

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

**Eighty-Second Session  
April 6, 2023**

The Committee on Government Affairs was called to order by Chair Selena Torres at 9:03 a.m. on Thursday, April 6, 2023, in Room 3143 of the Legislative Building, 401 South Carson Street, Carson City, 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](http://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  
Assemblywoman Cecelia González  
Assemblyman Bert Gurr  
Assemblyman Brian Hibbetts  
Assemblyman Gregory Koenig  
Assemblyman Richard McArthur  
Assemblyman Duy Nguyen  
Assemblywoman Angie Taylor  
Assemblywoman Clara Thomas

**COMMITTEE MEMBERS ABSENT:**

None

**GUEST LEGISLATORS PRESENT:**

Assemblyman Steve Yeager, Assembly District No. 9  
Assemblywoman Shea Backus, Assembly District No. 37

**STAFF MEMBERS PRESENT:**

Jennifer Ruedy, Committee Policy Analyst  
Asher Killian, Committee Counsel  
Judi Bishop, Committee Manager

Minutes ID: 719



Diane Abbott, Committee Secretary  
Cheryl Williams, Committee Assistant

**OTHERS PRESENT:**

Carter Bundy, Political Action Representative, American Federation of State, County and Municipal Employees International  
Richard P. McCann, representing Nevada Association of Public Safety Officers  
Brian Miller, Region 1 Alternate Vice President, American Federation of State, County and Municipal Employees Local 4041  
Stephanie Dube, Region 4 Vice President, American Federation of State, County and Municipal Employees International Local 4041  
Dylan Keith, Assistant Director, Government Affairs, Vegas Chamber  
Bruce K. Snyder, Commissioner, Government Employee-Management Relations Board, Department of Business and Industry  
Kelly Crompton, Government Affairs Manager, City of Las Vegas  
Marco N. Velotta, Planning Project Manager, Community Development, City of Las Vegas  
Ryan Smith, Director of Economic and Urban Development, City of Las Vegas  
Randy Robison, Director, Government and Community Affairs, City of Las Vegas  
Arlene Alvarez, Special Assistant, Ward 3, City of Las Vegas  
Dorian Stonebarger, Chief Policy Advisor, Ward 1, City of Las Vegas  
Nic Ciccone, Legislative Relations Program Manager, Office of the City Manager, City of Reno  
Stephen Wood, representing the Nevada League of Cities and Municipalities  
David Cherry, Government Affairs Manager, City of Henderson  
Eileen S. Pastor, Government Affairs Supervisor, Regional Transportation Commission of Southern Nevada  
Joanna Jacob, Manager, Government Affairs, Clark County

**Chair Torres:**

Welcome to the happiest committee in the Nevada State Legislature, the Assembly Committee on Government Affairs. [Roll call was taken and Committee protocols were given.]

To the Committee members, we will be going a little bit out of order today. We are going to go ahead and start with Assembly Bill 378, then we will do Assembly Bill 10 and lastly, we will go on to the agenda.

At this time, we will go ahead and open up the hearing on A.B. 378, which revises provisions governing collective bargaining. Speaker Yeager, when you are ready.

**Assembly Bill 378: Revises provisions governing collective bargaining. (BDR 23-1050)**

**Assemblyman Steve Yeager, Assembly District No. 9:**

Mr. Carter Bundy is with me at the table representing the American Federation of State, County and Municipal Employees (AFSCME). Thank you for hearing Assembly Bill 378 this morning. I am going to be as brief as possible about what this bill does. This bill tries to solve an issue that has arisen with state collective bargaining. For those of you who were not here, the state instituted collective bargaining for state workers in the 2019 Legislative Session. That was an effort spearheaded by Senator David Parks, and I will tell you I was not on either of the committees that heard that bill, but I obviously supported it. Leading up to the 81st Legislative Session was the first time that our state workers have had the right to collectively bargain. I do not need to go into all the details, but what happened is we learned that the time frame set out in the law did not necessarily lend itself to the Legislature being able to fund collective bargaining agreements and/or arbitration awards.

By way of background, in case it is not obvious, collective bargaining on the state side is a little different than other types of collective bargaining because the bargaining happens with the Executive Branch, but it is up to the Legislature to fund the agreement. The Executive obviously does not have the ability to do that on his or her own. What happened in, I guess it was during the last legislative session, negotiations were ongoing with a couple of different bargaining units that ultimately led to arbitration where those bargaining units were successful, but that arbitration decision came out after the 2021 Legislative Session, and we had already closed our budgets. We tried to figure out if there was a way that we could make good on these arbitration awards in the interim, and the long and short of it is, without a special session there was no way to effectuate those arbitration awards. We looked at if we could do it through the Interim Finance Committee, but that was not an option.

That is the problem we are trying to solve. We want to make sure that bargaining is completed in whatever fashion that means before the end of the legislative session, so we, as a legislature, can decide whether to fund those. To break down the bill, you should all have a document in front of you. It is called the "AB378 Timeline" [[Exhibit C](#)]. The top part of the timeline is the current process as envisioned, as in statute today. There is a lot of information there. I think what you must know is this is not realistic. There is really no way you can get to an arbitration decision by March 15. If you back up a few items, you will see there is mediation and when you are mediating you have got to pick a mediator, and then if mediation does not work, you have got to arbitrate, and the arbitrator selection process takes time, and then you have got to get the arbitration scheduled. Even though this says by March 15, if everyone is doing everything possible, negotiating in good faith, this timeline just does not work, given the process.

What we tried to look at was, can we change the process in the law to make sure that we have some finality before the legislative session ends. What you have in front of you is A.B. 378. There is a conceptual amendment [[Exhibit D](#)] that is relatively brief because when the bill came out, we said we do not think this really works either to accomplish what we want to accomplish. The main part of the amendment and this concept is to select a mediator and an

arbitrator at the beginning of the process before you might even need them, because that is where a lot of time gets taken up. In the conceptual amendment, which we will rely on our lawyers at the Legislative Counsel Bureau to figure out how to draft, but we want the last bullet point on the amendment to say, let us go ahead and get those people preselected. When mediation becomes necessary, we already have a mediator in place. When arbitration becomes necessary, we already have an arbitrator in place. Because of that, I think you are going to see a lot of contraction of unnecessary time in the timeline that exists now.

We moved back some of the other dates really for this body's edification. Having an arbitration decision by March 5 is going to be good because that is like a month ago, and we are just starting to work on closing budgets right now. We think that this is a solution that will work. We have reached out to folks. I will not speak for them, but we ran this by the Executive Branch folks who are involved in negotiation. They are here, hopefully in a neutral position, but I believe this does work for all sides involved. That is the long and short of it. I am going to leave it there because I am not the expert when it comes to negotiating these things. I have an expert next to me. With your permission, Madam Chair, I would invite Mr. Bundy to provide any additional comments about things that I missed or how this solves the problem we are trying to solve.

**Carter Bundy, Political Action Representative, American Federation of State, County and Municipal Employees International:**

I do not think I could have summarized that any better and certainly not any shorter than Assemblyman Yeager did. I am here for any questions you have.

**Chair Torres:**

Committee members, do you have any questions?

**Assemblywoman Thomas:**

I think it is unnecessary, especially when we are trying to collective bargain, but my question has to do with when you mentioned mediators in place. Both sides have to have an agreement on this mediator, correct? Do you have a list? How long is that list? Because when you made that comment, I was not sure if you are saying one person, because both sides must agree.

