

**MINUTES OF THE MEETING
OF THE
ASSEMBLY COMMITTEE ON REVENUE**

**Eighty-Second Session
April 12, 2023**

The Committee on Revenue was called to order by Chair Shea Backus at 5:11 p.m. on Wednesday, April 12, 2023, in Room 4100 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.

COMMITTEE MEMBERS PRESENT:

Assemblywoman Shea Backus, Chair
Assemblywoman Venicia Considine, Vice Chair
Assemblywoman Natha C. Anderson
Assemblywoman Lesley E. Cohen
Assemblywoman Danielle Gallant
Assemblyman Ken Gray
Assemblyman Gregory T. Hafen II
Assemblywoman Erica Mosca
Assemblyman Duy Nguyen
Assemblyman P.K. O'Neill
Assemblyman David Orentlicher
Assemblywoman Shondra Summers-Armstrong

COMMITTEE MEMBERS ABSENT:

None

GUEST LEGISLATORS PRESENT:

Assemblywoman Clara Thomas, Assembly District No. 17
Assemblyman Bert Gurr, Assembly District No. 33

STAFF MEMBERS PRESENT:

Michael Nakamoto, Chief Principal Deputy Fiscal Analyst
Susanna Powers, Deputy Fiscal Analyst
Nick Christie, Committee Manager
Gina Hall, Committee Secretary
Cheryl Williams, Committee Assistant

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OTHERS PRESENT:

Daniel Stewart, representing Clark County Education Association
Deborah Evans, President, Juneteenth Nevada; and President, National Juneteenth
Observance Foundation Nevada
Kandice Townsend, Government Affairs Specialist, City of North Las Vegas
Marlene Lockard, representing Service Employees International Union 1107
Michael Flores, Vice President, Government and Community Engagement,
University of Nevada, Reno
Angela Mathiesen, Fiscal Manager, Department of Tourism and Cultural Affairs
William Brewer, Executive Director, Nevada Rural Housing Authority
Alicia Jones, Director of Housing Programs, Southern Nevada Regional Housing
Authority
Mendy Elliott, representing Southern Nevada Regional Housing Authority; and
Nevada Rural Housing Authority
Andy Heiser, President, Nevada Assessors' Association
Mike Cathcart, Business Operations Manager, Finance Department, City of
Henderson
Christine Hess, Executive Director, Nevada Housing Coalition
Jonathan Norman, Statewide Advocacy, Outreach, and Policy Director, Nevada
Coalition of Legal Service Providers
Susan L. Fisher, representing Nevada Aviation Association
Jim Foster, Manager, Elko Regional Airport
Jan Baum, City Manager, City of Elko
Stephen Wood, representing Carson City; and Nevada League of Cities and
Municipalities
Jennifer Berthiaume, Government Affairs Manager, Nevada Association of Counties
Lindsay Anderson, representing Reno-Tahoe Airport Authority
Nick Schneider, Policy Analyst, Government Affairs, Vegas Chamber
Kanani Espinoza, representing American Council of Engineering Companies, Nevada
Chapter
Steve K. Walker, representing Lyon County
Stacy Woodbury, representing Southwest Gas Corporation
Zach Conine, State Treasurer
James M. Humm, Director of Public Policy and Government Affairs, Office of
Economic Development, Office of the Governor:
Shawn Meehan, Past Committee Member, Minden-Tahoe Airport Advisory
Committee
Justin Taylor, Treasurer, Washoe County
Jana Seddon, Assessor, Storey County
Briana Johnson, Assessor, Clark County
Shawn Frehner, Treasurer, Lincoln County

Chair Backus:

[Roll was taken and Committee rules and protocol were reviewed.] I want to give everyone a heads-up of the schedule this evening because we have a lot of bill presenters and I do not want you to have to wait here if you could do something else. We will do the work session first and then proceed with the bills in order this evening. I will open the work session on Assembly Bill 295, which revises provisions relating to certain tax exemptions for veterans and surviving spouses of veterans. I will turn it over to Ms. Powers.

Assembly Bill 295: Revises provisions relating to certain tax exemptions for veterans and surviving spouses of veterans. (BDR 32-691)

Susanna Powers, Deputy Fiscal Analyst:

The work session document for Assembly Bill 295 is available to the public on the Nevada Electronic Legislative Information System [[Exhibit C](#)]. Assembly Bill 295 was sponsored by Assemblyman Yurek. The bill was heard on March 28, 2023, by this Committee.

Assembly Bill 295 expands the existing exemptions from property tax and the governmental services tax for certain persons who served in the Armed Forces of the United States to additionally include the surviving spouse of that veteran. The bill specifies that the surviving spouse of a veteran who receives the veteran's exemption from property tax or the governmental services tax would not be entitled to an additional exemption under existing law for surviving spouses. However, a person who is a veteran and also the surviving spouse of a veteran with a permanent service-connected disability may claim both the exemption for veterans and the exemption for surviving spouses of veterans with a permanent service-connected disability. There were no amendments proposed to this bill.

Assembly Bill 295 was denoted as being eligible for exemption by the Fiscal Analysis Division on March 30, 2023. Are there any questions about the work session document? [There were none.]

Chair Backus:

I will entertain a motion to do pass A.B. 295.

ASSEMBLYMAN GRAY MOVED TO DO PASS ASSEMBLY BILL 295.

ASSEMBLYWOMAN MOSCA SECONDED THE MOTION.

Is there any discussion on the motion? [There was none.]

THE MOTION PASSED UNANIMOUSLY.

I will assign the floor statement to Assemblyman Yurek. I will close the work session on A.B. 295 and open the work session on Assembly Bill 359. I will turn it over to Ms. Powers.

Assembly Bill 359: Revises provisions relating to the imposition by certain counties of additional taxes on fuels for motor vehicles. (BDR 32-801)

Susanna Powers, Deputy Fiscal Analyst:

The work session document for Assembly Bill 359 is available to the public on the Nevada Electronic Legislative Information System [[Exhibit D](#)]. Assembly Bill 359 was sponsored by Assemblywoman Monroe-Moreno. This bill was heard on April 4, 2023, by this Committee.

Existing law authorizes a county whose population is 700,000 or more, which is Clark County, to impose an additional county fuel tax rate calculated by annually adjusting the total federal and state special fuel taxes imposed in that county in a prior year by 7.8 percent, an alternative maximum amount specified in the ordinance, or the adjusted average street and highway construction inflation index for that fiscal year, whichever is less. For these annual increases to occur in any period beginning on or after January 1, 2027, the voters in the county must approve a ballot question at the November 2026 General Election, authorizing continued increases in these rates. Assembly Bill 359 removes the requirement for voters to approve the continued increases on the indexed fuel rates on and after January 1, 2027, instead authorizing the continued imposition of additional increases in these tax rates only if the board of county commissioners, on or before December 31, 2026, adopts an ordinance authorizing the effectuation of such annual increases. Otherwise, the board is prohibited from imposing any additional annual increases in those taxes. There were no amendments proposed to this bill. Are there any questions about the work session document? [There were none.]

Chair Backus:

I will entertain a motion to do pass A.B. 359.

ASSEMBLYMAN NGUYEN MADE A MOTION TO DO PASS
ASSEMBLY BILL 359.

ASSEMBLYWOMAN CONSIDINE SECONDED THE MOTION.

Is there any discussion on the motion?

Assemblyman O'Neill:

I will be voting yes on this to get it out of Committee, but I have strong reservations from constituents on this. I would like to do a little more research and discussion on it.

Chair Backus:

Do we have any other comments or questions? [There were none.]

THE MOTION PASSED. (ASSEMBLYMEN GALLANT, GRAY, AND
HAFEN VOTED NO.)

I will assign the floor statement to Assemblywoman Monroe-Moreno. I will close the work session on A.B. 359 and open the work session on Assembly Bill 427. I will turn it over to Ms. Powers.

**Assembly Bill 427: Revises provisions governing taxes on passenger carriers.
(BDR 32-713)**

Susanna Powers, Deputy Fiscal Analyst:

The work session document for Assembly Bill 427 is available to the public on the Nevada Electronic Legislative Information System [[Exhibit E](#)]. Assembly Bill 427 was sponsored by the Assembly Committee on Growth and Infrastructure. The bill was heard on March 30, 2023, by this Committee.

Assembly Bill 427 provides a tax credit against the transportation connection excise tax on such connections to a taxpayer who purchases and places into service between July 1, 2023, and June 30, 2027, at least one vehicle: (1) powered by electricity stored in a battery or produced by a hydrogen fuel cell; and (2) that provides zero exhaust emission of certain substances. The amount of the credit for each vehicle depends on the fiscal year in which the vehicle is placed into service, as specified in the bill. There were no amendments submitted at the hearing.

Assembly Bill 427 was denoted as being eligible for exemption by the Fiscal Analysis Division on March 30, 2023. Are there any questions about the work session document? [There were none.]

Chair Backus:

I will entertain a motion to do pass A.B. 427.

ASSEMBLYMAN NGUYEN MADE A MOTION TO DO PASS
ASSEMBLY BILL 427.

ASSEMBLYWOMAN CONSIDINE SECONDED THE MOTION.

Is there any discussion on the motion? [There was none.]

THE MOTION PASSED. (ASSEMBLYMEN GRAY, HAFEN, AND
O'NEILL VOTED NO.)

I will assign the floor statement to Assemblyman Watts. I will close the work session on A.B. 427 and open the work session on Assembly Bill 428. I will turn it over to Ms. Powers.

Assembly Bill 428: Revises provisions relating to economic development. (BDR 18-775)

Susanna Powers, Deputy Fiscal Analyst:

The work session document for Assembly Bill 428 is available to the public on the Nevada Electronic Legislative Information System [[Exhibit F](#)]. Assembly Bill 428 was sponsored by the Assembly Committee on Revenue. The bill was heard on April 11, 2023, by this Committee.

Assembly Bill 428 requires the Office of Economic Development (GOED) to establish and administer a Career Pathways Demonstration Program to develop and implement career pathways to enable students to prepare for employment in professions which serve the long-term needs of the state. The bill additionally requires certain school districts to offer a Teacher Academy College Pathway Program at each high school in the district that will enable interested pupils in grades 10, 11, and 12 to prepare for employment in professions in K-12 education. The Board of Regents of the Nevada System of Higher Education (NSHE) may enter into agreements with those school districts to assist in the implementation of the Teacher Academy College Pathway Program.

Assembly Bill 428 additionally revises the membership of the Board of Economic Development to include the Superintendent of Public Instruction, or his or her designee. At the time the work session document was submitted, there were no amendments proposed to this bill; however, Chair Backus submitted a proposed amendment earlier this afternoon [[Exhibit G](#)]. I will turn it over to Chair Backus to go over that amendment.

Chair Backus:

The amendment would incorporate some of the comments from last evening's meeting, including amendments to section 2 with respect to the reporting requirement of adding demographic information, adding a new subsection 5 to say that the Governor's Office of Workforce Innovation may enter into an agreement with the Nevada Department of Education to administer the Teacher Academy College Pathway Program, described in Chapter 388 of *Nevada Revised Statutes* (NRS). Likewise, there will be amendments to section 3, under subsection 2, paragraph (c) when assessing pupils entering into the tenth grade who are interested in participating in the program, part of the factors that will be identified will be academic, socioeconomic, and other barriers to their participation. Further, to the extent that the assessment identifies any academic, socioeconomic, or other barriers to participation and completion of the program by such interested pupils, the program shall identify and promote with such pupils and their parents or legal guardians any available programs or services designed to help the pupils overcome such barriers. There is additional information as to providing assistance to those individuals, as to the needs that may arise. Section 3, subsection 2, paragraph (g), subparagraph (2) will be deleted. Section 3, subsection 2, paragraph (g), subparagraph (4) will become section 3, subsection 2, paragraph (g), subparagraph (3), but will be amended to guarantee the admission of otherwise academically qualified pupils who complete the program to institutions in NSHE. Likewise, section 3, subsection 3 will become section 3, subsection 4. A new section 3, subsection 3 will be added pertaining to the large school district may enter into an agreement

with the Board of Regents of the University of Nevada to provide a faculty mentor from NSHE to teachers at the school district, to teach courses in the program, to ensure such courses align with contents and rigor of the equivalent courses taught at institutions within NSHE.

A new section 3, subsection 5 will be added to say to the extent the provisions of section 3, subsection 3 conflict with any of the provisions of Chapter 388G of NRS, the provisions of section 3, subsection 3 shall supersede such provisions in Chapter 388G of NRS.

Section 5, subsection 2 will be slightly amended. Instead of the Board of Regents offering early admission, it would instead say:

The Board of Regents may create regulations to identify and inform pupils who have completed the Program, or who expect to complete the [program] by the end of grade 12, and who will apply to admission to an institution within the system of the institutions within the system that such pupils may academically qualify for admission.

Section 6 shall be deleted and replaced. The loans we were discussing in last night's meeting. The Nevada Treasurer will oversee addressing the loans instead of the NSHE institutions.

With that, I will turn it back over to Ms. Powers.

Susanna Powers:

Assembly Bill 428 was denoted as being eligible for exemption by the Fiscal Analysis Division on March 30, 2023. That concludes the work session document for A.B. 428. Are there any questions?

Assemblywoman Anderson:

I appreciate both the speed of the amendment and also trying to capture the questions people had. I just wanted to verify that with the new subsection 5, with the Nevada Department of Education now being able to administer it, that this is no longer only for the large school district as mentioned in the original bill. Is this now available for all school districts, or is that something the Nevada Department of Education, along with GOED, would be able to make that decision about?

