

**MINUTES OF THE
SENATE COMMITTEE ON COMMERCE AND LABOR**

**Eighty-second Session
April 10, 2023**

The Senate Committee on Commerce and Labor was called to order by Chair Pat Spearman at 8:06 a.m. on Monday, April 10, 2023, in Room 2134 of the Legislative Building, Carson City, Nevada. The meeting was videoconferenced to Room 4412E of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. [Exhibit A](#) is the Agenda. [Exhibit B](#) is the Attendance Roster. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

COMMITTEE MEMBERS PRESENT:

Senator Pat Spearman, Chair
Senator Roberta Lange, Vice Chair
Senator Melanie Scheible
Senator Skip Daly
Senator Julie Pazina
Senator Scot Hammond
Senator Carrie A. Buck
Senator Jeff Stone

GUEST LEGISLATORS PRESENT:

Senator Nicole J. Cannizzaro, Senatorial District No. 6
Senator Edgar Flores, Senatorial District No. 2
Senator Dallas Harris, Senatorial District No. 11

STAFF MEMBERS PRESENT:

Cesar Melgarejo, Policy Analyst
Bryan Fernley, Counsel
Veda Wooley, Counsel
Lynn Hendricks, Committee Secretary

OTHERS PRESENT:

Vincent Saavedra, Executive Secretary-Treasurer, Southern Nevada Building
Trades Union

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Cynthia Moore, Nevada Environmental Justice Coalition; Make the Road Nevada
Elyse Monroy-Marsala, Nevada Public Health Association

Paul Catha, Culinary Workers Union, Local 226

John Solomon, Faith in Action

Annette Magnus, Executive Director, Battle Born Progress

Jaaziel Ozuna

Will Adler, International Brotherhood of Electrical Workers, Local 1245; Sierra
Cannabis Coalition

David Beltran-Barajas, Immigrant Justice Organizer, Progressive Leadership
Alliance of Nevada

Roberto Renteria (interpreted by Jose Rivera)

Eduardo Sanchez (interpreted by Jose Rivera)

Chris Mendoza, Fifth Sun Project; Nevada Environmental Justice Coalition

Christi Cabrera-Georgeson, Deputy Director, Nevada Conservation League

Chasity Martinez, Faith in Action Nevada

Lisa Ortega

Janet Carter, Sierra Club

Mac Bybee, President, Associated Builders and Contractors, Inc.

Peter Krueger, Western Petroleum Marketers Association

Jesse Wadhams, Vegas Chamber

Paul Enos, CEO, Nevada Trucking Association

Chase Whittemore, Nevada Franchised Auto Dealers Association; Nevada
Builders Alliance

Tray Abney, National Federation of Independent Business; American Health
Insurance Plans

Misty Grimmer, Nevada Resort Association

Emily Osterberg, Henderson Chamber of Commerce

Tom Clark, Reno + Sparks Chamber of Commerce

Lindsay Knox, Nevada Home Builders Association; Southern Nevada Home
Builders Association; Builders Association of Northern Nevada

Tom Ferraro, Cox Communications

Cyrus Hojjaty

Alexis Motarex, Nevada Association of Mechanical Contractors

Connor Cain, Mechanical Contractors Association of Las Vegas; Sheet Metal
and Air Conditioning Contractors' National Association of Southern
Nevada; Southern Nevada Electrical Contractors Association

Doug Busselman, Nevada Farm Bureau Federation

Sarah Collins, National Electrical Contractors Association

Katrina Ivanoff

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Victoria Carreon, Administrator, Division of Industrial Relations, Nevada
Department of Business and Industry
Alexandria Cannito, Lewis Roca
Terry Coffing, FaceTec
Sig Rogich
David Cherry, City of Henderson
Alisa Nave-Worth, Entertainment Software Association
Amanda Cortez
Melissa Clement, Nevada Right to Life
Casey Rogers
Andrew Kingman, State Privacy and Security Coalition
Lia Nitake, TechNet
Scot Rutledge, Argentum Partners
Tick Segerblom, Commissioner, Clark County
Christina Ulman, President, Chamber of Cannabis
Briana Padilla, Executive Director, Chamber of Cannabis
Dani Baranowski
Jordyn Sanders, Nevada Cannabis Association
Christine Gamez, Chamber of Cannabis
Nicole Buffong, Minorities for Medical Marijuana; Chamber of Cannabis
Derrick Miles
Shane Terry
Margaret Presley
Andy Hitchcock
Ariel Emadi, Green Thumb Industries
Darlene Mason, Chamber of Cannabis
Brooke Westlake, Women in Cannabis Expo
Christina Thomas
Julie Monteiro, Compassion Center; Integrated Providers Association; Coalition
for Patient Rights
Jason Walker, Washoe County Sheriff's Office
James Creel, Compassion Center
Tyler Klimas, Executive Director, Cannabis Compliance Board
Timothy Eli

CHAIR SPEARMAN:

I will open the work session on Senate Bill (S.B.) 147.

SENATE BILL 147: Makes changes relating to employment. (BDR 53-463)

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CESAR MELGAREJO (Policy Analyst):

I have a work session document ([Exhibit C](#)) that gives the history of the bill and explains the amendments.

SENATOR LANGE MOVED TO AMEND AND DO PASS AS AMENDED
S.B. 147.

SENATOR DALY SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

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CHAIR SPEARMAN:

I will open the work session on S.B. 386.

SENATE BILL 386: Revises provisions related to barbering. (BDR 54-874)

MR. MELGAREJO:

I have a work session document ([Exhibit D](#)) that gives the history of the bill and explains the amendments.

SENATOR STONE MOVED TO AMEND AND DO PASS AS AMENDED
S.B. 386.

SENATOR DALY SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

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CHAIR SPEARMAN:

I will open the hearing on S.B. 427.

SENATE BILL 427: Revises provisions relating to occupational safety and health.
(BDR 53-682)

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SENATOR EDGAR FLORES (Senatorial District No. 2):

I have a conceptual amendment ([Exhibit E](#)), which I will be using while I talk about the bill.

It is no secret that if you live in southern Nevada, you have been outside when it was 105 degrees Fahrenheit (F) or hotter. When it is that hot, it is difficult to walk your dog, walk to the store or pick up your kids. If you are outside for as little as 30 minutes, you start to feel the effect of the heat. Now imagine being outside in that heat for an eight-hour work shift or longer. The heat rarely reaches that temperature in northern Nevada, but here we do have wildfires that smother us in smoke, sometimes for weeks. The bad air makes outdoor activities unbearable. Again, imagine if you had to work in that bad air for eight hours a day. It is those workers we are trying to protect.

I have been told there are already rules and safety parameters in place to protect people who work in these conditions. However, there is no consistency across the board. We have allowed this to be regulated by private industry, and good employers will make sure that they have mechanisms to ensure there are precautions in place. Unfortunately, there is no one rule we all play by.

The idea of this bill is to protect workers in those conditions. We are looking for best practices, not just in Nevada but in the entire U.S. Everyone I have spoken with, including those who disagree with the framing of the bill, agrees that Nevada has some unique challenges other states do not. There is also agreement with the idea that we have to do something in this area. It is just a matter of finding language that everybody feels comfortable with.

VINCENT SAAVEDRA (Executive Secretary-Treasurer, Southern Nevada Building Trades Union):

This bill is intended to give specific protections to employees working in specific environmental conditions.

Some of you do not know that before I was a union representative, I came from management. I was the competent person on the job. I ran crews from 2 to 80 people, and I can tell you that the extreme heat in southern Nevada is real. I have seen people who thought they could handle the heat because they came from the ironworking industry, but after a short period outside in a Las Vegas summer, they just go down. When that happens, they can be off work for a couple of weeks. A bill like this is definitely necessary.

When I was in management, I found that workers are more productive when you give them breaks and regular hydration periods. It is no secret that a happy worker works harder. You do not have to be pushing all the time, especially in construction. Working in the summer is not a speed race; it is a marathon. You have to pace yourself, and having breaks and hydration periods is helpful to the workers. We believe this bill will help businesses prevent unnecessary sick leave because workers will be healthier and better cared for.

For the workers in northern Nevada, the problem is a different one. I was here for a convention in August 2021, and the smoke from the California wildfires was pretty bad. I talked to a couple of my buddies who were working here at the time. I thought maybe they had gotten out of work early because of the smoke, but they told me no, they were still working because there were no regulations about working in the smoke.

This bill is long overdue. It is not perfect yet, and we are working with stakeholders to find the right balance. With S.B. 427, we are not asking for a moratorium on work in extreme conditions. We are simply asking for workers to be treated with respect and for their health to be considered.

CINTHIA MOORE (Nevada Environmental Justice Coalition; Make the Road Nevada):

The Nevada Environmental Justice Coalition (NEJC) is a coalition of 14 Nevada-based organizations united in the fight for intersectional climate action and environmental justice. We have been working with Senator Flores on S.B. 427 to help protect our outdoor and indoor workers in uncontrolled climate environments. Current statutes do not go far enough to ensure that these employees are able to do their jobs safely. This bill gives additional and specific protection not just for employees working directly in the sun, but also to those who are exposed to extreme heat and poor air quality while working indoors.

Nevada is home to two of the fastest warming cities in the U.S.: Reno and Las Vegas. It is important that we do everything possible to protect our families, friends and neighbors who are exposed to extreme weather conditions. Many of us know people who work either outdoors or indoors in kitchens or warehouses and have heard stories about how the extreme heat is affecting them. During a heat wave last year, my 22-year-old neighbor who works in construction asked his supervisor for a break because he was not feeling well. His supervisor refused to let him take a break. As a result, my neighbor had a heat stroke and

passed out. He missed three days of work recovering. Last year, my uncle who works indoors installing kitchen and bathroom cabinets in new homes often found himself working in homes that did not yet have air conditioning installed. Often, the temperature in such locations is hotter than outdoors. After doing this work for many years without a problem, last year he had to go to the emergency room because he did not recognize the signs of a heat stroke. Nor did he know that his medication for high blood pressure made him more prone to experience heat illness. Exposure to extreme heat of 95 degrees F and above can result in heat stroke, heat exhaustion, cramps, rashes and injuries.

You will hear more about the health implications of being exposed to extreme heat and a U.S. Environmental Protection Agency air quality index (AQI) over 200 from another testifier. Excessive heat is responsible for more deaths in the U.S. than any other type of weather event.

Current statutes say that water must be provided for workers, but they do not specify how much water must be provided. The Centers for Disease Control and Prevention (CDC) recommend drinking one quart of water per hour to avoid heat stress. That is how we arrived at the one quart of water per hour found in this bill. Current law does not define heat or heat-related illness, which leaves too much room for employers to create their own definitions.

With regard to the smoke issue, every year we see more wildfires. This bill defines poor air quality as an AQI more than 200, at which point the air is considered unhealthy for everyone. When the AQI is between 201 and 300, it is expected that there will be widespread effects among the general population and more serious effects among members of sensitive groups. This will result in more people needing medical attention. When the AQI is above 200, the CDC also recommends drinking water to avoid bodily stress from working in the smoke.

Senate Bill 427 will protect workers exposed to extreme heat and weather conditions, which will allow them to continue to do their job safely. I will echo what Mr. Saavedra and Senator Flores said: we will continue to work with stakeholders to find consensus.

