

**MINUTES OF THE MEETING
OF THE
ASSEMBLY COMMITTEE ON GOVERNMENT AFFAIRS**

**Eighty-Second Session
March 1, 2023**

The Committee on Government Affairs was called to order by Chair Selena Torres at 9:02 a.m. on Wednesday, March 1, 2023, in Room 3143 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. The meeting was videoconferenced to Room 4412 of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. Copies of the minutes, including the Agenda [[Exhibit A](#)], the Attendance Roster [[Exhibit B](#)], and other substantive exhibits, are available and on file in the Research Library of the Legislative Counsel Bureau and on the Nevada Legislature's website at www.leg.state.nv.us/App/NELIS/REL/82nd2023.

COMMITTEE MEMBERS PRESENT:

Assemblywoman Selena Torres, Chair
Assemblywoman Bea Duran, Vice Chair
Assemblyman Max Carter
Assemblyman Rich DeLong
Assemblyman Reuben D'Silva
Assemblyman Bert Gurr
Assemblyman Brian Hibbetts
Assemblyman Gregory Koenig
Assemblyman Richard McArthur
Assemblyman Duy Nguyen
Assemblywoman Angie Taylor
Assemblywoman Clara Thomas

COMMITTEE MEMBERS ABSENT:

Assemblywoman Cecelia González (excused)

GUEST LEGISLATORS PRESENT:

Assemblywoman Sandra Jauregui, District No. 41

STAFF MEMBERS PRESENT:

Jennifer Ruedy, Committee Policy Analyst
Judi Bishop, Committee Manager
Dylan Small, Committee Secretary
Cheryl Williams, Committee Assistant

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OTHERS PRESENT:

Kelly Gaines, President and CEO, Nevada Subcontractors Association
Chelsea Capurro, representing Nevada Subcontractors Association
Lindsay Knox, representing Southern Nevada Home Builders Association
Michael C. Van, representing Hirschi Companies, Las Vegas, Nevada; Alpha Landscaping, Las Vegas, Nevada; Western States Contracting, North Las Vegas, Nevada; WestCor Companies, Las Vegas, Nevada; Silver Lake Construction, Las Vegas, Nevada; and American Building Systems, Henderson, Nevada
Janner Rivas, Private Citizen, Las Vegas, Nevada
Paul Schwarz, Vice President of Human Resources, Hirschi Companies, Las Vegas, Nevada
Jose Angel, General Superintendent, Hirschi Masonry, Las Vegas, Nevada
Wesley Pettus, Safety Manager, Hirschi Companies, Las Vegas, Nevada
Jorge Macias, Superintendent, Silver Lake Construction Company, Las Vegas, Nevada
Virginia Toalepai, Chief Executive Officer and President, World Wide Safety, Las Vegas, Nevada
David Cherry, Government Affairs Manager, City of Henderson
Kelly Crompton, Government Affairs Manager, City of Las Vegas
Stephen Wood, Government Affairs Liaison, Nevada League of Cities
Wade Gochnour, Assistant City Attorney, City of Henderson
Leonardo R. Benavides, Government Affairs Manager, City of North Las Vegas

Chair Torres:

Welcome to the Assembly Committee on Government Affairs. I know everybody is excited after being stuck at home during the snowstorm for the last couple of days. [Roll was taken. Committee rules were explained.] Committee members, it is great to be back in the room with all of you today. Please mark Assemblywoman Cecelia González absent excused. She is presenting bills right now, and she will be back at her earliest convenience.

We are going to start with our member's bill first. We will start with Assembly Bill 189, presented by Assemblywoman Sandra Jauregui, then we will move on to Assembly Bill 60 to close. We will now open the hearing on A.B. 189, which revises the provisions governing construction start times in certain counties and cities. Majority Leader Jauregui, when you are ready, you may begin.

Assembly Bill 189: Revises provisions governing construction start times in certain counties and cities. (BDR 20-232)

Assemblywoman Sandra Jauregui, Assembly District No. 41:

It is so nice to be back in front of you to present Assembly Bill 189 for your consideration. In 2019, I worked on Assembly Bill 290 of the 80th Session. My mission was to create a safer work environment for construction sites. We were successful in passing the bill,

which created the Occupational Safety and Health Administration (OSHA) registry to help combat the growing problem of fraudulent OSHA cards. In 2021, I worked on Assembly Bill 249 of the 81st Session, which prohibited common-interest communities from restricting the hours that construction work may begin if they were later than those adopted by the governing body of a county or city, but only during the summer months.

I am here before the same Committee again, tackling the same growing problem on construction sites. Because Nevada has two of the fastest-warming cities in America, our outdoor workers face an invisible threat, the threat of heat exhaustion and heat stroke. Those in the construction industry are uniquely susceptible to heat-related injuries. The work comes with inherent risks which are amplified by exposure to direct sunlight during the hottest months of the year. I quote from the Centers for Disease Control and Prevention (CDC) website:

Construction workers are at risk of death, injuries, illness, and reduced productivity resulting from heat exposure on the job. Between 1992 and 2016, 285 construction workers died from heat-related causes, more than a third of all U.S. occupational deaths from heat exposure. It is possible that heat-related deaths were undercounted due to misclassification. Heat-related deaths have had an upward trend that corresponds with an increase in average summer temperatures during the same time period. Approximately 75 percent of these fatalities occurred during the summer months of June, July, and August.