Chair Backus:

I am going to call a friend and have Mr. Stewart come up.

Daniel Stewart, representing Clark County Education Association:

The answer is twofold. Right now, it does not change. The mandate for the teacher academy would only still be in Clark County, pursuant to the current bill. That language has not changed, but because it is now being administered by the Nevada Department of Education, that would be the process to opening it up to the other schools if we needed to at a later date.

Assemblywoman Anderson:

There is also no discussion in the bill or in the amendment as to whether this would be in every high school in the large school district. If that is the intent, or if it is only in certain ones or working with the large school district, will you allow them to make the decision as to how many schools this would be in?

Daniel Stewart:

The mandate would still be that it be in all 49 schools in Clark County. The intent of that is, the only way we are going to capture the diversity we need to match the actual communities of the students is to mandate that it is in all schools. Part of the fear, as I said, is not only picking and choosing at the start, but potentially not keeping that mandate in, that somehow the schools that are already doing things really well will figure out how to do that well and the other schools will get left behind.

Chair Backus:

Do we have any other questions regarding A.B. 428 or the amendment?

Assemblywoman Summers-Armstrong:

I like this idea a lot, but I did have a conversation today with some folks, and I will just say that although I am really concerned about making sure the schools are participating, I am concerned that starting a pilot of this magnitude, with so many schools, is going to set this pilot up to not be as effective as it could be. I think that is going to be a challenge, to ensure that you can find 48 times two or three, or four or five, well-versed, committed teachers to participate all the way across the district when we already have a teacher shortage. I am just concerned. I want this to be successful, and I think I made that very clear earlier, but I am really concerned about that part. I do not want us to have a situation where we set something up, it does not perform the way we think it should out the gate, and then it gets trashed before we have a chance to work out the kinks. That is my major concern. I do not know how we would lessen the number and still have equity, but I think that should be considered.

Chair Backus:

Do we have any other questions? [There were none.] I will entertain a motion to amend and do pass A.B. 428.

ASSEMBLYMAN NGUYEN MADE A MOTION TO AMEND AND DO
PASS ASSEMBLY BILL 428.

ASSEMBLYWOMAN GALLANT SECONDED THE MOTION.

Is there any discussion on the motion?

Assemblyman Nguyen:

I just want to get this on the record. I was concerned about the retention aspect of it. I want to express my appreciation for your work on adding the mentorship part, because I think that is critical in terms of the program being successful when in the high school environment, the

students are very monitored, and they want to get the college environment. They are kind of on their own and need to figure out how to sink or swim. I just want to put it out there that I support this program, but also want to highlight the importance of having mentorship in this type of program. You will need that guardrail along the way for you to be able to successfully complete this program. Thank you, Chair, for that work.

Assemblywoman Summers-Armstrong:

I apologize, Chair, because I did not first acknowledge that you have been hustling to get this together today, and I really respect that. I am going to support it because I believe in it. I believe this is important. I am just telling you all where my concerns are.

Assemblywoman Anderson:

I will be voting yes on this today with the hopes we can fix some things before it goes on to the next step, because of many of the concerns voiced.

Assemblyman Hafen:

I appreciate all the hard work on the amendment [[Exhibit G](#)]. I do believe this needs to move forward today. I will vote this out of Committee. I do have some concerns, but I think we can address those when this gets to the Assembly Committee on Ways and Means, to hopefully flesh it all out.

Chair Backus:

It does not take just one person. There is obviously a team of people who make this happen.

THE MOTION PASSED UNANIMOUSLY.

I will eventually assign the floor statement to myself. As everyone knows, this is probably going to go to the Assembly Committee on Ways and Means. I will close the work session on [A.B. 428](#) and open the work session on [Assembly Bill 430](#). I will turn it over to Ms. Powers.

[Assembly Bill 430](#): Revises provisions relating to cannabis. (BDR 32-893)

Susanna Powers, Deputy Fiscal Analyst:

The work session document for [Assembly Bill 430](#) is available to the public on the Nevada Electronic Legislative Information System [[Exhibit H](#)]. [Assembly Bill 430](#) was sponsored by the Assembly Committee on Revenue and was heard on April 4, 2023, by this Committee.

[Assembly Bill 430](#) revises the provisions governing the 15 percent wholesale excise tax on cannabis to specify that the tax applies at the sale price of the cannabis if the sale is made to a cannabis facility that is not an affiliate of the cultivation facility, rather than the fair market price established by the cultivation facility. The bill additionally imposes a 15 percent wholesale tax on the fair market value or sales price of cannabis products sold or transferred by a cannabis production facility.

Assembly Bill 430 additionally revises the definition of "vapor products," for the purposes of the tax on other tobacco products, to exclude products which are primarily used for vaporizing, ingesting, inhaling, or otherwise introducing cannabis or cannabis products into the human body.

There were two amendments for consideration by the Committee, which are attached to the work session document [[Exhibit H](#)]:

First, Assemblywoman Backus submitted an amendment that would amend the definition of "vapor product" in section 1 to exclude cannabis vaporizers that are clearly and conspicuously labeled on the exterior of the product itself, or its packaging: "CANNABIS VAPORIZER: not for tobacco, nicotine, e-liquid, or any synthetic nicotine substance." The amendment clarifies that "cannabis vaporizer" does not mean a product that may also be used for the vaporizing, ingesting, inhaling, or otherwise introducing nicotine into the human body.

Second, Layke Martin, Executive Director, Nevada Cannabis Association, submitted an amendment that makes the following changes to the bill:

- Remove the 15 percent wholesale tax on the fair market value or sales price of cannabis products sold or transferred by a cannabis production facility.
- Restore deleted language specifying that a "wholesale sale" does not include a transfer of cannabis by a cannabis cultivation facility to another cannabis cultivation facility when both cannabis cultivation facilities share identical ownership.
- Specify that the Department of Taxation determines the fair market price of cannabis and cannabis products based on the sales price of the cannabis or cannabis products in the wholesale sales between a cultivation facility and a cannabis establishment that is not an affiliate.
- Specify that the fair market value must be calculated using a median of sales prices for wholesale sales between cultivation facilities and cannabis establishments that are not affiliates, per pound or each, during the period specified in the bill.

Assembly Bill 430 was denoted as being eligible for exemption by the Fiscal Analysis Division on March 30, 2023. Are there any questions about the work session document? [There were none.]

Chair Backus:

I will entertain a motion to amend and do pass A.B. 430, with the two amendments outlined in the work session document.

ASSEMBLYMAN NGUYEN MADE A MOTION TO AMEND AND DO
PASS ASSEMBLY BILL 430.

ASSEMBLYWOMAN GALLANT SECONDED THE MOTION.

Is there any discussion on the motion?

Assemblyman Hafen:

I know this came out of the interim and has been a topic of discussion for quite some time. I genuinely appreciate all the effort that has gone into it. As I stated during the hearing, I would have much preferred this to be a flat tax to make it simplified for the Department of Taxation to do its job. At this time, I will not be able to support this, but I do want to express my appreciation for everybody's hard work to get it to this point.

Assemblyman O'Neill:

I will vote yes, but I would still like to see this bill worked on. I think there were some disadvantages on the taxing on the 30 days, to go to 90 days. I appreciate the work you have done. I am just not there yet to be a yes vote on the floor.

Chair Backus:

If there is no further discussion, we will vote.

THE MOTION PASSED. (ASSEMBLYMAN HAFEN VOTED NO.)

I will assign the floor statement to myself. I will close the work session on A.B. 430 and open the work session on Assembly Bill 455. I will turn it over to Ms. Powers.

Assembly Bill 455: Authorizes the imposition of a civil penalty by the Department of Taxation for certain violations relating to contraband tobacco products. (BDR 32-1068)

Susanna Powers, Deputy Fiscal Analyst:

The work session document for Assembly Bill 455 is available to the public on the Nevada Electronic Legislative Information System [[Exhibit I](#)]. Assembly Bill 455 was sponsored by this Committee on behalf of the Office of Finance in the Office of the Governor. The bill was heard on April 11, 2023, by this Committee.

Assembly Bill 455 authorizes the Department of Taxation to impose a civil penalty for certain violations relating to contraband tobacco products. The penalty that the Department may impose for these violations may not exceed the greater of \$25,000 or the total costs incurred by the Department for the transportation, storage, and disposal of the contraband tobacco products.

An amendment was submitted by the Department of Taxation, which is attached to this work session document [page 2, [Exhibit I](#)]. The proposed amendment would change the civil penalty amount to \$10,000 or the total costs incurred by the Department relating to transportation, storage, and disposal of contraband tobacco, whichever is greater. Are there any questions about the work session document? [There were none.]

Chair Backus:

I will entertain a motion to amend and do pass A.B. 455, with the amendment submitted by the Department of Taxation, as outlined in the work session document.

ASSEMBLYMAN O'NEILL MADE A MOTION TO AMEND AND DO PASS ASSEMBLY BILL 455.

ASSEMBLYWOMAN GALLANT SECONDED THE MOTION.

Is there any discussion on the motion? [There was none.]

THE MOTION PASSED UNANIMOUSLY.

I will assign the floor statement to Assemblywoman Gallant. I will close the work session on A.B. 455 and open the work session on Assembly Concurrent Resolution 7. I will turn it over to Ms. Powers.

[Assembly Concurrent Resolution 7](#): Directs the Joint Interim Standing Committee on Revenue to conduct a study regarding wealth taxes during the 2023-2024 interim. (BDR R-698)

Susanna Powers, Deputy Fiscal Analyst:

The work session document for Assembly Concurrent Resolution 7 is available to the public on the Nevada Electronic Legislative Information System [[Exhibit J](#)]. Assembly Concurrent Resolution 7 was sponsored by Assemblywoman Anderson. This resolution was heard on April 4, 2023, by this Committee.

Assembly Concurrent Resolution 7 directs the Joint Interim Standing Committee on Revenue to conduct a study regarding wealth taxes during the 2023-2024 Interim. The study must include an examination of:

- Laws enacted or considered by other states, including, without limitation, the State of Washington, which impose or propose to impose any wealth tax.
- What types of wealth may be taxed in the State; and
- Potential revenue that would be generated through the imposition of a wealth tax in this State.

The Committee is required to submit a report of its findings and any recommendations for legislation to the Director of the Legislative Counsel Bureau for transmittal to the 83rd Session of the Nevada Legislature. There were no amendments proposed to this resolution. Are there any questions about the work session document? [There were none.]

Chair Backus:

I will entertain a motion to adopt A.C.R. 7.

ASSEMBLYWOMAN MOSCA MADE A MOTION TO ADOPT
ASSEMBLY CONCURRENT RESOLUTION 7.

ASSEMBLYWOMAN SUMMERS-ARMSTRONG SECONDED THE
MOTION.

Is there any discussion on the motion?

Assemblyman Hafen:

I will not be supporting this today. I believe this is in violation of the *Nevada Constitution*.

Assemblywoman Cohen:

I know there are some people who have a concern with this, and I just cannot imagine there is something that is so horrific that we cannot have the conversation. These are important issues we definitely need to be discussing in the Legislature.

Assemblywoman Gallant:

I appreciate what the study is attempting to do. I just felt like there was some misrepresentation in terms of the statistics. It is easy to make it look like—the lowest socioeconomic status, the 20 percent, are paying more taxes than the top 20 percent, but 1.9 percent of \$3 million is a lot more money than 10 percent of \$20,000 or \$25,000. I am going to have to be a no on this, based on the fact that our tax structure is really based on the choices we make when we purchase, so different choices can be made to pay less taxes.

Chair Backus:

The nice thing is we get to have a lot of discussions during the interim if this passes.

THE MOTION PASSED. (ASSEMBLYMEN GALLANT, GRAY, HAFEN,
AND O'NEILL VOTED NO.)

I will assign the floor statement to Assemblywoman Anderson. I will close the work session on A.C.R. 7. Our first bill will be Assembly Bill 409, second will be Assembly Bill 429, and last will be Assembly Bill 449. I will open the hearing on Assembly Bill 409, which creates the Juneteenth Educational and Economic Commission. Welcome, Assemblywoman Thomas.

**Assembly Bill 409: Creates the Juneteenth Educational and Economic Commission.
(BDR 18-982)**

Assemblywoman Clara Thomas, Assembly District No. 17:

I am pleased to come before you this evening to present Assembly Bill 409, which creates the Juneteenth Educational and Economic Commission. With me today is Deborah Evans, president of the National Juneteenth Observance Foundation Nevada. I would like to provide some background information and a summary of the bill before turning the presentation over to Ms. Evans.

According to the Congressional Research Service Juneteenth: Fact Sheet, the Emancipation Proclamation went into effect on January 1, 1863. However, it was nearly 2.5 years later, on June 19, 1865, when federal troops arrived in Galveston, Texas, to take control of the state and ensure that all enslaved people be freed. It is this day, June 19, 1865, when slaves in the last geographic area in America where slavery existed learned of their freedom, that we commemorate in celebrating Juneteenth Day.

By way of some background, I have sponsored related legislation, Assembly Bill 140, which makes Juneteenth Day a legal holiday in Nevada, rather than a day of observance. On April 7, 2023, it was referred to the Assembly Committee on Ways and Means, and I am optimistic it will be enacted.