SENATOR FLORES:

I will walk through the bill and our conceptual amendment in [Exhibit E](#). In essence, S.B. 427 does three things: it establishes a heat-mitigation illness

program depending on when the heat hits a certain level; it establishes a program to mitigate the exposure to poor air quality; and it establishes a training for program for employees who have been affected by these factors.

The first amendment is in section 1, subsection 2, paragraph (b). The original language of the bill set the triggering temperature at 95 degrees F, which best practices around the U.S. suggested was typical of such policies. However, after working with industry and other stakeholders, we agreed to set this temperature at 105 degrees F.

The second amendment is in section 1, subsection 2, paragraph (b), subparagraph (1). The bill originally required one quart of "fresh, pure and cool potable drinking water" for each employee for each hour of work. [Exhibit E](#) changes this to "cool potable water."

Section 1, subsection 2, paragraph (b), subparagraph (2) requires access to a shaded area. [Exhibit E](#) adds that this is not necessary if such an area would create a safety hazard.

Section 1, subsection 2, paragraph (b), subparagraph (3) requires mandatory 10-minute breaks for each hour the person works. [Exhibit E](#) changes this to say that employees are allowed to take hydration breaks as necessary. When people are affected by the heat, they often feel it as a desire to get a drink of water or maybe pour some water over themselves. Allowing them to do this is logical and best practice, and many businesses already do this.

The idea of [S.B. 427](#) is to create a standard. We have heard some horror stories about workplaces where these things are not happening, particularly among outdoor gardeners and groundskeepers. They indicated that they have a quota of houses to reach in a workday, maybe 20 or 30 houses, and they are often not allowed to take a quick water break or given water to keep them going.

Section 1, subsection 2, paragraph (b), subparagraph (4) of the bill requires the development of a system for monitoring employees for signs of heat illness. Again, best practices should already be doing this. I have been to a lot of worksites where the restroom contains a poster listing some signs of heat stress to look for, such as, "If your urine is this color, be careful." A lot of people do not know the signs to look for. It is important that we have a plan in place.

Section 1, subsection 2, paragraph (b), subparagraph (5) of the bill requires a procedure for responding to a medical emergency related to heat illness. Best practices require a sense of what should be done if an employee passes out, for example.

Section 1, subsection 2, paragraph (c) of the bill requires the establishment of a training program for employees who may be affected by issues related to heat illness. Subparagraphs (1) through (4) detail what this should include.

Section 1, subsection 2, paragraph (d) of the bill requires the establishment of a program to mitigate exposure to an AQI of 201 or greater. This program has to include provision of respiratory protection equipment and other factors that are listed in subparagraphs (1) through (5).

We had a lot of questions about the meaning of the phrase "fresh, pure" with regard to drinking water. Our intention was to require that the water should be consumed by humans without endangering them.

Section 1, subsection 2, paragraph (d), subparagraph (3) of the bill requires that employees have access to an indoor environment with appropriate ventilation and air filtering. This could be as simple as taking a quick break in their car or any vehicle they can go into for a bit.

[Exhibit E](#) also includes some carve-outs, some fields that this bill would not apply to. We spoke with representatives of law enforcement and firefighters, and clearly their working conditions are such that it would not be possible or safe for them to stop for hydration or carry gallons of potable water. We do not expect firefighters to go sit in their cars in the middle of a fire, or for police to stop for a hydration break in the middle of a hostage situation. They already have rules in place for much of these issues, and we want them to continue to operate as they do.

The same thing is true for emergency infrastructure employees. Again, the intent was not really to capture them. We know there are a lot of situations in which they go above and beyond the requirements this bill sets in place.

Finally, section 1, subsection 2, paragraph (e) of [S.B. 427](#) requires the establishment of a training program for employees who may be exposed to poor air quality. This is done to make sure they understand the hazard of working

without personal protection equipment. The employer has to provide the equipment and the training, but we did not intend that the employer be required to stand over the employee to make sure they are using the equipment. The employer is only required to provide the tools and tell the employee how to use them.

SENATOR PAZINA:

I am happy to notice that you did not carve out indoor settings without climate control when it is over 105 degrees F. I work in the trade show industry, and I know what it is like in a trade show convention hall when it is over 105 degrees F and all the workers inside are struggling with the heat. There are so many good actors in the business who are providing water and other care for their employees now, but it is important to put this in place.

SENATOR DALY:

The compromises in [Exhibit E](#) make the bill a little more workable and more realistic.

Is the 105-degree trigger going to be based on the day's weather forecast, or is there some other measurement you intended to be used? If you are on a paving crew, the asphalt comes out at over 300 degrees F, and the heat radiating off of that will have a sharp effect on the air temperature. It will make a difference if you are talking about ambient temperature as opposed to the forecast temperature.

MS. MOORE:

It will be based on the location where the workers are.

SENATOR FLORES:

It needs to be ambient temperature. It could be a beautiful 85 degrees F outside, and the indoor temperature could still reach 120 degrees F in some scenarios. For several months, I have been in conversation with people who work in these kinds of jobs. In some cases, they have worked out their own procedures. They carry small monitoring devices that tell them when the ambient temperature gets above a certain point.

SENATOR DALY:

I understand. I know people who work in refineries or mines. When they have to go inside a kiln, they have protocols about how long they can be in and how

long they must rest after. Developing protocols could be more difficult for a paving crew that might be spread out over several miles, but I am sure they can figure out a way to do it. The same is true with the shade requirement.

The changes you make in this bill are definitely manageable. We want workers to be safe, and there is no barrier to have people develop protocols and training. I did have some concerns, but you have reached reasonable compromises. I will be looking forward to seeing what comes out in the final version.

CHAIR SPEARMAN:

Military commanders are required to do the same things S.B. 427 requires. You have an obligation to make sure your troops are properly hydrated, and it is a commander's responsibility to make sure they are watching their troops. The U.S. Marines have a publication called *Preventing Heat Injuries: The Commanders' Guide*, and it states that heat injuries are totally preventable. This bill is the same type of common sense, and I commend you for it.

SENATOR BUCK:

I like all the changes that were made in [Exhibit E](#). How do other states regulate this issue? Arizona is getting hotter, and Death Valley in California has some of the hottest temperatures on the planet.

MS. MOORE:

There are not a lot of states that are doing something like this. In Washington State, their protections kick in at 80 degrees F. In California, protections start at 90 degrees F.

SENATOR BUCK:

I was wondering why these protocols are reactive rather than proactive. We wait until it gets hot, and then we go into action. My husband works on air conditioners, and the temperature can easily hit 120 degrees F in those attics. Why not do the training ahead of time?

SENATOR FLORES:

I appreciate that sentiment. There is no reason for it not to be proactive. Employers should have the plan in place before the thermometer hits 105 degrees F or before the AQI hits 201. The idea would be to have the protocols ready before those scenarios happen. Realistically, the only way this can work is if it is in place when we reach the trigger point.

We also understand that there are a lot of employers who will never reach this scenario. Their workers will never be working outside in 105 degrees F or with an AQI of 201. This bill was never intended to apply to office workers, for example. We do not want to cast the net too widely. We only want to reach the industries that require people to work in these specific conditions, and that is who we are trying to reach.

SENATOR BUCK:

Do you know how many employees in those industries have been hospitalized due to heat illness?

SENATOR FLORES:

Unfortunately, I do not. A lot of people do not report this kind of incident—or if they do, they do not say it happened on the job. This might be due to bad relations with the employer, but there could be other reasons too. Workers' compensation might be able to get some data for us about claims in this area, but again, if workers do not report it or make a claim, there is not much we can do about it. At some point, we as Legislators should be discussing why employees are not comfortable filing claims. Is the system that difficult to navigate? But that is a different fight for a different day.

SENATOR BUCK:

A lot of this just seems like common sense.

SENATOR LANGE:

I am curious about how this bill would apply in, for instance, a grow house where the humidity is high, so that a lower temperature might still feel very hot. Would this be applicable?

SENATOR FLORES:

If we are hitting 105 degrees F, the answer is yes. However, I do not want to get into a question of humidity. The focus of the bill is going to be on extreme heat. That is not to say that we are not open to having a different conversation about what humidity means, how we gauge it and the impact it may have. In some ways, that might be worse because of the water you lose when you sweat. However, the focus of S.B. 427 has been extreme heat and smoke issues.

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ELYSE MONROY-MARSALA (Nevada Public Health Association):

The Nevada Public Health Association supports this bill and policies like it, as we are in a time of ever-changing climate situations.

PAUL CATHA (Culinary Workers Union, Local 226):

Culinary union members do not generally work in these conditions. However, the Culinary Union supports S.B. 427 because we have hundreds of political canvassers who work in these conditions in Las Vegas and Reno. We currently do everything in this bill. It is totally reasonable, and it is totally doable.

JOHN SOLOMON (Faith in Action):

I support S.B. 427. I am here to talk about indoor air quality in warehouses when northern Nevada is being inundated by smoke from California's wildfires. The first time this occurred, I was tasked with sending people home. It was treated like the major health emergency it was. Of course, no one was expected to work in the warehouse in the smoke. The air quality in most warehouses is the same as the air quality outside.

My son later worked his way through college by working in warehouses. When we had another inundation of smoke, I asked him if he was sent home. He said no; nothing whatsoever was done to protect his health from the toxic effects of the smoke. Bad air from wildfires has become normalized in our work environments, and it is still as bad for us as it ever was.

Please do something to protect our warehouse workers by passing S.B. 427.

ANNETTE MAGNUS (Executive Director, Battle Born Progress):

We stand in strong support of S.B. 427.

Both Las Vegas and Reno have consistently ranked among the fastest warming cities in the U.S. According to recent climate data, employees filed 135 heat stress complaints in Nevada in 2020. By 2021, the number of complaints rose to 202 statewide. According to the National Weather Service, a 105-degree day is classified as excessive heat, with Las Vegas temperatures in the summer exceeding 110 degrees F or more most days of the year. Thanks to climate change, it is imperative that workers who do their work outdoors be given basic protections to avoid death and serious illness while doing their jobs.

My husband Nick is an Occupational Safety and Health Administration (OSHA) safety and health professional for a national beverage manufacturer located in Henderson, Nevada, and that has sites all over the Country. As I prepared for this testimony, I asked him about this bill, and he stated that heat stress monitoring and risk mitigation needs to be taken as seriously as fall protection and confined space standards. There are jobs where even water availability is not enough, and employers should implement work stress regimens. This is also the newest OSHA National Emphasis Program, a fact that by itself proves how imperative heat stress education and management is.

It is my husband's job to make sure his business can thrive and that his employees have adequate training and safety guardrails. His company already does this, and it is completely manageable. Nevada should be the leader in heat stress management, proving how we can effectively make our workers' health and safety a priority. The trigger for his company is 80 degrees F, and it takes humidity into account. Companies that forego essential protections for extreme heat and poor air quality for their workers who work outside are risking their bottom line, as well as the lives and livelihoods of their workers.

Please pass S.B. 427 and ensure that Nevada's workers are not at increased risk of illness or death from extreme heat exposure.

JAAZIEL OZUNA:

I am a resident of Senate District 13 in support of S.B. 427. Everyone deserves to be safe while working to bring a paycheck home to their family. I have seen the consequences of extreme weather conditions on my own father, who is in his early 60s. He has worked in construction since he was 18 years old in the hottest of Las Vegas summers. My family moved to northern Nevada in 2018, and my dad was ecstatic to work in Reno's mild summers.

