

**MINUTES OF THE MEETING
OF THE
ASSEMBLY COMMITTEE ON WAYS AND MEANS**

**Eighty-Second Session
June 5, 2023**

The Committee on Ways and Means was called to order by Chair Daniele Monroe-Moreno at 1:50 p.m. on Monday, June 5, 2023, in Room 3137 of the Legislative Building, 401 South Carson Street, Carson City, Nevada, and videoconferenced to Room 4401 of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. Copies of the minutes, including the Agenda [[Exhibit A](#)], the Attendance Roster [[Exhibit B](#)], and other substantive exhibits, are available and on file in the Research Library of the Legislative Counsel Bureau and on the Nevada Legislature's website at www.leg.state.nv.us/App/NELIS/REL/82nd2023.

COMMITTEE MEMBERS PRESENT:

Assemblywoman Daniele Monroe-Moreno, Chair
Assemblywoman Shea Backus, Vice Chair
Assemblywoman Natha C. Anderson
Assemblywoman Tracy Brown-May
Assemblywoman Jill Dickman
Assemblywoman Michelle Gorelow
Assemblyman Gregory T. Hafen II
Assemblywoman Sandra Jauregui
Assemblywoman Heidi Kasama
Assemblyman Cameron (C.H.) Miller
Assemblyman P.K. O'Neill
Assemblywoman Sarah Peters
Assemblyman Howard Watts
Assemblyman Steve Yeager

COMMITTEE MEMBERS ABSENT:

None

GUEST LEGISLATORS PRESENT:

Senator Dallas Harris, Senate District No. 11

Minutes ID: 1394



STAFF MEMBERS PRESENT:

Sarah Coffman, Assembly Fiscal Analyst
Brody Leiser, Assembly Chief Principal Deputy Fiscal Analyst
Joi Guthrie, Committee Manager
Anna Freeman, Committee Secretary
Janet Osalvo, Committee Assistant

OTHERS PRESENT:

Zach Conine, State Treasurer
Kirk D. Hendrick, Chair and Executive Director, Nevada Gaming Control Board
Scot Rutledge, representing Argentum Partners
Will Adler, representing Sierra Cannabis Coalition
Brett Scolari, representing Curaleaf; CPCM Holdings; GreenMart of Nevada NLV, LLC; and Clark County Natural Medicinal Solutions dba Solaris
Layke Martin, representing Nevada Cannabis Association
Connor Cain, representing Chamber of Cannabis
Chris Anderson, representing Jardín Cannabis Dispensary; and RNBW
Sky Nomalies, Private Citizen
James Creel, representing Compassion Center, Center for Incubation and Findings Research
Julie Monteiro, representing Integrative Providers Association; and Coalition for Patient Rights
[Unintelligible]
Katree Saunders, Co-Founder and Vice President of Government Relations, Pardon Me, Please
Patrick Kelly, President and Chief Executive Officer, Nevada Hospital Association
Kanani Espinoza, representing University of Nevada, Las Vegas
Jim Degraffenreid, National Committeeman, Nevada Republican Party

Chair Monroe-Moreno:

[Roll was called. Rules and protocol were reviewed.] We will be recessing and reconvening as we continue to receive bills from the Senate. We will begin the work session with Senate Bill 511.

Senate Bill 511: Makes various changes regarding state financial administration and makes appropriations for the support of the civil government of the State. (BDR S-1230)

Sarah Coffman, Assembly Fiscal Analyst:

Senate Bill 511 used to be Assembly Bill 520, which is the Appropriations Act. It implements the budget decisions made by the money committees for the State General Fund and State Highway Fund as well as back language to be implemented based on the money committees' decisions. The bill includes General Fund appropriations of \$3.4 billion

in fiscal year (FY) 2024 and \$3.6 billion in FY 2025 and Highway Fund appropriations of \$167.5 million in FY 2024 and \$168.6 million in FY 2025. This bill is identical to what was provided in [A.B. 520](#).

Chair Monroe-Moreno:

Are there any questions or comments from the Committee? [There were none.] Is there anyone wishing to testify in support of [S.B. 511](#)? [There was no one.] Is there anyone wishing to testify in opposition to [S.B. 511](#)? [There was no one.] Is there anyone wishing to provide neutral testimony on [S.B. 511](#)? [There was no one.] I would entertain a motion.

ASSEMBLYWOMAN BACKUS MADE A MOTION TO DO PASS
[SENATE BILL 511](#).

ASSEMBLYMAN WATTS SECONDED THE MOTION.

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

THE MOTION PASSED. (ASSEMBLYWOMEN DICKMAN AND KASAMA VOTED NO. ASSEMBLYMEN HAFEN, O'NEILL, AND YEAGER WERE ABSENT FOR THE VOTE.)

We will open the hearing on [Senate Bill 10 \(2nd Reprint\)](#).

[Senate Bill 10 \(2nd Reprint\)](#): Revises provisions related to the Nevada State Infrastructure Bank. (BDR 35-358)

Zach Conine, State Treasurer:

[Senate Bill 10 \(2nd Reprint\)](#) makes a few small policy changes to increase the efficiency of the Nevada State Infrastructure Bank. It moves the Bank budget from its current place in the Department of Transportation to the Treasury to match the work being done. Currently when the Bank needs to do something or if there is a question about the Bank, someone asks the Department of Transportation, they ask us, we respond to the Department of Transportation, and then the Department responds. We have a middle person we do not need.

The amendment before you makes a compromise between the Legislature and the Office of the Governor on the membership of the Board of Directors to the Nevada State Infrastructure Bank [[Exhibit C](#)]. Currently, the Board has seven members: the State Treasurer and six members appointed by the Governor. This amendment proposes to change the Board to four members appointed by the Legislature, four members appointed by the Governor as either representatives of agencies or direct appointees, and the Treasurer. It also makes the Treasurer the permanent Chair of the Board to match the work being done.

Finally, the bill includes additional functionality of the Board in workforce, housing, and K-12 education in rural areas to ensure that the Board has flexibility.