Assembly Bill 409 creates the Juneteenth Educational and Economic Commission within the Department of Tourism and Cultural Affairs, and provides that membership of the Commission consist of eight voting members appointed by the Governor as follows:

1. Three members, each of whom is from the African American studies department or similar cultural studies program at the Nevada State College, the University of Nevada, Las Vegas, and the University of Nevada, Reno;
2. One representative of Juneteenth Nevada, or a similar nonprofit organization in this state whose mission is focused on Juneteenth education, unity, and diversity;
3. One member who represents a professional association representing African American businesses;
4. One member who represents an African American cultural awareness advocacy group;
5. One member who represents an educational advocacy group with a statewide presence; and
6. One member who represents a cultural history organization in the state.

The Department of Tourism and Cultural Affairs is required to provide administrative support to the Commission. The duties of the Commission are set forth in section 8, subsection 1, which are to:

- a) Create and distribute written, electronic or printed materials to educate the public on the history and meaning of Juneteenth Day in the State of Nevada and the United States;
 - b) Develop strategies with businesses, nonprofit organizations and community groups to support education in this State on the significance of Juneteenth Day;
 - c) Support the efforts of the businesses, community groups and local governments to establish events and programs relating to Juneteenth Day throughout the State; and
 - d) Support programs in the arts to celebrate Juneteenth Day.
2. On or before July 1 of each year, the Commission shall submit a written report to the Director of the Legislative Counsel Bureau for submission to the Legislature, or if the Legislature is not in session, the Legislative Commission. The report must include, without limitation, a summary of the work of the Commission during the past fiscal year and any recommendations for legislation to improve awareness of Juneteenth Day and African American history in this state.

The bill creates the Juneteenth Educational and Economic Fund for the support of the Commission. Finally, the bill is effective upon passage and approval, as I hope the state will observe Juneteenth Day as a legal holiday for the first time two weeks after the Legislature adjourns sine die.

Fiscal notes have been requested, and they were available on the Nevada Electronic Legislative Information System as of Tuesday, April 11, 2023. At this time, I would like to turn the presentation over to Ms. Evans, who is available on Zoom.

Deborah Evans, President, Juneteenth Nevada; and President, National Juneteenth Observance Foundation Nevada:

I am here to request passage of A.B. 409. Beginning with the arrival at Old Point Comfort in Virginia in 1619, 20 Africans aboard the White Lion, and later their descendants, lost names, religion, family, history, and freedom. There is a need to acknowledge and educate on the unknown history of indenture, enslavement, and freedom through the Juneteenth Nevada Educational and Economic Commission, that will begin to rectify these actions. It will:

- Assist in the planning of research, collections, and completion of culturally relevant American history, including the unacknowledged inventions, accomplishments, and contributions made to this country;
- Assist nonprofit organizations, educational facilities, and communities to further the commemoration and understanding of Juneteenth with the provision of grants for equipment and technical assistance, and training two members to bridge the digital divide needed to provide access to the information world and to the underserved communities;
- Fund the development and distribution by nonprofits and educational resources of media and programming that will disseminate that information through activities, print, and other online recordings;
- Reinforce distribution of information with an online electronic library to maintain documentation for study. It will work with the economic development and tourism agencies within the state to promote and support tourism and business development of the Juneteenth commemorations and celebrations throughout the state;
- Encourage civic, patriotic, historical, educational, artistic, religious, and economic organizations to organize these activities; and
- Develop model curriculum and support implementation on teaching the history of enslavement to freedom through Juneteenth in the schools.

Thank you very much for allowing me to speak.

Assemblywoman Thomas:

We are ready for questions from the Committee.

Chair Backus:

Thank you for your presentation. I do like the nice touch of having a flag in the background. That coordinates with the presentation today. Do we have any Committee members who wish to ask any questions?

Assemblywoman Cohen:

I first want to say I really appreciate this bill. This is one of those bills that is really a twofer for us. It is really important for us to learn our American history, but this is also something that can bring in tourism to the state and help create good paying jobs here. Ms. Evans, can you tell us some of the things that are happening in other states, or other cities, where Juneteenth is being observed? I would assume Galveston is probably having a lot of events, but in other locations where observations are newer, what are we seeing and what do you foresee us being able to do to bring more people to Nevada to celebrate here?

Deborah Evans:

Let us start off with the fact that the national organization has representatives in all states. We are also in Guam, Ghana, and Japan. First of all, there are people who will be coming from those outside countries, who will be coming here for the tourism. We will be having about 15 events here in Las Vegas this year, which will be education on Music From the Belly of the Slave Ship. We will be doing a national Miss Juneteenth pageant in New Orleans this year. We will be having a local Miss Juneteenth competition, which is going to be called the Miss Juneteenth Nevada Scholarship Program. The young ladies who will be participating have to be versed in the Thirteenth Amendment, General Order No. 3, and the Emancipation Proclamation. The winner of the scholarship program will be invited to go to New Orleans in October, and the winner of that event will become our national youth ambassador on Juneteenth and our Black studies programming. She will be available to go across the country.

Additionally, we will be having flag raisings in North Las Vegas, Las Vegas, and Henderson. We will have other programs in the state. We will be having some things with the seniors here in North Las Vegas and the youth program over at the West Las Vegas Arts Center. This is just in our area. If you were on the East Coast, we have another music program that will be going on called Juneteenth's Wave of Freedom, and it will be recognizing the freedom dates in the country, most of which occurred between 1863 and 1865. There will be jazz programming, but as part of the speaking program they will talk about our history in the country. They will also bring up the fact that the Moulin Rouge Agreement of 1960 also counts as freedom, because it cleared up some of the issues with discrimination here in Nevada, in Las Vegas on the Strip.

In addition to that, we start off May 25, 2023. We are going to be at Old Point Comfort in Virginia. They embarked on the ships May 25, 1865, en route to the Texas-Mexican border to fight Maximilian. Along the way they ran into a storm and had to stop off at Galveston for food and water. That is one of the stories we tell.

We tell the story that we were educated to believe that General Granger rode in on a horse, climbed up on the balcony, and rescued the Blacks. What they do not tell you is that there were 10,000 U.S. colored troops in the city. They do not tell you that he was on the ship, not a horse. They do not tell you that the building did not have a balcony. That is some of the work our education group is doing. The education group is working year-round. As a matter of fact, they are having a meeting right now.

Assemblywoman Thomas:

Thank you so much, Ms. Evans. I think the Committee gets it. We appreciate you.

Chair Backus:

It sounds like you have a lot of great ideas. I do have a suggestion. You have a really well-thought-out list of who the members of this committee would be. The only thing I saw is that it ends up being an even number. Sometimes, if people do not agree on everything, you may need that tie-breaker vote. In the future, that is something I would suggest.

Deborah Evans:

I would like to ask that someone comes in from the Office of the Governor. I have thought of that. If we could get someone from the Governor's Office that would be beautiful. One last thing I would like to add, we are going to be at the White House on Juneteenth this year.

Chair Backus:

I appreciate that. Is there anyone else who has questions?

Assemblywoman Summers-Armstrong:

I actually had a question but you answered it—are we going to get some of this tourism in historic West Las Vegas. You already said we are going to have some events there. I appreciate all the work you do. I have been watching you over the years work so hard at this.

I think the community should know that historic West Las Vegas is under a renaissance right now. We are trying so hard under the Historic Urban Neighborhood Design Redevelopment (HUNDRED) Plan—the HUNDRED Plan in Action. Our council person, Cedric Crear, is trying to revitalize our community. Part of that includes an African-American museum, a new library, and other activities to try to bring tourism and activities into our community. The information and the activities that this will bring will do nothing but help us move this idea forward. I am really excited and thank you both for your courage and for your commitment.

Chair Backus:

We will now move to taking testimony in support. Do we have anyone here in Carson City wishing to give testimony in support of A.B. 409?

Kandice Townsend, Government Affairs Specialist, City of North Las Vegas:

We supported Assemblywoman Thomas's bill, A.B. 140, which would make Juneteenth a state holiday, and we are here to testify in support of A.B. 409. This bill will help educate the public about the history, meaning, and importance of Juneteenth. Teaching the community about our collective history is so important, especially since there are still so many people who are unfamiliar with the holiday. I want to thank Assemblywoman Thomas for bringing this very important bill forward, and I urge you to support it.

Marlene Lockard, representing Service Employees International Union 1107:

I had a lot prepared, but in the interest of time, I will just say that the Service Employees International Union urges you to support this bill, as it creates the Juneteenth Education and Economic Commission, which will play a crucial role in promoting education, unity, and diversity related to Juneteenth Day in Nevada. This bill will not only recognize the historical significance of Juneteenth Day, but also contribute to creating a more inclusive and informed community. Thank you for your support. [Written testimony was submitted, [Exhibit K.](#)]

Michael Flores, Vice President, Government and Community Engagement, University of Nevada, Reno:

I also want to be brief at this late hour. I want to thank the bill sponsor for including us in this legislation, and we are in strong support.

Chair Backus:

We will now go to the phone lines. Is there anyone wishing to give testimony in support of A.B. 409? [There was no one.] Next, we will now go to testimony in opposition. Is there anyone in Carson City wishing to give testimony in opposition to A.B. 409? [There was no one.] We will now go to the phone lines. Is there anyone wishing to give testimony in opposition to A.B. 409? [There was no one.] Next, we will move to testimony neutral to A.B. 409.

Angela Mathiesen, Fiscal Manager, Department of Tourism and Cultural Affairs:

I am testifying in a neutral position on the fiscal impacts to the Department of Tourism and Cultural Affairs should A.B. 409 be approved. The fiscal impacts are in three areas as follows:

The additional programmatic work described in section 8, subsection 1 of the bill, namely:

- a) Create and distribute written, electronic or printed materials to educate the public on history and meaning of Juneteenth Day in the State of Nevada and the United States;
- b) Develop strategies with businesses, nonprofit organizations and community groups to support education in this State on the significance of Juneteenth Day;
- c) Support the efforts of businesses, community groups and local governments to establish events and programs relating to Juneteenth Day throughout the State; and
- d) Support programs in the arts to celebrate Juneteenth Day.

These marketing efforts will require an additional position given the current administrative staff is made up of only nine people with only two dedicated to marketing and public relations for the cultural agencies in the Department. The additional workload will require the recruitment of a development specialist 2. The cost for the position in fiscal year 2024 is \$94,810, and in fiscal year 2025 it is \$214,562.

The marketing budget to initiate the work is estimated at \$500,000 in the first year. The engagement with the appropriate audiences through media, print, social, and digital ads will then be assessed and expanded in the successful channels in the following fiscal year, estimated at \$750,000. The marketing budget will be adjusted and optimized for effectiveness in future biennia. This budget is an estimate but based on similar media buys

the agency has made for in-state resident campaigns. In this case, we would be trying to reach 300-plus resident African Americans and business owners in Clark and Washoe Counties through print and digital social advertising.

Finally, commission salary and per diem estimates for up to five commissioners is \$6,600 per fiscal year, based on a quarterly meeting schedule.

Chair Backus:

I appreciate your giving your testimony, but we are a policy Committee. When we look at this bill, we are going to be looking at the policy aspects. Anything that pertains to fiscal will probably be handled in another committee, but we appreciate your coming this evening.

We will now go to the phone lines. Is there anyone on the phone lines wishing to give testimony neutral to A.B. 409? [There was no one.] Assemblywoman Thomas, do you want to come up and make some closing remarks?

Assemblywoman Thomas:

I was looking for something earlier today to say in my closing remarks, and I thought about this: If President Lincoln had been a Marine, he would have said something to the effect, "that until they are all home, no man left behind," but he was Commander in Chief. I think the Emancipation Proclamation went to that effect. We left no man behind, and that was over a quarter of a million people. That is why this is so important for our state, and for every state, actually, in the Union, to commemorate Juneteenth Day—because no man was left behind. I thank you for giving me the opportunity to present A.B. 409, and I urge your support of this bill.

Chair Backus:

Thank you, Assemblywoman Thomas and Ms. Evans. I will close the hearing on A.B. 409 and open the hearing on Assembly Bill 416. Welcome, Assemblywoman Summers-Armstrong.

Assembly Bill 416: Provides an exemption from property taxation for accessory dwelling units leased to certain tenants. (BDR 32-187)

Assemblywoman Shondra Summers-Armstrong, Assembly District No. 6:

I am here today to present Assembly Bill 416. I think everybody knows from last session that I am really a champion for housing, and I came to the Assembly this time with the hopes I could work on some things that could be really helpful for our communities. You all know I represent historic West Las Vegas, and near North Las Vegas. These are communities that were segregated in Las Vegas for many years and have suffered years of disinvestment. We saw during COVID-19 the results of what that looks like when folks cannot afford housing. Most of the calls I received during COVID-19 were for two reasons: food and housing.

I wanted to bring a bill and could not find anything to put in my bill draft. Then it just so happens I was scrolling through and I saw a bill that had been done in another jurisdiction on abating property taxes if folks would rent accessory dwelling units to people who needed housing, and that is how A.B. 416 came to be.

On your desk you have a proposed amendment [[Exhibit L](#)]. It is really a clarification, and I will get to that a little later. With me today is Mr. William Brewer, who is the director of the Nevada Rural Housing Authority. Mr. Brewer's team helps with any housing authority issues outside of Clark County and North Las Vegas. To my right is Mendy Elliott, who is representing both the Southern Nevada Regional Housing Authority and the Nevada Rural Housing Authority. On the line I have Ms. Alicia Jones, from the Southern Nevada Regional Housing Authority.