Nonfatal heat injuries are far more prevalent. A study conducted in North Carolina shows that heat-related injuries are the most common cause for an occupational emergency room visit. Injuries from heat exhaustion or heatstroke can result in cognitive impairment, dizziness, sweaty and slippery hands, slowed response time, muscle fatigue and cramping, nausea or vomiting, and clouded eyewear that blocks vision. The risks are obvious when these individuals are working with hammers, power saws, nail guns, and welding and propane torches and doing so suspended several stories in the air or on the roof of a home. While everyone is affected, cement masons are more at risk. They are ten times more likely to die than the average construction worker, followed by roofers who are seven times more likely to die than the average construction worker, according to the National Institute for Occupational Safety and Health. One of the most effective ways to combat this is to schedule higher-risk jobs for cooler parts of the day. That is exactly what A.B. 189 aims to do. With your permission, Chair, I would now like to walk the members through the bill.

You have all received the proposed amendment [[Exhibit C](#)]. I am sorry, we sent that late afternoon yesterday, but it should be on the Nevada Electronic Legislative Information System, and I have copies that I can email all of the Committee members if they need it as well. The proposed amendment says that this bill will only apply to declarant-controlled communities. My amended bill will say that this only applies to new home construction communities where the community is still 50 percent or more builder-owned. The second a newly built residential community has a homeowner moving into the home that puts it at 51 percent owner-occupied, this bill will no longer apply. This gives construction workers

and subcontractors the ability to start work early during the extreme summer months at the job site where less than 50 percent of people are actually living in the community. Chair, with your permission, I would now like to turn it over to Kelly Gaines, president of the Nevada Subcontractors Association. She is joining us from Las Vegas.

Chair Torres:
Go ahead.

Kelly Gaines, President and CEO, Nevada Subcontractors Association:

I am here alongside Assemblywoman Jauregui in presenting Assembly Bill 189, which revises provisions governing construction start times. The Nevada Subcontractors Association is made up of 150 residential contractors, subcontractors, construction vendors, suppliers, and other businesses alike, collectively representing their businesses and the thousands of workers they employ in southern Nevada. Some are here today in support. Our number one priority in the construction space is to create and adhere to safety standards to protect employees and still have a positive impact on Nevada's economic development.

In April of 2022, OSHA launched a national emphasis program (NEP) to protect millions of workers from heat-related illnesses and injuries. Nevada is one of 22 states with the ability to modify OSHA workplace safety and health programs as their own state plan and, if approved, they are as effective as federal OSHA plans. In June of 2022, Nevada adopted the federal NEP in modified form. Before that, as early as March of 2021, Nevada OSHA had been developing a regulation to address heat illnesses. Public hearings, stakeholder meetings, and workshops were held. I would like to reference the informational statement of adopted regulations I submitted for the record [[Exhibit D](#)], which provides explanations for the need to adopt the regulation to address heat illnesses. I quote [page 1, [Exhibit D](#)], "The most common time of day for these injuries and illnesses is from 12 p.m. to 4 p.m., which is during the hottest part of the day. The top three occupations were service, transportation and material moving, and construction." This points out that it has already been identified and recognized by both federal and Nevada OSHA that excessive exposure to high temps can create a safety concern.

The current restrictions on construction start times expose workers unnecessarily to extreme heat during southern Nevada's high-temperature months and leads to their inability to complete full workdays, as our employers do not force their workers to work in these elements. The passing of this bill will be giving them the ability to work full-time hours while limiting their exposure during high-heat indexes, overall reducing the safety risks of people that literally help build Nevada.

Assemblywoman Jauregui:

Chair, I have Chelsea Capurro with me too, to help answer questions, but for the Committee's sake I will answer questions I have received about the bill and what it does. The bill does not apply to commercial construction. With the amendment, the bill does not apply to any regular residential community. It only applies to declarant-controlled communities, which

means communities that are 50 percent or more builder-owned—still under construction. With your permission, we are ready for questions.

Chair Torres:

Members, do you have any questions?

Assemblyman Carter:

We heard a lot about the effects of heat-related illnesses. Is there any effort to get any heat-related regulations into Nevada OSHA? I know there are not any currently, so we are chopping at the outside. Why is this not trying to modify OSHA to protect all workers?

Assemblywoman Jauregui:

I cannot speak for OSHA, Assemblyman, but I do know that over the summer of 2022 they did come to the Legislative Commission with regulation, so I believe it is something that they are working on.

Assemblywoman Thomas:

My question is a basic one. I notice that existing law says "beginning on May 1," but the proposed amendment says "beginning on April 1." What was the reason for using an earlier month?

Assemblywoman Jauregui:

It is getting hotter earlier in our two fastest-warming cities. This bill only applies to counties with populations of 700,000 or more, so it only applies to Clark County as it is printed. I want to make sure that we are giving workers an earlier start time as soon as it starts getting hotter. I would not be opposed to amending existing statute to make it say April 1 as well—that was part of the bill that I carried. What you are reading, the Legislative Counsel's Digest—that was part of Assembly Bill 249 of the 81st Session that we carried that implemented the start date of May 1. But if the Committee so wishes, I would be happy to move that up to April 1 as well.

Assemblywoman Thomas:

Thank you very much for the explanation.

Assemblywoman Taylor:

I just want to make sure I am clear on what a declarant-controlled community is. I am going to put it in layperson's terms: this applies to new residential construction, and once the residential area is more than 50 percent occupied by the homeowners, then they can start later than 5 a.m.