**Carter Bundy:**

For mediation, it is a matter of getting somebody from the Federal Mediation and Conciliation Service, but for arbitrators, there is a whole strike process. They give you a list of seven people but, of course, it takes time to get that list, and then you go through what is called a strike process. One side says, I do not want this person, then the other side says I do not want this person. Eventually you are left with one out of those seven arbitrators.

One issue is that by the time we are doing this in February of the legislative session—and remember especially for the arbitration piece, you are doing it in late February or early March, because you have gone through a lengthy mediation time frame that we think is probably too long—by the time you are doing this in March, it is entirely possible that some

of these people will not be able to even hear an arbitration until April or May. That is when you really run out the clock and you are not able to fund, not just compensation, but anything in the arbitration. It is a requirement of the collective bargaining law that anything requiring an appropriation must be appropriated by the Legislature. By having this preselected and knowing that people are available in that February window makes sure that we can get you—win, lose or draw, however it comes out for us—that you at least know what is in the collective bargaining agreement in the arbitration by early March.

**Assemblywoman Thomas:**

I appreciate that clarification because I think it is necessary for us to understand the process.

**Assemblyman Hibbetts:**

My question dovetails off what you were just talking about. My concern is how are we going to find a mediator or arbitrator that is willing to set aside that portion of time when we do not even know if they are going to be needed? Hopefully we do not need mediation or arbitration unless we are anticipating every single contract going to one of those, which I personally hope we do not have. If we are going to set them, have them block off that time, whether we need it or not, are we, the State, then paying them for that time, whether we need it or not?

**Carter Bundy:**

No. Those are great questions. My understanding is that they do not get paid unless their services are retained. It might be that the Commissioner of the Government Employee-Management Relations Board (EMRB) can answer more directly about how to reserve time. It is a thing that people get booked out in advance. I think there is enough work in the arbitration and mediation world that if they do not end up having to use this time, they can get picked up for something else. Certainly, letting them know as soon as we do have an agreement would be part of the plan, but I do not believe there is any payment to them. There is no sort of "you are on retainer" kind of payment by the state. We split 50/50 the fees for this, the union and the State. I am hopeful, as you said, that most of the time we will reach agreement. In the event that we get to an impasse, at least you, the Legislature, will have the ability to decide whether to fund or not fund whatever comes out of the arbitration.

**Assemblywoman Taylor:**

Is the intention then to have two-year agreements since we are talking about every other year?

**Carter Bundy:**

Yes, that is exactly right. This is unusual compared to other collective bargaining situations. The specific timeline for state employee collective bargaining is prescribed in what was Senate Bill 135 of the 80th Session and now in our *Nevada Revised Statutes* (NRS) 288.500. Yes, every two years because we know that things have to be funded by the Legislature, but yes, there is a prescribed timeline.

**Assemblywoman Duran:**

From my understanding, is it going to be any arbitrations that were lost during that time, or is this just for the bargaining itself?

**Carter Bundy:**

This is prospective, and a way to make sure that in the event that we cannot reach agreement, the state and whatever union—it would not only be AFSCME, but some of the other unions that represent state units—we would essentially be able to complete the impasse procedure so that you, the Legislature, then have the ability to fund, not fund, or to do whatever you want.

The Legislature still retains all appropriation authority, but it would be so that you have a result of a final arbitrator's decision in a timely manner.

**Assemblywoman Duran:**

I understand that. If someone personally has an arbitration that you represent for wrongful termination, is this going to be in that process too, or is this already allocated for that?

**Carter Bundy:**

That is a totally separate thing. Thank you for asking that. This is called contract arbitration. This is just how you arbitrate what is in the contract. Grievance and disciplinary action arbitration is whenever it comes up. No one must wait at all for that. It is unrelated.

**Chair Torres:**

Committee members, do you have any additional questions? [There were none.] I will invite anyone wishing to testify in support of A.B. 378.

**Richard P. McCann, representing Nevada Association of Public Safety Officers:**

I am a member of the Nevada Law Enforcement Coalition. I sit here in support of A.B. 378 with the amendments. The whole purpose of this bill, as you have already heard, is to get things done. To be both efficient and effective. What a concept in this building. Every two years, state employees bargain their wages, benefits, and working conditions. In a lot of the private sectors and a lot of the other public sectors that are not state, we can do extended contracts. We cannot do that in the state because you must fund it every two years. Every two years, we must do this, and sometimes, sadly, the parties do not always agree. When they do not, they must have a remedy to have their grievances heard, and that would be either the mediation and/or the arbitration process. This bill addresses those time frames.

I might offer some continued or additional information regarding some of the questions that came up about having preselected mediators or arbitrators. Mediation, to me as a litigator, I can do that rather quickly. Arbitration, I have experts for arbitration. Arbitration, I have witnesses. I need to get that done. I have to have enough time to do it, but also have to get it done quickly enough to where we can fund the darn thing if we can finally get this matter resolved through the arbitration process. If, for example, we have Koenig, Hibbetts, and Taylor, and you have agreed to be the preselected arbitrators, you may not know now that in two years you might have to be called. Admittedly, you are not on call. You are not being

paid. You are only going to be paid in the event that your services are needed and you are used. Rather than going to the Federal Mediation and Conciliation Services, or triple A, not the car stuff, but the American Arbitration Association, and having to get seven names, and then you go through that and screw around for a while, . . . . It is a good bill. Let us work session this puppy right now and get it out of here.

**Brian Miller, Region 1 Alternate Vice President, American Federation of State, County and Municipal Employees Local 4041:**

I have worked for the state of Nevada for 23 years. I work at the University of Nevada, Reno. I started as a custodian and worked my way up to being a carpenter. I also have the honor of being on the negotiating committee this year, and I am a proud member of American Federation of State, County and Municipal Employees International (AFSCME), where I hold the honor of vice president for Region 1 up here in northern Nevada. Fun fact, I got to hang up Chair Torres' Walk of Fame, Wolf Pack Way banner on a pole, so I knew I had seen you somewhere.

Collective bargaining has given state employees like me and many others a voice and strength on the job. When state employees feel supported and heard, state services improve, worker well-being improves, morale improves, and the workforce community grows stronger as do the communities we are honored to serve and work for daily. Assembly Bill 378 makes administrative changes to the arbitration process, and state employee collective bargaining rights fall better in line with the legislative schedule. Assembly Bill 378 ensures that if we cannot reach a negotiated agreement, we can get a fair arbitration in time for the Legislature to fund any awards we win that year. As a state worker, a union leader bargaining team member, making sure the collective bargaining process works for state workers and the Legislature is important. I urge you to vote yes on A.B. 378.

**Chair Torres:**

It is always great to have fellow Wolf Pack fans in this room. Go Pack! Is there anyone else wishing to testify in support of A.B. 378 here in Carson City? [There was no one.] Is there anyone on the phone line wishing to testify in support of A.B. 378?

**Stephanie Dube, Region 4 Vice President, American Federation of State, County and Municipal Employees International Local 4041:**

I am a state of Nevada employee and a proud member of AFSCME Local 4041. I come today asking that you please support the bill, Assembly Bill 378. It is important. I have had the pleasure of sitting on the bargaining team for AFSCME Local 4041 twice now. As my brother, Brian Miller, had stated, making sure the collective bargaining process works for state workers and the Legislature is very important. Thank you so much for your time, and I do hope that you vote yes for Assembly Bill 378.

[[Exhibit E](#) was submitted in support, but not discussed and is included as an exhibit for the hearing.]