We are going to go through the presentation. We have a couple of definitions [page 2, [Exhibit M](#)]. Our first definition is, what is a property tax exemption? It is an exemption from property taxes for an accessory dwelling unit and the land upon which it is situated. We want to be clear that we are asking for the abatement for a very limited structure. We want to make sure you all understand what HUD stands for, and that is the U.S. Department of Housing and Urban Development, and we want you to be clear on what an accessory dwelling unit (ADU) is—an ancillary or secondary living unit that has a separate kitchen, bathroom, and sleeping area, existing either within the same structure or on the same lot as a single-family residence. We are going to change ADU with the amendment.

One of the questions that has been asked several times is, what is this thing called third degree of consanguinity? Here is a little chart [page 3]. The first degree of course is the person and their children. The next degree are the parents, brothers, sisters, nephews, nieces, great nephews, great nieces, great-grand nephews, and great-grand nieces. The third degree is where we have grandparents. This is important in this space because we really want this bill to allow housing outside of people's immediate family. We want an opportunity for housing to be available for those in the community. My belief is that if a family already has a primary residence they can help their families. This is for folks who do not have that assistance.

This is the bill at a glance [page 4, [Exhibit M](#)]. I just want to clarify a couple of things. This bill applies only to the secondary structure—the ADU. It is in the bill language but we are going to clarify it in the proposed amendment [[Exhibit L](#)]. The rules and regulations of our housing authorities will be strictly followed. I am very grateful our housing authorities have stepped up and want to participate in this, which is why we have these wonderful folks here to back me up today. Another thing we want to make sure you all understand is that we are not adding any demand on our counties, cities, or any of our municipalities to participate. It has to fall within their local rules of land use. If you live somewhere where they do not allow ADUs, you may not participate in this, and if a landlord wants to participate, they have to go through the folks within Mr. Brewer's organization or the Southern Nevada Regional Housing Authority, because they are going to be the lead on this.

I am going to stop talking for a second and let these very knowledgeable folks start. We will start with Mr. Brewer. Could you give us a little rundown on what the Nevada Rural Housing Authority does with the Housing Choice Voucher Program?

William Brewer, Executive Director, Nevada Rural Housing Authority

I am very grateful for this bill and grateful for all your work on this. This is a very well conceived piece of legislation. The way the voucher program works is the vouchers are funded by the federal government through HUD [page 5]. We have a waiting list that we open as needed. People apply for the Section 8 vouchers and we process those applications. We have far more applications than we have vouchers. We are the smallest housing authority in the state. There are only three housing authorities: the Reno Housing Authority, the Southern Nevada Regional Housing Authority that is with us today, and the Nevada Rural Housing Authority. We have about 1,500 vouchers to cover all of rural Nevada. Just to give you an idea of scale on that, most of our vouchers are already leased up. We only have a few we dole out every year. We opened our waiting list for a week in January and received 6,000 applications for vouchers in just one week's time for rural Nevada. That is a lot of applications.

One of the fundamental challenges we have is finding places for those folks to rent. For every 100 vouchers we issued last year, less than 20 percent of those people found a place to rent. That is very sad and unfortunate. Those folks waited out on the waiting list, finally get through all of that red tape, get their voucher in their hand, and 80 percent of them just cannot find a place to rent.

The voucher contract is between us and the tenant, not the landlord [page 6, [Exhibit M](#)]. The landlord leases the unit to the tenant just as though he would to any other tenant. We agree to pay a portion of the tenant's rent directly to the landlord, and that is based on the tenant's income. Generally speaking, 30 percent of their income goes to rent, we make up the difference, assuming the unit qualifies. That is explained a little bit better in the slide, if you can read the fine print, but essentially that is how it works, and that would be the real strong point of this proposed legislation.

Assemblywoman Summers-Armstrong:

I would like to go to Ms. Jones now, and she can talk a little bit about the atmosphere and what we are facing in southern Nevada [page 7].

Alicia Jones, Director of Housing Programs, Southern Nevada Regional Housing Authority:

I just want to speak a little bit about what is happening in southern Nevada. There is a major need for affordable housing in our area. Our agency opened our waiting list for 30 days and we received 27,060 preapplications from people who applied for our program. Mind you, the wait list is open for multiple individuals nationwide, but we did receive 27,060 preapplications. Of that number we will select approximately 10,000 individuals to be placed on our waiting list. The challenge is, as Mr. Brewer was explaining, we administer a program here in southern Nevada and we currently have 12,596 vouchers. Of that number,

we are 96 percent completely leased, which means there are only a small number of vouchers left that are available for those who are in search for housing, and we will select off the waiting list to deem them eligible to receive one of those vouchers. That is some of the information I wanted to share with you about the impact and the need we have right now.

According to some research we have in southern Nevada, Las Vegas ranked last of the metropolitan areas in the nation with the lack of supply of affordable housing—16 affordable units per 100 extremely low-income households. That is a very low number. We are actually hoping that we can partner with other entities to build housing and increase those opportunities. We want to engage the public and engage with owners to encourage them to participate in our incentive program. We support A.B. 416 because it is a tax exemption and it can be used as an additional incentive to incentivize owners to want to participate and rent their units to the families who are in need.

There is a huge gap. I believe there is a need for approximately 86,000 affordable housing units in Nevada, and we only have 12,596 available. That is a very small amount [page 8]. We want to find a way to encourage participation and utilize any resources available in order to do that, especially with owner incentives. We have an owner-landlord partnership program that we are developing—to engage owners, to recruit new owners, to educate current and interested owners—to participate in our program. I am thankful for the opportunity to speak in support of this particular bill.

Assemblywoman Summers-Armstrong:

We are going to move on to our last couple of slides [[Exhibit M](#)]. Mendy Elliott is now going to take over and run through some of these statistics.

Mendy Elliott, representing Southern Nevada Regional Housing Authority; and Nevada Rural Housing Authority:

Thank you, Assemblywoman Summers-Armstrong, for allowing us to present tonight. I want to make it really clear that this program is a pilot program. It is only open to those individuals who are receiving Section 8 housing choice vouchers. It is not open to the general public for other landlord rental arrangements. We are being very specific with the program because we see a need. As you have heard, we have more voucher needs than we have landlords who are currently renting. This out-of-the-box thinking is really going to help us to utilize the housing choice vouchers that we have and get families integrated into the community quicker.

Our Nevada families are really cost-burdened, and in every committee you are hearing about the need for housing, that there is a housing shortage, and we are in a housing crisis. When a household pays more than 30 percent on their housing, or one-third of their household income, the housing is considered to be unaffordable. That is the blue bar on this chart [page 8]. The green bar is when a household pays more than 50 percent, or one-half of their household income on their housing. The household is considered to be at high risk of

homelessness and the household is severely cost burdened. That is why the housing choice vouchers are so important. They work with the federal government to provide support to the landlord. The tenant will pay a portion, the federal government pays a portion, and we keep these families housed.

Of course, Nevada's affordable housing supply, we have seen this in multiple committees. We have assisted units, a total of 9,989; 70 percent to 80 percent area median income (AMI) is 1,545 units; 55 percent to 60 percent AMI is 14,902 units; 40 percent to 50 percent AMI is 8,633 units, and 30 percent to 35 percent AMI is only 1,118 units. The 60 percent AMI and less, those are the programs you hear from the housing division when we talk about the Low-Income Housing Tax Credit (LIHTC) program. We were really excited about this out-of-the-box thinking when Assemblywoman Summers-Armstrong approached us, especially because it incentivizes those landlords who happen to have an ADU, and we can really work with those landlords to provide those housing choice vouchers to help people, especially those who are 50 percent of their income, so we could try to help avoid homelessness.

Assemblywoman Summers-Armstrong:

I want to quickly go through the proposed amendments [[Exhibit L](#)]. I have had a conversation with the assessors from southern Nevada, northern Nevada, and some of the rural folks who are in the audience. They were kind enough to stop by today, talk to me, and just be open. I want to make sure we have clarity on a few items. There may be more adjustments, but these are the things we talked about today. I will be very interested to hear your feedback.

The first thing I want to make sure we have is some clarity in section 1, subsection 3, paragraph (a) on the definition. The definition has been updated so it is clear that this structure is not attached to the house in any way. It is not a garage. It is not a room in the house. It must be a separate structure on the property of a single-family residential property. Second, only the property that the ADU sits upon is what can be part of the abatement.

Third, there is an annual renewal and eligibility requirement. The housing authorities have agreed to provide a certificate to the landlord that they can give to the assessor to prove they are truly renting their property to someone who is low income. Fourth, the primary residence the ADU is adjacent to is owner occupied. This was my addition, for personal reasons. I think this is really important for the preservation of our neighborhoods, so we have integration and not an overtaking of neighborhoods. Fifth, qualified tenant means someone who is not related to the property owner, and you saw the third degree of consanguinity [page 3, [Exhibit M](#)], so you understand what I mean. Sixth, clarifying that this can only be done in communities where the local zoning regulations and land use allows this. If your community does not allow it we will not be there.

Seventh, there is already a tax abatement process in our counties for low-income housing, so we are going to allow the assessors to set the process for exemption. They already do it, and they know how to do it. We will just give them the structure and they will set the process up.

Eighth, the exemption for the tax is after the cap that is already in existence—the 3 percent and 8 percent. I believe those caps are in place, so the exemption will be based there. Ninth, there will only be one exemption per single family lot allowed.

I am done talking. I appreciate your attentiveness and am happy to entertain any questions you may have.

Chair Backus:

Thank you Assemblywoman Summers-Armstrong, as well as your presenters. I have a clarifying question about No. 8 of the amendment [[Exhibit L](#)]. You were saying the exemption would go after the tax cap. Let me walk through this. The property value is assessed, and with that assessment is usually the land and the enhanced property, so you would have a main house and this ADU. Say that took up one-fourth of the land and you had three-fourths of the land with the primary residence, which as I understand would be owner-occupied. When the value is assessed, I would anticipate, at some point, one would look at it as the portion—that is the one-fourth—that would be exempted from the whole assessed value, and then that lower value would get the property tax. Are you saying the smaller assessed value would then be capped at the 3 percent because the owner-occupied 8 percent would not be at issue here because this would be looked at as the 3 percent? Am I understanding that correctly, it would be that three-fourths? There is nothing you are taking value away from above the cap. That is really not applicable.

Assemblywoman Summers-Armstrong:

I am going to phone a friend who can better explain this. We are so lucky the assessors are here today.

Andy Heiser, President, Nevada Assessors' Association:

We did meet with Assemblywoman Summers-Armstrong and that was one of our clarifying questions. Yes, we will take the full assessed value and send it to the treasurer. They will take the tax bill and exempt this ADU off of that. When that value comes back, that exemption will sit outside of the 3 percent abatement or cap. Does that make sense?

Chair Backus:

It does. It is just really difficult with that outside the 3 percent cap. I think we are saying the same thing. I just want to make sure the record is clear. The reality is, when we are taking the assessed value, the assessed value is going to go down, the 3 percent cap is only applied to the owner-occupied premise and all land, excluding where the ADU would be sitting and that improvement.

Andy Heiser:

We had a discussion that it would just be the dwelling unit itself, not the land underneath it. I would need some clarification on that.

Assemblywoman Summers-Armstrong:

I think we need to get a little more clarity on this. I would think that the best way to address this, at this point, is where we can meet with the assessors. The county assessors would like it to be the structure.

Chair Backus:

That is fine. I think we are all saying the same thing. I just wanted to make sure that was clarified. The statement "exemption after tax cap" [[Exhibit L](#)], which when I see that I am thinking it is a value above the 3 percent, which there is no benefit there. It is really the assessed value that is going to get reduced, then the 3 percent cap would be applied to that amount, and we are only looking at the lower assessed value and not doing something on top of the 3 percent cap. I just wanted to make sure we have that clarified for the record. Is that correct? Are we saying the same thing?

Andy Heiser:

Yes. This is how we run all of our exemptions out of our office, so it would fit into the same guidelines.

Chair Backus:

That is great to hear. The other clarifying question I had was on No. 7 [[Exhibit L](#)]. You explained more on what the county assessor would do with their process, with the exemption, but any regulations put into Nevada law would be done by the Department of Taxation, if that was needed. Was that your intent, whether we needed on top of this regulations, or if we were okay at the county assessor step? It sounds like you already have the process in place. Could I get some clarity on that?

Assemblywoman Summers-Armstrong:

There is already a process in place that all the assessors use for tax abatements on low-income housing that uses the 7 percent and 9 percent LIHTC. They already have a process.

Chair Backus:

That would be in the *Nevada Administrative Code*, under Chapter 365, which is fine. We would just have to make sure if we did an amendment that would require any tweaks to that regulation it would be the Department of Taxation that would have to do that.

Assemblywoman Summers-Armstrong:

It is actually the *Nevada Revised Statutes* (NRS).

Chair Backus:

So that is not a regulation. *Nevada Revised Statutes* would be a statutory provision.

Assemblywoman Summers-Armstrong:

Yes.

Chair Backus:

Perfect. We are all saying the same thing. I appreciate that.

Assemblywoman Mosca:

Do you have a ballpark figure of how much money it would help for the landlords? I know you talked about it in other jurisdictions. Could you talk about the impact and how it has helped?