Assemblywoman Jauregui:

This bill allows them to start at 5 a.m. when it is builder-controlled. As soon as it becomes homeowner-controlled—when the majority of the community is owner-occupied—then they would have to start at the normally scheduled times as imposed by the local county or city.

Assemblywoman Taylor:

That is what I thought I asked, but you said it better. Thank you.

Assemblyman Hibbetts:

Where is "declarant-controlled community" defined for the record?

Chelsea Capurro, representing Nevada Subcontractors Association:

I would have to look that up, but "declarant" is laid out in statute—I can find the exact statute. Chair, would you know, perhaps?

Chair Torres:

Our committee counsel is out drafting bills to make sure we are ready and meeting all our deadlines, so they are not here right now, but I can get that answer for the Committee. I will make sure that we get it to the bill sponsor as well.

Assemblyman DeLong:

I get the issue that you are trying to cover here, which is trying to have safer work environments. Why does it appear that the amendment is actually limiting the applicability?

Assemblywoman Jauregui:

I wanted to make sure that we are being respectful of other communities. Assembly Bill 249 of the 81st Session already addresses communities that are fully built, with homeowners living in them. Assembly Bill 249 of the 81st Session says that during the summer months, May 1 through September 30, construction work can begin in those communities not earlier than that time set by cities and counties. Many homeowners' associations (HOA) had later start times than the cities or counties allowed. For example, where a city had a 7 a.m. start time and some common-interest communities had later start times of 9 a.m.—what we did was, during the summer months, those HOAs are not allowed to impose a later start time than what the city or county has imposed. We did want to be respectful of communities that were already being lived in by homeowners and limit the number of calls that come into the cities or counties complaining about the noise.

Chair Torres:

Members, are there any additional questions? [There were none.]

Assemblywoman Jauregui:

Madam Chair, I was able to look up the statute. I believe *Nevada Revised Statutes* (NRS) 116.035 defines "declarant."

Chair Torres:

Thank you. We appreciate that. At this time, we are done with questions. We will move on to those testifying in support of this legislation.

Lindsay Knox, representing Southern Nevada Home Builders Association:

We appreciate the Majority Leader's bringing this bill forward. We are all for worker safety and believe that this is a step in the right direction. You have our support, and we look forward to reviewing the amendment.

Chair Torres:

Is there anyone wishing to testify in support of A.B. 189 in Las Vegas?

Michael C. Van, representing Hirschi Companies, Las Vegas, Nevada; Alpha Landscaping, Las Vegas, Nevada; Western States Contracting, North Las Vegas, Nevada; WestCor Companies, Las Vegas, Nevada; Silver Lake Construction, Las Vegas, Nevada; and American Building Systems, Henderson, Nevada:

I hope your weather is better than ours. I am here on behalf of six subcontractors who represent a workforce in excess of 3,000 employees. They have collectively asked me to come in support of this bill. While I understand there may be some mild inconvenience to some of the cities or maybe even homeowners, that would be short-lived, while the impact on the workers is a lifetime issue.

These are instances where the employers and the employees are losing their workforce later in the afternoon; they are operating in really unsafe work conditions. In the past, many times in the later afternoon, people would have to call off.

The purpose of this, particularly with the OSHA regulations, is if you are trying to get in a seven- or eight-hour day and OSHA is saying that you need to stop or slow down at 2 p.m., the only way that you can move is towards the earlier parts of the day. On behalf of those subcontractors—again, there are six of them and at least 3,000 employees—this is a very well-thought-out bill which provides for people to get started working earlier, just as the sun is coming up, get the work done, get out of the heat, and allow them to hydrate and get back to work the following day. Additionally, it has an economic impact, because there are a lot of times when employees are unable to work throughout the full day. We are fully in support of this bill and hope it will pass.

Chair Torres:

Mr. Van, you said that you hope we have better weather. I just want you to know that indeed we do not have better weather—we are just recovering from a blizzard. But thank you for the wish anyway. Is there anybody else wishing to testify in support of A.B. 189?

Janner Rivas, Private Citizen, Las Vegas, Nevada:

The reason why I am supporting this bill is because I am a father of three beautiful children and, as a roof installer, I would prefer to start work as early as possible, at 5 a.m., and leave work early to spend more quality time with my family and not be exposed to extreme heat, which is anywhere from 120 degrees Fahrenheit later in the afternoon. This is why I support this A.B. 189, and I urge the Committee members to do so as well.

Paul Schwarz, Vice President of Human Resources, Hirschi Companies, Las Vegas, Nevada:

We are a subcontractor with a little over 500 employees. We have many men and women working out in the elements throughout the summer, building homes for our residents here in Las Vegas. My primary responsibility over human resources and safety is to ensure that not only do we develop a culture of respect but a culture of safety in our workplace. I would consider this bill vital to the safety of our employees, especially in the summer months.

In human resources, one of the things that I am always concerned about is our future workforce. Among those who are currently working in the skilled trades, a lot are nearing retirement, and we are hoping that a lot of students and those in high school will be following in their footsteps in pursuing the skilled trades.