There is no fiscal note on this bill. There was an appropriation at one point, but it has been removed throughout the process.

Chair Monroe-Moreno:

The bill had a hearing in the Senate. Are they aware of this amendment?

Treasurer Conine:

Yes.

Chair Monroe-Moreno:

Are there any other questions or comments from the Committee? [There were none.] Is there anyone wishing to testify in support of S.B. 10 (R2)? [There was no one.] Is there anyone wishing to testify in opposition to S.B. 10 (R2)? [There was no one.] Is there anyone wishing to provide neutral testimony on S.B. 10 (R2)? [There was no one.] I would entertain a motion.

ASSEMBLYWOMAN BACKUS MOVED TO AMEND AND DO PASS
SENATE BILL 10 (2ND REPRINT).

ASSEMBLYMAN WATTS SECONDED THE MOTION.

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

THE MOTION PASSED. (ASSEMBLYMEN HAFEN, O'NEILL, AND
YEAGER WERE ABSENT FOR THE VOTE.)

We will open the hearing on Senate Bill 454.

Senate Bill 454: Makes appropriations to the Office of the Governor for the replacement of certain equipment and computer hardware and associated software and licenses to upgrade a computer operating system. (BDR S-1109)

Sarah Coffman, Assembly Fiscal Analyst:

Senate Bill 454 makes one-time State General Fund appropriations to the Office of the Governor totaling \$26,721 for replacement of computer equipment.

Chair Monroe-Moreno:

This bill will provide computers and related equipment to the Governor's Mansion, the Office for New Americans, the Office of Federal Assistance, and the Agency for Nuclear Projects. Are there any questions or comments from the Committee? [There were none.] Is there

anyone wishing to testify in support of S.B. 454? [There was no one.] Is there anyone wishing to testify in opposition to S.B. 454? [There was no one.] Is there anyone wishing to provide neutral testimony on S.B. 454? [There was no one.] I would entertain a motion.

ASSEMBLYWOMAN BACKUS MADE A MOTION TO DO PASS
SENATE BILL 454.

ASSEMBLYWOMAN JAUREGUI SECONDED THE MOTION.

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

THE MOTION PASSED. (ASSEMBLYMEN HAFEN, O'NEILL, AND
YEAGER WERE ABSENT FOR THE VOTE.)

We will open the hearing on Senate Bill 490 (1st Reprint).

Senate Bill 490 (1st Reprint): Makes appropriations to the Nevada Gaming Control Board relating to information technology. (BDR S-1160)

Kirk D. Hendrick, Chair and Executive Director, Nevada Gaming Control Board:

Senate Bill 490 (1st Reprint) has two primary parts. The first part is for the Board's alpha migration project. The alpha system was created in the early 1980s and is past its useful age. This has been an ongoing project to migrate off that system and onto a more useful system, under a better programming language, over time. A lot of useful work has been done, but it is still far from being completed. Before I got to the Board, I was told that we would only need \$3.6 million to complete the project. That was in error; completely in error.

We went back to the outside vendor and asked how much it would really take to finish this in two years. They came up with the number of \$13.5 million. That does not mean that we absolutely must have all that money, but that is what they said it would take. Going back and doing some further scoping and research, the easy question is, Why on earth would we be that far behind? The answer is overtime, overbudgeting, and lagging in the process. That does not mean that nobody was running the railroad station and running the engine; they were just running too slowly to stay on track with this project.

The bill originally requested \$13.5 million for the alpha migration project, and in section 2, approximately \$1.7 million for necessary software and hardware that would have been done in any biennium. At the Senate Committee on Finance hearing, there was an amendment made in the first reprint to change the amount in section 1 from \$13 million to \$8 million. Section 1.5 provides a potential opportunity to go to the Interim Finance Committee to request an extra \$5.5 million if, indeed, the Board is doing its due diligence and properly running this project at the appropriate pace.

Chair Monroe-Moreno:

That is a major difference from the original \$3.6 million amount. Unfortunately, that is where we are. Are there any questions or comments from the Committee? [There were none.] Is there anyone wishing to testify in support of S.B. 490 (R1)? [There was no one.] Is there anyone wishing to testify in opposition to S.B. 490 (R1)? [There was no one.] Is there anyone wishing to provide neutral testimony on S.B. 490 (R1)? [There was no one.] I would entertain a motion.

ASSEMBLYWOMAN BACKUS MADE A MOTION TO DO PASS
SENATE BILL 490 (1ST REPRINT).

ASSEMBLYWOMAN JAUREGUI SECONDED THE MOTION.

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

THE MOTION PASSED. (ASSEMBLYMEN HAFEN, O'NEILL, AND
YEAGER WERE ABSENT FOR THE VOTE.)

We will open the hearing on Senate Bill 277 (2nd Reprint).

Senate Bill 277 (2nd Reprint): Revises provisions relating to cannabis. (BDR 56-193)

Scot Rutledge, representing Argentum Partners:

Senate Bill 277 (2nd Reprint) reduces fees for renewal of cannabis establishment licenses and for new cannabis establishment licenses, which will help reduce barriers to entry for future applicants. Section 10 reduces the fees.

Chair Monroe-Moreno:

The amendment lowers that fee from \$50,000 to \$20,000. The other fees are also being decreased. How is that going to impact the State Education Fund?

Scot Rutledge:

These are not State General Fund dollars. These go to the Cannabis Compliance Board (CCB). This would not have an impact on the State Education Fund. The purpose of section 3 of the bill is to eliminate dual licensure, to go to a single license type. We were initially trying to capture the value of two license types and spread it out amongst all license types. We ended up with an unintentional fee increase on some of the cannabis establishment licenses that were adult-use only. In discussions, we came up with this recommendation.

Chair Monroe-Moreno:

Originally, the fee was \$20,000. With the bill, it went up to \$50,000 and all the other fees were removed, but now it has gone back down to \$20,000. Are we getting those other fees back? There is an impact on our State Education Fund; it goes into that Fund and then it rolls over.