In 2019, due to genetics and the stress of his line of work, my dad had multiple heart attacks on the job. He underwent quadruple bypass open heart surgery at Carson Tahoe Medical Center. That was the first time I thought I would lose my father. We were scared when the COVID-19 pandemic hit, but he was spared.

During the summer of 2021, forest fires attacked Lake Tahoe and surrounding areas of northern California, and the smoke blanketed northern Nevada. My father went to the emergency room three or four times within a five-month period. I watched him coughing and coughing his lungs out. He had to have

breathing treatment, and he was so scared he would lose his life from inhaling smoke.

Summers are hazardous times for those with underlying health conditions like my dad. Thankfully, he has survived all the cards he has been dealt and is doing much better. He would be here today, but he is currently working outside as we speak. If my dad had had the protections outlined in this bill, his health issues might have been minimized or avoided altogether. Our family might not have had the trauma and anxiety that comes with seeing your father fall sick and wondering how we would make ends meet if he could not work anymore.

Black and Brown communities are the most vulnerable to these sort of issues. Things like providing employees with protective equipment, water breaks, clean water and adequate training is in my view the least we can do for people who work so hard in such scary conditions. Please support S.B. 427 for hardworking people like my father and for their children who just want to see their parents come home safe every day.

WILL ADLER (International Brotherhood of Electrical Workers, Local 1245):
We are in support of S.B. 427. The amendments proposed today in [Exhibit E](#) bring the bill into alignment with much of the regulations that were passed last Session. We feel these are good steps and good carve-outs for the employers who need them. We plan to continue working with the bill sponsor and all the stakeholders on any remaining ongoing issues.

DAVID BELTRAN-BARAJAS (Immigrant Justice Organizer, Progressive Leadership Alliance of Nevada):
We support S.B. 427.

We believe everyone should be able to live and work in safe conditions with dignity. We know that extreme heat is getting more extreme, and wildfires are burning hotter and longer, causing people in northern Nevada to work outside in extremely dangerous air-quality conditions.

I worked over a decade in construction. I remember working in the summer and getting sick from the heat. In Las Vegas, it is difficult but often necessary for working folks to rely on income from outdoor jobs. I remember the long days at the peak of summer being absolutely drenched in sweat. As a welder, I had to wear thick layers with long sleeves and thick duck canvas pants to protect

myself from the arc. By the end of the day, my clothes were stained with dried sweat. I wore those clothes for those long hot days so I could make a living.

Fortunately, my line of work is a little more climate controlled nowadays, but there are thousands of Nevadans who continue to face summer in these extreme conditions. Not once was I educated on how to deal with heat illness or even what signs to look for.

The protections outlined in this bill are commonsense solutions for both employers and employees. Employees given these protections to prevent heat exhaustion will be more productive and happier at work. Employers will likely see an increase in productivity and retention of employees if employees feel safe and cared for.

For the sake of the people of Nevada working in these extreme conditions, please support S.B. 427.

ROBERTO RENTERIA (interpreted by Jose Rivera):
I am here in support of S.B. 427.

I am a member of Make The Road Nevada, and I am here to speak for all workers exposed to extreme weather. I have worked in extreme climates for over two decades, having to withstand temperatures up to 120 degrees F for many hours. In many cases, this left me feeling exhausted, cramped and nauseated, with burning eyes and irritated skin. My clothes were soaked with sweat from being exposed to high temperatures. I would like you to spend a few hours in my shoes outside in extreme weather, feeling your shoes melt from the extreme temperatures in Las Vegas.

I ask that all companies provide water, access to shaded areas and dedicated emergency procedures. Thank you for this bill, and do not stop fighting for us.

EDUARDO SANCHEZ (interpreted by Jose Rivera):
I am a volunteer with Chispa Nevada, a nonpartisan nonprofit organization focused on environmental conservation.

I am a five-year resident of Las Vegas, the most beautiful city in the world. I have been given the opportunity to work in landscaping, and I know of five friends in the same field. The biggest threat we face is the lack of training

for outdoor workers regarding extreme climate effects. Workers are not well trained to work in 100-plus-degree F heat. Employers are not prepared to deal with heat-related illnesses among their employees. The current regulations do not help with the extreme weather conditions outdoor workers are expected to work in, which makes it possible for employees to become sick and exposes them to a lot of job insecurities.

I am in support of S.B. 427, as this would establish the opportunity for employees to be prepared for the problems of working in extreme climate effects and to have a secure work environment.

CHRIS MENDOZA (Fifth Sun Project; Nevada Environmental Justice Coalition):
Thank you for the opportunity to advocate for better working conditions for myself and many like me who work hard under the hot desert sun.

Spring is finally here, and with it our peak festival and convention season. I work in event and entertainment production as a stagehand. We build the spaces where events happen, like the Electric Daisy Carnival, the Lovers and Friends Festival and Life is Beautiful. These jobs are super exciting for the first couple of hours, but that is sometimes followed by 8 to 12 hours of not knowing whether I am going to make it.

Production can be dangerous even in the best of circumstances. But when white spots appear in your vision from heat exposure and critical thinking slips from dehydration, safety can seem very far away. I have had employers tell me that it is not their responsibility to provide water on the job. I have also heard them advise crew members to skip breaks to finish the job faster.

We need something in law to make my employers acknowledge that we live in a desert. I ask you to please support S.B. 427.

CHRISTI CABRERA-GEORGESON (Deputy Director, Nevada Conservation League):
We are here in support of S.B. 427.

Extreme heat events can be dangerous to health or even fatal. The number of heat-related deaths and illnesses continues to increase year after year. By 2050, the typical number of heatwave days in Nevada is projected to increase from 15 days to 55 days a year. In addition, Nevada continually receives poor grades for air quality, and smoke from wildfires can reduce air quality to hazardous

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levels. We must protect workers in these dangerous conditions. We urge the Committee's support for this bill.

CHASITY MARTINEZ (Faith in Action Nevada):
Faith in Action Nevada is a member of NEJC, and we want to show our support for S.B. 427.

I grew up in Fallon and moved to Reno about ten years ago. I remember my first year walking on the campus during a wildfire, my eyes are burning and learning about the long-term health impacts of inhaling air full of particulates. It is absolutely necessary that we have these added protections, especially for our community members who have to work inside and outside in these conditions.

Nevada has an opportunity to be an example and a role model to other states, affirming that we value our workers and choose to put people's health over profit. I urge you to please support this bill.

LISA ORTEGA:
I am here to testify in support of S.B. 427.

I have been a resident in the Mojave Desert for over 20 years and have worked outside my whole career. This bill is important for landscapers and landscape tree professionals. They are typically outside a minimum of eight hours and are also a large part of our Hispanic population. I am asking you to support S.B. 427 to provide for their protection.

JANET CARTER (Sierra Club):
I speak today on behalf of the Sierra Club and our over 30,000 members and supporters in Nevada. The Sierra Club strongly supports S.B. 427 to help protect workers from exposure to excessive heat.

I want to point out that not only can excessive heat exposure cause heat exhaustion and stroke, it can also exacerbate preexisting conditions such as hypertension and cardiac problems. It is a long-term health risk as well as short-term.

There was discussion earlier about the thresholds for temperature that other states use. It does vary, but I would like to point out that OSHA recommends employers have a plan to provide relief to any worker exposed to temperatures

exceeding 90 degrees F. Even simple remedies, such as providing shaded water access, air-conditioned locations for breaks and protective clothing can make a big difference in workers' health and well-being.

The bill also provides relief for workers exposed to unsafe particulate levels from the air they breathe indoors or outdoors. Respiratory disease is on the rise in Nevada.

We need this legislation for our workers, who are truly our most valuable asset. It is time to recognize that climate change is a killer. Its effects are hardest on working people in disadvantaged communities. All Nevadans deserve a comfortable safe working environment. We have to take a strong stand as climate change leads to warmer cities and warmer temperatures over the coming years.

Again, the Sierra Club asks for your strong support of S.B. 427.

MAC BYBEE (President, Associated Builders and Contractors, Inc.):
We are opposed to S.B. 427.

I was one of the individuals who worked with the Division of Industrial Relations in the Interim on this regulation. Through months and months of workshops, we were not able to come to a place where a broad regulation could fit every industry OSHA touches. It is a complex issue.

I want to talk about a couple things related to construction, as that seems to be the focus here. The industry standard, at least for commercial construction, is to do a safety talk every morning. As you walk the job site, you do a safety talk; you talk about the hazards and the job responsibilities of every individual. Heat mitigation is a known hazard in the construction industry. Heat mitigation is talked about on the job site, as is hydration and looking out for fellow workers. That is already occurring.

There is also what is called the general duty clause under OSHA, which from our perspective gives OSHA the authority to regulate this particular item on a construction site.

I would also like to talk about some of the numbers. It was said that there were 230 incidents of heat illness reported, but that was 230 incidents reported, not

230 cases of actual heat illness. Of these, 4 percent were in construction. That is roughly 9 incidents out of more than 100,000 employees.

This is something that is being mitigated in the construction industry. It is something that is identified. In addition, the majority of these incidents are occurring indoors, not outdoors.

PETER KRUEGER (Western Petroleum Marketers Association):
We are opposed to this bill.

Petroleum marketers have a unique job, being outdoors and dealing with hazardous materials. This process goes back to hearings in 2021, when the State OSHA promulgated draft regulations. They were presented to the Legislative Commission, who deferred making a decision. Here we are now trying to put something into law that has existed in draft regulations since 2022. At the same time, OSHA issued business guidelines for what they called wildfire health guidance for Nevada businesses and the same for heat stress.

The point is that we already have these regulations in place. The regulations are slightly different, but the biggest difference is the temperature that triggers the actions in the bill. We would support a higher temperature. At the same time, when you are in a hazardous operation such as fueling a truck or offloading hazardous materials, you cannot stop to provide shade.

This bill is an attempt to put into statute issues that more properly belong in regulation, where it can be changed more easily. We urge this Committee not to move on this piece of legislation. Instead, let Nevada OSHA promulgate regulations and do the job they are supposed to do.

JESSE WADHAMS (Vegas Chamber):

We appreciated the stakeholder meeting last week, but we continue to have concerns about S.B. 427. In addition to the other concerns you have heard, the bill includes some overly broad concepts that will create ambiguities, such as pure water versus potable water and the timing versus the place of the weather forecast.

We look forward to having more stakeholder discussions with the sponsor.

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PAUL ENOS (CEO, Nevada Trucking Association):
We are in opposition to S.B. 427.

Trucking operations vary significantly, from long-haul trucking in what is typically an air-conditioned cab, to short-haul parcel delivery with the driver hopping in and out of the cab constantly. Those tasks also range broadly in how much the driver is exposed to outdoor conditions and how strenuous the work is. Loading bales of hay on the back of a flatbed truck is different from moving ice cream out of a refrigerated truck. These scenarios were not contemplated under this bill's very broad and prescriptive terms. The tasks range broadly in terms of how much you are exposed to outdoor temperatures and how strenuous your tasks are.

This bill does not have a great impact on us, and it would be difficult for our industry to comply with it. We travel across different jurisdictions, different states and different climates on a daily basis. Trying to determine whether a driver who is operating remotely is suffering from a heat illness based on a phone call would be challenging, if not impossible.

I appreciate the idea of an awareness campaign and of being proactive. All employers should use the golden rule and treat their workers as they would like to be treated. If you are thirsty or you need a break, you want to be given the latitude to have that. There is a better way to achieve this than through this very prescriptive measure.