I actually go to high schools and colleges and speak quite often to encourage them to pursue the trades. One of the topics that we talk about when we speak to students is the importance of safety and the resources and the effort that the construction industry is putting into keeping the workforce safe. There is no doubt that construction can be a dangerous occupation. You are working on undeveloped job sites; you are not working indoors; you are working outdoors. We discuss with them all of the technology that we are investing in to make the workplace safe and all of the policies and things that we put into place. One of the things we would want to tell them is that we will ensure that we will give them a workday that will keep them out of the elements the best we can. I am in support of this bill. I think it is vital to our safety, and I hope it will go through.

Jose Angel, General Superintendent, Hirschi Masonry, Las Vegas, Nevada:

I have been in construction for more than 25 years, working in the field. The benefit of starting early is it helps to avoid the heat and I am a bit more energized and productive. That is why I support the bill.

Wesley Pettus, Safety Manager, Hirschi Companies, Las Vegas, Nevada:

The safety of our employees is vital. It is very important that we take care of our employees when they are out in the field. We would love to be able to start earlier, which will help mitigate a lot of heat injuries and illnesses and be able to help keep everybody healthy and safe while they are working out in the field.

I have been working in construction for a long time. I started as a laborer working underground, installing all kinds of different things, landscaping, and I have actually worked on roofs. You get all the different elements working in these different types of trades. In the heat, you really feel exhausted. The burden of the heat out there makes you slow down and not produce what you need to produce. You do not feel able to come to work the next day when you are down. I am very much in support of this bill to help all the employees that we look after to be able to come to work every single day and go home the same way they come in to work and to be able to spend time with their families and be safe.

Jorge Macias, Superintendent, Silver Lake Construction Company, Las Vegas, Nevada:

We pour concrete foundations for homes in Clark County. I have been working in construction for the last 28 years in southern Nevada. It has provided me and my family a good living. I really like working for my employer. They do everything they can to protect me and my coworkers from the heat. But my coworkers and I suffer in the summer because the heat is brutal. You cannot work the way you want to; you have to take more frequent breaks; and extreme heat makes you weak. We often have to stop working before we get to eight hours. We would really like to start working earlier to avoid the heat. That will be the best because we will get to work more, and working will not be as dangerous to our health. I support A.B. 189.

Virginia Toalepai, Chief Executive Officer and President, World Wide Safety, Las Vegas, Nevada:

We are a third-party safety consultant company in Nevada. I am responsible for working men and women in the construction industry, both residential and commercial, throughout the state. I have been working side by side in the field with the workforce that built this city that we call home, where we all get to go at the end of each workday. Safety is a priority. It is something we live and breathe, and it is a fundamental part of any workplace. Part of my job is not only to make sure that all are following and in compliance with the OSHA regulations to make sure that everyone is provided a safe work environment, but most importantly that these working men and women get to go home to their loved ones at the end of the day. During the summer times, we hold multiple safety stand-downs throughout the city, reminding everybody of the importance of staying hydrated and not getting heat-stressed.

Last year, OSHA reinforced the very subject and added more specific instructions on what companies are now required to comply with to reduce the number of heat-related incidents. These numbers are rising every year. We even increased the number of medical first responders within my company to accommodate the many calls during the summer times. As global temperatures continue to climb, heat-related deaths are also up. Amid last year's record-shattering temperature spikes, early estimates from the CDC indicate that heat deaths jumped 56 percent between 2018 and 2021. Heat was a contributing factor in 1,577 U.S. deaths in 2021, according to provisional data. That is a 56 percent jump from 1,012 in 2018.

Heat-related deaths are most common in Nevada and Arizona. Between 2018 and 2021, 571 people in Nevada died where heat was among the causes of death. That is 4.54 deaths per 100,000 residents respectively over that period, thus far higher than the U.S. average over the same period of 0.35 deaths per 400,000 residents. Nevada is at the top of this list. Why would we want to make the change? Change saves lives; change so that we can all get to go home to our families and loved ones; change so that we can keep our promises to the ones waiting for us to come to the driveway who say, I love you mom and I love you dad. Make the change for someone's father or mother, son or daughter, aunt or uncle, but most importantly so our little ones can get another chance to be with their loved ones.

Chair Torres:

Thank you for your testimony. Is there anyone else in Las Vegas wishing to testify in support of A.B. 189? [There was no one.] Is there anyone wishing to testify in opposition to A.B. 189 here in Carson City?

David Cherry, Government Affairs Manager, City of Henderson:

I would like to begin by thanking the bill sponsor for allowing me to share with her in writing prior to the hearing some of the city's concerns about A.B. 189 as introduced. I also want to recognize the many contributions that those who work in the construction industry make to our communities and economy, and to recognize the paramount importance of protecting these men and women while they are on the job, including from the heat of the southern Nevada summer, something many of us here in Carson City may be longing for right about now.

The city is still reviewing the sponsor's amendment, so my remarks address the bill as written. The City of Henderson currently has sections of our municipal code that establish the hours permitted for construction, which are generally between 6 a.m. and 6 p.m. Even with these restricted hours our elected officials at the city often hear from their constituents who feel that construction activities, especially during the early morning hours, are overly disruptive and diminish their quality of life. It appears the amendment is designed to help address these concerns in part.

There is also a process in code that allows our building official to make exceptions to these permitted hours if requested, using his or her expertise to evaluate the request and make a determination on the merits. Assembly Bill 189 would preempt the city's existing authority by requiring that we change our code to allow construction in common-interest communities beginning at 5 a. m. during the months of April through September or potentially earlier than 5 a. m., as the wording of the bill would seem to contemplate. Section 4 also seems to be drafted in a way that one could interpret the language that reads "the hours for construction work in a common-interest community must not begin later than 5 a.m. during the period beginning on April 1 and ending on September 30" to mean that all work has to begin before 5 a.m., which we do not believe is the intent, but we would like to see that clarified.