Scot Rutledge:

The idea is that by reducing those fees on renewals, we are also eliminating some of the work being done by the CCB to do two renewals for medical and adult-use. We are eliminating some of the labor for CCB staff.

Another aspect of this—another way of thinking about it—is that the pieces of legislation that have eliminated some of the red tape and regulations make it easier for these businesses to produce more revenue. We anticipate that going forward, this industry will be able to grow and create more revenue for the State Education Fund in the future.

Assemblywoman Backus:

You mentioned moving to a single licensing type. However, the bill changes the fee for an adult-use cannabis cultivation facility from \$30,000 to \$3,000. That is a substantial difference.

One of the issues in this bill pertained to the two-thirds requirement. There were not any changes made by the amendment to section 3 and section 17 that will result in new revenue. I want to understand that more.

Scot Rutledge:

Regarding the two-thirds requirement: that was on the printed amendment. Approval of this amendment would eliminate the two-thirds requirement for the bill. The rest of the language in the bill does not maintain the two-thirds requirement.

Assemblywoman Backus:

The amendment only fixed section 10, not the other sections to which it applies. That may be why it is still stuck on there. Why are we significantly decreasing fees for initial issuance of an adult-use cannabis cultivation facility license from \$30,000 to \$3,000?

Scot Rutledge:

We are not certain that there will be a number of new licenses issued going forward. There has been no market study by the CCB. There has been no evidence that points to a creation of new licenses that exist today for cultivation, production, retail stores, and labs. This would only affect those in terms of the new issuance.

Cannabis lounge licenses, allowable through Assembly Bill 341 of the 81st Session, have their own fee structure. We also included a new fee structure for social equity applicants—a reduction of 75 percent. Looking at some of the other pieces of legislation considered this session, we also made strides in other bills to focus on social equity, such as changing the intent in the preamble on Senate Bill 328.

When we start to look at new license types in the future—and some of these may be microbusiness licenses that could be new types of licenses—they will need a new fee structure because they are not named currently in statute. I am not certain we are going to be issuing new licenses for cultivation, production, labs, or retail stores in the future. We have

not issued any since 2018 for retail stores. We are really looking at the renewals. Yes, the renewals have been reduced, but without any sort of indication from the CCB, as always our understanding is that less workload for them would require less funding to them for the purposes of this effort.

We think we will generate more revenue. We have not had a cannabis lounge open yet; those are going to generate more revenue, especially taxed 10 percent on retail. We see more revenues coming into the State Education Fund as this industry continues to open up those new licenses that have already been allocated.

Assemblywoman Backus:

What we are clarifying—you got us back to the State Education Fund because obviously, the money generated from cannabis sales, whether it is wholesale or retail, does not go into the General Fund anymore; it goes to the Pupil-Centered Funding Plan as part of the revenue stream. We are looking at a lot of bills floating out there that may decrease that revenue. With the fees, even though the CCB is paid through the wholesale revenue, that also includes fees for new licenses. With that accumulated effect, there could be a need for more money out of the fee revenue from the wholesale tax. That is what we are all getting at.

Assemblywoman Anderson:

My question has to do with section 13, which is on page 26. This new language would allow for a dual license, but it states later that the Board may adopt any regulations. Does that mean for a medical-use establishment to become recreational, they would need to apply for a second licensure or vice versa, or does it automatically happen? Also, how would these new fees be impacted?

Scot Rutledge:

Under section 13, yes, we are eliminating the dual licensure. We are going to a singular licensure. Per the CCB in a prior hearing, there are 18 medical-only licenses that exist in the state of Nevada today—9 production licenses and 9 cultivation licenses. Those would be able now to do adult-use cultivation and production as opposed to just medical.

In 2018, I believe we issued 80 retail adult-use-only licenses in the state; those licensees are not able to sell to medical patients today. They would now have the ability to sell to medical patients. Instead of having medical or adult-use, they would just be cannabis establishment licenses.

Assemblywoman Anderson:

Thank you for that clarification. There will be a difference in fees for the renewal of those business licenses, correct?

Scot Rutledge:

Yes, there is going to be a reduction across the board in the renewals. A business which currently has dual licensure, upon renewal will only renew as a singular license under this

new structure. If you have an adult-use only, nothing changes except you will now have the ability to sell medical products.

Those 18 medical-only licenses will renew as cannabis adult-use versus medical-only. It is not going to make a material change on the current way business is being done, but it does change the structure for those licenses.

Assemblywoman Anderson:

Currently, the fee for the renewal of a medical license is \$3,000 and the renewal of an adult-use license is \$5,000. Under the new licensure structure, these would both renew at \$3,000, correct?

Scot Rutledge:

Correct. It would be the lower amount—\$3,000. The amendment sets the renewal fee for every type of establishment license at \$3,000 going forward as of January 1, 2024.

Chair Monroe-Moreno:

Are there any other questions or comments from the Committee? [There were none.] Is there anyone wishing to testify in support of S.B. 277 (R2)?

Will Adler, representing Sierra Cannabis Coalition:

Sierra Cannabis Coalition is in full support of S.B. 277 (R2). To put some of the fee question into context: The origination of the cannabis industry was under a nonrevenue-generating system. It was under the medical marijuana program. We had set up that whole program under the initiation fees that are generated by these high introductory fees under medical marijuana. Those fees generate enough revenue to fund the whole of the DPS program for two years, as it stood up. We now have fees that are secondary to the tax revenue we generate. Tax revenue is something like 3,000 percent of what was generated under the medical marijuana program. The fees are important, yes, but it is more important to get a program up and going. This reduction of fees looks like a good standardizing of renewal fees or somebody new getting into the market. We do not necessarily need that new fee income to get them there; we have a program to support them. Please support S.B. 277 (R2).