CHASE WHITTEMORE (Nevada Franchised Auto Dealers Association; Nevada Builders Alliance):

We are opposed to S.B. 427. However, we appreciate being invited to the stakeholder meeting to work out some language we can get behind.

In terms of the conceptual amendment in [Exhibit E](#), there are still some problems with that. The idea of giving employees hydration periods as needed throughout the workday to prevent the occurrence of heat illness is vaguely worded and could mean something different to different people.

We are still willing to work on this and will attempt to do so.

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TRAY ABNEY (National Federation of Independent Business):

We are opposed to this bill as written. We echo the previously stated concerns. We are always concerned about a one-size-fits-all bill like this.

We appreciate Senator Flores and Ms. Moore working with the business community on this. The conceptual amendment in [Exhibit E](#) alleviates some of our concerns, especially the ten-minute break period. We are getting closer there. However, until we see the final amendment, we remain opposed to this bill. We look forward to continuing the conversation.

MISTY GRIMMER (Nevada Resort Association):

We appreciate Senator Flores having an open door to have conversations with us. The amendment in [Exhibit E](#) makes some improvements, although we were not part of the working group that worked on that amendment. We look forward to being part of the future working group.

There are still some areas of ambiguity in the bill that we would like to see cleared up. We also have some questions specifically about the training, such as who is required to do the training and how often it needs to happen. We also have questions similar to the question Senator Daly posed. What are the heat standards going to be based on? Is there a weather service we can cite? When there is the possibility of being sanctioned, that level of clarity would be appreciated.

We look forward to further discussions.

EMILY OSTERBERG (Henderson Chamber of Commerce):

While we believe employee safety should be a priority, the broad language of this bill will have a negative effect on numerous businesses throughout Nevada, as this will apply to both indoor and outdoor settings. For this reason and all the previously mentioned reasons, we are opposed to [S.B. 427](#).

TOM CLARK (Reno + Sparks Chamber of Commerce):

We are opposed to [S.B. 427](#). We will continue to work with the stakeholders and the sponsor, especially when it comes to the AQI. In northern Nevada, the AQI can get up to 450 or 500. We have snow days, and we also have smoke days. We hope to address those concerns.

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LINDSAY KNOX (Nevada Home Builders Association; Southern Nevada Home Builders Association; Builders Association of Northern Nevada):

Safety is our industry's highest priority, and we are proud to have some of the lowest rates of heat-related illness despite our high summer temperatures. We attribute that to the hard work the construction industry has dedicated to the safety of its employees. We believe alternatives, such as a heat awareness campaign or earlier working hours, could limit the risk of exposure to heat illness from fieldworkers on construction sites.

The Nevada OSHA Office could still require training, signage and acknowledgement of existing safety standards for heat-prevention strategies without costly and invasive temperature measuring and temperature regulation that is prescriptive and does not differentiate the type of work or industry.

TOM FERRARO (Cox Communications):

We echo the concerns heard this morning and look forward to further discussions with the sponsor.

CYRUS HOJJATY:

I oppose this bill.

ALEXIS MOTAREX (Nevada Association of Mechanical Contractors):

We have the same concerns that have been mentioned and look forward to continuing to work with the sponsor and stakeholders to find resolution.

CONNOR CAIN (Mechanical Contractors Association of Las Vegas; Sheet Metal and Air Conditioning Contractors' National Association of Southern Nevada; Southern Nevada Electrical Contractors Association):

We are in opposition to S.B. 427.

The associations I represent have worked closely over the past year with OSHA on regulations addressing heat illness. We look forward to continuing to work with the sponsor and proponents of this bill.

DOUG BUSSELMAN (Nevada Farm Bureau Federation):

We are opposed to S.B. 427.

I received the proposed amendments this morning, and I think the changes improved the bill. However, our members have still expressed some concerns

and questions on whether the State standards would conflict with federal requirements, especially for farm workers who are covered by H-2A programs and how that might be dealt with.

There are also questions about air-quality conditions and how those responses might be effective in dealing with those problems, especially given the long-term air-quality issues we have had in recent years because of wildfires.

SARAH COLLINS (National Electrical Contractors Association):

Our concerns have already been echoed with those who testified before me. We are in opposition to S.B. 427.

KATRINA IVANOFF:

I am in opposition to the bill as written due to the concerns already mentioned. The spirit of the bill is beautiful, but it needs to be clarified. It is too broad to become a law.

VICTORIA CARREON (Administrator, Division of Industrial Relations, Nevada Department of Business and Industry):

We are neutral on S.B. 427.

SENATOR FLORES:

In case you wondered how often the temperature goes above 105 degrees F in Clark County: in 2020, there were 60 days above 105 degrees F; in 2021, it was 57 days; and in 2022, it was 38 days. In 2022, there were 3 days in Clark County when the AQI went above 201. That same year, there were 19 days in Washoe County when it went over 201.

I share this data to point out that we are not creating rules to disallow people from working. We are simply creating a basic plan for what we do when conditions require us to provide some additional safeguards. This is why it was so important for us to work with our union brothers and sisters. We realized that their number one objective is to get those folks to work in a safe, responsible way, setting minimum standards.

I appreciate those who testified that they already do these things. That is great, and this bill is not for them. This bill is intended to reach the industries where these things are not happening, where there is no minimum standard of care. To them, we are saying, "Look, you have to provide water, ventilation and some

minimum protection for your workers." It is hard for me to accept that creating a minimum standard of having water and shade available is impossible, or that saying people should not have to work in air that is toxic is overreaching. Saying those things are okay is problematic to me.

We are committed to working with every single industry across the board. We are going to continue amending this bill to work with everybody, but not to the extent that it is going to make this bill do nothing. We will not walk away from this Session without some minimum standards in place.

As Nevadans, we should be able to agree that none of us should be working outdoors in 100-plus degree weather for 8-plus hours without water. We can agree that none of us should be working in an air-quality index of 201-plus without some safety mechanisms in place. That is all we are saying. Let us work together to do this responsibly. If we can do this, employees and employers alike will be better off for it.

I have spoken to some individuals who worked in the north during the fires. They put in ten-hour days, then got sick and were unable to come to work for the next three days. If we had had some of those minimum standards in place, they might not have gotten sick and would have been able to work all three days. Pushing a worker excessively on a day with poor quality air could result in him missing the next three days. This is the type of thing that we could have prevented if we just had some minimum standards in place.

I look forward to working with everybody; my door is open, and we will work with you. But we are not going to make this a do-nothing bill. We have to set some minimum parameters.

CHAIR SPEARMAN:

I recommend you consult some of the literature that the military has to abide by. It has seen us through Nevada, Egypt and Afghanistan, which says there is a way to figure this out that will not be onerous. It is not a matter of money; it is a matter of people. As a commander, you can be court-martialed if one of your people goes because of heat stroke.

I will close the hearing on S.B. 427 and open the hearing on S.B. 370.

SENATE BILL 370: Revises provisions relating to consumer health data.
(BDR 52-42)

SENATOR NICOLE J. CANNIZZARO (Senatorial District No. 6):

Senate Bill 370 seeks to implement protections for health data and privacy protections for biometric data maintained and used by certain persons and entities.

We have a mock-up of Proposed Amendment 3550 ([Exhibit F](#)), which we will refer to throughout this hearing. It includes original text from S.B. 370 along with some amendments relating to a biometric data piece that deals specifically with collecting and maintaining data.

I know this Committee is no stranger to the rapid technological advancements we see on a day-to-day basis. An enormous amount of data of all types is collected and processed in our lives, and it is growing exponentially. Among the most sensitive types of data being collected are health and biometric information, which contains highly personal details about an individual's physical and mental well-being. Consequently, the need for robust protection to safeguard this data is more crucial than ever.

In recent years, there has been a significant increase in the number of entities that collect, process and use health and biometric data. This growth is due in part to the widespread adoption of electronic health records, wearable fitness devices and other health-related technologies. Additionally, biometric identification systems like facial recognition, fingerprint scanners and iris recognition have become increasingly popular for various applications, from unlocking your smartphone to facilitating secure access to buildings.

Given the sensitive nature of health and biometric data, there is a strong need to enact comprehensive legislation that addresses the potential risk and ensures the privacy and security of this information. As of February 6, 2023, three states, Washington, Texas and Illinois, have enacted biometric privacy legislation, while nine additional states have introduced this type of legislation so far in 2023. Those states are Arizona, Hawaii, Maryland, Massachusetts, Minnesota, Missouri, New York, Tennessee and Vermont.

These measures vary state by state, but the broad biometric proposals generally require companies to let people know when their biometrics are being collected,

secure the user's consent and lay out policies for how the information is kept and destroyed.

We have had a stakeholder meeting and are continuing to work with stakeholders on this bill. There is likely going to be some opposition today to the bill as it currently stands. We have received several amendments so far. We are amendable to one amendment that includes some exceptions for esports gaming and the Wii system that is used for physical fitness.

There are also ongoing concerns with physical location data. We have received some amendments to clarify those pieces and the definition of consumer health data. We have had some amendments regarding information that would still be covered under federal laws that are more stringent than this. For example, if your information is protected by the Health Insurance Portability and Accountability Act (HIPAA) or some other federal law, we want to make sure we are not creating an issue between State law and federal law. We do not want to unravel those laws in any way or create any loopholes.

We know there are many concerns about some of the definitions in this bill. We will continue working with the stakeholders and hope to come to agreement on all these issues.

ALEXANDRIA CANNITO (Lewis Roca):

Last summer, I took at class at the University of Nevada in which one of our assignments was to lead a discussion based on an article from the *Wall Street Journal*. I picked an article about applications that track a woman's menstrual cycle and the implications this could have for users if *Roe v. Wade*, 410 U.S. 113 (1973) were to be overturned. Within the week, *Roe v. Wade* was actually overturned, and our discussion suddenly had immediate relevance. We started thinking about what could be done to put in extra protections for users. I personally used one of these tracking apps for four to five years, and I do not want my personal information being sold when I am using it for my own health reasons. After more discussion, we realized that this could affect all consumers, not just people using menstrual cycle tracking apps.

I am going to walk you through S.B. 370 section by section. Sections 2 through 19 of the bill define terms used throughout the bill.

Section 7 of the bill defines "consumer" as a natural person who resides in Nevada or whose health data is collected in Nevada. This excludes those who are acting in an employment context.

Section 8 of the bill defines "consumer health data" as personally identifiable information related to the health of the consumer.

Section 15 defines "regulated entity" as a person conducting business in Nevada or providing products or services targeted to the consumer in Nevada, and then determining the purpose and means of processing, sharing and selling consumer health data.

Section 20 excludes certain data collected or disclosed under federal or State law from the provisions of the bill.

Section 21 requires regulated entities to develop and maintain a privacy policy for consumer health data and obtain affirmative consent from consumers before collecting, sharing or selling their data.

Sections 22 and 23 include requirements governing consumer consent for data collection and sharing. Section 22 requires a regulated entity to obtain affirmative consent from the consumer before collecting or sharing consumer health data. Section 23 authorizes consent to be provided electronically.

Section 24 of the bill establishes consumer rights to request information about their health data and demand its deletion.

Section 25 requires response to consumer requests, including providing information free of charge in most circumstances, within 45 days. Exemptions to this are included.

Section 26 states regulated entities, affiliates and third parties have 30 days to delete consumer health data upon request.