For these reasons, the city opposes A.B. 189 in its current form, and we are hopeful that we can continue to work with the bill sponsor to address these concerns.

Chair Torres:

Mr. Cherry, there is a question from Vice Chair Duran, if you may.

Assemblywoman Duran:

You mention that you do have exceptions for earlier starts. Can you tell us what those exceptions might be?

David Cherry:

Assemblywoman Duran, this is information that came to me from our staff. It is my understanding we have a building official at the city. Those requests can be made to the building official, and he or she can make a determination and allow that construction to begin earlier than the time permitted under our Henderson Municipal Code, which defines 6 a.m. as the earliest start time unless an exception is permitted. I will make sure that my understanding is correct, that the information I am giving you is correct, and I will get back to you if there is a change in the information that I have.

Chair Torres:

Thank you. Could you get the Committee how often that exception has been granted? That would be helpful, too.

David Cherry:

Yes, Chair, I would be happy to get that information for you and the members of the Committee.

Chair Torres:

Thank you. Is there anyone else wishing to testify in opposition to A.B. 189 in Carson City or Las Vegas?

Kelly Crompton, Government Affairs Manager, City of Las Vegas:

We echo the concerns that my colleague from the City of Henderson vocalized. We, too, have times set in place in local ordinance that take care of current noise ordinances, and we do have a similar exemption for the case of necessity in the interest of public health and safety that allows for permitting at an earlier time. We, too, have concerns about the wording, although we think it is intentional that the start time must happen before 5 a.m., and we look to work with the bill sponsor to get clarification on that section.

Chair Torres:

Thank you, Ms. Crompton. We as a committee are going to request those exceptions from you as well, as we have from the City of Henderson. What is the start time that you have in the City of Las Vegas?

Kelly Crompton:

Our construction limits are 7 a.m. to 6 p.m.

Chair Torres:

Thank you. I think that would be really helpful for this Committee. Many of us during the summer will not even go on a run after seven in the morning. It is definitely helpful that we think about how to create policy to make sure that our workers are safe at this time. Is there anyone else wishing to testify in opposition to A.B. 189? [There was no one.] At this time, I will invite anyone wishing to testify in neutral to A.B. 189. [There was no one.] I will go ahead and invite the bill sponsor for concluding remarks.

Assemblywoman Jauregui:

Thank you, Madam Chair and members of the Committee, for your consideration of this bill. President Gaines said it best: these are the people who build the state that we call home, and every session I like to come in and just do my part, just do a little bit, to make their working conditions safer.

Chair Torres:

Thank you. I will now close the hearing on A.B. 189. One more thing, Assemblyman DeLong?

Assemblyman DeLong

Chair, I notice that the bill would become effective July 1, in the middle of this summer. If it is that important, why are we not making it effective upon passage?

Chair Torres:

I know the hearing is closed, but I will make sure that we work with the bill sponsor to make the bill effective as soon as possible so that our workers can have those protections in place. Thank you. I appreciate that feedback.

At this time, we will now open the hearing on Assembly Bill 60, which is presented by the Committee on Government Affairs from the Nevada League of Cities. This bill revises provisions governing local improvements. I will invite the bill sponsors forward, and you may begin when you are ready.

Assembly Bill 60: Revises provisions governing local improvements. (BDR 22-372)

Stephen Wood, Government Affairs Liaison, Nevada League of Cities:

With me today are David Cherry, Government Affairs Manager, and Assistant City Attorney Wade Gochnour, both from the City of Henderson. Today we will be presenting A.B. 60 for your consideration. The idea for this bill was brought to the League of Cities by the City of Henderson, which is one of many cities across the state that has neighborhood improvement districts. Currently, neighborhood improvement districts are established by ordinance after a majority of the property owners within the district support its creation. The ordinance includes what improvements are to be maintained, the exact description of the neighborhood improvement district (NID), including the parcels within its boundaries as well as the roll of assessments within the district to support the improvements. Currently the assessment roll must be updated annually, and it must be done through the adoption of a new ordinance. As some of you may know, the process for local governments to adopt an ordinance is cumbersome, requires multiple meetings, many staff hours, and publication. This bill seeks to amend *Nevada Revised Statutes* (NRS) Chapter 271 to streamline the process by which assessments are updated on an annual basis to support the improvements within the neighborhood improvement district by allowing local governing bodies to update the amount of the assessment roll by a resolution. With that Madam Chair, with your permission, I would like to turn it over to David Cherry and Wade Gochnour, who will provide more information about the bill.

Chair Torres:

Yes, go ahead.

David Cherry, Government Affairs Manager, City of Henderson:

As Mr. Wood mentioned, neighborhood improvement districts—or what we refer to as NIDs—can only be created through a majority vote of residential property owners in a defined geographic boundary. It is also important to note that A.B. 60 does not change any of the existing requirements in statute as they relate to the creation of an NID. The City of Henderson first brought this concept to the Nevada Legislature in 2015 as Senate Bill 47 of the 78th Session, which was signed into law that year. Neighborhood improvement districts allow property owners to come together and fund neighborhood improvement projects through an assessment on each of their properties. Local governments administer the assessment and can help property owners with contracting for improvement projects. Owners also have the option to form their own nonprofit entity to manage projects and other needs.