**Chair Torres:**

I invite anyone wishing to testify in opposition to A.B. 378. You can begin when you are ready.

**Dylan Keith, Assistant Director, Government Affairs, Vegas Chamber:**

While we do appreciate the intent of this bill and we are happy to work with the sponsor, we have not seen the amendment yet. We will look forward to that, but as written, we are in opposition as we have had a long-standing opposition towards public employees and collective bargaining. We will look at the amendment, and we are happy to work with the sponsor in the future.

**Chair Torres:**

Is there anyone else here in Carson City wishing to testify in opposition to A.B. 378? [There was no one.] Is there anyone on the phone line wishing to testify in opposition to A.B. 378? [There was no one.] Is there anyone wishing to testify neutral to A.B. 378? [There was no one.] Is there anyone on the line wishing to testify neutral to A.B. 378?

**Bruce K. Snyder, Commissioner, Government Employee-Management Relations Board, Department of Business and Industry:**

The Government Employee-Management Relations Board regulates labor relations between Nevada's governments and the organizations that represent their employees. I offer my comments in the neutral position. I have reviewed both the original bill and your proposed amendment. I want to particularly mention that I believe the most important part of the amendment is the preselection of both the mediator and the arbitrator. Waiting for the parties to select a mediator and/or arbitrator only after impasse has been reached will not allow sufficient time as most mediators and arbitrators have booked at least a couple of months into the future. That would be too late as the Legislature would have completed its work and adjourned by then.

Back in 2019 when I provided technical support to the Governor's Office on Senate Bill 135 of the 80th Session, the original bill had December 1 as the start of negotiations. The start of collective bargaining was tied to the Economic Forum meeting in early December; however, many felt at the time that this would be too tight of a deadline and thus, one of the amendments to Senate Bill 135 of the 80th Session moved the start of negotiations to November 1. I note that the current bill moves the date even one additional month earlier to October 1. Anything to give more breathing room for negotiations seems to be a good thing. When coupled with the changes in the proposed amendment, particularly with the preselection process, the bill should allow the parties to conclude negotiations before the end of the legislative session, as envisioned on that timeline [\[Exhibit C\]](#).

I would like to respond to a couple of the questions posed earlier. Arbitrators sometimes have a cancellation fee that if you do not cancel within 10 days or 30 days, it depends on the arbitrator, that you may have to pay a small cancellation fee for the process. This can probably be avoided by having the parties mutually agree to use a particular arbitrator with the promise that there would be additional work in the future where maybe the arbitrator would waive the cancellation fee. I would also advise the parties, should the amendment be



adopted, the preselection should be more than just the parties agreed to select a particular arbitrator to be the arbitrator for that particular contract, but also make sure that the parties reserve the dates necessary ahead of time for the arbitration. I am ready to answer any questions, should you have any.

**Chair Torres:**

Committee members, do you have any additional questions? [There were none.] Is there anyone else on the phone line wishing to testify neutral to A.B. 378? [There was no one.]

At this time, I will go ahead and invite the bill sponsor to come up for any closing remarks.

**Assemblyman Yeager:**

I do not think the question is whether you support collective bargaining for state employees or not. That bill already passed, but I think the question in front of this Committee is, do we want a process that actually works? The Legislature can have a say in it, to avoid what we had the last interim where we are still trying to deal with the ramifications of two arbitration awards that came out post-session. In my mind, this solves that problem. I appreciate the suggestion in neutral to reserve dates as well. That tells me we have a little bit of work to do yet on the amendment. My hope is to make it practically perfect in every way for this Committee. I hope to bring that back to you, and I would be happy to answer any questions offline as always.

**Chair Torres:**

At this time, we will go ahead and close the hearing on A.B. 378 and open the hearing on Assembly Bill 10. It is my understanding that we have a couple of individuals on Zoom as well.

**Assembly Bill 10: Authorizes the designation of a tax increment area for certain transportation and housing reinvestment purposes. (BDR 22-383)**

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

You have heard me say in this Committee multiple times, the City of Las Vegas is landlocked. As we look for creative solutions to ensure growth and development within the city of Las Vegas, in front of you today is Assembly Bill 10. I would like to thank all of you who met with us this week to hear some of the technical parts of the bill and talk about some of the solutions we have for the city. With me here today, I have our government affairs director, Randy Robison, and Marco Velotta, our planning and project manager. On Zoom we have Ryan Smith, our director of economic development, and Dorian Stonebarger, who is a policy advisor in Ward 1. We did have Councilwoman Olivia Diaz from Ward 3 with us. She had to run to another commitment, but we have a statement from her. With that, I will hand it over to Mr. Velotta, and he can get us going.

**Marco N. Velotta, Planning Project Manager, Community Development, City of Las Vegas:**

I am with the City of Las Vegas' comprehensive planning section, the planning project manager, and the lead for the City of Las Vegas Zone 2050 Master Plan 2050. Since its

development between 2019, and the adoption by the Las Vegas Planning Commission and City Council in 2021, I continue to oversee its subsequent implementation in various aspects.

When we think about our favorite places across the country, we each have a different reason as to why we like them [page 2, [Exhibit F](#)]. Many have vibrancy or unique qualities that make them an attractive place to visit, or they are desirable places to live. Often for the ones that we like the best they have defining characteristics that make them desirable to live or work at and sometimes, both things to do, places to eat, shops to visit. In our case, the Las Vegas Strip is globally known. Tahoe is famous for its blue water. Reno is the Biggest Little City in the World. The City of Las Vegas has been working to create those places too, whether it is for Fremont Street, Fremont East, the medical district in downtown, or Symphony Park in the Las Vegas Arts District. We would like to see more of these occur in our community, creating more memorable places for people to live and visit.

Our latest endeavors include the development of a new community in east Las Vegas at Desert Pines Golf Club, which could potentially include hundreds of new, affordable, single- and multifamily homes, housing for seniors, neighborhood commercial, a community park and trail system, and workforce training center, all of which would be complemented by bike-, pedestrian- and transit-friendly streets, and shaded by drought-tolerant trees.

Planning for transformative enhancements such as these are among the motivating factors behind community planning efforts many of which have been recently undertaken by Nevada's local governments including master plans from the City of Reno, Transform Clark County, and the City of Las Vegas Zone 2050 Master Plan [page 3].

To give these types of development a major boost, we look at new and innovative best practices from around the country taken by other states such as Texas and Utah. We believe [Assembly Bill 10](#) will help create those great places in Nevada by allowing cities and counties to create places to go to work or go to school that offer different types of housing and access to multiple modes of transportation and allow reinvestment in small communities and neighborhood life.

As we are developing our plan, a core concept really fit well. To use a little planning lingo, we call it transit-oriented development (TOD). For the City of Las Vegas especially, we have that limited land supply that Ms. Crompton mentioned, and over the next 30 years, since we have jurisdictions to the east and south of us and federal lands to the north and west, we must be strategic about future growth. Transit-oriented development allows us to grow up along major transportation corridors while offering housing along with a mix of commercial activity. We were fortunate to receive a federal grant several years ago in partnership with Regional Transportation Commission of Southern Nevada (RTC) and Clark County to conduct a supplementary study to this development type on the Maryland Parkway Corridor. Fortunately, the concepts and recommendations from that study are in line with [Assembly Bill 10](#) and are applicable to other corridors which RTC is recommending—major transportation projects such as Charleston Boulevard, Boulder Highway, and Sahara Avenue.