Section 27 of S.B. 370 requires regulated entities to establish an appeals process for consumers if their request for data deletion is denied. The regulated entity must respond to an appeal in writing within 45 days.

Section 28 of the bill requires regulated entities to implement policies and procedures to protect the security of consumer health data.

Section 30 prohibits selling or offering to sell consumer health data without written authorization from the consumer.

Section 31 prohibits geofencing within 2,000 feet around providers of in-person healthcare services or products for certain purposes.

Section 34 establishes that violating provisions of the bill constitutes deceptive trade practices and allows injured parties to bring civil actions.

Sections 34.1 through 34.9 in [Exhibit F](#) outline provisions for the protection of biometric identifiers, including face, fingerprint or iris data, and establish requirements for the collection, possession, sharing and sale of such data. Section 34.9 specifically establishes civil penalties for violation of these sections, which authorizes the Attorney General (AG) to bring an action in court to recover a civil penalty of \$1,000 or the amount of actual damages, whichever is greater. If the violation was caused by negligence or recklessness, or if the violation was intentional, the amount is \$5,000 or the amount of the actual damages, whichever is greater.

TERRY COFFING (FaceTec):

I am the chief legal officer for a Las Vegas-based software company called FaceTec. We provide software related to the collection of biometric information, particularly as it involves the face. We support [S.B. 370](#).

In putting forth the proposed amendment in [Exhibit F](#), we have received widespread support, not only from leadership in both houses but also from the AG's office as well.

SENATOR DALY:

It is important to support this bill.

Sections 20, 21 and 22 of the bill refer to obtaining consumer consent. How does that exactly happen? A lot of times, when you use an app for the first time, it asks you to read the privacy policy and click that you agree to it. However, since it is 87 pages long and you have to click on it in order to use the app, you click without reading. Is this consent included in that part of the app?

SENATOR CANNIZZARO:

What you are seeing in sections 20 and 21 is an attempt to outline specifically what needs to be provided in those pieces. Frankly, yes, it is sometimes buried in a larger privacy policy. However, when it comes to the consumer's personal health data, we want to be specific about what exactly has to be disclosed to the consumer. This is the consumer protection piece of the bill. We are trying to create some standardization for what exactly has to be disclosed to a consumer and what exactly they have to consent to.

SENATOR DALY:

I believe there is a requirement in the bill that the app cannot require the user to give up personal information in order to use the app. If this protection is not in the bill, it should be.

SENATOR CANNIZZARO:

That is exactly what we are trying to get at with this bill, yes, and it was the impetus for the bill. When you are tracking something like a menstrual cycle, you may be doing that for a number of reasons. For example, if you are trying to plan a pregnancy, the timing of your cycle is integral. You generally are not doing it so someone else can sell that data or sell you something. You are using it for your own personal needs in order to track that data so you can make informed decisions about your life. What we are trying to do here is standardize that.

SENATOR SCHEIBLE:

I completely agree with the purpose of this bill. It is important that when we utilize technology to help us access health care, that information is not misused in any way.

Could you talk about the consumer's ability to determine the level of sharing that goes on with their data? For example, someone using a fitness app might want to share the information with a partner or their doctor but not the developer of the software. Does part of this bill enable the consumer to scale the level of sharing the app does?

SENATOR CANNIZZARO:

Sections 21 and 22 are probably the most pertinent. They list the things a regulated entity shall not do with the data. For example, section 22, subsection 1 says a regulated entity shall not collect consumer health data,

except with the affirmative consent of the consumer. The consumer can always consent to the extent necessary to provide a product or service that the consumer has requested from the regulated entity. You can always consent to use your own health data.

SENATOR SCHEIBLE:

I think I am hearing you say that different apps might have different levels of sharing. If we are talking about an app that tracks my blood glucose level to control my diabetes, I am the only one who needs to know that. If it is a step counter and I am competing with my sisters, I need to be able to share the data in order to use the app.

SENATOR CANNIZZARO:

Yes. We are trying to make some of those exceptions for situations where you want to share data. This is a means to ensure what data is being collected and how it is being used.

SENATOR STONE:

This is a great bill. There are certain instances where a physician needs to report a new health condition, such as when a patient has developed a seizure disorder or vision issues and should no longer get behind the wheel of a car. Does S.B. 370 allow that communication to still happen, or do we need to add some special exemptions?

SENATOR CANNIZZARO:

That was one of the concerns that was brought to us by a couple of different entities. We are not trying to step over any bounds. If something is covered under HIPAA or is a requirement for a physician to report, that is not what we are talking about, and it is not what we are trying to get at with this bill. If a physician has an obligation to report certain conditions or comply with certain other entities, we do not want to inhibit that whatsoever. We also do not want to get into a position where something is protected by HIPAA but would not be protected if this was enacted. We are still doing some work on that front to ensure it does not become too convoluted and that we are not encroaching on those pieces.

What we are trying to get at with this bill is to ensure consumers can use health-related apps without worrying that their personal information is being collected and sold for some other purpose. With respect to biometric data, we

want to make sure there are certain parameters around the collection and maintenance of those pieces because they are so highly specified. We may need further amendments to address this.

SENATOR HAMMOND:

Section 34.8, subsection 2 of [Exhibit F](#) says, "At the time a person collects a biometric identifier, the person shall ensure that the subject is present." Could you explain a little bit more and what the intent is there?

MR. COFFING:

In the context of collecting biometrics, especially faces, they can be spoofed. We want to make sure that when biometric data is collected, there is some assurance that it is a live person. It is not a theatrical mask, a mannequin or a static two-dimensional picture that someone could use to access or fake your biometric information.

SENATOR HAMMOND:

Is this directed at a particular company that does this?

MR. COFFING:

No. Generally, it is done with a selfie or a cell phone camera.

SENATOR HAMMOND:

I take it that you are confirming that no fakery was used in taking these pictures.

MR. COFFING:

Correct.

SENATOR BUCK:

Will this bill allow me to download an app and use it if I click, "No, I do not want my information shared," or does it vary with different apps?

How many other states enact this? I can see a potential problem if we are enacting this in Nevada and other states have different requirements.

SENATOR CANNIZZARO:

The bill provides that if you say you do not want your data sold, you can still utilize that app, yes. There are still limited uses for that data that would be permissible, if you consented to it.

With respect to your second question, there are three states that currently have these sorts of provision in state law: Washington, Texas and Illinois. There are nine other states considering this type of legislation in this calendar year.

SENATOR BUCK:

I like this bill for both health care and banking. I definitely do not want my credit scores shared or sold. Those sorts of things should not be shared if we say no.

SENATOR DALY:

Section 8, subsection 4 of the bill talks about "derivative, inferred or emergent data derived through algorithm, machine learning or any other means." My first thought was that artificial intelligence should be included in this list. I see that it is included in section 34.3 of [Exhibit F](#), so perhaps it should be here as well. It does say "or any other means," but maybe we should call it out by name.

Section 34.1, subsection 1 says, "... is likely to streamline of online transactions ..." I believe that "of" is out of place, since the sentence as written makes no sense.

SENATOR CANNIZZARO:

You are going to catch all my errors. I believe that is just a typographical error, and it will be corrected.

SENATOR DALY:

Section 34, subsection 1, paragraph (b) lists costs the court shall award. However, in [Exhibit F](#), section 34.9, subsection 1, paragraph (b), it limits those awards to \$1,000 and \$5,000. If the AG is going with appropriate relief, it seems to me it would cost them more than \$1,000 or \$5,000. The consumer should at least get court costs.

SENATOR CANNIZZARO:

We will take that under advisement. We are still working through some of the pieces for the enforcement mechanisms as well, so we will take a look at those fines.

CHAIR SPEARMAN:

When I go to the gym and get on the stationary bike, there is an app where you can punch in, and it keeps track of your workout. Does this bill cover that? My smartwatch also tracks my heart rate, which I keep turned off because it makes me think of the book *1984* by George Orwell.

SENATOR CANNIZZARO:

The definition of "consumer health data" in section 8 of the bill would include both of those examples, yes. We are trying to make sure we have a good balance between ensuring specific data is protected while still allowing the consumer to utilize all of those functions. For example, I have a smartwatch. When I am training for a race, I keep track of all sorts of information such as my heart rate, my pace and how I improve over time, which I find very useful for training purposes. We want consumers to still be able to use that data and share it between their own devices. We also want consumers to be aware of what data is being collected, and if there are pieces they do not want to be sold, they have the right to opt out.

SENATOR PAZINA:

I have read about cases where law enforcement was able to use data from smartwatches to solve crimes by showing where the user was at a certain time. Is that something that is still available to law enforcement with this bill?

SENATOR CANNIZZARO:

That type of data is outside the parameters of S.B. 370. If law enforcement is seeking geolocation data, they would have to go through the process of obtaining a warrant first. It would be a specific warrant, generally what is referred to as a pen register. They would have to go through the process again to obtain a warrant for other location data.

Any other data they might want to collect, such as cell phone data or text messages, exists irrespective of this bill. I believe they would still have the ability to obtain warrants for that sort of information.

SIG ROGICH:

I am here in support of S.B. 370. We met with the Nevada Gaming Control Board to give them an overview of this bill, and we have their support. They understand the essence of what we are trying to achieve here.

DAVID CHERRY (City of Henderson):

We support S.B. 370. I want to thank Senator Cannizzaro for the opportunity to participate in the Senate stakeholder process on this bill. We suggested adding the provision that local governments may collect information from employees or the public related to the performance of governmental functions, services and other related purposes, but they are not in the business of monetizing this data.

ALISA NAVE-WORTH (Entertainment Software Association):

We are in full support of S.B. 370.

We have a proposed amendment ([Exhibit G](#)) that would amend section 8 to add a subsection 5 to say that consumer health data does not include personal information used to provide access to or enable an individual's gameplay movements on a video game platform.

This bill is intended to protect consumers' reproductive health data. Video games do not collect data related to reproductive health, but the wording of the bill is broad enough that video games might be captured unless they were specifically exempted. Some fitness-related video games collect limited health data, such as heart rate and calories burned. These games use a specialized controller linked to the game console to track the player's movements and heart rate. Typically, these apps gamify light exercise. An example of this is Ring Fit Adventure for the Nintendo Switch or the Wii.

The proposed carve-out would avoid adverse impacts on video games while leaving the intent of the bill undisturbed.

AMANDA CORTEZ:

I fully support this bill. I was in Ms. Cannito's class this summer and have been talking to friends and neighbors about this issue. A lot of people I spoke to thought this data was covered by HIPAA, but it is not. Our discussion convinced me that this bill is critically important.

Ms. MAGNUS:

Battle Born Progress stands in support of S.B. 370. This bill would go far to protect the security of Nevadans' health data and keep it from being sold for advertising or other profit-motivated purposes.

In 2016, drug corporations spent \$6 billion buying 4.6 million drug ads targeting consumers and over 650,000 TV commercials. With access to our private health data, drug corporations can continue their marketing practices in ways that actually restrict consumer knowledge and choice rather than enhancing it. As the head of an organization with staff and volunteers who rely upon ethically sound medical practices to maintain a healthy lifestyle, I take it personally to advocate for ethical consumer data practices.

The amendment to protect biometric data is crucial, as using the fingerprints, iris or face of a person is data that could be misused to compromise a person's phone or other devices. I am especially worried about this issue as it relates to period data and other data surrounding reproductive health care, especially in light of recent decisions from the courts.