In Henderson, we have one NID at the Meridian Estates near Robindale and Pecos Roads. This was formed to replace dead trees, add shrubbery, and remove waste while also adding grading and an irrigation system, accent boulders, and rock mulch, all of which helped to preserve the neighborhood's curb appeal and contributed to maintaining property values. The NID's costs are divided among the neighborhood's 166 property owners and are paid through the annual assessment that is at the heart of A.B. 60. This commonsense legislation seeks to streamline the process for updating the assessment roll once an NID has been created while maintaining requirements that are meant to ensure the public can participate in the process. Assembly Bill 60 requires that property owners be given a 21-day notice by mail that the assessment roll has been amended to reflect the new assessment amount and that they can attend a public meeting where they can provide comment or lodge a protest. The City of Henderson strongly supports A.B. 60 and believes that it will streamline the process for updating annual NID assessments, resulting in savings of both time and money.

I would like to invite my City of Henderson colleague, Assistant City Attorney Wade Gochnour, to walk you through the bill section by section.

Wade Gochnour, Assistant City Attorney, City of Henderson:

Madam Chair, with your permission, I am happy to walk the Committee through the bill.

Chair Torres:

Yes, when you are ready, thank you.

Wade Gochnour:

Section 1 and section 2 of the bill are essentially conforming changes. These are due to the fact that current statute as it relates to the bill refers to NRS 271.377 for certain procedures that have to be followed when amending the assessment roll. Due to the changes in this bill in NRS 271.377, those sections in turn refer to NRS 271.380 and NRS 271.385 for the actual procedures that have to be followed. These conforming changes simply remove that second

referential—and refer directly to those sections—so that we no longer have to have that double reference.

Section 3 is the heart of the bill. In that section we are trying to revise NRS 271.377. That section requires the governing body to go through a formal multimeeting process. We have to have a resolution passed. It has to set a public hearing. We have to notice that public hearing. We have to conduct that public hearing. And then if there are no sufficient objections at the public hearing, we have to pass an ordinance through two more meetings at the City of Henderson. We are looking to streamline that.

The first thing to note is what this bill does. We are seeking to amend the assessment roll rather than pass a brand-new roll every year. All we are looking to do is—the assessment roll will already provide for the parcels that are being assessed and the portion of the assessment that goes to each parcel—the only thing that will be changed is the amount of the assessment, not how it is apportioned, but the amount that is applicable to each property owner within the district. The way this would be handled is similar to current law. What A.B. 60 does is, it says the government will consider this amendment to the assessment roll at a public hearing of the public body which is duly noticed in accordance with Nevada's Open Meeting Law. The bill requires a 21-day notice by mail to each resident or each property owner within the district. That notice would include the amount of the assessment for the following year as well as the date and time of the public meeting at which they can come and either provide their comments, their concerns, or their objections to any assessment amounts. That is similar to what is already in existing law.

Again, there will be a public meeting as part of a normal city council meeting, it will be on the agenda, it will be publicly noticed, and anyone will be allowed to speak on that particular issue on the assessment. After the meeting of the council, the council can approve that amended assessment roll through resolution rather than through ordinance as we currently have.

In the City of Henderson's estimation, the bill would provide the same notice and opportunity to be heard that currently exists under statute, but the advantage would be that we are streamlining the process and shortening the time frames a little bit; what that does is, it reduces the administrative costs that would otherwise be passed on to the members of the district, thereby saving them some of the assessment payments that would have to be due. With that, Madam Chair, I am more than happy to answer any questions.

Chair Torres:

Members, are there any questions?

Assemblyman Nguyen:

Are you thinking about adding a technology component to the notifications? I see the 21 days in there, but as one of the few folks who do not check their mail often—sometimes mail can be forgotten. Who checks their mail anymore? I do not—everything is email and

payments are online and everything is very streamlined. Is there any thought to communicating by email on top of snail mail communications?

Wade Gochnour:

We have not considered that, for the reason that under existing law, what would happen is we have to publicly notice this hearing, and that requires publication in the *Las Vegas Review-Journal* here in Clark County as well as mailing notices to the members of the district, the property owners within the district. Currently we are not anticipating that it would be something we could consider, but I will note for the record that existing law—because this will be part of a normal city council meeting—the agendas for those city council meetings are already posted on our website. We could post a notice on our website, but we have not considered that to date.

Chair Torres:

I want to remind the Committee that they do have to follow the Open Meeting Law; that is part of the reason why those communications are sent by mail.

Assemblywoman Taylor:

You walked us through the differences, but for clarity: what you are looking to do is to not have to pass a new ordinance every time there is a change in the assessment, right? So basically the difference is going through the process of passing the ordinance and the public meetings and then if no one shows up, versus giving the 21-day notice by snail mail and if there is no objection and so on, and it is on the agenda at the city council meeting. Did I miss a step in there somewhere?

David Cherry:

Mr. Gochnour is going to answer that question for you. I may elaborate based on his answer as well.