We see examples of TOD across the country, and in Utah's case, TOD has been successful around many of Salt Lake City's light rail and commuter rail lines, and they are looking to do way more along the entire Wasatch Front in the Salt Lake metropolitan area. With strategic investment, underdeveloped corners around transit stops can be transformed to add those residential dwellings and provide community amenities. Transit-oriented development has similarly grown in other states as well. In the Phoenix metropolitan area, examples are along Central Avenue and Main Street in the City of Phoenix and a system that connects Arizona State University with Tempe, Mesa, and Gilbert. In the right context and appropriate places, it can be done at a smaller scale, such as in Aurora, Colorado, where older strip malls have been replaced by housing, restaurants, and retail.

To really catalyze this type of development, Utah and Texas were the first states in the country to enable legislation that allows for reinvestment in housing and transportation along designated corridors and facilities, and the success of that can be seen using existing tried-and-true financing programs, one known as tax increment financing [page 4]. Assembly Bill 10 would be similar to Texas and Utah by amending *Nevada Revised Statutes* (NRS) Chapter 278C which has already been in existence but does not allow for specific housing or transportation uses [page 5]. As in those other states, this legislation would be flexible and align with community planning efforts to invest in locations that are appropriate for residential development and transportation improvements.

It also encourages intergovernmental collaboration [page 6, [Exhibit F](#)]. It is oftentimes necessary to have partnering entities—a Regional Transportation Commission (RTC), or a Nevada System of Higher Education institution—on board to plan and coordinate, and this bill would allow for those cooperative agreements to take place. I will turn things over now to Ryan Smith to talk more about tax increment financing.

**Ryan Smith, Director of Economic and Urban Development, City of Las Vegas:**

This bill would set a base year. That base year is the total amount of assessed value for those properties that are within the zone that is ultimately created through a resolution to the city [page 7]. I believe there is a contemplated amendment that makes the base year the previous year to when the zone was created [[Exhibit G](#)]. After that, as the properties continue to appreciate, the investments are coming in from a transportation perspective because we know it is a transportation corridor. The zone would then collect that incremental tax, axe a few of the taxes that are excluded from being able to be collected, all to then be reinvested into the eligible projects—affordable housing or the other definitions of the transportation-eligible projects that would then go to those projects to basically incentivize what we are looking for. A lot of times what we see in the valley, is affordable housing is centralized in areas like the distressed census tracts or places where land valuations are low, and that is done because it is hard to pencil an affordable housing project that is out in some of the periphery, especially in Las Vegas, like the northwest or Summerlin areas where land is already built out and valuations are high. You really need to do market-rate housing if you are going to have a successful project and you are a developer. I think this bill really helps disperse affordable housing, and with that being said, there is a need for connectivity. Even if a person is working in downtown Las Vegas, on the Clark County Resort Corridor, or in Henderson,

they want to live as close as possible, and they also need to be able to find a way to get to work. This helps to solve those issues. It also incentivizes the development of community enough for developers to choose an affordable housing project instead of a market-rate housing project. It will create a lot of sales tax that goes to government entities such as schools and police along with accelerating strategic growth in some of those areas. It is really for the community and for everyone who can afford to take advantage and live in some of these new areas. With that, I will turn it back over to Mr. Velotta.

**Marco Velotta:**

With respect to locations of the zones, Assembly Bill 10 leaves those decisions to each local government [page 8, [Exhibit F](#)]. In the City of Las Vegas' case, specific land uses have already been determined along major transportation corridors through our 2050 Plan, and those were previously identified. However, in each case, it will largely depend on community needs, community outreach, and that is applicable with whether that is a large town, a large city, or for a small town with a main street or a downtown to develop. To give an example [page 9], there are a number of possible applications throughout the state where those activity centers exist, such as around college campuses, newly developing transportation corridors, and other areas with potential for infill similar to our opportunity in east Las Vegas. I will turn things over to Mr. Robison to go over the bill.

**Randy Robison, Director, Government and Community Affairs, City of Las Vegas:**

Would it be okay if Ms. Arlene Alvarez reads a statement on behalf of the Las Vegas Ward 3, Councilwoman Olivia Diaz?

**Chair Torres:**

Yes, go ahead, Ms. Alvarez.

**Arlene Alvarez, Special Assistant, Ward 3, City of Las Vegas:**

This is Councilwoman Diaz's statement:

I want to first thank you for hearing this important bill. This policy was supported unanimously by the entire city council for a number of reasons that I will highlight in a few minutes. I wanted to start by sharing why I enthusiastically support this bill. Although it may seem to simply ask to capture funding for transit and housing, which we desperately need, Assembly Bill 10 is really about the hardworking residents that we represent at the city, at all levels of government, and giving them access to opportunities. I am here to speak to the dire need of enabling transportation and housing reinvestment zones. Increasingly, we want more environmentally friendly-conscious residents, but it is hard to incentivize and promote the switch to public transportation options with very limited access, especially with equity in mind. According to the Department of Business and Industry annual housing report, the total affordable housing shortage in southern Nevada is over 160,000 units. Of those, more than 55,000 are within the City of Las Vegas' limits. As some of you on the Committee may already know,

I represent the far east side of the City of Las Vegas, in fact so far east that if you do not have access to public transportation or a vehicle, you do not have access to employment, a grocery store, or easy access to higher opportunities. Like all of you, I work day-in and day-out to remove barriers like these for my constituents. Transportation is the only way to connect people to places and opportunity.

Many of you know that prior to my role on the city council, I was an educator and obviously still look at everything through that lens. This policy could have a positive impact on the students and teachers alike. I cannot tell you how many students have suffered and continue to suffer academically due to other factors at home, whether it is unstable housing or a parent's unstable access to employment because of lack of transportation, putting more stress on the whole family. These challenges that families are facing follow a child to school.

It is no secret that it is increasingly difficult for teachers to afford a decent home or rent in Nevada, in turn making it more difficult to attract and retain teachers. Having a shortage of affordable housing while having an abundance of empty strip malls or old box stores should be looked at as an opportunity. Hence transportation and housing reinvestment zones which can transform unproductive areas into communities of productivity, ensuring all our families have access to an affordable home, a decent job, and educational opportunities. We need a mechanism that will allow us to invest in them and remove barriers. I ask for your support in building the communities that our working families need.

**Randy Robison:**

I am going to use the amendment that has been proposed that will make it a little bit easier [\[Exhibit G\]](#). Speaking from the amendment, in section 1 we add a few extra definitions to the existing Chapter NRS 278C and specifically NRS 278C.140. That is where it outlines allowable projects. It defines them as "undertakings" for which cities and counties can use tax increment financing. In section 2, it defines what a transportation and housing reinvestment zone is. It talks about the boundaries. Most importantly, it says that the area is designated by ordinance. Once this process starts, it will go through the standard ordinance process at the local city level. That means it is posted across three different meetings with plenty of public input as we talk about not only where the lines will be drawn for one of these zones, but also what will be included—what the goal of the project is. Mr. Velotta mentioned community outreach in public input. That is a huge part of our ordinance process. Anytime you create one of these zones, it will be done through that local city ordinance process.