Brett Scolari, representing Curaleaf; CPCM Holdings; GreenMart of Nevada NLV, LLC; and Clark County Natural Medicinal Solutions dba Solaris:

We support this bill. We supported it in the policy committee. Section 14.3 and section 14.6 include the public education piece authorizing local governments to conduct public education and outreach on the safe use of cannabis. We think that is important. We have been talking about the illicit market all session long. This is another tool that we think is a good idea for the industry and local governments to work together and get public education on safe use of cannabis. We appreciate your hearing this bill, and we urge your support.

Layke Martin, representing Nevada Cannabis Association:

We support this bill as well and thank the sponsor for bringing it.

Connor Cain, representing Chamber of Cannabis:

We are in support.

Chris Anderson, representing Jardín Cannabis Dispensary; and RNBW:

We support this bill, particularly the provision increasing the quantity per sale, which we believe will result in an increase in legal sales and hopefully a decrease in unlicensed sales. Likewise, with the consumer education piece, we believe that this will lead to safer consumption and hopefully a decrease in the illicit market. We urge your support.

Sky Nomalies, Private Citizen:

I am in support. I believe it is a good thing. In the future, I would like to see this type of medication available on every street corner and in the grocery stores. Just like big pharma has their general stores on every corner and in grocery stores, I would like to see this type of medication available for the public in the future as well. It has done a lot of good for a lot of people. I am in full support. Vote yes.

Chair Monroe-Moreno:

Is there anyone wishing to testify in opposition to S.B. 277 (R2)?

James Creel, representing Compassion Center, Center for Incubation and Findings Research:

I represent Compassion Center, Center for Incubation and Findings Research, an Oregon-based research institute that specializes in medical cannabis and related modalities. We oppose S.B. 277 (R2) because it does not go far enough for patients. The bill sponsors have repeatedly cited Oregon as an example. However, in Oregon, patients can get eight ounces directly from a dispensary, and it has not stimulated the illicit market. In fact, we are still having a decline in the retail market where an ounce is now available for \$17 out the door. Compassion Center, Center for Incubation and Findings Research opposes S.B. 277 (R2).

Julie Monteiro, representing Integrative Providers Association; and Coalition for Patient Rights:

We oppose the bill still, even with the amendments. It does not do anything to increase the numbers for patients and only seems to serve the industry and those with a criminal record. We wish to see the limits for patients raised—we have been trying to do so for the last 23 years. To see adult-use raised without the limits of patients really is disturbing. Patients rely on their medicine to stay alive and need higher limits to control complex disease states. This proposed increase in limits in 2.5 ounces does not go far enough for medical patients.

In section 15, the distribution of the excise tax is not descriptive enough. It states that it is going to go to the medical cannabis silo. However, patients have not seen any movement, any assistance, or anything assisting the patients, only industry and adult use. We also want to see appropriate funding to improve Nevada medical marijuana patients. We are trying to figure out where the excess above \$5 million collected in excise taxes goes, as it is not designated in the bill.

Why are medical cannabis patients still not exempt in full? We appreciate the 10 percent, but it does not give the whole exclusion. We are also concerned about the 18 medical-only cannabis dispensaries all going to adult-use, too, in the renewals; there will be no more dual licensing. So how are patients going to be represented? We still have difficulties getting certificates of analysis. We need to make sure that medications are not tainted; this bill does not support that.

We thank you for the amendments and for the industry trying to work with patients. We ask in the future that you work with the patients of Coalition for Patient Rights. We thank you and extol our excitement for you making these changes or deleting this bill altogether.

[Unintelligible]:

I am opposed to this bill because as a cannabis patient, I feel that we have all been ignored. We are supposed to be grandfathered into the law, and it seems like every law that has been put in place harms us or restricts us even further. For those reasons, I feel that you need to start taking into account the cannabis patients. Instead of restricting and creating all these laws trying to take rights away from them, start empowering them.

Katree Saunders, Co-Founder and Vice President of Government Relations, Pardon Me, Please:

Pardon Me, Please is a national 501(c)(3) dedicated to driving responsible change in social equity and inclusion, criminal justice, and reentry, as we have had enough social stratification. I have been affected by the drug war at the state level and federal level here in Las Vegas, Nevada. This bill does not include real justice for people who have been affected like me by the war on drugs. There are still high barriers to entry for fees. This does not address lots of things.

I have reached out to people during this legislative session so they could have my input, so that I could be brought to the table because I have been affected financially, emotionally, and mentally from the Nevada State Legislature writing bad laws to exclude me from working in the industry after I helped the state of Nevada make over \$100 million in local business owners. This bill does not do enough justice for me and my friends and family who are affected by the war on drugs. It is absurd you want to add more penalties to further penalize people who do not have millions of dollars to get into the industry.

Patients deserve safe access to clean medicines and do not need to be remediated with radiation and do not need to have chemicals. There needs to be a standard; it is not the gold standard that I have been seeing. That is not why I went to federal prison after helping protect an industry and finding myself still having to fight for social justice at this late date.

It is disheartening to me, and I am not appreciative of the Nevada State Legislature. You keep funneling money in the guise of lying. Oh, we are going to send it to education—really you are sending it to yourself. There is a huge disconnect from the reality of people who have suffered and Nevada state legislators. That really needs to be taken into account this

legislative session. Also, I saw that you put bills in today to give yourselves a raise for working through this 82nd Legislative Session, which is absurd as well. My name is Katree Saunders, and I am not for this bill at all.

I would like for you to make some amendments and sit down with people like me who have been affected by the war on drugs to see if you can come up with reasonable solutions that financially give people a pathway to real ownership, not just what it wants to look like for the industry. Thank you for your time today.

[\[Exhibit D\]](#) was submitted and will become part of the record for this hearing.]

Chair Monroe-Moreno:

Is there anyone wishing to provide neutral testimony on S.B. 277 (R2)? [There was no one.] Does the presenter have any closing remarks?

Senator Dallas Harris, Senate District No. 11:

I want to clarify a couple of things. Yes, we are decreasing fees. The main goal of that is to get the two-thirds voting requirement off. There was a misprint—the bill was printed with a two-thirds requirement on it. It is no longer a two-thirds bill.