Wade Gochnour:

To answer that question again: the current process begins with the city council having to pass a resolution to hold a public hearing. Then they have to have a second meeting to hold a public hearing. Then after they hold a public hearing, they have a meeting to introduce the ordinance into title. They read the bill into title. Then it gets referred to a committee meeting and it refers out of committee meeting to a regular city council meeting for final adoption. That is the current process we have. We are trying to streamline it down to having a single meeting—again, publicly. It is a public meeting. It is open to the public. They can make their comments and concerns made known, just as they can at the public hearing that is already part of the process. Again, the current process already requires us to provide mail to each property owner within the district. We are not changing that. We are just trying to shorten the time frame to make it a little bit easier and a little less of an administrative burden on staff as well as reduce the administrative cost to the district. I hope that answers your question.

Assemblywoman Taylor:

Yes, it does. My concern is about the notification. As arduous as the current process is, I get it; it would make sense to make a change by amendment as opposed to by a whole new ordinance every time. It is just that the benefit to having such an arduous process is that citizens know—it is out there for the community that many times, every time there is a meeting, in case someone misses it. My concern is, is one notice really enough for someone's assessment to actually go up? That is where my concern comes from.

Additionally, who makes the decision—is it the homeowners' association (HOA)—that the assessment needs to go up because we need some mulch, branches, and bushes, which look lovely. Just how is that decision made?

David Cherry:

Assemblywoman, thank you for these very thoughtful questions. To your first question: in evaluating the process, we felt that there was an advantage doing it in a single meeting. In our experience, once the NID was created—and we have gone through this process a few times with our Meridian Estates NID in Henderson—we have not found there to have been a tremendous amount or a large number of members of the public who have come out to participate in the process when we have updated the assessment. That we have brought this request for the change is really borne out of our experience—the difference here being that under the current process there would be a requirement that we do a certified mailing as opposed to just doing a mailing 21 days in advance. It is still using the U.S. Mail to make that notification process. Assemblyman Nguyen brings up a good point; we could look at augmenting that through another form of technology, such as email. The problem with that is the email [address] would have to be given by the individual property owner. Emails can change.

What we would do to make sure the mailing was received by the property owners would be to use the assessment roll. That was done by the county assessor for basically the same thing: any other tax lien, any other tax notification would be sent to the address that is on record with the assessor. There is a requirement on the property owner to maintain a current address with that office. That way, we know we are notifying the proper individual, because you could have a situation where a resident of the home was to receive the notification, but they are not the property owner. We want to make sure that the property owner is aware that the assessment is being amended because they are the ones responsible, at the end of the day, for paying that assessment.

However, as Mr. Gochnour did speak to, any member of the public is invited to come to the public meeting if you are a resident and you want to speak about the assessment or the type of services that are being provided. You are welcome to do that. You do not even have to live in the district. You can still come and make public comment, but only the property owners can actually lodge a protest or complaint about the assessment, the amount that is being proposed for that year.

To answer the second part of your question: as Mr. Wood spoke to in his introduction, the district sets out what work is going to be done under the neighborhood improvement district. We call those neighborhood improvement projects. Using the City of Henderson's NID as an example: after they did the initial work, each subsequent year what is being paid for by the residents is the upkeep. They had to make a larger investment on the front end; it paid for the irrigation, the landscaping, the new trees to be planted, and the new plants to be installed. Each subsequent year, we have helped them find a contractor who provides landscaping and maintenance of the irrigation system and the other components. The cost actually went down; it is actually now a very small amount that they are paying each year in the annual assessment, just to pay for the upkeep. The first two years, the cost was larger for them because it paid for all of the investment up front.

That is how the determination is made. We see what charges are being levied by the contractor, by the other service providers, or if there is a need for new equipment to be purchased—whatever it is. Then that amount is divided up among all of the property owners who are within the NID—that is what we are doing on an annual basis. Once that calculation is made, right now we have to do the multistep process to create the new roll that sets out what we want. If the bill is passed and signed into law, we would amend the existing roll to reflect that new amount. For instance in 2024, you, the property owner, may have as your assessment \$36 for the entire year, divided up over the course of 12 months. Hopefully that gives you a little more understanding of how the process works now and how the process would work if the bill were to be enacted.

Assemblywoman Taylor:

I appreciate that.

Assemblywoman Thomas:

In section 3, subsection 2, it says, "The governing body shall . . ." and it goes on and strikes out NRS 271.305 and 271.310; and then it goes on to say by notifying the public by mail "to the owner of each tract . . ." I am not understanding—if you strike out NRS 271.305, where is that public notice going?

David Cherry:

Thank you for that question, Assemblywoman. I am going to pass that along to Mr. Gochnour.

Wade Gochnour:

We have talked about the current process being that the city council has to pass a resolution to hold a public hearing, and as part of that public hearing we have mailing and publishing requirements. What the stricken language relates to is what is contained in NRS 271.305 and 271.310. That is part of the process that we are trying to simplify. So what the statute will now say—rather than referencing these various standards to providing notice of a public hearing—we are going to be required to provide this mailing to each of the property owners within the district at least 21 days before the hearing of the city council, and that notice will

provide them the date that they can come and make any objections as well as the proposed amount of the assessment for the following year. I hope that answers your question.

Assemblywoman Thomas:

Thank you, sir. It does answer the question, but I am still concerned about some owners that are out of the country and might not get noticed within that 21-day process. In my opinion, it is cutting it a little short.

Assemblyman DeLong:

Mine is a two-part question. One, would this change apply to general improvement districts (GID) as well as NIDs? And is my assumption correct that this does not apply to HOAs?