In the proposed amendment [\[Exhibit G\]](#) on page 3, section 3, subsection 3, we outlined what is included, the different undertakings, and we established the base here. As you heard Mr. Velotta mention, we have been working with Clark County, who will propose what we

think is a friendly amendment to help us establish the term "base year" so that we are all working on the same page and able to collect the funding appropriately. Additionally, in section 3 it ties it to a city's master plan. This is not something that is done in a vacuum. It is done in conjunction with a master plan for that community. As you heard Mr. Velotta say, in 2019 we went through a long-term master plan process for our community to develop our 2050 Master Plan. We took a 30-year time horizon, and we included in that plan elements that would be captured within one of these transportation and housing reinvestment zones. This is not something that is a one-off or simply a crazy idea we had one day; this is directly tied to our master plan. As you heard Mr. Velotta say, one of the principles in our master plan, because we are landlocked in the City of Las Vegas, is we have to start growing upwards. One of the principles in our plan is based on transit-oriented development. How do we improve our transportation system such that it is a reliable option for our citizens to get to wherever they need to go in their daily lives?

One of the other important provisions, starting at the bottom of page 3 [[Exhibit G](#)], in section 3, subsection 3, paragraph (d) in the amendment is where these transportation and housing reinvestment zones are located. It, too, ties back to that master plan, but you will see in section 3, subsection 3, paragraph (d), subparagraph (2), it says "No further than ½ mile from a planned or constructed station, terminal, or parking facility for a fixed-guideway or high-capacity transit system." Again, this is meant to take along a transportation corridor, identify those hubs where people naturally go to access public transportation, improve that facility and improve that area such that people can choose to live there in housing that they can afford, with shops and amenities that they need to support their lifestyle and a transportation system that can get them to work, to education, to entertainment, and all those other things.

The amendment on page 4, section 4, talks about how these transportation and housing reinvestment zones cannot be for more than 30 years. Importantly, section 4, subsection 1, paragraph (b) says that these zones shall not include any property that is already within a redevelopment area. In talks with a number of other jurisdictions, that was a concern in the original bill. The way it was drafted it unintentionally would have allowed for us to layer one of the zones within a redevelopment area (RDA) which would not make economic or financial sense either for the existing RDA or for the new zone. We wanted to make it clear that these zones could not be included within an existing RDA.

Finally, in section 5, this is the fun part. This is how the funding all works out. It has got a lot of words there. I am going to try to simplify it as much as I can. On page 5, section 5, subsection 1, paragraph (a), that portion says that whatever taxes are being collected within that zone now from all of those different taxing entities, that is what you get now and that is what you are going to keep getting. There is no change to the taxes that are already collected. Section 5, subsection 1, paragraph (b), subparagraph (1) is where it says the portion of the taxes levied each year in excess of that base amount, the increment that we are talking about, that is protected. We are going to take the increment and reinvest it into that area to help that area grow, with the exception of property taxes imposed that go to public education. After working with many on this Committee, particularly Chair Torres, she



wanted to make sure that we protect our education system. We certainly agree with that. That is the exception that you see there highlighted in green.

Then section 5, subsection 1, paragraph (b), subparagraph (2) talks about the increment that we are using to reinvest that is allowable to pay off bonds or other financing mechanisms that we may use to incentivize that development.

Finally, section 5, subsection 2, says that within the jurisdiction there may be two or three different redevelopment areas, and then we might identify two or three of these different transportation and housing reinvestment zones. Subsection 2 says that we can allocate that revenue according to the redevelopment areas and zones that we have identified.

Madam Chair, that concludes my walk-through of the bill. Obviously, we will be happy to answer any questions. If it is okay with the Chair, I will go down to Ms. Dorian Stonebarger, who has a statement on behalf of Councilman Brian Knudsen.

**Chair Torres:**

If we could go through it quickly, please, or have it submitted for the record because I think we are about 20 minutes into the presentation, and I had asked for a 15-minute presentation. Possibly give us the highlights.

**Dorian Stonebarger, Chief Policy Advisor, Ward 1, City of Las Vegas:**

I am the chief policy adviser to Councilman Brian Knudsen who cannot attend today's hearing and asked me to speak on his behalf. I will submit this so that everything can be included, but I am just going to take a moment to summarize a couple of the key points that were made, and that is that this financing tool works, and it is familiar to Nevadans. *Nevada Revised Statutes* (NRS) Chapter 278 has given local jurisdictions the opportunity to create some neat projects including The Smith Center for the Performing Arts and the Cleveland Clinic Lou Ruvo Center for Brain Health. However, we have not previously been able to invest in equal access to these developments by enabling this tool to work towards transportation. This does not raise taxes. It also does not take money away from currently funded services. Instead, those services receive funding from their selective tax-base year first, and anything above that base can be used towards mixed-use developments and transportation. Again, mixed-use developments allow for the opportunity to collect sales tax, something that is not currently being done through empty box stores or empty land. I thank you for considering the economic opportunity we have before us, but I would also like to encourage you to consider the effect that it has on the entire family that Councilwoman Diaz mentioned in her statement.

**Chair Torres:**

Committee members, do you have any questions?

**Assemblywoman Taylor:**

Has this ever been done before?

**Marco Velotta:**

Not in Nevada. We have the ability to do redevelopment. We have the ability to do tax increment financing, but not this specific type of zone as has been done in Utah and Texas.

**Assemblywoman Taylor:**

One of the things that I want to clarify is that you spoke about the need for affordable housing, and we can all understand that, but because I do not live in Las Vegas, can you help me with the connection between this particular area where the zones would be versus those in the other areas with the affordable housing connection? Help me to see that connection more clearly if you would.

**Marco Velotta:**

This essentially allows for what can be done in a downtown area, or a redevelopment agency outside of that along a major corridor. In the City of Reno's case, that could be along Virginia Street, Fourth Street, or Prater Way in the City of Sparks—anywhere where there is a major hub—there could be that potential for affordable housing, or market-rate housing for that matter. That is why we have included the definitions of affordable housing in there, whatever rate that is through the U.S. Department of Housing and Urban Development.

**Assemblywoman Taylor:**

What I think you are saying is, you are looking at an area that is a core, a high-traffic area, and to be able to enhance the transportation to that area will allow for what, affordable housing?

**Marco Velotta:**

It would allow for the area to be developed. You could actually get those types of projects built on the parcels that are surrounding that transportation project, actually get them physically built and units installed.

**Assemblywoman Taylor:**

It would be affordable housing because?

**Marco Velotta:**

If the local government chooses to go that route to define affordable housing, whether that is 60 percent of the area's median income, they could so choose. It allows the local governments to make that determination on housing in general, that market rate for sale.

**Assemblywoman Taylor:**

That is what you are looking to do in this case?

**Marco Velotta:**

Yes.



**Assemblyman Carter:**

We discussed this yesterday, but I am trying to understand. We have already got a crisis with the property tax revenue because of the tax cap, especially on the east side of Las Vegas, and some of the areas you talked about where we have houses that have sold for \$500,000 to \$600,000 that are only paying property tax on \$150,000 and can only raise at 3 percent. It is already a chronic problem, nearing crisis proportions, on the reduced property tax revenue. How does this work with diverting some of that existing property tax revenue that is already way under what it should be?

**Ryan Smith:**

One good thing about this bill is that it maintains the baseline. If there were ever any property tax reform approved through the Legislature, it would reflect the baseline that is already existing to all the taxing authorities. This bill simply takes the increment, through the exemption, through certain taxes that Mr. Robison mentioned which are exempt, would go [unintelligible]. Any further reform would be reflected in this, and again it repurposes some of that increment back into affordable housing and transportation. That is what it does. The best I can answer the question is, it does not affect the baseline. If those properties are assessed today, it is going to collect what they get from today.