Originally the bill shifted fees around so that it was revenue neutral. Again, that created a two-thirds requirement. We are lowering the fees to ensure that we do not have to potentially generate much additional revenue in the future.

As to concerns about the CCB and its budget, I promise they will be fine. The excise tax which funds the CCB is \$63 million; its operating budget is \$10 million. This decrease in fees will not impact the CCB substantially. In addition, they do not get funds from the General Fund, so this will not impact the General Fund balance at all.

I know you had some questions about going from two licenses to one; I am also happy to address those if there is anything I can clear up. I would not have taken the risk of pulling a bill into the Assembly Committee on Ways and Means on the last day of session after it has already been through the policy committee on both sides, and now the money committee on both sides, if I did not feel that this bill was worth it.

Chair Monroe-Moreno:

Members, do you have any questions?

Assemblyman Hafen:

There are parts of the bill that I like, but there are some parts that I am questioning. Language in the bill digest sounds like we are eliminating the requirement to look into the ownership of the companies. Could you give a brief explanation of the rationale behind that?

Senator Harris:

We are not getting rid of that requirement. It is the CCB's job to make sure that every person who participates in this industry is not going to mess it up. The CCB will maintain its obligation to vet people. You may be referring to a stricter requirement that the CCB has to ensure that people who have 5 percent ownership or more have an agent card. That burden has become a bit high at this point in the industry. That amendment was specifically requested by some of the people in the industry who came up in support. The CCB also supports that amendment.

Assemblywoman Anderson:

My question continues to be about section 13, which allows for dual credit. If there is an establishment currently for adult-license—not medical at all—with this language, they now could become medically licensed. Do they have to go through any training? Also, it was stated that when the renewal happens, it would be for the lower fee. Could you explain the reasoning there?

Senator Harris:

To your first question: There is no change in this bill regarding requirements that must be met to sell medical cannabis. Those requirements will remain the same. You are going to have to have the ability to tax each one differently and be willing to comply with all the regulations of the medical program; that will not change. However, once you renew, you will be able to do both. Truthfully, most of our operators today already hold dual licenses, so people know how to do this.

Your second question goes back to what I initially was stating. We are lowering the fees. We are lowering the barrier to entry, which frankly I am all for. We are going to make it easier for folks to get into the industry. Yes, they will be renewing at the lower of the two licensing fee rates, but the key again is to keep off that two-thirds requirement, to be completely transparent.

Chair Monroe-Moreno:

Are there any questions or comments from the Committee? [There were none.] We will close the hearing on [S.B. 277 \(R2\)](#) and open the hearing on [Senate Bill 506 \(1st Reprint\)](#).

**[Senate Bill 506 \(1st Reprint\)](#): Revises provisions relating to records of criminal history.
(BDR 14-1220)**

Sarah Coffman, Assembly Fiscal Analyst:

[Senate Bill 506 \(1st Reprint\)](#) as amended requires fees collected from the Central Repository for Nevada Records of Criminal History to also be used for any other purpose as authorized by the Legislature. Any balance of such money remaining at the end of the fiscal year reverts to the State General Fund. The bill becomes effective October 1, 2023.

Chair Monroe-Moreno:

Are there any questions or comments from the Committee? [There were none.] Is there anyone wishing to testify in support of S.B. 506 (R1)? [There was no one.] Is there anyone wishing to testify in opposition to S.B. 506 (R1)? [There was no one.] Is there anyone wishing to provide neutral testimony on S.B. 506 (R1)? [There was no one.] I would entertain a motion.

ASSEMBLYWOMAN BACKUS MADE A MOTION TO DO PASS
SENATE BILL 506 (1ST REPRINT).

ASSEMBLYMAN WATTS SECONDED THE MOTION.

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

THE MOTION PASSED. (ASSEMBLYMEN HAFEN, O'NEILL, AND
YEAGER WERE ABSENT FOR THE VOTE.)

We will move on to the work session on Senate Bill 11 (2nd Reprint), which we have heard previously.

Senate Bill 11 (2nd Reprint): Requires the Department of Public Safety to adopt certain regulations relating to unmanned aerial vehicles. (BDR 44-370)

Sarah Coffman, Assembly Fiscal Analyst:

Senate Bill 11 (2nd Reprint) as amended requires the Department of Public Safety to adopt certain regulations relating to the operation of unmanned aerial vehicles by a public agency, including authorizing a public agency to operate such vehicles to conduct scheduled inspections to ensure compliance with buildings for fire code. This bill was heard by the Committee on June 2, 2023.

Chair Monroe-Moreno:

Are there any questions or comments from the Committee? [There were none.] During the hearing, there was a lot of conversation about the appropriation requested in the legislation. The Committee was concerned about that appropriation and did not want to add that appropriation to the bill. The bill sponsors are okay with moving the bill without that additional funding. I would entertain a motion.

ASSEMBLYWOMAN BACKUS MOVED TO DO PASS AS AMENDED
SENATE BILL 11 (2ND REPRINT).

ASSEMBLYMAN WATTS SECONDED THE MOTION.

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

THE MOTION PASSED. (ASSEMBLYWOMAN PETERS VOTED NO. ASSEMBLYMEN O'NEILL AND YEAGER WERE ABSENT FOR THE VOTE.)

We will stand in recess and reconvene at the call of the Chair.

[The Committee recessed at 2:54 p.m. and the Committee reconvened behind the bar of the Assembly at 7:54 p.m.]

Chair Monroe-Moreno:

I call this meeting back to order. We will open the work session on Senate Bill 277 (2nd Reprint).

Senate Bill 277 (2nd Reprint): Revises provisions relating to cannabis. (BDR 56-193)

Chair Monroe-Moreno:

Are there any questions or concerns on Senate Bill 277 (2nd Reprint)?

Assemblywoman Anderson:

I continue to have the same concern.