David Cherry:

It is my understanding that this would not apply in any way to an HOA. An NID is not an HOA nor is it a GID. I know there are special improvement districts (SIDs), local improvement districts (LIDs), general improvement districts (GIDs)—we have a whole alphabet soup here—but my understanding is, the way the statute reads, NIDs are a separate improvement district. Let me make sure Mr. Gochnour concurs with that, since he is our legal expert on the team here today.

Wade Gochnour:

That is correct. Neighborhood improvement districts (NIDs) are a separately defined district type within Chapter 271 of the NRS.

Chair Torres:

Thank you, members. Are there any additional questions? [There were none.]

I have a question regarding the notices that go out. Can we get a copy of a notice, what that might look like, for the Committee? Is the language in it understandable to the community that is receiving it? I receive a lot of notices at my residence from the county and the city. Some of those notices are challenging to understand. I am wondering what that looks like, because a community member who is receiving a notice and does not know what the notice is saying is significantly less likely to participate in the process. That might be a reason why they are not coming out.

I especially would like to know if any of these notices are being sent out in other languages that are primarily spoken by the community that it serves. In my community for example, Spanish is a very common language. Probably 80 percent of the people on my street speak only Spanish. Would they get that notice in the language that they speak or is the notice only available in English? I can imagine other neighborhood improvement districts where that might have an impact.

David Cherry:

I did want to just make one observation. If anybody is familiar with LIDs—they are very common, especially in southern Nevada. What we are proposing, A.B. 60, is in line with the

way an LID assessment is amended. The way they do an LID is, after it is established, each year they do an amendment to the assessment roll instead of having to adopt the new assessment roll. We think this is actually more in line with what people are probably already experiencing. I would think that our notification is similar to what they would receive if they were in an LID. For those who may not be familiar with them, that is a local improvement district. That is another type of assessment district that is created in order to fund infrastructure investments, and then the homeowners in the LID are paying those back. An NID works almost exactly the same way.

In terms of getting you a copy of a notification, we certainly can do that. Mr. Gochnour, do you know offhand whether we are providing those in more than one language at this time, or are we only providing members of the public with notification in a single language—probably, in this case, English?

Wade Gochnour:

I cannot testify with specificity, but my belief is that it is currently only in English. I do not know that there are any requirements in the current statute that require it, although I certainly understand the concern. We have been following what is under current statute and current procedure, but we are certainly open to anything that will make it better.

Chair Torres:

Thank you. There are still a number of bills to be introduced, and I imagine we will continue having this conversation about language access in public and local government throughout this legislative cycle. Members, do you have any additional questions?

Assemblyman Hibbetts:

I understand that the meetings are subject to open meeting law and NRS requires that you use snail mail. Is there anything in NRS that says you cannot also use email to notify people?

David Cherry:

I am going to defer to Mr. Gochnour, who is our expert on NRS.

Wade Gochnour:

I do not believe there is anything in NRS that would prevent us from asking for emails and providing additional means of notice, should members or the property owners within the district desire that. It would require us to get the information from them, and they probably have to have some sort of opt-in procedure. I am just thinking in advance here, but that would certainly be possible, and there is nothing in NRS that I am aware of that would prohibit that as of now.

Chair Torres:

Thank you. I appreciate that. Members, are there any additional questions? [There were none.] I will invite anyone wishing to testify in support of A.B. 60 here in Carson City to come up to the dais.

Leonardo R. Benavides, Government Affairs Manager, City of North Las Vegas:

We are here in support of A.B. 60. We appreciate the League of Cities and the City of Henderson for bringing this forward today, and thank you for working with our team beforehand to clarify that it does not touch the LID and all those other processes as well. I do want to state for the record that the City of North Las Vegas does not currently have any NIDs in their jurisdiction, but we are appreciative of their bringing forward this potential to streamline processes while also keeping the public informed.

Chair Torres:

Is there anyone else wishing to testify in support of A.B. 60? [There was no one.] Is there anyone wishing to testify in opposition of A.B. 60? [There was no one.] Is there anyone wishing to testify in neutral to A.B. 60? [There was no one.] I invite closing remarks.

Stephen Wood

We want to thank the Committee for their consideration this morning, and we will be working with the City of Henderson to get the additional information to you that you requested.

Chair Torres:

At this time, we will close the hearing on A.B. 60. We will invite anyone wishing to testify in public comment. [Rules for public comment were given.] Is there anyone wishing to testify in public comment? [There was no one.]

Are there any comments from members of the Committee before we adjourn? I have one: Assemblyman McArthur told me a unique story the other day about his daughters. He did not want to share it. He used to operate surveillance for the Federal Bureau of Investigation

and his daughters at some point thought that he was running surveillance on them. He was not, but they did grow up believing that he had surveillance on them. [Meeting reminders were given.] At this time, the meeting is adjourned [at 10:09 a.m.].

RESPECTFULLY SUBMITTED:

Dylan Small
Recording Committee Secretary

Geigy Stringer
Transcribing Committee Secretary

APPROVED BY:

Assemblywoman Selena Torres, Chair

DATE: _____

EXHIBITS

[Exhibit A](#) is the Agenda.

[Exhibit B](#) is the Attendance Roster.

[Exhibit C](#) is a proposed amendment to [Assembly Bill 189](#), dated March 1, 2023, submitted by Chelsea Capurro, representing Nevada Subcontractors Association.

[Exhibit D](#) is a document titled "Informational Statement of Adopted Regulations as Required by NRS 233B.066," submitted by Kelly Gaines, President and CEO, Nevada Subcontractors Association.