**Assemblyman D'Silva:**

One, I know that these transportation and housing reinvestment zones have had a lot of discussion not only pertaining to Las Vegas, but across the country. Recently I watched something on the *PBS NewsHour* that said that this is how the twenty-first century urban planning should rotate around these notions of creating affordable housing around transportation hubs. It is very important to us to realize here that there is a direct equation between the creation of mass transit in urban areas and abatement of poverty, especially in areas like east Las Vegas, which I know from your presentation, you will be looking at bringing some of these reinvestment dollars to. My questions are, one, I know that education funding is tied to property taxes, and I do have some concerns there, if you can go a bit deeper into that. And then two, is this something that is going to exist in perpetuity, or is there some sort of a sunset that you envision here so we can maybe repurpose that funding down the line for other purposes if we have met the goals that you are looking to achieve through this project?

**Marco Velotta:**

With respect to your second question, the sunset is 30 years, and that is the cap that is listed in the bill. That would be the life of one of these zones.

**Randy Robison:**

On page 5 [[Exhibit G](#)] of the amendment, section 5, subsection 1, paragraph (b), subparagraph (1), printed in green, that is where you see the exemption. That is where the language that would exempt or protect or sometimes you call it hold harmless the public education funding portion of the property tax that is collected. Is that sufficient?

**Assemblywoman González:**

I wanted to know where the money is currently going. Where is this tax? What are you currently doing with that?

**Ryan Smith:**

Right now, the taxes collected by the county are distributed to the proper taxing agencies that would normally get the tax. It goes to the municipalities. It goes to the schools through the traditional property tax formulas.

**Assemblywoman González:**

Do you know how many actual parcels of land you are looking at to redevelop? I know you have some listed like the Maryland Corridor; University of Nevada, Reno; University of Nevada, Las Vegas; and Nevada State College campuses. How many actual parcels are you looking at to redevelop?

**Marco Velotta:**

Right, now, that is up to each individual municipality. In the City of Las Vegas' case, we would determine that through ordinance. It could be one; it could be a grouping of several around an intersection. It could be a number along a corridor. It depends on every single case, and it would ultimately be up to a city council's discretion as to how many and where they would go.

**Assemblywoman González:**

In terms of the Maryland Parkway Corridor, I am very familiar. It used to be my district. It is neighboring my district. You have many strip malls that may seem abandoned and/or empty, but you also have tenants or businesses that are there. What happens to those folks that are currently there, and where will they go? Do they get to come back? What happens to those businesses and people that live currently there?

**Marco Velotta:**

We would have to look at every single zone in each individual case. Certainly, this would be one where we would not want to be purposefully displacing things that are already in existence. This would be one where a redevelopment opportunity is appropriate, like there is an abandoned strip mall, there are not tenants there, there are vacancies; or it could be completely repurposed in the case of Desert Pines. That is often what really makes these projects attractive. There is not something that is really working there now. There is something that is actually wrong, and we would not purposefully go in and take something that is actually working and disrupt it.

**Assemblywoman González:**

That is one of my concerns. On the outside, it may not look like anything is going on or happening, but I can think of right now on Maryland Parkway, right across from Boulevard Mall, there is an empty strip mall, but within that strip mall, there is a laundromat that people around those communities use and need to use that laundromat. I am thinking in this situation, you would completely demolish that to build whatever it is. Where will those

people then go to do their laundry? I appreciate the presentation. I do want you to know that is a concern of mine, making sure that our communities have access to come back and be part of the community in which you are saying. We talk about affordable housing. What does that really mean? We knock a strip mall down. There is a picture of the Spring Mountain development in here. Do you know just off the top of your head how much it is to rent in that development? It is over \$1,500. People who lived there before are not going to be able to afford that. I just wanted to put on the record that this is a concern of mine.

**Assemblywoman Thomas:**

My question has to do with crime. When we are talking about this project, did you consider the crime rate? Because we know that some of these quarters that you are putting new development in are high crime anyway, so what are we going to do? Are there taxes going to the police force to increase that? What is going on here?

**Marco Velotta:**

When we have these opportunities for redevelopment, we are often trying to look at ways to ameliorate those situations where there might be crime concerns. Oftentimes with new development come those opportunities to provide some revitalization. We have seen examples of that throughout the country, frankly. Having vacant land or areas that might be high crime and then having economic life and vitality injected into those communities with something new where people see what is going on in the public space immediately around the buildings and the projects, that often helps reduce crime. You have more activity. You have more life. You have more of that activity going on that helps reduce it. Right now, the way the property taxes work, that money goes to services like police, to individual cities' or counties' police departments. That would continue in this bill as written.

**Assemblyman DeLong:**

Help to clarify something in my mind. This bill is not proposing any specific projects. It is just enabling legislation, correct?

**Kelly Crompton:**

That is correct.

**Assemblyman Hibbetts:**

My question is more for Mr. Killian. Perhaps he can enlighten me. Is there a definition of the word municipality in NRS? I will explain why I am asking while he is looking. During the presentation, you are talking about how cities and the county could take advantage of this, but when I see the word municipality, I think of incorporated city. That is what is in my head, because in Las Vegas Valley, we know that Las Vegas, North Las Vegas, Clark County, and Henderson are all so intertwined, I want to make sure that if we do pass this legislation, the counties can also do this by statute.

**Asher Killian, Committee Counsel:**

For the purpose of NRS, NRS Chapter 278C.070 defines municipality to include any city or county. For the purpose of this set of language in NRS, it is either a city or county.

**Assemblyman Hibbetts:**

My question has been answered.

**Chair Torres:**

I want it to be very clear. We are not increasing the tax, but local governments could increase that tax. I guess this is my concern because I see that there is language in here to prevent them from increasing the tax while there is the ordinance, but there is nothing to prevent local governments from increasing the tax and then putting the ordinance. You could increase the tax this week, and then next week we are going to go ahead and establish the ordinance, and that probably would be the plan of those electees at that time. That is a concern for me. Additionally, we are not actually expanding the amount of money that is allocated and distributed within property taxes. We are not saying that we are increasing the amount of money. We are saying that we are cutting the funds that would otherwise go to these other places. My assumption would be that we have the tax, and that tax is already being used for projects. Is that correct? Or do we just have tons of extra revenue lying around?

**Randy Robison:**

I am not completely tracking with your thought process there, but there is an existing property tax rate. The revenue collected from that tax rate is distributed to a variety of different taxing entities, as Mr. Smith mentioned—schools, police services, library districts, and those sorts of things. Yes, that revenue is already being distributed.

**Chair Torres:**

I take issue with local governments coming to us and having other legislation because they are so concerned about unfunded mandates, but you all are saying we have this extra money that we can then use to do all these extra projects, we just need you to give us special power so that we can do it. I do have some issues because clearly there are funds that are being used for something, right? If we are going to take a portion of it that would otherwise go to these other entities, I imagine that there are projects and things that local governments are already using these funds for. I do not believe that the county has tons of extra money because it is not the conversations they have had with me this cycle. I do not think that cities have tons of extra funds because that is not the conversation they have had with me this cycle. It seems that the powers that the cities have, I mean, you mentioned that there have already been other development projects; it does not seem to me that it would just give municipalities a little bit. I think you are taking money from a pie, but we are not making that pie any bigger. The pie is already at the same size.