Assemblywoman Summers-Armstrong:

We really do not have an idea. This is a pilot. This is a wish. This is, quite frankly, a hope. The City of Las Vegas just recently put in place rules for the development of ADUs in an appropriate manner. I know we are going to see more of these types of buildings being built. We also know there are already existing ones that may just be empty. We will not know for two years. We are hopeful that we will be able to gather some data, as people put their applications in, and be able to report back to you on how well this works out. I want to be honest. We just do not have a lot of data.

Assemblyman Gray:

Normally, I would agree with the consanguinity; however, in this case I think going that far out may not help with some other problems. I had my parents living in my ADU for a while. They were not paying rent or anything, but it helped with their transportation and doctors—they did have people coming in to help with their medical needs. I am thinking we may want to look at that a little bit more. I think there are good social reasons to maybe look at that.

How many units do you think you are looking at in the state right now?

Assemblywoman Summers-Armstrong:

We really do not know. If we could get 100, 150, or 200, I would be very happy. There was a story on channel 8 news last night. We have the highest rate of eviction in the nation with something like 57,000 people. We have so many people who are on the edge. This is where we get into trouble, when we have people who are on the edge, who are paying rent they cannot afford. They are just signing leases to go places they really cannot afford. This would give us an opportunity to help some folks. In two years, I promise I will come back and bring data, but right now we do not have it.

To speak to your concern about the consanguinity, I am open to talking about that. That was brought up by Mr. Lewis Jordan, who is the executive director of the Southern Nevada Regional Housing Authority. He is a gentleman, much like Mr. Brewer, who has had decades of experience in public housing. There is a reason he said that, and he has had experience with this in California. I will speak to him and see where he would be willing to make some adjustments, but I think he has a very good reason for asking that to be included.

Assemblyman Gray:

I fully agree with you on the reason. I know what the reason is. I am thinking maybe there could be an exemption for parents or grandparents, the elderly, who meet the other requirements so the system cannot be abused.

You addressed zoning requirements, with no intent to usurp zoning requirements. What about homeowners' associations (HOAs)?

Assemblywoman Summers-Armstrong:

It would be the same for HOAs. If you have a restriction in your community that you cannot rent your property, we are not here to supersede community rules. That is not the purpose.

Assemblywoman Anderson:

I think this is a really interesting idea and I like it a lot. Before asking my question, I wanted to point out how much I appreciated Carson City's chief financial officer submitting a fiscal note. This way we knew what the financial impact could be, or how many dwellings there are, because it sounds like not all accessory dwellings actually have to file something. I really appreciated Carson City taking the time to do that, and it looks like a lot of the other counties were not able to do so.

I have a question on the bill. With the county assessors setting up the process for the exemptions, and the date of the act becoming effective July 1, 2024, is that to give those county assessors time to be able to do so? I am curious as to why the act becoming effective is not for another year.

Assemblywoman Summers-Armstrong:

I do not know why the Legislative Counsel Bureau chose a date out in the future; I think we probably need to give the assessors a little bit of time to gear up for this. We do not want folks running to their offices on June 15 and they have not had a chance. It is probably smart that we give ourselves a little bit of time to get it together, so it can be rolled out in a professional manner.

I do not know all of the assessors, but I can tell you from our conversation today they are taking this very seriously and want it to be instituted in a professional and organized manner. We will give them a little time to get it together. We will have about a year's worth of data to give you all in 2025.

Assemblywoman Anderson:

Would that data be reported to the Joint Interim Standing Committee on Revenue, reported to others, or just brought back next session? I really like the thoughtful answer you just gave about getting the data and making sure it is done correctly as well.

Assemblywoman Summers-Armstrong:

If this is successful, you will not be able to shut me up. I will be reporting to everybody and anybody who will listen to me because I think this is really critical, important, and it is so out of the box. I think we should probably really tout it if it works. We should be on national television bragging to everybody about what we were able to do to help our communities.

Assemblywoman Gallant:

Thank you so much for bringing this bill forward. From somebody who is a landlord and property manager, I really encourage the landlords I represent to work with Section 8 when it is appropriate. I am pretty familiar with the process.

Did you think about extending this to all Section 8 units, or is that too lofty?

Assemblywoman Summers-Armstrong:

No, and the reason is because I think this is most appropriate to be a pilot. I wanted it to be an accessory unit rental where the main residence is occupied by its primary residents. I think that is really important. We do not want to be too expansive to the point where we are diminishing tax revenue for our communities at a rate that they cannot recoup from some place else. Even if this is a small benefit, there are still dollars that are going to be out of the overall pot, and we know that our counties are the number one folks who for the last two years have been helping when we have had massive evictions, homelessness, and the rapid rehousing.

I do not want to speak for everybody else, but I can tell you about Clark County. The amount of money they had to use in CHAP [CARES (Coronavirus Aid, Relief, and Economic Security) Housing Assistance Program] to try and keep people housed, I would not feel comfortable coming to them and saying, "We want to apply this everywhere," and then looking at what the result would be, which would be less money to help other social service organizations and social service needs.

I think this is special because we are just attaching this to the ADU. Let that family who is opening up their home and their heart to a stranger, to build some community, to have some cross-cultural, hopefully, and cross-generational interaction, get a little benefit for that. Then we let the assessor be able to collect, so the rest of the county can still be supported.

Assemblywoman Gallant:

Just a thought, because those social service programs for the homeless, if we kept more people in houses, if we had more vouchers, and some way to incentivize more landlords to do that, maybe not total exemption but maybe allow them to stay at the 3 percent, maybe this is something on the back burner we can discuss later.

In terms of landlords, like owner-occupied dealing with Section 8, it can be very complicated and sometimes cumbersome. We have worked it into a process, and I know it like the back of my hand. I am wondering how the Southern Nevada Regional Housing Authority and Nevada Rural Housing Authority are going to provide some support and counseling with

those landlords so they can be educated in the process. Also, in terms of educating those landlords on what is the right of space—like you cannot just go over to the unit—but making it very simple for them and actually enjoyable, sort of encouraging this community relation. I know it is hard. Some of the inspectors in the southern Nevada region are amazing, and others have some attitude, but we have learned to deal with it. I just want to make sure that all of these landlords and owners are going to have a really positive experience so that we can continue to promote this.

Assemblywoman Summers-Armstrong:

I am going to hand this over to Ms. Jones with the Southern Nevada Regional Housing Authority because I was told they are really working on some engagement outreach.

Alicia Jones:

In the Southern Nevada Regional Housing Authority, we have a landlord advisory board we meet with quarterly. We are also implementing a landlord partnership program. Through the partnership program will come a landlord liaison who will be that one point of contact for landlords. This person will engage landlords and provide informational sessions, or landlord briefings for lack of better word, to educate the current landlord in any manner who is willing to participate in the program. This particular program will have someone who is very knowledgeable about the industry, who understands our processes, who understands the importance of housing the families and keeping the families housed. We are also incentivizing the program. This is a pilot as well. We have committed to providing \$250,000 as incentives, to incentivize owners to participate, to pay for security deposits, damage claims, vacancy laws, and owner sign-on bonuses—for new owners to sign on who have never had a property on the program, offering them a sign-on bonus. We have those incentives available for them.

One of the key things I want to make sure I express is that we have a landlord liaison who will be the first point of contact, who can make sure the landlords' needs are addressed when they have questions and concerns regarding the inspections, as you just mentioned, as far as their contracts. If they are having problems with the tenants they would have someone to contact to get them in contact with the appropriate person to address those issues. We are here to support our landlords and also to improve our landlord relationships. We do that by having regular quarterly meetings and also our informational sessions that will take place.

Assemblywoman Gallant:

Within Section 8 there are different types of vouchers, so would HUD-Veterans Affairs Supportive Housing (VASH) program also be included, and then there is one with the Department of Family Services as well.

Alicia Jones:

We administer multiple programs and VASH is included. We have Mainstream Vouchers. We have the Project-Based Rental Assistance program. We have a program to serve the nonelderly disabled. We have various boutique programs that are associated, and this landlord partnership will be extended to all landlords on our program. It is not just one

particular group. It is the entire program. As I was saying earlier in my presentation, we have approximately 12,598 vouchers to issue, and that includes VASH and all the other programs as well.

Assemblyman O'Neill:

This sounds like a very interesting proposal, and I came in late to the meeting so I apologize for that. If my questions are redundant, just cut me off. I am thinking about somebody who may abuse this. If I were to build a tiny home that is not on a foundation, are there any requirements on the type of building? Can it be an RV? Does it have to be on a foundation?

Bill Brewer:

The home does need to be fixed, and in accordance with this proposal, it would have to be permitted in the local jurisdiction. A home such as you are speaking of would not be eligible for this program.

Assemblyman O'Neill:

Are RVs permitted, though, in the backyard?

Bill Brewer:

No, sir.

Assemblyman O'Neill:

Basically, you are saying on a foundation.

Bill Brewer:

Yes, sir.

Assemblyman O'Neill:

Following along with that, my dearest daughter has a beautiful home that is open concept. You cannot tell the difference between the living room and the kitchen. Her bedroom and the kids' bedrooms are all off that same spot. Would something like that qualify under this definition, this open housing concept which is so popular in today's world?

Assemblywoman Summers-Armstrong:

I am afraid not. We want this to be a separate structure. Remember that folks who are in the housing choice voucher program need a home, and they need a separate space to live their lives. I just do not believe that is the appropriate thing to do.

Assemblyman O'Neill:

If that is the type of house I built on my back twenty?

Assemblywoman Summers-Armstrong:

It would have to be a separate structure, and it would have to meet the land use rules for an accessory dwelling in the jurisdiction in which it was built.

Assemblyman O'Neill:

I am trying to clarify. It says a separate kitchen, bathroom, and sleeping area.

Assemblywoman Summers-Armstrong:

I apologize. I think I misunderstood. How the space is designed, if it is an open concept we are not here to try and regulate the architectural beauty or innovation of the structure. It just needs to be able to work for privacy and eating. It needs to have some definition to those spaces, so whoever is living there has a place to sleep that is defined, a kitchen that is defined, and a bathroom that is defined.

Chair Backus:

I have a couple little points I want to make. I wanted to make sure the slippery slope I had gone down earlier is clear for the record. Looking at NRS 361.082, subsection 3, this is where the Nevada Tax Commission, by regulation, is required to create the form for an application for the exemption in subsection 1, which pertains to low-income housing projects.

Basically, then, it is after the original application is filed that the county assessor of the county in which the housing project is located will obviously mail the form out to the owner for the exemption. That was where there was a little confusion. It is not going to be the county assessors. It is really going to be the Department of Taxation who is responsible for creating this new form. I just wanted to make sure the record is clear on that.

One other piece of this bill we may want to consider thinking about is when it becomes effective. It becomes effective July 1, that is also the date that the property tax bills usually go out for property taxes. I did not know if you wanted to tweak that date, if you want to work with our wonderful assessors and county treasurers.

With that, we will open the hearing to testimony in support. Do we have anyone here in Carson City wishing to give testimony in support of A.B. 416?

Mike Cathcart, Business Operations Manager, Finance Department, City of Henderson:

I want to thank Assemblywoman Summers-Armstrong for reaching out to us to discuss this legislation. We are supportive of the approach she has taken to assist individuals of families to find affordable housing. This approach is consistent with the City of Henderson's objectives for affordable housing, and we are in full support of A.B. 416.

Christine Hess, Executive Director, Nevada Housing Coalition:

I cannot tell you how exciting it is for me to be here. I really want to thank Assemblywoman Summers-Armstrong. What you have before you, while she described it as something she read, I will tell you I have been alongside Assemblywoman Summers-Armstrong for the past two years. She has dug in deep with affordable housing and learned it. She has come to so many education events, on her own time, retired but working for the people of Nevada. I really appreciate this innovative solution that has spurred more exciting comments.

In Clark County I participate in Operation HOME!, in which we housed 2,300 individuals by the end of 2022, not me personally, but they did implement incentives, a risk mitigation fund, and also signing bonuses, and it worked. We have landlords at the table listening. They also have a landlord engagement specialist, very excited to hear about what is happening at the Southern Nevada Regional Housing Authority. I would also like to say while Assemblywoman Summers-Armstrong spoke about 150 to 200 units and said that would be amazing—that would be amazing. In Nevada, as you know, our subsidized housing is very limited. In a good year we are building new, maybe 800 to 1,000 units. Right now, we have the Home Means Nevada and some other federal funds that have injected, and really increased our pipeline, but normally adding new units—imagine 10 percent, just because of this initiative. I am here in strong support and thank you all for your time.

Jonathan Norman, Statewide Advocacy, Outreach, and Policy Director, Nevada Coalition of Legal Service Providers:

You should not be surprised, if it is a bill that is looking at building more affordable housing and having more units for people, I am going to be here testifying in support. I appreciate Assemblywoman Summers-Armstrong for bringing forth a creative solution that allows us to maximize our stock for low-income Nevadans. I cannot tell you how thrilled I am.

Chair Backus:

We will now go to the phone lines. Do we have anyone on the phone lines wishing to give testimony in support of A.B. 416? [There was no one.] We will move to opposition. Is there anyone in Carson City wishing to give testimony in opposition to A.B. 416? [There was no one.] Do we have anyone on the phone lines wishing to give testimony in opposition to A.B. 416? [There was no one.] We will move to neutral. Is there anyone in Carson City wishing to give testimony neutral to A.B. 416? [There was no one.] Is there anyone on the phone lines wishing to give testimony neutral to A.B. 416? [There was no one.] Assemblywoman Summers-Armstrong, do you want to come up and give some closing remarks?