Chair Monroe-Moreno:

I would entertain a motion to do pass.

ASSEMBLYWOMAN BACKUS MOVED TO DO PASS AS AMENDED
SENATE BILL 277 (2ND REPRINT).

ASSEMBLYMAN WATTS SECONDED THE MOTION.

Is there any discussion on the motion?

Assemblyman O'Neill:

I like the part that lowers licensing fees, but I cannot agree to increasing the amount of marijuana that can be purchased at any one time. I will be voting no.

THE MOTION PASSED. (ASSEMBLYMEN ANDERSON, DICKMAN, HAFEN, KASAMA, AND O'NEILL VOTED NO.)

Chair Monroe-Moreno:

We will move on to Senate Bill 341 (1st Reprint).

Senate Bill 341 (1st Reprint): Revises provisions relating to governmental financial administration. (BDR S-502)

Chair Monroe-Moreno:

Senate Bill 341 (1st Reprint) makes appropriations to the Food Bank of Northern Nevada and Three Square for the purpose of purchasing food for persons who are served by such organizations. The amendment from the Senate added organizations. The total appropriation is \$55.4 million. Is there anyone wishing to testify in support of S.B. 341 (R1)? [There was no one.] Is there anyone wishing to testify in opposition to S.B. 341 (R1)? [There was no one.] Is there anyone wishing to provide neutral testimony on S.B. 341 (R1)? [There was no one.] I would entertain a motion.

ASSEMBLYWOMAN JAUREGUI MADE A MOTION TO DO PASS
SENATE BILL 341 (1ST REPRINT).

ASSEMBLYMAN WATTS SECONDED THE MOTION.

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

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

We will move on to Senate Bill 375 (1st Reprint).

Senate Bill 375 (1st Reprint): Makes an appropriation to the Nevada System of Higher Education for a grant program to expand undergraduate and graduate nursing programs at institutions within the System. (BDR S-917)

Assemblyman Steve Yeager, Assembly District No. 9:

It is a pleasure to be here with Minority Leader O'Neill to present this bill on behalf of Senator Seevers Gansert and Majority Leader Cannizzaro. Senate Bill 375 (1st Reprint) provides General Fund appropriations of \$10 million in each year of the 2023-2025 biennium to the Nevada System of Higher Education for a grant program to expand undergraduate and graduate nursing programs at institutions within the System. It becomes effective upon passage and approval. I would note that the General Fund appropriations were not included in The Executive Budget, but the four of us felt that was a good use for this funding. We ask the Committee for consideration in passing this measure.

Chair Monroe-Moreno:

Are there any questions or comments from the Committee? [There were none.] Is there anyone wishing to testify in support of S.B. 375 (R1)?

Patrick Kelly, President and Chief Executive Officer, Nevada Hospital Association:

The Nevada Hospital Association is in support.

Kanani Espinoza, representing University of Nevada, Las Vegas:

We are in support.

Chair Monroe-Moreno:

Is there anyone wishing to testify in opposition to S.B. 375 (R1)? [There was no one.] Is there anyone wishing to provide neutral testimony on S.B. 375 (R1)? [There was no one.] I would entertain a motion.

ASSEMBLYWOMAN PETERS MOVED TO DO PASS SENATE BILL 375 (1ST REPRINT).

ASSEMBLYWOMAN JAUREGUI SECONDED THE MOTION.

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

THE MOTION PASSED UNANIMOUSLY.

We will move on to Senate Bill 400 (2nd Reprint).

Senate Bill 400 (2nd Reprint): Revises provisions relating to homelessness. (BDR 38-1027)

Assemblywoman Shea Backus, Assembly District No. 37:

The mock-up of proposed amendment 998 to Senate Bill 400 (2nd Reprint) [[Exhibit E](#)] requires each contract in which the Department of Health and Human Services (DHHS) enters into with a health maintenance organization (HMO) for the provision of health care services under a Medicaid managed care program to include a requirement for the HMO to reinvest a percentage of its annual profits in programs and initiatives to address homelessness; to provide sustainable medication and prescription services; to provide alcohol or drug rehabilitation services; and to provide emergency and supportive housing in the local community in which the HMO operates.

The bill also provides for specific appropriations:

- \$2 million to DHHS each year of the 2023-2025 biennium to address homelessness in counties with populations greater than 150,000 but less than 500,000.
- \$17 million for an advisory committee to fund the services described in the bill or that have federal matching grants.
- \$1 million for the Northern Nevada Continuum of Care.
- \$1 million for the Rural Nevada Continuum of Care.

- \$9 million in fiscal year (FY) 2024 and \$1 million in FY 2025 to address homelessness in the city of Las Vegas.

The mock-up of proposed amendment 998 [[Exhibit E](#)] changes the amount to counties with populations greater than 150,000 but less than 500,000. Rather than \$2 million, it states an amount not less than \$1 million and not more than \$2 million.

Chair Monroe-Moreno:

Are there any questions or comments from the Committee on the bill or the proposed amendment? [There were none.] Is there anyone wishing to testify in support of S.B. 400 (R2)? [There was no one.] Is there anyone wishing to testify in opposition to this bill? [There was no one.] Is there anyone wishing to provide neutral testimony on S.B. 400 (R2)? [There was no one.] I would entertain a motion.

ASSEMBLYWOMAN PETERS MOVED TO AMEND AND DO PASS
SENATE BILL 400 (2ND REPRINT).

ASSEMBLYWOMAN JAUREGUI SECONDED THE MOTION.

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

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

We will move on to Senate Bill 419 (2nd Reprint).

[Senate Bill 419 \(2nd Reprint\)](#): Makes revisions relating to public health. (BDR 40-748)

Assemblywoman Sandra Jauregui, Assembly District No. 41:

Senate Bill 419 (2nd Reprint) requires the Director of the Department of Health and Human Services to apply to the federal government for authority to provide coverage for prenatal, labor, and delivery care for persons who are not eligible for Medicaid because of their immigration status. The bill provides related General Fund appropriations to the Division of Health Care Financing and Policy totaling \$224,927 in fiscal year (FY) 2024 and \$1,485,480 in FY 2025.