MELISSA CLEMENT (Nevada Right to Life):

We support health data privacy as envisioned by this bill. It seems like a no-brainer. As a woman, mother and citizen, I say that privacy is always important regardless of what kind or what branch of health care we are envisioning. We are in favor of health care privacy, which is paramount.

MR. ABNEY:

On this bill, I represent American Health Insurance Plans. We are not opposed to the purpose or concepts behind this bill, but we are opposed to some of the provisions of S.B. 370. We have been working with Senator Cannizzaro to get those addressed.

The goal here is to avoid layering State law on top of existing, expensive federal regulation in the health insurance and financial regulation world. The current language exempts only data, not the entity itself. We would like to see an entity exemption for companies that are already heavily regulated by HIPAA and the Gramm-Leach-Bliley Act. An entity exemption is more complete, since companies protect all their sensitive information with the same privacy security legal framework, even though this or that piece of information might not be subject to the definitions of HIPAA.

We believe that is the more efficient way to frame this, and we have submitted language to Senator Cannizzaro. Our amendment matches the laws in Connecticut, Virginia and California. We are worried about the multilayered

regulation of privacy, and there is some private right of action language in the bill we are also worried about.

In summary, we are opposed to some of the specifics in this bill, but I would consider it a friendly opposition.

CASEY ROGERS:

I am opposed to S.B. 370.

One of my favorite movie quotes is when an old cowboy looks at a younger cowboy and says, "You know that little white speck on chicken poo? Well, it is chicken poo too."

Ms. IVANOFF:

I love the spirit of the bill. However, I do not think it goes far enough to protect consumers. It has some very vague information. Some exceptions should never be in the law. A good attorney can turn an exception into a loophole.

I am opposed to the bill as written.

ANDREW KINGMAN (State Privacy and Security Coalition):

We represent telecom technology, retail, payment card, health care and automotive sectors. I also have a background as a privacy compliance attorney helping companies navigate various state privacy laws.

We appreciate the intent of this bill and are working with Senator Cannizzaro on specific language. We will have an amendment to her later today.

We have significant concerns about the bill as drafted. It will not help consumers in the way it intends. We want to help it get there. To be clear, none of the examples cited today would be negated by our amendment. Period tracking apps would still be covered and subject to strict data controls. Women would still be protected from online harassment as they entered reproductive care centers. We are not proposing to change opt-in consent requirements for collection and sharing, the restrictions on sale or protections for reproductive or gender-affirming care.

However, there is currently overbreadth in the definitions and operational provisions that we believe need to be fixed. For instance, the definition of "consumer health data" remains so broad that consumers will get opt-in

requests for routine purchases like makeup or deodorant. The definition of "collect" includes any form of processing, which includes deletion, storage or any other treatment of that type of data. The way the geofencing provisions are drafted, individuals would not be able to receive text messages that their prescriptions are ready or other helpful reminders. As it is written, this bill would be enforced not by individuals with expertise in these matters, but by plaintiffs' attorneys looking to exploit the ambiguities.

Our amendment is drawn from established definitions and language from other state privacy laws.

LIA NITAKE (TechNet):

I would like to echo the comments and concerns that were outlined by Mr. Kingman. We oppose the bill as introduced, but we appreciate the bill's intent. We look forward to continuing to work with the sponsor and proponents on amendments moving forward.

SENATOR CANNIZZARO:

As you have heard, we are going to continue to work on this one. I am hopeful that we will be able to get to an amendment that addresses the concerns we have heard today.

CHAIR SPEARMAN:

I will close the hearing on S.B. 370 and open the hearing on S.B. 277.

[SENATE BILL 277](#): Revises provisions relating to cannabis. (BDR 56-193)

SENATOR DALLAS HARRIS (Senatorial District No. 11):

This is a largely industry-driven bill. Everything you see in this legislation is a product of months and months of discussion with Scot Rutledge, A'Esha Goins and Will Adler, as well as folks from the Chamber of Cannabis and the Nevada Cannabis Association.

Nevada's cannabis industry is currently thriving. One thing we need to do to move it into its next stage of success is to eliminate the distinction between medical use and adult-use licenses.

As some of you know, Nevada legalized cannabis in two stages: first for medical uses only, and then for adult recreational use. There were good reasons

for delineating the two. We have higher standards for some of the medical cannabis growers. We allow those who hold a medical cannabis card to less or no taxes, and we also allow medical users to purchase more at one time.

However, in 2023, a majority of the folks who hold licenses to grow and/or sell cannabis are in fact dual licensees, and they are already doing all of the things they need to do to sell medical cannabis. This is true up and down the chain, from cultivation to retail. It no longer serves a purpose for us to have two separate licenses.

Senate Bill 277 is a well-thought-out plan to move us from a two-license structure to a single-license structure. If you hold a medical license only and you are in a jurisdiction that does not allow adult-use, we will grandfather you in and allow you to continue to renew as medical only. We are not forcing anyone to pay for an additional license where they cannot receive the benefit of that additional license. For that reason, this bill also make some adjustments to the fees.

We tried to make it so that this would be revenue-neutral to the Cannabis Compliance Board (CCB), but also be fair and spread out the impact among the different license types so that there would not be too much shock. However, I will note that those who currently do not have an adult-use license and will be renewing at a higher level will gain the ability to sell to adult-use customers. If your license is adult-use only, your renewal fee will go up, but you will get the additional benefit of being able to sell to medical clients, as long as you meet all of the current statutory requirements under law to be able to do so. Section 3 of the bill touches on that quite a bit.

One thing I know the Committee will be interested in is the removal of the felony exclusion. When we created this industry a few years ago, we decided it was probably a good idea to universally exclude folks who have felonies, and not just certain types of felonies but all felonies from the previous ten years. We have seen a lot of licensing reform this Session, and a lot of it has been in this vein. When we exclude people with felonies, are we doing it intentionally? Is there some nexus between the exclusion and the license? I would suggest that in this field and given how the law is currently drafted, there is no nexus.

We want to make sure there are low barriers to entry in all industries so they can thrive, and so all people have an opportunity to participate in what is now a

legal market. The CCB does a great job of vetting, especially when it comes to owners and operators. That will not change. What we are talking about here is getting rid of the idea that if you have a felony, you cannot even submit an application to get an agent card. I do not think that is necessary anymore, given that we set a strong regulatory body in the CCB.

We have worked through a lot of issues as to how this industry and market will operate. It is now at a point where we do not have to automatically exclude folks for felonies. I believe the Lieutenant Governor's Office of Small Business Advocacy has raised the point that they think we should be looking at when we need to have felonies as exclusions for licensing. This would be one of those cases.

Another portion of S.B. 277 raises the possession limit from 1 ounce to 2.5 ounces. At the same time, it levels the possession limit for both medical and adult-use. Currently, we have separate levels. If you have a medical cannabis card, you can carry a bit more; if you are just adult-use, you can carry less. This bill makes that the same for both types.

One of our neighboring states, Oregon, also has a legal cannabis industry. Oregon has a two-ounce possession limit in public and an eight-ounce possession limit in private. This 2.5-ounce limit is not out of the scope of what other states are doing. In a State where we made the public policy decision to allow a legal marijuana market, we have to make sure our possession limits make sense. Otherwise, we have only half legalized it. It reminds me of the time when we had legalized cannabis but before we had consumption lounges. Cannabis was legal, but there was no legal place for people to consume it. What sense does that make? If we have decided that this is the policy of the State, we have to make sure all our other laws are in line with that.

This issue makes me think of the amount of beer I buy. When my local grocery store has a sale, I like to go in and stock up because that is the best time for it. I have never once had someone at the checkout say, "Is this all for personal use? What do you plan on doing with that? Are you having a party, or do you plan on selling it?" People make jokes and say things like, "That can't be all for you." I smile and say, "Yeah, it is." With other products, we do not put a limit on how much people can buy or what they are going to use it for. There is no assumption when I buy a 48-pack of beer that I must be doing something illicit with it, that I am going to sell it to minors or sell it on the black market. That is

something we have gotten past because alcohol has been legal for so long. We have to move the cannabis industry into the next phase. We have to do our best to destigmatize this drug that we decided to create a legal market for and do it consciously.

Again, I will note that this piece, just like the rest of the bill, was put forward in conjunction with industry stakeholders. This is something businesses are asking for. Some may argue that this will make the illicit market boom, but I personally believe it would be the exact opposite. Right now, you can go into your favorite store and buy an ounce, and then you spin the wheel because you have a certain amount of points and you might get some free edibles. But guess what? You cannot take your edibles home because you just bought an ounce and you cannot carry any more. What sense does that make?

It is time to rethink that limit, to put some flexibility into that number. I would also suggest that if you are able to legally purchase more than an ounce, that is going to make you less likely to buy from an illegal street vendor to get your two ounces. Cannabis is not like ham; it does not have a one-week shelf life. You can buy two ounces and use it over the next three or four months if you like. There is no requirement that you smoke it right away. Let people buy in bulk, if that is how they choose to make their purchases.

This bill would allow for cannabis establishments to have more than one secured entrance. Again, this is a vestige of our original structure and is no longer needed. I would like the Committee to consider a conceptual amendment where we allow additional doors, not just for cultivation but for all facilities in the industry. Of course, those doors still need to be secured. We are not changing that. This would just allow you to have more than one entrance. It makes sense for this industry and where it is going.

SCOT RUTLEDGE (Argentum Partners):

We submitted a letter of support ([Exhibit H](#)) on behalf of some of our cannabis clients: Mom's Meds Management, Green Life Productions and Deep Roots Harvest. Components of S.B. 277 were brought forward at the request of our clients and others across the industry.

I will not belabor the points Senator Harris has already brought forward. One thing I discussed with a couple of medical cannabis users is that when we created these new adult-use retail stores, we did not give those stores the

ability to sell medical cannabis. If you are a medical cannabis user and there is an adult-use retail store near your home where you would like to shop, they cannot presently sell to you. Merging these licenses into a singular cannabis establishment license type means every storefront will be able to sell to medical cannabis users.

This bill also reduces the cost of dual compliance for both licensees and the State. Eliminating the need to renew both license types would be a savings to both the State and the industry.

This bill is about creating a better marketplace for the industry. We have seen a lot of discussion around the illicit cannabis market. Increasing the amount of legal possession is one way of getting to that. There are a number of retail stores that advertise one ounce for \$100, for example. They do that because they have a glut of product in the market. Customers want to be able to buy more than one ounce at a time, and I do not think it means they will come to the retail stores less often. It definitely gives them flexibility, much like when you buy a little more of any item because there is a sale.

TICK SEGERBLOM (Commissioner, Clark County):

Regarding the elimination of excluded felonies, when we started this process ten years ago, we were concerned about who would be able to participate in the industry. We wanted to make sure we had tight security as far as who we let become part of this new industry. But as time has gone by, we have realized that many people have felonies that should no longer be considered felons, so we should not have an automatic exclusion. We also have the CCB, which has staff who can do investigations. Rather than having a category that is automatically excluded, the better thing would be to remove that from the law and allow the CCB to make individual decisions. We should also remember that felonies are more frequently attributed to people of color, and that they have been impacted more adversely than other groups.

That is the most important part of S.B. 277. I support the whole bill, but I want to emphasize that we want to make sure everyone has a fair chance to participate in this great industry.