Assemblywoman Summers-Armstrong:

I have this vision in my head that we can grow intergenerational and cross-cultural communities, where we help one another, share ideas, pass casseroles and recipes across a little small space in a backyard. I was lucky enough to grow up with my grandmother. I had two amazing grandmothers, Octavia Naomia Tolefree, who was from Arkansas, my mom's mom, and Willie Ella Seals, who was my dad's mom from Mississippi. The things you learn from senior citizens just being in their space—the throwing out the seeds, looking at an almanac, sewing doll clothes, pulling weeds in the backyard, and how it spurs conversation and proximity and caring, just something that simple. That is what I imagine here for my community, for other communities within the state. I am tired of our crisis of homelessness and inaccessible housing, and if I can do one small thing I will be happy. This is my little contribution. I hope you all see how important it is and how good it can be.

With these partners at my back who care about our community, I really think this could be something good. I am hopeful that this pilot will prove that, and more people will see the benefit, want to participate, and we start to see neighborhoods that are vibrant with seniors and children in the same place, sharing all of this knowledge and joy. That is what I hope for, and this is what I am trying to do my best to help facilitate. Thank you for listening.

Thank you to my copresenters, and to Ms. Hess for providing us with some data. Also, thank you to my attaché, Marshawna Sanford, who helped put this together today and has been really supporting me. I am grateful.

Chair Backus:

I will close the hearing on A.B. 416 and open the hearing on Assembly Bill 429.

Assembly Bill 429: Revises provisions relating to aviation. (BDR 18-716)

Assemblyman Bert Gurr, Assembly District No. 33:

Thank you for allowing me to present Assembly Bill 429 today. Due to the time, I will cut through most of my comments and then turn it over to Ms. Fisher. As you know, it is difficult to get air service to any of our rural airports in Nevada. Elko, of course, is my favorite, but when this bill is passed, it will include other areas like Ely, Carson City, North Las Vegas, and a whole bunch of other small airports I am finding out about as we present this. I do not have their names on here, but as I recall, Elko was probably the first rural community to have air service in Nevada. That started with being on United Airlines' mail service and grew from there. I will skip the history of my flying in and out of there, but it has been 40 to 50 years of flying in there, so you can imagine the different kinds of services, different kinds of airplanes, and today we are down to one flight a day out of Elko. It comes in from the east, turns around and goes back to the east. The City of Elko spends \$1 million per year to have that one flight. It is a 50-seat plane that comes in and out of there, so economically we could really use what we have proposed.

Assembly Bill 429 is part of a revision of Assembly Bill 242 of the 80th Session that was passed by this body in a bipartisan effort by Assemblywoman Cohen, who happens to be here tonight, former Assemblyman Frierson, former Assemblyman John Ellison, and Senator Goicoechea. This was passed and signed into law. Assembly Bill 242 of the 80th Session created the Nevada Air Service Development Commission and the Nevada Air Service Development Fund. Assembly Bill 429 cleans up some of the language in A.B. 242 of the 80th Session and requests the funding to operate the Commission. Revision and appropriately funding the Nevada Air Service Development Fund was one of the Nevada League of Cities' primary goals for this session. The bill provides an appropriation to the Fund for Aviation. I will turn it over to Susan Fisher so she can walk you through the bill.

Susan L. Fisher, representing Nevada Aviation Association:

I am thrilled to be here today with Assemblyman Gurr, working on this bill with him. I will very quickly walk you through the provisions of the bill. Section 1 relocates the Nevada Air Service Development Commission from the Department of Tourism and Cultural Affairs to

the Office of Economic Development, Office of the Governor (GOED), because this truly is an economic development bill. The second provision of the bill, also in section 1, defines certain members from specific sectors who are appointed by the Governor. When it was originally set up, the Nevada Air Service Development Commission did not specify each seat that serves on the board. There is a friendly amendment coming from the Nevada Association of Counties (NACO) [[Exhibit N](#)]. We are very happy with that amendment. It adds a representative from NACO to this Commission as well.

In section 2 of the bill, before the money that was in the Nevada Air Service Development Fund could revert back to the State General Fund at the end of the fiscal year, and we want it to be carried forward. That way we do not have to keep coming back and asking for money all the time. Section 3 of the bill adds in that the Commission, rather than just being able to give the money directly to an air carrier to help subsidize that carrier to get them in, can give it to a governmental entity that already has an agreement with a carrier. For instance, for the City of Elko, as they are subsidizing the one flight that is going in and out of there to the tune of \$1.2 million per year, this way we can reimburse the City of Elko for that.

Section 4 asks for an appropriation of \$10 million for the Nevada Air Service Development Fund. Part of that is to actually set up the office and hire an executive director. That was never done before. It was not sufficiently funded in that way. There will also be the expenses of holding the board meetings, the Commission meetings once we get that set up, and then making the grants as needed.

Section 5 of the bill is a \$2 million appropriation to go for the Fund for Aviation, which is operated under the Department of Transportation. That has already been set up. It was set up in 2019. This provides match dollars that are available to Nevada from the Federal Aviation Administration (FAA). It is for any airport that is not part of the Reno-Tahoe Airport Authority's jurisdiction and not part of the Clark County Department of Aviation, because they already have other funding sources from the federal government and from the FAA as well. These are dollars that are dedicated by the FAA to smaller airports, more rural airports. The problem is these small airports do not have any money to come up with the matching funds. The beauty is, this \$2 million that we are requesting will get us up to \$32 million in matching funds from the federal government, because they match 94 cents on the dollar. We only have to come up with 6 cents on the dollar. When you are replacing a runway or expanding a runway, it is going to cost \$3 million, \$5 million, \$10 million, and these smaller airports just cannot come up with that.

Part of the reason for needing to keep these smaller airports going, from a business standpoint, economic development, Assemblyman Gurr mentioned the City of Elko and getting people in and out of there, but also for firefighting in the rural areas. When we have tankers that need to land, they have to have so many feet, especially when it is hot in the summertime. We need longer runways. We need to be able to have places for these planes to set down. We also need to have sufficient runways, without potholes in them, so that air

ambulances can land in rural areas, so doctors, nurses, certified registered nurse anesthetists, and certified anesthesia assistants can fly out and work in rural areas and clinics. It is very critical for rural health care to be able to have safe airports, runways, and heliports as well. This can also be used for heliports.

We were going to have Ken Moen, the president of the Nevada Aviation Association on the phone, but unfortunately he had a business meeting he had to get to tonight. We do have the Elko city manager and Elko airport manager here with us to talk about the need. Before I forget, the Nevada Mining Association has asked me to please put on the record that they are also in support of the bill. I will be happy to answer any questions.

[[Exhibit O](#) and [Exhibit P](#) were submitted but not discussed and are included as exhibits of the hearing.]

Assemblyman Gurr:

Before we go to questions, could we hear from the Elko city manager and the Elko airport manager if they want to add to this?

Chair Backus:

They are on Zoom. Feel free to add to the presentation.

Jim Foster, Manager, Elko Regional Airport:

I want to thank Assemblyman Gurr for bringing this bill. He mentioned a few things in his presentation of where we have been trying to go with this for a long time. I have been personally involved with supporting this initiative for many years. I testified in 2019, with the passing of A.B. 242 of the 80th Session, to get this thing started and moving forward. Assemblywoman Cohen was one of the primary sponsors of that bill, which created the Nevada Air Service Development Commission and Nevada Air Service Development Fund.

All industries are impacted by limited air service in Nevada, including tourism, gaming, mining, education, manufacturing, and medical health care, especially in rural areas. A viable commercial air service development program will create opportunities for growth, diversification, and improved access to the major economic hubs within our state, which in turn supports all of our industries. The one thing about this bill though is it is not all about commercial air service. It is important to rural airports throughout the state of Nevada. There are a lot, and we are talking about airports smaller than Elko. It is not only about the commercial air service, but we need to provide that assistance to those facilities that have limited funding and the need for infrastructure projects through the Airport Improvement Program (AIP) through the federal government and assisting with those matching funds. In all of it, it enhances our state aviation system. Thank you for the opportunity to testify in support of this initiative and this bill, and I will turn it over to Ms. Baum to get some of her comments.

Jan Baum, City Manager, City of Elko:

The City of Elko is in support of this, and thank you, Assemblyman Gurr, for presenting this for the state of Nevada. The City of Elko is in support of this bill with hopes that funding the Nevada Air Service Development Fund will enhance intrastate travel within Nevada, providing opportunities for diversified economic development, employment opportunities, and access to health care, as well as leader opportunities. The City of Elko is currently paying over \$1 million annually to maintain one commercial flight per day to Salt Lake City, Utah. Our city council just approved a three-month contract last night for three months of commercial air service for \$365,000. To access the two metropolitan areas in Nevada, which are Reno and Las Vegas, residents of northeastern Nevada are driving four to seven hours to get to Reno and Las Vegas, which is a great hardship to our residents. Airport infrastructure projects, like the AIP matching we have been hearing about and commercial air travel, are essential for northeastern Nevada's economic development. The City of Elko is thankful for the opportunity to voice our support.

Chair Backus:

Are you ready for questions?

Assemblyman Gurr:

Yes.

Assemblywoman Cohen:

I was really excited when I sat down to read this bill. When you talk about the flight to Utah, that just drove me crazy, especially with my interest in outdoor recreation. I think the number before COVID-19 was around 8,000 tourists from China alone go to Elko every year. That is a huge number and it just drove me batty that they were flying to Utah instead of flying directly from Las Vegas to Elko, making sure the different locations in our state were benefiting from having those tourists.

In the 2019 hearing I also recall we had a dentist testify from Reno who was going to Elko about once a week, and how he could do so much more if he could fly into Elko directly to see his patients.

In section 1, with the members of the Commission. Why is one listed for the Nevada Resort Association? To me that seems odd, because I do not think of the Nevada Resort Association being in our rural areas. What is the intent with that?

Susan Fisher:

There are casinos in almost every small community in this state, and some of them are members of the Nevada Resort Association. That is why they are included in here.

Assemblyman Nguyen:

I had the amazing opportunity to visit Elko last year during part of the Nevada mining tour. It was nice to see that part of Nevada. Echoing Assemblywoman Cohen's comment, I did try

to fly and get out of the four-hour drive from Reno on the lovely bus to Elko. I think it is crucial we connect that part of our state to the two major metropolitan areas we have. This is a great bill. I think we will bring more economic development into our state.

Along the same lines as Assemblywoman Cohen's question, I am trying to connect the dots in terms of rural representation. I am having a hard time seeing that on the membership of this Commission. You have the executive director, a member representing the Nevada Aviation Association, one member representing a county whose population is 700,000 or more, one member representing the Reno-Tahoe Airport Authority, one member representing the Nevada Resort Association, and one representing the League of Cities. Nowhere is there any type of rural representation. Can you give me some of your thoughts on that?

Assemblyman Gurr:

The Nevada League of Cities covers a lot of towns and cities in this state, that could be one. The Nevada Association of Counties is another. We have a lot of rural counties in that part of the state. I think that is where the members would come from, at least that is my direction.

Assemblyman Nguyen:

I just wanted to make sure we put that as a priority. It is a friendly suggestion. I would say if we were focusing our strategy, we need to be intentional in terms of identifying that one of these members has to be, by statute, representing a rural county specifically, rather than through an association.

Assemblyman Gurr:

Yes, we can do that. I am very protective of rural Nevada so we will make sure somebody is on it and amend it to that point.

Assemblywoman Considine:

We have the Nevada Air Service Development Commission, which is going into the Office of Economic Development; the Nevada Air Service Development Fund, which is under the State treasury, and then Fund for Aviation, which is in the Department of Transportation (NDOT). This seems all over the place. How do they work together?

Susan Fisher:

The reason why the Fund for Aviation is under NDOT is because when they are going out and inspecting roads, they know what roads are supposed to look like, and they know what runways are supposed to look like. There are lighting and traffic issues—all of that involved with it. That is why in every other state where they have an air service fund it is always in the Department of Transportation. We know they will be working together because if they do not it is going to be a bit of a problem. There are separate functions though. The Commission and the Fund for Aviation have very separate purposes, but I think they certainly will be having reports back and forth.

Assemblywoman Considine:

I just wanted to make sure there is existing communication between all three and they would all meet together. My other question is seeking some clarification. It is the \$10 million for the Nevada Air Service Development Fund. When it was discussed it was to hire staff and to do some things that do not add up to \$10 million. I am wondering what the rest of that is for. Is it to fund something that is already existing, or something from the past? Where is that going?

Assemblyman Gurr:

I believe the intent is whatever is left over, which should be most of the \$10 million after we get a Commission set up and everything else, is going to go to aiding air service and using it to help with items like the \$1 million the City of Elko is paying right now. They give grants, not to just drag airlines in but to help existing services continue. That is what I believe that intent is.

Susan Fisher:

That is correct. You will hear from someone from the Reno-Tahoe Airport Authority in support as well, who can probably go into this better than I can. I know that when any airport, whether it is Harry Reid International Airport or Reno-Tahoe International Airport, when they are trying to get a new airline to have new flights in and out of their community, they do offer some sort of subsidies a lot of the time to those airlines. They will cut the landing fees or the passenger fees, so that is what this fund is for. That is the primary purpose.