Chair Monroe-Moreno:

Are there any questions or comments from the Committee? [There were none.] Is there anyone wishing to testify in support of S.B. 419 (R2)? [There was no one.] Is there anyone wishing to testify in opposition to S.B. 419 (R2)?

Jim Degraffenreid, National Committeeman, Nevada Republican Party:

The Nevada Republican Party is in opposition.

Chair Monroe-Moreno:

Is there anyone wishing to provide neutral testimony on S.B. 419 (R2)? [There was no one.] I would entertain a motion.

ASSEMBLYWOMAN BACKUS MADE A MOTION TO DO PASS
SENATE BILL 419 (2ND REPRINT).

ASSEMBLYMAN WATTS SECONDED THE MOTION.

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

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

We will move on to Senate Bill 505.

Senate Bill 505: Makes an appropriation to the Office of Energy in the Office of the Governor for a program to reduce energy use by and emissions resulting from certain activities of state agencies. (BDR S-1217)

Assemblywoman Sandra Jauregui, Assembly District No. 41:

Senate Bill 505 makes an appropriation to the Office of Energy in the Office of the Governor for a program to reduce energy use by and emissions resulting from certain activities of state agencies. It makes an appropriation of \$11 million.

Chair Monroe-Moreno:

Are there any questions or comments from the Committee? [There were none.] Is there anyone wishing to testify in support of S.B. 505? [There was no one.] Is there anyone wishing to testify in opposition to S.B. 505? [There was no one.] Is there anyone wishing to provide neutral testimony on S.B. 505? [There was no one.] I would entertain a motion.

ASSEMBLYWOMAN BACKUS MADE A MOTION TO DO PASS
SENATE BILL 505.

ASSEMBLYWOMAN JAUREGUI SECONDED THE MOTION.

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

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

We will move on to Senate Bill 510 (1st Reprint).

Senate Bill 510 (1st Reprint): Makes appropriations for the implementation of certain collective bargaining agreements. (BDR S-1227)

Sarah Coffman, Assembly Fiscal Analyst:

Senate Bill 510 (1st Reprint) as amended makes General Fund appropriations totaling \$64.2 million, makes Highway Fund appropriations totaling \$7.1 million, and authorizes \$5.3 million in expenditure authority to effectuate provisions of approved collective bargaining agreements that require an act of the Legislature to be given effect.

Chair Monroe-Moreno:

Are there any questions or comments from the Committee? [There were none.] Is there anyone wishing to testify in support of S.B. 510 (R1)? [There was no one.] Is there anyone wishing to testify in opposition to S.B. 510 (R1)? [There was no one.] Is there anyone wishing to provide neutral testimony on S.B. 510 (R1)? [There was no one.] I would entertain a motion.

ASSEMBLYWOMAN BACKUS MADE A MOTION TO DO PASS
SENATE BILL 510 (1ST REPRINT).

ASSEMBLYWOMAN JAUREGUI SECONDED THE MOTION.

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

THE MOTION PASSED UNANIMOUSLY.

We will move on to Senate Bill 412 (1st Reprint).

Senate Bill 412 (1st Reprint): Revises provisions relating to criminal justice. (BDR 15-1091)

Assemblyman Steve Yeager, Assembly District No. 9:

Senate Bill 412 (1st Reprint) is the Governor's criminal justice bill. Certain offenses involving firearms and home invasion will no longer be eligible for early discharge from probation. Section 14 revises the definition of strangulation for the crime of battery by strangulation. Existing law prohibits possession of firearms by certain persons. Section 15 prohibits a person from using or carrying a firearm during or in relation to certain drug offenses such as trafficking and sales of drugs. It provides that a person who violates that provision would be guilty of a category B felony.

Section 36.5 clarifies that you are guilty of the crime of trespassing if you have been given a warning in the previous 24 months not to be on a property and you return to that property.

Section 57.5 makes a \$500,000 General Fund appropriation to the Department of Public Safety to purchase two machines capable of testing for fentanyl and its derivatives, and measuring the concentration thereof in mixtures. This is important because a couple of bills

have moved forward regarding fentanyl, but labs do not have the ability right now to test a substance for the concentration of fentanyl. This appropriation will allow one testing machine in northern Nevada and one in southern Nevada. It will take approximately a year for those to be purchased and validated.

Chair Monroe-Moreno:

Are there any questions or comments from the Committee? [There were none.] Is there anyone wishing to testify in support of S.B. 412 (R1)? [There was no one.] Is there anyone wishing to testify in opposition to S.B. 412 (R1)? [There was no one.] Is there anyone wishing to provide neutral testimony on S.B. 412 (R1)? [There was no one.] I would entertain a motion.

ASSEMBLYWOMAN BACKUS MADE A MOTION TO DO PASS
SENATE BILL 412 (1ST REPRINT).

ASSEMBLYWOMAN PETERS SECONDED THE MOTION.

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

THE MOTION PASSED UNANIMOUSLY.

We will stand in recess and reconvene at the call of the Chair.

[The Committee recessed at 8:20 p.m. and reconvened behind the bar of the Assembly at 9:15 p.m.]

Chair Monroe-Moreno:

I will call the meeting of the Assembly Committee on Ways and Means back to order to hear Senate Bill 431 (1st Reprint).

Senate Bill 431 (1st Reprint): Revises provisions relating to governmental administration. (BDR 18-1089)

Assemblyman Steve Yeager, Assembly District No. 9:

Senate Bill 431 (1st Reprint) is also known as the Governor's modernization bill. The bill revises the duties of the Chief Information Officer. It provides for the appointment and prescribes the duties of a Chief Innovation Officer in the Office of the Governor. It provides some information about broadband infrastructure. It streamlines the hiring process for state employees to provide more flexibility and, hopefully, help government get out of the way. It revises the amount of the Rainy Day Fund in the current year and raises the cap to 26 percent in future biennia. It changes the thresholds that would require the Office of Finance, Office of the Governor, to come to the Interim Finance Committee; some of those thresholds are being raised for work programs and grant programs.