SENATOR HARRIS:

I want to be sure everyone understands that this bill does not allow for the creation of new licenses out of thin air, so to speak. We have worked with the

Legislative Counsel Bureau to ensure that all we are doing is transitioning single licenses into dual licenses. We particularly do not want to allow a loophole that would allow people to split those early licenses and end up with four licenses. This bill is carefully crafted to make sure we do not go around the CCB or the Legislature, or sidestep the process of deciding how many licenses should be out there. This bill will not do that.

I am working with the CCB to ensure we have the right tools and language in place for them to ensure that folks who should not be in the industry are not in the industry. We also want to make sure that industry members hiring folks with agent cards have all the discretion they need to make all the hiring decisions. There is nothing that requires them to take someone with a felony. There is nothing that requires the CCB to give cards to people with felonies if we are worried about their participation in the industry. This is about removing that "Don't even come and put in an application" piece. There are other safeguards in place to ensure that we have good folks doing good work and working for good people.

CHAIR SPEARMAN:

It appears that this might be a good companion bill for S.B. 402, the Cannabis Mentorship Pilot Program. As you promulgate additional regulations, please consider that as well.

SENATE BILL 402: Creates the Cannabis Mentorship Pilot Program. (BDR 56-1064)

SENATOR SCHEIBLE:

I want to clarify for the record that we are talking about consolidating the dispensing licenses for medical and recreational or adult marijuana into one. We are not talking about getting rid of medical marijuana cards for people who hold them.

SENATOR HARRIS:

You are correct. The medical card system and process remain. We are only talking about the license that an establishment must obtain in order to be able to grow or sell to those patients. All of the medical card processes will remain the same. All of the current tax exemptions they are entitled to would remain the same.

SENATOR STONE:

I want to confirm that if somebody still has a medicinal use for cannabis, they will not be paying the excise tax.

With dual licensure, how are you going to prevent a retailer from selling one type for the other and not collecting the appropriate tax? Do you see any tax issues associated with this?

SENATOR HARRIS:

As to your first question, yes, we will still maintain the exemption for the excise tax.

As to your second question, we have dual licenses operating today, so the systems are already in place. The establishments have restrictions in place to ensure they are in compliance. I do not foresee any problems just because we have more dual licenses now. However, a lot of folks are already walking that fine line between how they serve the adult-use customers and how they serve the medical-use customers. They have strict processes in place, and that will remain. The CCB will also be watching over these establishments.

SENATOR BUCK:

I am okay with the idea of increasing the amount. That seems to be common sense, as does the dual license idea. Where I get hung up is allowing any felon into the industry. Does that include home invasions, domestic violence, robberies, burglaries, carjacking, murder and all that, or is it just felony drug possession?

SENATOR HARRIS:

At some point, you have served your time. If you have committed a heinous murder, you may not be back out on the streets for a long time. Sentencing generally takes care of folks who should not be reentering society. What I am proposing is if you have served your time for whatever that felony may have been, you can at least apply to get into the industry. There is no guarantee you are going to get in, of course. We are just removing the piece that says, "Don't even come knocking at our door."

That does not mean anybody has to hire you if they do not want to, just as it is for any other industry. Most professions do not have a list of excluded felonies. If we continue to leave these provisions in statute, we are committing these

folks to another life of crime because there is no legal place where they can get a job. We have to move away from that and allow individual employers the freedom to make the decision to hire employees they feel are right for their establishment.

SENATOR BUCK:

I was alarmed when I read recently that 75 percent of the \$1 billion cannabis market is illegal. Do you see this as helping that or further increasing it?

SENATOR HARRIS:

I hope S.B. 277 would definitely lower that illicit market, especially as folks who want to be involved in the industry have more legal avenues to do so.

SENATOR SCHEIBLE:

I have a follow-up question on the felonies. I was not originally planning to ask because I support allowing people who have felony convictions to work in this industry.

I am interested to know how many people have been kept out of the industry. I do not see anywhere that everybody with a felony is excluded. It is only people with excluded felonies, which are narrowly defined. They either have to have a category A felony, which are serious felonies that carry life sentences, so few of those people are out on the street looking for work, or they have to have two felony convictions. Anybody who has a single conviction for many of the crimes Senator Buck mentioned would still be eligible. If you have one robbery conviction, that is a category B felony, and you would be eligible. If you have a single sale of controlled substance felony, that is a category C felony, and you would be eligible for a license or to work in one of these locations.

Are we addressing this problem because people have been excluded despite the fact that they were allowed to be included? Were they excluded because they have more than one felony? That is also a problem, especially when it comes to people being convicted of drug felonies, where they can be stacked. They can be charged along with property crimes, or they can get stuck in the system.

I would like more information about the problem we are seeing on the ground and how removing the excluded felonies, which are already limited, helps to accomplish the goal.

SENATOR HARRIS:

I was overbroad in my description of the excluded felonies. The director of the CCB may have more direct numbers on how many applications they see and have to reject because they have an excluded felony offense. My estimation is that we probably will not know what the true number is because people with excluded felonies do not apply in the first place.

For me, this is not about John Smith who came to me because he had one excluded felony and wanted to get into the industry. This is about occupational licensing reform in general and how we want to regulate this industry moving forward.

SENATOR SCHEIBLE:

This bill also does not prevent the CCB from learning about the felony and asking the person about the felony. If someone applies who has seven convictions for sale of controlled substances, you could ask about the circumstances and still deny them an application if they seem to be unfit. Is that right?

SENATOR HARRIS:

Yes, you are correct. Nothing prevents the CCB from learning about these felonies or requiring disclosure of them, and I am sure they will do so.

I would like to return to an earlier point. I do not know if possession and sale of a controlled substance is the felony we want to exclude from this industry. It might make more sense if we were talking about financial crimes, considering the amount of cash these facilities handle. But that highlights the point that it is not really narrowly tailored at the moment to the actual dangers we think might be present by allowing felons to engage in the industry, aside from the fact that they are felons, and felons is a scary word.

CHRISTINA ULMAN (President, Chamber of Cannabis):

I am grateful to have the opportunity to speak in favor of S.B. 277, a bill that will both grow commerce and strengthen Nevada's cannabis industry.

In the last year and a half, the cannabis industry has seen a decline in sales of 15 percent. This decrease in revenue means a reduction in jobs and tax dollars. According to New Frontier Data, we have had a decrease of \$19 million in tax

revenue, from \$160 million in 2021 to \$141 million in 2022. That is \$19 million less for our schools.

Senate Bill 277 will allow us to recoup this loss and earn additional revenue by increasing the daily purchase and possession limit. This increase will allow Nevada to remain competitive with other states. As legalization increases, it will reduce the need for people to purchase on the unlicensed market. As we like to say, the best defense is a great offense.

The proposed amounts are not enough to make it profitable to resell these items on the unlicensed market. Seven grams of concentrate is an amount smaller than your thumbnail, and 2.5 ounces of flower is the size of a small bag of chips. After adding taxes and fees, it is highly unlikely anyone would make a profit trying to sell this on the unlicensed market.

This bill will also strengthen the cannabis industry workforce by allowing businesses to hire ex-offenders if they so wish. According to data from the Prison Policy Initiative, there are 22,000 people on probation and 6,000 people on parole in Nevada. That is 28,000 missed opportunities to create a pathway to enter the licensed market. This bill will reduce the number of operators on the unlicensed market and the tax dollars spent keeping people in the criminal justice system.

We have the opportunity to increase the talent pool for cultivators and producers who are in high demand, not just in Nevada but throughout the U.S., and increase the success of reentry programs. Most importantly, Nevada will be the example for other states in this field. If you are happy with the way the industry has been going, we encourage you to help it keep growing and say yes to S.B. 277.

BRIANA PADILLA (Executive Director, Chamber of Cannabis):

I am humbled and grateful for the opportunity to testify in support of S.B. 277 today.

I am here as a leader, advocate and constituent who has dedicated the better half of six years to fighting for better, clearer laws that bolster rather than hinder our cannabis industry. The industry is in need of your help as we face unprecedented hurdles in the form of burdensome overregulation and economic contraction. This bill will bring growth and talent to a sector that has been

contracting under the pressures of overregulation. At the same time, it will boost the bottom line of the entire cannabis industry and create new opportunities for ancillary support economies to develop.

Senate Bill 277 is also the means of fully satisfying the long unkept promise made to ex-offenders who are unable to get a job in the cannabis industry. This is despite qualifying for exemptions that are not facilitated or supported by existing laws and regulations. For these folks and the leaders who want to invest in them and hire them, equity rings hollow when it is not backed up by action or access, and S.B. 277 provides a means for both.

I would like to ask those who are here today because of the Chamber of Cannabis to stand up. The leaders you see behind me are the backbone of our industry. They are owners, operators, licensees and career professionals from every walk of life and every corner of Nevada. We are here because we need your help to make sure Nevada is promulgating laws that keep our industry competitive, viable and survivable for all operators and cannabis professionals, not just a privileged few.

We are grateful to Senator Harris for supporting us and carrying our initiatives. We look forward to working with stakeholders to ensure this imperative piece of legislation passes.

DANI BARANOWSKI:

I am testifying in support of S.B. 277 to allow businesses to choose to hire ex-offenders to work in the cannabis industry.

At the age of 18, I was charged and convicted with two cannabis felonies, one for possession of less than one gram of cannabis and one for paraphernalia within a national park. After a term of 17 months of intensive federal probation, including taking drug addiction classes with actual drug addicts, my record was expunged. Today, I am the cofounder and vice president of the Chamber of Cannabis and also a small business owner.

I am both appreciative of and sensitive to the privilege I have been given to participate in the legal cannabis industry in such a capacity. Removing employment barriers for ex-offenders to allow entry into the cannabis industry will allow citizens the chance to participate in a legal industry and add to Nevada's robust, inclusive and skilled workforce.

Updating and amending legislation with this bill's sensible cannabis policy will allow Nevadans access to meaningful work. Historically, failed policy concerning cannabis has had a significant impact on communities and citizens. Those of us who have paid our debt to society deserve the chance to positively impact our communities.

I urge this committee to vote in favor of S.B. 277.

JORDYN SANDERS (Nevada Cannabis Association):

I represent the Nevada Cannabis Association as a graduate student intern testifying in support of S.B. 277. I want to thank Senator Harris and the Senate Committee on Commerce and Labor for considering this bill. We appreciate the sponsor's willingness to work with us throughout this process to address our concerns.

CHRISTINE GAMEZ (Chamber of Cannabis):

I am in support of S.B. 277. I have been in the legal industry since 2016.

I could spend a lifetime telling you and the community about S.B. 277. First, I am going to share a moment of my before story. I was raised in the culture of the movie *Reefer Madness*. Those who used cannabis were considered burnouts and not going anywhere. In my case, cannabis saved my life. After being a medical mystery for over 14 years, I turned to cannabis in a last-ditch effort to not give up on—well, my life. I had brain surgery in 2016 and was able to recover and thrive post-surgery from cannabis alone and without opiates. Yes, that's right. Without opiates.

I am one of the lucky ones; I found relief. For those who have much tougher uphill battles, they may need up to a gram of Rick Simpson Oil (RSO) every day. With our current laws, you cannot buy one week's worth of RSO. Imagine having relief at your fingertips, but in order to get what you need, you have to go from one shop to another and then another. Our current laws do not prevent people from buying large quantities of cannabis if they want it; they just have to go from shop to shop. Imagine having to buy your blood pressure medication or your insulin in three-day increments.