**Randy Robison:**

The way that the tax increment financing works, as I mentioned in the bill, the base stays the same. Whatever those entities are getting today, they will get tomorrow, and forever, as that assessed valuation grows currently on vacant land, on empty strip malls, or undeveloped land, whatever it is. That assessed valuation grows.

Let us say this year you get \$100. Next year, you get \$105. It is that \$5 that we are talking about that we reinvest to essentially grow that base. Over time that base grows so that the money that other agencies may be foregoing is made up in the end because there is more development, better development, and so assessed valuation grows, the base grows.

**Chair Torres:**

I understand that, but what I imagine is going to happen is in ten years, the local government is going to be coming back saying, we have not had any money for inflation. We are really struggling. We have not been able to get this extra funding as it is used now for these other projects. I am concerned that in ten or fifteen years local governments are going to come back and they are going to say, We do not have the funds to fulfill these other responsibilities that we have, and inflation is going to continue to rise. The cost of living is going to continue to rise, and whatever you all have right now are the only funds you are going to have because you are not going to be able to see an increase from that property tax that is going towards anything except for these projects.

Are there any other questions from members? [There were none.] Is there anyone wishing to testify in support of A.B. 10?

**Nic Ciccone, Legislative Relations Program Manager, Office of the City Manager, City of Reno:**

Although I cannot speak to whether we would use these tools, we appreciate the additional financing for transit-oriented development and affordable housing. That has been a major priority for our city council. We thank the bill sponsor and thank you for your time.

**Stephen Wood, representing the Nevada League of Cities and Municipalities:**

We support the measure.

**David Cherry, Government Affairs Manager, City of Henderson:**

We are here in support of A.B. 10 because this innovative approach will give local governments a new tool to invest in our communities. Through the use of transportation and housing zones, we can see using it to help reinvigorate the Boulder Highway Corridor and fast-growing west Henderson, home to the practice facilities for the hard-hitting Las Vegas Raiders and the Women's National Basketball Association World Champion Las Vegas Aces. Henderson is a strong proponent of giving our residents a variety of housing and transportation choices, and that includes using transit-oriented development. We greatly appreciate that this bill is permissive and gives local jurisdictions the ability to make determinations on how and where we would choose to use the tools A.B. 10 would grant to best meet the individual needs of Henderson families and the businesses of our community.

**Chair Torres:**

Is there anyone else here in Carson City wishing to testify in support of A.B. 10? [There was no one.] Is there anyone on the phone line wishing to testify in support of A.B. 10?

**Eileen S. Pastor, Government Affairs Supervisor, Regional Transportation Commission of Southern Nevada:**

The RTC is in support of [A.B. 10](#) because of our continued commitment to providing accessible and affordable transit to our community. Transportation and reinvestment zones would allow the RTC to partner with local governments to increase economic development, quality of life, affordable housing, and transportation options while also decreasing greenhouse gas emissions and urban sprawl. Transportation and housing reinvestment zones are another tool to help increase prosperity for our local communities. We urge the Committee to support.

[\[Exhibit H\]](#) and [\[Exhibit I\]](#) were submitted in support of [A.B. 10](#).]

**Chair Torres:**

At this time, is there anyone wishing to testify in opposition to [A.B. 10](#)?

**Joanna Jacob, Manager, Government Affairs, Clark County:**

I am here in opposition to the original bill, but I want to recognize the efforts that the City of Las Vegas has expended on all their departments and their government relations team to get us to a better place on this bill. There has been a lot of discussion. Thank you, Assemblyman Carter, and thank you for the Committee's questions about property tax collections and the challenges that we face. They are collected by the county, and they fund not only education and services, but also indigent care, depending on where you live in the county. We recognize the challenges that the city has, their goals and their master plan goals, and we have been working with them for several months on this bill. We got to an agreement just this morning. Thank you to Mr. Robison for recognizing that I will have a friendly amendment from Clark County [\[Exhibit J\]](#). We did file it with Ms. Bishop, the committee manager, and the committee secretary. It will be posted on the Nevada Electronic Legislative Information System today. We will continue to work with the City of Las Vegas on this.

Some of the things that were important to us were the guardrails that have been put into the amendment, specifically about the interlocal agreement requirement, and that there shall be no tax increment revenue generated from the zone of one municipality to be transferred without that agreement. We appreciate the city's effort on that. Our amendment is to define the base year so that we can set and define the point of measurement that we measure from when we are measuring the tax increments so that we can budget for it. This does fund police services and critical services region-wide, so the county will need to work with the city on all those demands.

We appreciate the work of the city. We will get to a point of neutral. The city's amendment, plus ours, as we bring this to work session will probably get the county to neutral. Mr. Guthreau from Nevada Association of Counties (NACO) was sitting with me. We have been working with NACO in all counties on this. I will just put him on the record too, that they will continue to work with the city.

**Assemblywoman Duran:**

With this plan in place, or this amendment, would this still have any cuts to or impact our police or fire or emergency services that we currently have?

**Joanna Jacob:**

It really depends on where you live. As we have discussed, the city and the county do fund the Las Vegas Metropolitan Police Department together. If the property tax grows, it reduces our proportionate contribution of the city and the county. No, I do not believe so, and I believe that the city talked about this. On some of these we will just have to work with them, and we will work with them through the interlocal to account for that. I do not see an immediate impact right now, because, as you noted, a lot of this is still speculative, but the requirement for the interlocal agreement will certainly be one of the points that will be discussed. If we have overlay between the municipalities, as Assemblyman Hibbetts noted, we are very intertwined in southern Nevada. I hope that answers your question. I do not see an impact immediately, but we will be working with the city on this as they move forward with these plans.

**Chair Torres:**

Is there anyone else wishing to testify in opposition here in Carson City? [There was no one.] Is there anyone on the phone line wishing to testify in opposition to A.B. 10? [There was no one.] Is there anyone here in Carson City wishing to testify neutral to A.B. 10? [There was no one.] Is there anyone on the phone line wishing to testify in neutral to A.B. 10? [There was no one.]

We will go ahead and invite the bill sponsors for any closing remarks.

**Kelly Crompton:**

We appreciate the time for the bill hearing and look forward to working with any Committee members who have additional questions as we move through the process.

**Chair Torres:**

At this time, we will go ahead and close the hearing on A.B. 10, and move on to today's work session.

Today, as a reminder, we will conduct the work session to take action on a measure that the Committee has heard in previous meetings. It is not customary for the Committee to take testimony or otherwise rehear the bill during the work session; however, today I expect there will be a couple of questions on the final amendment, and I may invite a witness to come forward for clarification of questions during the consideration of a measure.

We will go ahead and begin with the only one we have in our work session today, Assembly Bill 258.

**Assembly Bill 258: Enacts certain provisions governing the confidentiality of certain personal information of a donor, member or volunteer of a nonprofit organization. (BDR 19-605)**

**Jennifer Ruedy, Committee Policy Analyst:**

As Legislative Counsel Bureau staff, I do not advocate for or oppose legislation. I am only here to walk you through the work session document [[Exhibit K](#)]. Assembly Bill 258 is sponsored by Assemblywoman Backus, who is here in the audience.

Assembly Bill 258 requires, with certain exceptions, a governmental agency to keep confidential any personal information in the records of the governmental agency that identifies a person as a donor, member, or volunteer of a nonprofit organization. The bill further prohibits, with certain exceptions, a governmental agency from requiring that any person or nonprofit organization provide the agency with personal information that identifies a donor, member, or volunteer of a nonprofit organization; releasing, publicizing, or otherwise publicly disclosing personal information that identifies a donor, member, or volunteer of a nonprofit organization; or requesting or requiring a current or prospective contractor or grantee to provide a list of nonprofit organizations to which the contractor or grantee has provided support.