Assemblywoman Considine:

How does that work? I understand the \$1 million for each biennium will help to get matching funds from the FAA, but then how does that money work with the residual of the \$10 million to subsidize whatever is needed?

Susan Fisher:

Those are two completely separate funds. The \$10 million is for air service development, to get more flights. The Fund for Aviation is for airport infrastructure improvements—lights, avionics, radar, flags, runways—primarily it is building runways. If they can use it for hangar space, that is terrific as well; or if they can help subsidize a fuel vendor to come in, and for some of the smaller airports where they could have more air traffic if they had fuel available there. When you have a mile of road, you can go a mile. If you have a mile of runway, you can go around the world.

Assemblywoman Considine:

That made it so much more understandable and even visible for me.

Assemblywoman Anderson:

My first question has to do with the decision under section 2, subsection 1 of the bill and the balance in the fund must be carried forward for the next fiscal year. Since this is a new fund, I feel like that is a little bit of a departure from starting a new fund as opposed to reverting

back to the State General Fund. Why was the decision made to carry it forward, and not going back to the Interim Finance Committee (IFC), or even the Legislature, to see how the money is being utilized? Why was the decision made to have it carried forward to the next fiscal year?

Susan Fisher:

There can certainly be an annual report to go to IFC if we need to put that in here. I do not know if that is something that is already in statute or not. I would have to go back and look, but it makes sense whenever you have some sort of a fund like that, that there is a report, and a follow up to IFC. If we need to put language in for that I am certainly happy to do so.

Assemblywoman Anderson:

I would appreciate that. I think it would be very important to make IFC a part of it, along with this body. My next question is again regarding another report. It is under section 4, subsection 2 of the bill. It has to do with the conducting of the study. Is that study for the Commission to look at, or is the study more for the legislative body to look at?

Susan Fisher:

All of the above. It is to see what the real needs are here in Nevada. There has been a study done in the past that showed a lot of the needs. It was a number of years ago, and that needs to be updated. That is to report back to the Legislature, but also help steer that Commission.

Assemblywoman Anderson:

I understand the intent of having the money from section 2, subsection 1 continue on. I think since it is a new fund it would be better for it to revert back to the General Fund until we are certain what is happening with it. That is my first inclination. I am sure when the Assembly Committee on Ways and Means looks at it a little more that will be the time to have further discussions on that.

Chair Backus:

Thank you. That is the end of our questions. We will move forward with opening up to hearing testimony in support. In case there are people who have submitted letters, we have those on our desks and have been able to look at them. If you are an author of the letter I would appreciate you just saying your name, you are in support, and that you provided a letter.

Stephen Wood, representing Carson City; and Nevada League of Cities and Municipalities:

For the sake of time, I will just say we enthusiastically support this bill, and thank the sponsor and cosponsors for their work on this.

Jennifer Berthiaume, Government Affairs Manager, Nevada Association of Counties:

On behalf of NACO, whose members represent all 17 of Nevada's counties, we support A.B. 429 and the friendly amendment [[Exhibit N](#)] we discussed with the sponsor to add NACO to the list of entities appointed by the Governor to serve on the Nevada Air Service

Development Commission. We would like to thank the sponsors of this bill, as air service is critical in the modern-day world and a vital element of economic development in our communities. For these reasons NACO supports [A.B. 429](#).

Lindsay Anderson, representing Reno-Tahoe Airport Authority:

We are here in support. I will just offer two bits of information about why I think this bill is so important right now. The first is, there has never been more federal money available for infrastructure in Nevada because of the bipartisan infrastructure law, and Nevada is notorious for leaving money on the table at the federal level. Ms. Fisher is right, the FAA requires a percent match to get access to some of these dollars, and it is crazy that we are leaving that money on the table for our airports in Nevada.

The second reason we are in support right now, as has been stated, this is an economic development opportunity, for all the reasons you heard. I have only been with the airport authority for a short time. I am convinced, now more than ever, that the television show *The Jetsons* is going to happen in our lifetime—if not my lifetime, my kid's lifetime. Air taxis and small air transport between areas is here and coming. It is being regulated at the federal level. If our airports are not ready to manage that kind of economic development opportunity, we are going to miss out to other states around us like Utah and Arizona that have been very aggressive in building that infrastructure. I think this is very timely and important, and we are in full support.

Nick Schneider, Policy Analyst, Government Affairs, Vegas Chamber:

We are in support of [A.B. 429](#), as it promotes rural tourism, as well as provides better access to and from our rural communities.

Kanani Espinoza, representing American Council of Engineering Companies, Nevada Chapter:

The American Council of Engineering Companies, Nevada Chapter, is your local engineers, and we support [A.B. 429](#).

Steve K. Walker, representing Lyon County:

For all the reasons given, Lyon County is in full support of this bill.

Stacy Woodbury, representing Southwest Gas Corporation:

We have watched Elko struggle with air service over the years. We are expanding into that area, and air service is incredibly important for them. For this reason, we support the bill.

Chair Backus:

We will go to the phone lines. Is there anyone on the phone lines wishing to give testimony in support of [A.B. 429](#)?

Zach Conine, State Treasurer:

I am your friendly neighborhood Nevada State Treasurer calling in support of [A.B. 429](#). When we were on the listening tour, we heard many times around our rural communities the

importance of air travel, air tourism, and air for economic development. I just want to thank the bill sponsor and Ms. Fisher for their work bringing this in. As we all know, the State of Nevada has never done a great job getting matching dollars from the federal government into the state, and as we all know, when we do not get those dollars they go to other states. I urge your support on this bill and thank you for the time.

James M. Humm, Director of Public Policy and Government Affairs, Office of Economic Development, Office of the Governor:

Thank you for this opportunity to testify on the merits of A.B. 429. In an effort to conserve time I will keep this very brief. I am here in support, on behalf of the agency and Director Burns, as we believe the passage and funding in this bill could potentially lead to positive economic development outcomes in areas of the state that have not historically had or have had limited commercial flights. We appreciate your full consideration of this bill.

Shawn Meehan, Past Committee Member, Minden-Tahoe Airport Advisory Committee:

I have spent my whole life in aviation and most recently was the chairman of the Minden-Tahoe Airport Advisory Committee. I was excited to just happen upon this bill. I strongly support it. It is amazing that we are sending this over from being a cost to economic development, and as a fiscal conservative I wanted to point out to the Committee that the airport improvement funds that are available from the FAA originate with aviation services around the country. They are not just general tax dollars. There were many good testimonies given about economic stimulus, being able to provide aviation-based health care and things like that. I would also like to say that better maintained facilities create better aviation safety. I am excited to see how Elko and the rest of the state can benefit.

[[Exhibit Q](#), [Exhibit R](#), [Exhibit S](#), [Exhibit T](#), [Exhibit U](#), [Exhibit V](#), [Exhibit W](#), [Exhibit X](#), and [Exhibit Y](#) in support were submitted but not discussed and are included as exhibits of the hearing.]

Chair Backus:

We will now move to opposition. Is there anyone in Carson City wishing to give testimony in opposition to A.B. 429? [There was no one.] Is there anyone on the phone lines wishing to give testimony in opposition to A.B. 429? [There was no one.] We will go to neutral testimony. Is there anyone in Carson City wishing to give testimony neutral to A.B. 429? [There was no one.] Is there anyone on the phone lines who wishes to give testimony neutral to A.B. 429? [There was no one.] We will invite the bill sponsor back up to give closing remarks.

Assemblyman Gurr:

I am so excited about the support and backup from everybody in the room and around the state. A lot of credit needs to go to the people who started this. It was not me. Assemblywoman Cohen, former Assemblyman Frierson, former Assemblyman Ellison, and

Senator Goicoechea laid the groundwork. I just happened to step in at the right time. I want to thank Ms. Fisher, the people from Elko, and everybody who supported it. When it passes out of your Committee, anybody who wants to sign on to the bill, we will amend it to put your names on it.

Chair Backus:

This will be on our work session tomorrow. I also want to say I had the pleasure of being here in 2019, sitting on the Assembly Committee on Taxation; I have always really liked this bill and was hoping we would have flights from Las Vegas to Elko to Reno one day. Hopefully I will see that in my lifetime. I will close the hearing on A.B. 429 and open the hearing on Assembly Bill 449.

Assembly Bill 449: Enacts provisions to provide a property tax credit under certain circumstances. (BDR 32-767)

Assemblywoman Danielle Gallant, Assembly District No. 23:

Thank you for hearing this Assembly Bill 449 tonight. I have Justin Taylor, Washoe County Treasurer; and Jana Seddon, Storey County Assessor, with me. I want to let you know that the intention of this bill is to ensure that homeowners who are overcharged are able to get that refund. We are going to change the refund to a credit and will explain that shortly. There is an amendment [[Exhibit Z](#)] you received today that we have been working diligently on. It is essentially the nuts and bolts, to make sure the treasurers and assessors can do their job easily, with the least amount of burden.

I know many of us, six to eight months ago, we heard the media frenzy with all of these owner-occupied residents being bumped up to 8 percent. It turns out a lot of homeowners found out they had been charged that higher percentage for quite some time. They were just not quite educated in this bifurcated, or trifurcated, process. It became apparent to me during this process that we needed to ensure that our constituents would be able to at least get a refund if this happens in the future. When this all happened, I was approached at my neighborhood gym because my face is plastered all up and down the roads. A lot of gym members were coming up to me and saying, "You have to fix this. I only got a partial payment." Sometimes they were just denied completely, or it was unclear about whether they would be able to get a refund. I think this bill will make it very clear, going back one year, that they will be able to qualify for that refund if deemed appropriate.

Part of this process is flawed. I do understand it has to be opted into because we cannot expect landlords to ask to be charged more. We need to have the residents, who are owner-occupied, to opt into the lower tax rate. Most people, especially the elderly community, get this tiny postcard in Clark County. Every county does it a little differently, but in Clark County you get this tiny postcard. You have to know that it is important to fill it out, and then you have to fill it out appropriately. Then you hope the postal service actually delivers it, it gets to the right department at the assessor's office, and that everything gets entered in properly.

We are all human. We make mistakes. When we are talking about the volume of Clark County, you are going to have those mistakes. I am not knocking the hardworking people that do this. We just have to be able to protect from those mistakes. I know for me, I can attest I get three cards every year for our rental properties. Every year I fill those out because I have known about this. For two of my rental properties, I am at that 8 percent. I have no idea if it actually arrived, because it will just get defaulted if it does not arrive. However, for my mother's property that I own, I pay the mortgage, do not charge her rent, and I put that on the card—family member and zero rent. I am still being charged that 8 percent, which I know we are going to work out, but I wonder how many other homeowners are in the same position.

Going into the process, it is not perfect yet. I know a lot of the assessors do not want to overcharge homeowners, many of whom are on fixed incomes or living paycheck to paycheck, as they have made a lot of sacrifices to be part of the dream of homeownership. I feel like this body has a duty to represent our districts and ensure our constituents are not overpaying. That was the intention when this was brought forth back in 2015—not to charge our neighbors, our Nevadans, our homeowners at that 8 percent.

I have been working very closely with Washoe, Clark, and Storey Counties, as well as the Nevada Association of Counties and now Humboldt County. I thank you Andy Heiser. I brought them here to answer any questions you have about the amendment, and the nuts and bolts. I am going to pass it over to Mr. Taylor and Ms. Seddon, if you have any questions about the process and how this will all work out.

Chair Backus:

Mr. Taylor and Ms. Seddon, do you have anything you want to add?

Justin Taylor, Treasurer, Washoe County:

This is a moving target right now. We are still working on language for implementation. Aside from that, questions I can field regarding anything else, I have nothing specific to add.

Chair Backus:

I appreciate that. Thank you to all the assessors who came out tonight. I know you have been in a long conference today and being present for our hearing tonight is appreciated, especially since A.B. 449 would apply, but we also had an earlier bill that was applicable too, Assembly Bill 416. With that, we will move to questions from the Committee members on A.B. 449. Feel free to chime in where you see fit. We will start with Assemblywoman Summers-Armstrong.

Assemblywoman Summers-Armstrong:

Do you have any data as to how many residences petitioned for having their taxes refunded in the last fiscal year or so?

Assemblywoman Gallant:

In Washoe County it was over 800 residents who were increased to the higher percentage. I am working with Joanna Jacob to get the numbers for Clark County. I am sure that those were much higher, just given the fact that it is a larger county.

Jana Seddon, Assessor, Storey County:

In Storey County, we do it a little different. We send our cards out every year. We are a much smaller county. When you are talking about the larger counties, you are talking about a huge fiscal impact to mail these out and then process them every year.

In Storey County we really do not have a lot of data on going from the high to the low. The other thing is, in a smaller county with a smaller number of residents, you tend to have a little bit more hands on looking at and wondering why someone did not turn this cap form in. In the larger counties you cannot do that. There is absolutely no way you can go through every single parcel that did not return a tax cap. That would be a yearlong process. For the bigger counties, it is almost impossible to navigate and micromanage that.

Assemblywoman Summers-Armstrong:

I understand the intent. I would really like to know if there were 800 in Washoe County, how many of these cards for single-family homes and properties are you processing every year, so I can get an idea of the percentage?

Justin Taylor:

Those cards are handled through the assessor. I do not know how many they are handling per year, but I can attest to the 800 corrections I have received since the news story came out.

