expected future obligations anticipated to be paid within the immediately succeeding 120 days, the~~ The State Board of Finance may issue general obligation interim debentures payable from taxes or special obligation interim debentures, which may be in the form of a line of credit, note or bond as provided by NRS 349.318, for the purpose of paying for the general operations of the State, at any time or from time to time, in a face amount of not more than \$150,000,000 ~~+~~ if a request for the issuance of such interim debentures is approved by the Interim Finance Committee pursuant to the procedure set forth in subsections 2 and 3. The aggregate principal amount of such interim debentures outstanding at one time may not exceed \$150,000,000.

~~{3. In making its determination pursuant to subsection 2, the State Board of Finance is entitled to rely on the certification submitted by the State Treasurer pursuant to subsection 1. Any determination made by the State Board of Finance pursuant to subsection 2 is conclusive.}~~

2. If at any time the State Treasurer determines that the cash balance in the State General Fund is insufficient to meet expected future obligations, the State Treasurer shall submit to the Secretary of the Interim Finance Committee:

- (a) A certification of that fact and the amount of the insufficiency; and
- (b) A request for approval of the issuance of general obligation interim debentures pursuant to subsection 1 in an amount that does not exceed the limitation set forth in that subsection.

3. Within 15 days after the date on which such certification and request are submitted to the Secretary of the Interim Finance Committee, the Interim Finance Committee ~~shall~~ may consider the request and make a determination regarding whether to approve or disapprove the request. In determining whether to approve or disapprove the request, the Interim Finance Committee shall consider, among other things, the best interests of the State and the intent

of the Legislature in enacting this provision. If the Interim Finance Committee approves the request, the Interim Finance Committee shall establish by resolution the maximum amount of such interim debentures that may be issued subject to the limitation set forth in subsection 1.

~~4.~~ If the Interim Finance Committee does not consider ~~such~~ or disapproves a request pursuant to the procedure set forth in subsection 3 within the 15-day period, the ~~amount set forth in the request is deemed approved.~~ State Board of Finance shall not issue any such interim debentures.

~~4.~~ 5. Proceeds from the sale of interim debentures issued pursuant to this section must be deposited in the State General Fund. The interest and income earned on the proceeds of the interim debentures, including any line of credit, note or bond, after deducting any applicable charges and bond administrative expenses, must be credited to the State General Fund and used for the general operations of the State.

~~5.~~ 6. The provisions of NRS 349.150 to 349.364, inclusive, which are not inconsistent with the provisions of this section apply to the issuance of interim debentures under this section.

~~6.~~ 7. Securities may be issued under this section without regard to the procedure required by any other such law except as otherwise provided in this section or in NRS 349.150 to 349.364, inclusive. Insofar as the provisions of this section are inconsistent with the provisions of any other law, general or special, the provisions of this section are controlling.

~~7.~~ 8. This section being necessary to secure the public health, safety, convenience and welfare, shall be liberally construed to effect its purposes.

~~8.~~ 9. As used in this section, "bond administrative expense" has the meaning ascribed to it in NRS 349.110.

Sec. 2. NRS 218E.405 is hereby amended to read as follows:

218E.405 1. Except as otherwise provided in subsection 2, the Interim Finance Committee may exercise the powers conferred upon it by law only when the Legislature is not in a regular or special session.

2. During a regular or special session, the Interim Finance Committee may also perform the duties imposed on it by NRS 228.1111, subsection 5 of NRS 284.115, NRS 285.070, subsection 2 of NRS 321.335, NRS 322.007, subsection 2 of NRS 323.020, NRS 323.050, subsection 1 of NRS 323.100, subsection 3 of NRS 341.126, NRS 341.142, paragraph (f) of subsection 1 of NRS 341.145, subsection 3 of NRS 349.073, NRS 353.220, 353.224, 353.2705 to 353.2771, inclusive, 353.288, 353.335, 353C.224, 353C.226, paragraph (b) of subsection 4 of NRS 407.0762, NRS 428.375, 439.4905, 439.620, 439.630, 445B.830, subsection 1 of NRS 445C.320 and NRS 538.650. In performing those duties, the Senate Standing Committee on Finance and the Assembly Standing Committee on Ways and Means may meet separately and transmit the results of their respective votes to the Chair of the Interim Finance Committee to determine the action of the Interim Finance Committee as a whole.

3. The Chair of the Interim Finance Committee may appoint a subcommittee consisting of six members of the Committee to review and make recommendations to the Committee on matters of the State Public Works Division of the Department of Administration that require prior approval of the Interim Finance Committee pursuant to subsection 3 of NRS 341.126, NRS 341.142 and paragraph (f) of subsection 1 of NRS 341.145. If the Chair appoints such a subcommittee:

(a) The Chair shall designate one of the members of the subcommittee to serve as the chair of the subcommittee;

(b) The subcommittee shall meet throughout the year at the times and places specified by the call of the chair of the subcommittee; and

(c) The Director or the Director's designee shall act as the nonvoting recording secretary of the subcommittee.

Sec. 3. Section 9 of chapter 1, Statutes of Nevada 2020, 31st Special Session, at page 5, is hereby amended to read as follows:

Sec. 9. This act becomes effective upon passage and approval . ~~and expires by limitation on June 30, 2021.~~

Sec. 4. Section 8 of chapter 1, Statutes of Nevada 2020, 31st Special Session, at page 5, is hereby repealed.

Sec. 5. This act becomes effective upon passage and approval.

TEXT OF REPEALED SECTION

Section 8 of chapter 1, Statutes of Nevada 2020, 31st Special Session:

Sec. 8. The State Board of Finance shall not approve the issuance of any interim debentures pursuant to section 1 of this act after June 30, 2021.

Senator Kieckhefer moved the adoption of the amendment.

Remarks by Senator Kieckhefer.

Amendment No. 70 to Senate Bill No. 47 makes minor revisions to the bill. It provides legislative oversight if the State Treasurer proposes to issue up to \$150 million in interim debentures that are backed by the general obligations of the State. It would require an affirmative vote of the Interim Finance Committee for approval and creates more balance. The Chair of the Senate Finance Committee and the State Treasurer worked collaboratively to find a good solution for everyone.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Motion carried.

UNFINISHED BUSINESS SIGNING OF BILLS AND RESOLUTIONS

There being no objections, the President and Secretary signed Assembly Bill No. 9.

Senator Cannizzaro moved that the Senate adjourn until Monday, April 5, 2021, at 11:00 a.m.

Motion carried.

Senate adjourned at 12:55 p.m.

Approved:

KATE MARSHALL
President of the Senate

Attest: CLAIRE J. CLIFT
Secretary of the Senate