Any violation of these provisions, as written in the bill as introduced, by a governmental agency or an officer or employee of a governmental agency may be punishable through civil action with certain damages. Any officer or employee of a governmental agency who knowingly and willfully violates these provisions is guilty of a misdemeanor. The Secretary of State, in carrying out certain requirements of existing law, is prohibited from collecting or disclosing any information that directly identifies a person as a donor of financial support to a nonprofit organization. There is an attached amendment that tightens up quite a bit of the language and adds certain sections, and it sounds like there will be more conversation on the amendment.

**Chair Torres:**

Committee members, do you have any questions?

**Assemblywoman González:**

I wanted to clarify for the record that you would only receive damages if you could prove the damages to the party.

**Asher Killian, Committee Counsel:**

The bill provides several forms of remedy for violations of the bill's provisions, including injunctive relief, attorney's fees, and certain amounts of damages. Those are all discretionary rather than statutorily required damages. When a court is considering a violation of this section, the court would have the authority to order damages, but since damages are not required, the court in its discretion would have to determine whether there had been any injury caused as a result of the actions, and it would likely award damages accordingly. There would not be statutorily required damages awarded for every violation, but the court



would exercise its discretion to determine whether an injury had occurred that necessitated an award of damages.

**Chair Torres:**

Thank you. I know that clarifies some of the concerns that I have heard from the cities too, that anyone would be able to get those damages. To be very clear for the record, not anybody would be able to receive those damages: you would have to prove harm.

**Assemblyman Hibbetts:**

I am going to bother Mr. Killian again. I want to be clear. Let us say somebody inadvertently or advertently releases something that they may or may not have been supposed to. The government agency that they work for, whether it is the state or its political subdivision, is responsible for their legal defense and representation. Is that not correct?

**Asher Killian:**

At the risk of channeling my inner Disney villain and lulling the Committee to sleep, I will touch on English common law for a minute. The concept of sovereign immunity has its origin in English common law and the idea that the king can do no wrong. The state, as the sovereign, is only liable for damages to the extent that the state allows damages to itself. This concept of sovereign immunity in Nevada is covered by NRS 41.031 through 41.337. Generally, the state allows damages in suits against the state, but it retains sovereign immunity and prohibits damages against individual employees of the state, and instead makes their employer liable for their damages, as long as the employee has exercised due care in performing their duties on the basis of any act or omission or failure to exercise their duties. In general, an employee of the state or an employee of a political subdivision would not be liable, and the state agency or a political subdivision itself would be responsible for defense. The exception to that, both in NRS Chapter 41 and in this bill is if an officer, an employee of an agency, knowingly and willfully violates the provisions of this bill. If an employee acts to that standard, then the bill does provide for criminal liability for the employee, and the waiver of sovereign immunity for the state would not protect them if they acted knowingly and willfully to violate the provisions of the bill.

**Chair Torres:**

I believe that was actually a concern of several of our Committee members. In talking to the bill sponsor, who is present here, she noted that she would be all right with our putting in an amendment to remove the misdemeanor. That would be section 2, subsection 5, so that there would be no criminal liability. Can I just get confirmation from the bill sponsor that that would be all right.

**Assemblywoman Shea Backus, Assembly District No. 37:**

As the bill sponsor of A.B. 258, I am in agreement to remove the provision pertaining to the misdemeanor for the employee who would willfully disclose such information.

**Chair Torres:**

Thank you, Assemblywoman Backus. At this time, are there any additional questions for Committee counsel? I do want to note that I think several of those questions cleared up some of the concerns that local governments had expressed to me. Most of us like a one-pager on that, as a lot of those concerns had to do specifically with employees being sued. Other concerns had to do with employees having to pay for some of those damages and then having the criminal charges. I do think that, with all those amendments, we are able to address several of those concerns, and I do want to acknowledge and thank Assemblywoman Backus for working with so many stakeholders. That is why we have an amendment that is quite long. It is because so much collaboration went into making this bill happen.

At this time, we will entertain a motion to amend and do pass with the proposed amendment attached by Assemblywoman Backus, while simultaneously removing section 2, subsection 5.

ASSEMBLYWOMAN GONZÁLEZ MOVED TO AMEND AND DO PASS  
ASSEMBLY BILL 258.

ASSEMBLYWOMAN DURAN SECONDED THE MOTION.

Committee members, is there any discussion?

**Assemblyman DeLong:**

I am planning on voting yes, but I want to reserve my rights until I actually see the text since there are so many changes.

**Assemblyman Gurr:**

Ditto.

**Assemblyman McArthur:**

Ditto.

**Chair Torres:**

All right, are there any additional comments or concerns? [There were none.]

THE MOTION PASSED UNANIMOUSLY.

All right, this motion does carry, and I will go ahead and assign the floor statement to Assemblywoman Backus.

That concludes our work session for today. We will go ahead and move on to public comment. Is there anyone wishing to testify in public comment here in Carson City? [There was no one.] Is there anyone on the phone line wishing to testify in public comment? [There was no one.]

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Committee members, do you have any comments or remarks before we close? [There were none.] [Committee reminders were given.]

The meeting is adjourned [at 10:34 a.m.].

RESPECTFULLY SUBMITTED:

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Diane Abbott  
Committee Secretary

APPROVED BY:

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Assemblywoman Selena Torres, Chair

DATE: \_\_\_\_\_

## EXHIBITS

[Exhibit A](#) is the Agenda.

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

[Exhibit C](#) is a document titled "AB378 Timeline," dated April 6, 2023, submitted by Assemblyman Steve Yeager, Assembly District No. 9.

[Exhibit D](#) is a proposed conceptual amendment to [Assembly Bill 378](#) dated April 6, 2023, submitted by Assemblyman Steve Yeager, Assembly District No. 9.

[Exhibit E](#) is an email dated April 5, 2023, submitted by Sonja Whitten, Vice President AFSCME Local 4041, in support of [Assembly Bill 378](#).

[Exhibit F](#) is a copy of a PowerPoint presentation titled "ASSEMBLY BILL 10," dated April 6, 2023, presented by Randy Robison, Director, Office of Government and Community Affairs, City of Las Vegas; and Marco N. Velotta, Planning Project Manager, Community Development, City of Las Vegas.

[Exhibit G](#) is a proposed amendment to [Assembly Bill 10](#), dated April 6, 2023, submitted by Randy Robison, Director, Office of Government and Community Affairs, City of Las Vegas; and Marco N. Velotta, Planning Project Manager, Community Development, City of Las Vegas.

[Exhibit H](#) is a letter dated April 6, 2023, signed by Gabby Everett, Director of Advocacy and Research, Three Square, Las Vegas, Nevada, in support of [Assembly Bill 10](#).

[Exhibit I](#) is written testimony in support of [Assembly Bill 10](#), submitted by Cyrus Hojjaty, Private Citizen, Las Vegas, Nevada.

[Exhibit J](#) is a proposed amendment to [Assembly Bill 10](#), dated April 6, 2023, submitted by Joanna Jacob, Manager, Government Affairs, Clark County.

[Exhibit K](#) is the Work Session Document for [Assembly Bill 258](#), presented by Jennifer Ruedy, Committee Policy Analyst, Research Division, Legislative Counsel Bureau.