Assemblywoman Gallant:

When we met with Washoe County, it has been a huge undertaking to do this trifurcated property tax since that has been implemented. It is a lot of work. In the process of discussing this with them, and the burden is on the assessors, over the next two years we are going to be working with Washoe County, Clark County, and various stakeholders to try to figure out how we can make that process less burdensome for them.

Assemblywoman Mosca:

In section 1, subsection 1, where it talks about the 30 days for the notice, is that what happens right now because right now it takes a long time, or because right now they cannot even petition? The same thing for section 1, subsection 3, they can appeal the decision to the Nevada Tax Commission. Does that happen right now, or does this add that here?

Assemblywoman Gallant:

In terms of the amendment [[Exhibit Z](#)], is that what you are looking at?

Assemblywoman Mosca:

I was looking at the actual bill.

Assemblywoman Gallant:

A lot of that has changed because we have taken what is currently happening within their process and applied it to the amendment [[Exhibit Z](#)]. We are not starting a whole new process, but something in which they already have in process. They do refunds in other instances so we would just be applying it in terms of this property tax, the trifurcated, in terms of the rental properties.

Jana Seddon:

On the 30-day deal I believe you are speaking to, you keep hearing about bifurcated and trifurcated. Nevada is a bifurcated system because we value land based on market value and improvements based on mandated Marshall & Swift replacement cost new less depreciation. That is a bifurcated system. Now we say it is a trifurcated system because we already have this tax cap in place. Technically you pay taxes based on a different value. The 30 days is if we say, "No, you do not qualify for this." Their tax bill lien date is July 1, 2022, so they have until June 30, 2023, to turn that cap in and get a correction for the current fiscal year. That is already in place. Any time within that, if someone comes in and says we have their tax cap wrong, we have 30 days to look at it to see whether we are going to fix it, or if we do not believe that it is correct, then they have another avenue of going to the Tax Commission.

Something else I would like to bring up at this time, talking about trifurcated, that other value that sits out there that you are actually paying taxes on, not everyone, even though they think they may be at the high cap and they missed it, may not mean that they are going to get a refund. If their taxes did not increase more than that 3 percent, there is no abatement. That other trifurcated value you are looking at, it is not so easily accessible sometimes to figure out where that is. You really have to call and speak with someone and ask them to take a look at it to see if you are due a refund. I think that is what is happening right now in Washoe County.

Justin Taylor:

Absolutely. We are getting plenty of questions.

Assemblywoman Mosca:

That definitely answered my question. Are you able to get to all of those within the 30 days of when people request them?

Jana Seddon:

For Storey County, that is a pretty easy process because we are very small.

Assemblywoman Gallant:

I think for Clark County that is going to be a difficult time frame and so we are in discussions to possibly increase that so we can give them ample time. I have been very clear with all stakeholders. I am just interested in the solution, and they have to live with the process. I am going to be good with whatever they come up with.

Chair Backus:

I do want to give a shout-out to our assessors because I know when that frenzy happened earlier in the year, I was grateful I live in Clark County and Assessor Johnson made sure she got out notices to correct what was going on.

Assemblywoman Anderson:

My concern has to do with the board of county commissioners with the amended language. Under section 1 [[Exhibit Z](#)] and again under another area it sounds like the board of county commissioners are not part of any sort of process, the way this language is going forward. If they are creating plans on financial items, when will they be told about the difference in those finances based upon this change of the tax? Since the board of county commissioners is not part of the approval process, how would you explain to them the change of revenue for planning?

Justin Taylor:

That is a very difficult one to answer. I will tell you how it works right now. Currently we receive a file from the assessor's office with the list of homeowners who are going from the high cap to the low cap. As for a dollar amount you are looking for, I could not quantify that at this point in time.

Assemblyman Nguyen:

In terms of the notification piece, I want to see if you can address this, or maybe think about it. We still use the process of paper and mail. Has anyone asked about doing this electronically or in some way to have a much faster turnaround?

I was one of those people who got that notice and I could not find anything online. I find it very limiting in terms of that card coming to us, we send it back, or we send an email, it just seems like it goes into a pile and you do not get any type of response.

I know everyone is short-staffed at this point. I just wanted to see if there was any way of doing this, where we could add modernization of the process, to help situations in the bigger counties to be more efficient in terms of customer service.

Assemblywoman Gallant:

Thank you for asking that question. It has been in the forefront of this entire process. I believe that there needs to be some improvements on websites, like with an online form, to not upload this and email it. I one hundred percent agree. I think over the next two years, as we figure out a better process for this for all the counties, that is something I am planning on addressing. I would love your assistance and partnership on that.

Assemblyman Nguyen:

Not in specific language, but maybe offering multiple forms of communications so we can open it up in regulations for them to implement new ways of ensuring that we do not get lost in the shuffle.

Assemblywoman Gallant:

I do not believe of any legislation that precludes you from doing various, but please correct me if I am wrong on that.

Jana Seddon:

Currently the process is that we all send something out in writing, or a form; however, you can file electronically. In the larger counties they have more strict information technology rules. What you do not want is for someone to be able to go into a computer, throw in your parcel number, and change your information. I know in Washoe County, and correct me if I am wrong, you get a card with a personal identification number, and you have to have that so not just anyone can go in and change information. In the smaller counties we put information on Facebook. We have information out at the commission meetings. We have e-blasts that go out saying do not forget to go online and file your owner occupancy, and if you do not know how to do that call us and we will send something else. We will do whatever we need to. I truly believe that all offices are doing everything they possibly can to get the word out. We want people to have this abatement. We want our residents to have their 3 percent cap. We would much rather have it correct than incorrect. I am going to turn it over to Ms. Johnson so she can speak on how Clark County does it.

Briana Johnson, Assessor, Clark County:

I just want to speak to how we do it. In the past we used to send out the cards one time per year, but there was a plan to implement a new process July 1, 2023. Unfortunately, we were inundated with everything that happened with the misunderstanding of the tax cap. I believe starting in September we have started mailing monthly to all homeowners that purchase in the month. Say they purchase in August, the first week of September we send them their property tax cap letter, with a personal identification number or access code, so they can now go online and declare if it is their primary residence or if it is a rental. We have that in place. That was ready to go July 1, 2023, because we wanted to start the fiscal year out with that, but of course we were inundated with all the other tax cap forms and everything that happened last June.

Typically, we do very well with our responses, but again we were inundated with over 100,000 emails, so we had to work our way through those. On a normal day-to-day basis, we are able to get through our emails within five business days, if that. Today I think we are doing two to three business days. That was the situation then, but under normal circumstances our phone lines are always open, and of course the email part of it.

Like Ms. Seddon said, we, too, want to totally be open and transparent about the tax cap. We, too, post on social media. We are about to do a post now. We are about to send out the rental abatements. We are informing everyone to look in your mail, the rental abatements are coming, and also if you are a current homeowner to please check your tax cap because you have until June 30 to get it corrected.

Chair Backus:

I do not believe we have any other Committee members who have questions, so we can move to testimony in support of A.B. 449. Is there anyone here in Carson City who wants to give testimony in support of A.B. 449? [There was no one.] We will go the phone lines. Do we have anyone on the phone lines to give testimony in support of A.B. 449?

Shawn Frehner, Treasurer, Lincoln County:

I am in support of this bill. I would like to see some language changes in it just to clarify that it is the assessors who handle the abatements and that paperwork. I have been sending comments. I appreciate Justin Taylor for his help in communicating back and forth with Assemblywoman Gallant on this. I have no issues. I am in support of that. I would just like to see some clarification that in the current amended draft or proposed amendment [[Exhibit Z](#)] it states that the county treasurer determines that the taxpayer is entitled to it, and in *Nevada Administrative Code* it is very clear that the assessor's office notifies the tax receiver of a claim for an abatement. I would like to see that clarified a little bit because right now, when I read it, it looks like that whole process is happening through the treasurer's office.

Chair Backus:

While that testimony is probably more in opposition because there are recommendations of changes, we get the intent that you do support the concept of the bill. Is there anyone else on the phone lines wishing to give testimony in support of A.B. 449? [There was no one.] We will move to opposition. Is there anyone in Carson City wishing to give testimony in opposition to A.B. 449? [There was no one.] Is there anyone on the phone lines wishing to give testimony in opposition to A.B. 449? [There was no one.] We will move to neutral. Is there anyone in Carson City wishing to give testimony neutral to A.B. 449? [There was no one.] Is there anyone on the phone lines wishing to give testimony neutral to A.B. 449? [There was no one.] At this time, we will invite the bill sponsor back up to the front to give closing remarks [The bill sponsor declined.] I will close the hearing on A.B. 449 and open the hearing for public comment.

Is there anyone in Carson City or on the phone lines wishing to give public comment. [There was no one.] We will close our hearing this evening and I look forward to seeing everyone tomorrow at 4 p.m. We are adjourned [at 8:17 p.m.].

RESPECTFULLY SUBMITTED:

Gina Hall
Committee Secretary

APPROVED BY:

Assemblywoman Shea Backus, Chair

DATE: _____

EXHIBITS

[Exhibit A](#) is the Agenda.

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

[Exhibit C](#) is the Work Session Document for [Assembly Bill 295](#), dated April 12, 2023, submitted and presented by Susanna Powers, Deputy Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau.

[Exhibit D](#) is the Work Session Document for [Assembly Bill 359](#), dated April 12, 2023, submitted and presented by Susanna Powers, Deputy Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau.

[Exhibit E](#) is the Work Session Document for [Assembly Bill 427](#), dated April 12, 2023, submitted and presented by Susanna Powers, Deputy Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau.

[Exhibit F](#) is the Work Session Document for [Assembly Bill 428](#), dated April 12, 2023, submitted and presented by Susanna Powers, Deputy Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau.

[Exhibit G](#) is a proposed amendment to [Assembly Bill 428](#), submitted by Assemblywoman Shea Backus, Assembly District No. 37.

[Exhibit H](#) is the Work Session Document for [Assembly Bill 430](#), dated April 12, 2023, submitted and presented by Susanna Powers, Deputy Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau.

[Exhibit I](#) is the Work Session Document for [Assembly Bill 455](#), dated April 12, 2023, submitted and presented by Susanna Powers, Deputy Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau.

[Exhibit J](#) is the Work Session Document for [Assembly Concurrent Resolution 7](#), dated April 12, 2023, submitted and presented by Susanna Powers, Deputy Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau.

[Exhibit K](#) is written testimony dated April 12, 2023, submitted by Marlene Lockard, representing Service Employees International Union 1107, in support of [Assembly Bill 409](#).

[Exhibit L](#) is a proposed amendment to [Assembly Bill 416](#), submitted by Assemblywoman Shondra Summers-Armstrong, Assembly District No. 6.

[Exhibit M](#) is a copy of a PowerPoint presentation titled "AB 416," submitted and presented by Assemblywoman Shondra Summers-Armstrong, Assembly District No. 6, regarding [Assembly Bill 416](#).

[Exhibit N](#) is a proposed amendment to [Assembly Bill 429](#), dated April 12, 2023, submitted by Vinson W. Guthreau, Executive Director, Nevada Association of Counties.

[Exhibit O](#) is a document titled "AB 429 – Nevada Aviation Priorities," submitted by Susan L. Fisher, representing Nevada Aviation Association, regarding [Assembly Bill 429](#).

[Exhibit P](#) is a letter dated April 11, 2023, submitted by Kenneth G. Meon, A.A.E., President, Nevada Aviation Association, in support of [Assembly Bill 429](#).

[Exhibit Q](#) is a letter dated April 4, 2023, submitted by Tom Blanchard, President, Nevada REALTORS, and Vicky Blair, President, Elko County REALTORS, in support of [Assembly Bill 429](#).

[Exhibit R](#) is a letter dated April 11, 2023, submitted by Billie Crapo, CEO, Elko Area Chamber, in support of [Assembly Bill 429](#).

[Exhibit S](#) is a letter dated April 11, 2023, submitted by Reece Keener, Mayor, City of Elko; Mandy Simmons, Councilwoman, City of Elko; Clair Morris, Councilman, City of Elko; Chip Stone, Councilman, City of Elko; and Giovanni Puccinelli, Councilman, City of Elko, in support of [Assembly Bill 429](#).

[Exhibit T](#) is a letter dated April 11, 2023, submitted by Casey Gallagher, President, Boys & Girls Clubs of Elko, in support of [Assembly Bill 429](#).

[Exhibit U](#) is a letter dated April 1, 2023, submitted by Pat Laughlin, President, Silver State Stampede, in support of [Assembly Bill 429](#).

[Exhibit V](#) is a letter dated April 10, 2023, submitted by Peter Richardson, Executive Managing Director, Nevada Gold Mines, in support of [Assembly Bill 429](#).

[Exhibit W](#) is a letter dated April 10, 2023, submitted by Jarin Lee Sillitoe, Great Basin Transit LLC, in support of [Assembly Bill 429](#).

[Exhibit X](#) is a letter dated April 10, 2023, submitted by Steve Simpson, CEO, Northeastern Nevada Regional Hospital, in support of [Assembly Bill 429](#).

[Exhibit Y](#) is a letter dated April 7, 2023, submitted by Todd Sorenson, President and CEO, Elko Federal Credit Union, in support of [Assembly Bill 429](#).

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[Exhibit Z](#) is a proposed amendment titled "Proposed Amendment 3578 to Assembly Bill No. 449," submitted by Assemblywoman Danielle Gallant, Assembly District No. 23, regarding Assembly Bill 449.