Chair Monroe-Moreno:

Are there any questions or comments from the Committee? [There were none.] Is there anyone wishing to testify in support of S.B. 431 (R1)? [There was no one.] Is there anyone wishing to testify in opposition to S.B. 431 (R1)? [There was no one.] Is there anyone wishing to provide neutral testimony on S.B. 431 (R1)? [There was no one.]

We will close the hearing on S.B. 431 (R1) and stand in recess until the call of the Chair.

[The Committee recessed at 9:19 p.m., and reconvened behind the bar of the Assembly at 10:13 p.m.]

Chair Monroe-Moreno:

I will call the meeting of the Assembly Committee on Ways and Means back to order. We will take up Senate Bill 263 (1st Reprint).

Senate Bill 263 (1st Reprint): Makes an appropriation to the Children's Cabinet for the purchase and renovation of a parcel of land to carry out the Oddie Project. (BDR S-921)

Assemblywoman Sandra Jauregui, Assembly District No. 41:

I am here on behalf of Senator Seevers Gansert to present Senate Bill 263 (1st Reprint). Senate Bill 263 (1st Reprint) makes an appropriation to the Children's Cabinet for the purchase and renovation of a parcel of land to carry out the Oddie Project. The amendment changes the appropriation from \$8 million to \$6 million.

Chair Monroe-Moreno:

Are there any questions or comments from the Committee?

Assemblywoman Anderson:

These funds will be matched as well.

Chair Monroe-Moreno:

Is there anyone wishing to testify in support of S.B. 263 (R1)? [There was no one.] Is there anyone wishing to testify in opposition to S.B. 263 (R1)? [There was no one.] Is there anyone wishing to provide neutral testimony on S.B. 263 (R1)? [There was no one.] I would entertain a motion.

ASSEMBLYWOMAN BACKUS MADE A MOTION TO DO PASS
SENATE BILL 263 (1ST REPRINT).

ASSEMBLYWOMAN PETERS SECONDED THE MOTION.

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

THE MOTION PASSED UNANIMOUSLY.

We will move on to Senate Bill 98 (2nd Reprint).

Senate Bill 98 (2nd Reprint): Revises provisions relating to education. (BDR 34-444)

Sarah Coffman, Assembly Fiscal Analyst:

Senate Bill 98 (2nd Reprint) was heard by the Committee on June 4, 2023. It requires the Superintendent of Public Instruction to establish performance metrics for public schools. It revises the instances in which the Interim Finance Committee (IFC) shall establish an amount of money to transfer from the Education Stabilization Account to the State Education Fund. It also requires the Commission on School Funding to meet monthly, either remotely or in person. It would allow the Commission to meet between July 1 of an odd-numbered year through December 31 of an even-numbered year, and at the call of the Chair of the Committees on Education, Finance, Ways and Means, or the IFC.

The bill provides a \$1.5 million General Fund appropriation to the Commission on School Funding for the cost of conducting studies, provides a General Fund appropriation of \$10,000 in fiscal year (FY) 2025 to the Department of Education for Commission member travel expenses, and provides General Fund appropriations of \$6,200 in both FY 2024 and FY 2025 to the Department of Education for Department staff travel for Commission meetings.

During the hearing, there was discussion that the \$1 million appropriation in Assembly Bill 400 is included in the total request of \$1.5 million. As such, an amendment to reduce the appropriations in this bill, S.B. 98 (R2), to \$500,000 would true up the amount.

Assemblywoman Backus:

I recall we approved minimal funding for Commission meeting travel. It may have been for just one meeting.

Sarah Coffman:

The budget provided for travel and Commission meetings up to September of even-numbered years. This would provide additional travel through December.

Assemblywoman Backus:

Is the previous funding included in this or is it separate?

Sarah Coffman:

The funding in the budget is separate from this.

Chair Monroe-Moreno:

Are there any other questions or comments from the Committee? [There were none.]
I would entertain a motion.

ASSEMBLYWOMAN JAUREGUI MOVED TO AMEND AND DO PASS
SENATE BILL 98 (2ND REPRINT).

ASSEMBLYMAN WATTS SECONDED THE MOTION.

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

THE MOTION PASSED. (ASSEMBLYWOMAN ANDERSON VOTED
NO.)

I will open the work session on Senate Bill 431 (1st Reprint).

**Senate Bill 431 (1st Reprint): Revises provisions relating to governmental
administration. (BDR 18-1089)**

Chair Monroe-Moreno:

Speaker Yeager presented Senate Bill 431 (1st Reprint) earlier this evening. Now that you
have all had time to look over the amendment, I would entertain a motion.

ASSEMBLYWOMAN JAUREGUI MOVED TO AMEND AND DO PASS
SENATE BILL 431 (1ST REPRINT).

ASSEMBLYWOMAN PETERS SECONDED THE MOTION.

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

THE MOTION PASSED UNANIMOUSLY.

[The meeting recessed at 10:21 p.m. and did not reconvene. The 82nd Legislative Session
adjourned *sine die* on June 6, 2023, at 12:19 a.m.]

RESPECTFULLY SUBMITTED:

Anna Freeman
Committee Secretary

APPROVED BY:

Assemblywoman Daniele Monroe-Moreno, Chair

DATE: _____

EXHIBITS

[Exhibit A](#) is the Agenda.

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

[Exhibit C](#) is a proposed amendment to Senate Bill 10 (2nd Reprint), submitted by Zach Conine, State Treasurer.

[Exhibit D](#) is a compilation of letters in opposition to Senate Bill 277 (2nd Reprint).

[Exhibit E](#) is a mock-up of proposed amendment 998 to Senate Bill 400, submitted by Assemblywoman Shea Backus, Assembly District No. 37.