It is time to think about our people, our community and our healing. I enthusiastically share my story because I am the true face of cannabis, not

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Reefer Madness, and I want fair access to medicine. Please consider supporting S.B. 277. It is time to put access to holistic medicine options first.

NICOLE BUFFONG (Minorities for Medical Marijuana; Chamber of Cannabis):
We are in support of S.B. 277.

We are excited to see Nevada continue to improve their cannabis laws through new legislation. This bill can be a win for growing local diverse and disproportionately impacted communities and businesses only if structured in the right way.

We support the sections of the bill that eliminate felony restrictions from employment in the cannabis industry and raise the personal possession and daily sales limit for individual or medical cannabis users.

We are concerned by the phasing out of the medical cannabis licensing system. We recommend amendments to support the medical cannabis establishment licensed market.

In 2016, elected officials in these halls who were in opposition to adult-use legalization said that it would lower property values, increase adolescent usage and increase crime. None of these things have happened. Cannabis dispensaries were even deemed essential businesses during the COVID-19 pandemic.

DERRICK MILES:

I support S.B. 277 for numerous reasons, but I will try to keep it brief and specific. In Douglas County, we have had a cannabis moratorium on all businesses since 2017. Few people in Douglas County hold medical marijuana cards for various reasons, such as firearms possession. At the current possession limit, a single ounce comes at an additional cost. Card holders are forced to commute upwards of 30 to 40 miles round trip or to rely on delivery for their medication. Patients are restocking often, in some cases twice a week or even daily, to maintain their supply. This bill is an opportunity to alleviate a burden on patients living in rural and restrictive communities.

SHANE TERRY:

I support S.B. 277. I am a vertically integrated operator and a 14-year combat vet. From an owner-operator perspective, we have come a long way in the last two years. However, our industry has also experienced a significant decrease in

sales industry-wide, resulting in a loss of tax revenue and a strong continuing presence from illicit operations. This bill is one more evolutionary step in the right direction to enable licensed operators to compete against the illicit market and keep up with our neighboring legal states.

It is important to note that even under adult-use programs, veterans are still purchasing and consuming cannabis for medical, mental health and wellness reasons. Fear of repercussions under a medical program that would require patient registration led a lot of veterans to purchase under the adult-use programs to stay anonymous. Increasing purchasing limits and streamlining licenses under S.B. 277 allows greater access to the medicine necessary for treatment but also continues to normalize the responsible use of cannabis for all types of customers.

MARGARET PRESLEY:

I am a lifelong Nevadan and have been a cannabis professional for the last eight years. I am in full support of S.B. 277. I agree with my colleagues who spoke before me today. We have many hurdles that we continue to overcome. While this bill will not solve everything, I believe this is the pathway to evolving our industry.

ANDY HITCHCOCK:

I am a partner in a licensed cultivation facility in Clark County, and I support S.B. 277. We hold both medical and recreational licenses. If I can put this in laymen's terms, it is much like going to the drugstore to fill your prescription for 30 days. This bill would enable patients to get 90 or 120 days worth of medicine at one time.

MR. ADLER:

I am representing the Sierra Cannabis Coalition on this bill, and we are in full support of S.B. 277. I would like to go through a couple of sections of the bill.

Section 1 of the bill adds a clause that is intended to make sure the CCB produces regulations that when passed will do no harm.

Section 4 of the bill brings Nevada into alignment with a lot of other states when it comes to sales of more than one ounce of cannabis at a time. Oregon, Ohio, New York, New Mexico and a few other surrounding states are looking at

this. Of course, there is no purchase limit in the illicit market. Increasing the limits would be a good, tangible change.

Sections 5 through 9 of the bill remove the felony exclusions for ownership and agent cardholders. It is more important for the agent cardholders than for the ownership group. There is a perception that felons are not welcome to work in Nevada's cannabis market. If we can remove that perception, I believe we will see an increase in workflow and workers willing to work in the industry.

Section 10 of the bill may not go far enough, but it is a good step to do a single stream licensing of cannabis licenses. There are a few stores that are recreational only, and the perception is that medical patients are not welcome in those stores. The ability for licensees to file just one set of paperwork and have just one license would be beneficial, especially since all licensees can grow both medical and recreational products. Sections 13 and 15 support this as well.

ARIEL EMADI (Green Thumb Industries):

I am the head of purchasing for Green Thumb Industries, which has the most active dispensary in Nevada. Quite simply, I urge you to support this bill.

DARLENE MASON (Chamber of Cannabis):

I would like to say with a statement from Marcus Aurelius: "When you arise in the morning, think of what a privilege it is to be alive—to think, to enjoy, to love." I would add "to work." For felons, that is often not a privilege they enjoy. Our thoughts are the color of justice, community and commerce. If these had a color, I would say they would be a brilliant radiant light for those who have not seen the light of day for a long time.

The Chamber of Cannabis supports S.B. 277 and its initiative for this industry to move forward. If we as a society believe a person who has served time should be allowed to work and create a living for themselves where they are not constantly in a cycle of reincarceration, this bill is needed. Currently, these individuals, some whom are victims of the failed war on drugs, are banned from the cannabis industry due to their felony background. If we wish to see change, we must first be the change we wish to see. We must stand upon those morals and grounds and allow these people to have a decent life and a chance to work.

BROOKE WESTLAKE (Women in Cannabis Expo):

I am the founder and owner of Women in Cannabis Expo. I spent 20 years in health care before I transitioned to cannabis.

If you would have asked me ten years ago if I would ever work in the cannabis industry, I probably would have laughed you out of the room. The same year I launched my company, I almost died. I came within three hours of losing my life, and I had a whole section of my colon removed. By the end of that year, I was so sick that I had gone from a size eight to a size zero. I was ready for alternative medicine. I am here today to tell you that cannabis is not only what I do for a living, but it is keeping me alive. I support S.B. 277.

CHRISTINA THOMAS:

I am in support of S.B. 277. I echo the comments of the previous speakers.

JULIE MONTEIRO (Compassion Center; Integrated Providers Association; Coalition for Patient Rights):

I have been a registered nurse in Nevada since 2005. Like Mr. Segerblom, I have been involved in the evolution of the medical cannabis industry since 2010.

We are currently in opposition to S.B. 277 as written. It is a good bill, but it needs some changes. Legislators said that they need higher annual fees on cannabis establishment licenses to cover the costs of implementation until taxes were set. Then came the debacle of putting the medical cannabis program under the Department of Taxation. Now that the taxes are coming out and are in our coffers, why are we considering raising the prices when they should be going down? We have plenty of taxes. We need to follow the money. Nevada has some of the highest fees of any state. How can we be the leaders when we overtax and put tariffs on a simple plant?

I have watched these fees and the industry get out of control. The CCB is just a tariff collector destroying our original establishment license holders who deserve the right to be in this industry. They already have enough hurdles to stay open. The mom-and-pop businesses have been pushed out by big businesses, and there is no equality or wholeness in the inclusion in the Nevada Medical Marijuana program as it currently stands.

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I have been hearing from licensees that they will just pass the fees on to the consumers, which is not good. How do we know how many medical marijuana patients are purchasing from the recreational adult stores? I support the tax exemption for medical marijuana users.

JASON WALKER (Washoe County Sheriff's Office):
I am testifying in opposition to S.B. 277.

There is no need to increase the possession limit. Persons can buy one ounce per transaction. That does not mean they cannot go somewhere else if they chose to buy additional product. It is my opinion that will only increase the problem we have now with the illegal marijuana market, making it worse than it already is. We are willing to work with Senator Harris on this bill.

JAMES CREEL (Compassion Center):
While S.B. 277 seems to be great on the surface, we do not think it goes far enough.

Regarding the felony issue, we feel that while many people who have served their time do deserve the right to reenter the workplace, some people who have committed some heinous crimes do not need to have access to people who are otherwise vulnerable.

Regarding increased amounts, the bill does not go nearly far enough. In Oregon, patients have the ability to have a pound and a half per cardholder. Sometimes even that is not enough, and patients struggle to get access to enough to make concentrates like RSO to meet their needs. If you have a pound, which is 454 grams, and 10 percent of that is tetrahydrocannabinol (THC), you can only get 44 grams of THC out of it. The more we allow patients to get, the better off they will be.

Lastly, regarding licensing fees, while I can appreciate the intention behind that, we are against anything that is going to increase the price to the consumer.

TYLER KLIMAS (Executive Director, Cannabis Compliance Board):
We are neutral on S.B. 277. Regarding Senator Scheible's question on denials for agent cards, we have had 16 denials in the last 3 years. When we see something on the background check, we reach out to the applicant, and they may decide not to further pursue an agent card. That is a cancellation, and there

have been 164 over the last 3 years. We have processed roughly 40,000 agent card applications in the last 3 years, which is about 14,000 year.

TIMOTHY ELI:

I appreciate the good intentions of S.B. 277, but at this time I am neutral on this bill.

I would like to address the importance of including economic reform in the bill to expand economic development and growth by expanding the license pool. We currently have an exclusive system that was clearly carefully crafted to expand the monopoly that had been set in place. Only established businesses were allowed to develop consumption lounges, so they are only an extension of a vertically-integrated system. That is the way it works, and all it does is increase the profit margin.

To address the social justice issues in the system, we need to expand it to allow for talents who have been systematically excluded from this industry.

SENATOR HARRIS:

I want to clear up some issues about the licensing fees. Are they going up? Yes, they are. But we have just combined the fees for the two licenses, so you are actually paying the same amount you would have paid for the two licenses separately. For example, an initial license for a medical dispensary is \$30,000. An initial license for an adult-use retail store is \$20,000. In S.B. 277, the cost of an initial license for a store that is both medical and adult-use is \$50,000. All the fees are figured the same way.

I am hoping the industry will not have to pass that down to customers because they will be open to medical customers where they were not before. Their renewal costs will remain similar to what it would have been previous to this new scheme.

With regard to the higher possession limit, we have heard complaints that the limit is too high and complaints that it is too low. I would suggest that this is how we know we got it just right.

SENATOR BUCK:

I am not too familiar with the industry. When I look at the illegal market, it seems to me that these license fees could be a barrier to anyone who wants to

get into the legal industry. If it costs more to buy cannabis legally than to buy it off the street, is that competitive? Buyers might also be attracted by the ability to remain anonymous when they buy cannabis.

What are your thoughts as to why the illicit market still exists?

SENATOR HARRIS:

You ask a very complicated question that we are all trying to figure out. How do we make sure that we continue to tamp down the illicit market? It is a convoluted equation that has many factors to it. I believe lowering the barrier to entry to the legal market is a big way to attack that. I agree that the cost to get into the industry is very high, and we should be looking at massive reform. That is just not this particular bill.

I will also note that we heard in some of the opposition testimony that you can go to one store and buy one ounce, then go to another store and buy another ounce. Please do not do that. It is a felony if you are caught with more than one ounce of marijuana. That is why we are trying to increase the possession limit, to allow folks to engage in that kind of bulk buying if they like, whether it be for medical reasons or for none of our damn business.

We need better ways to enforce. We have cheaper products than some of our neighboring states, and that plays into this as well. There are a lot of pieces, and this bill only gets at a couple of those pieces. But the main goal of this bill is not necessarily to get rid of the illicit market. There are other bills focusing on that.

CHAIR SPEARMAN:

I will close the hearing on S.B. 277. We will reschedule S.B. 381 for another day.

SENATE BILL 381: Prohibits a landlord from requiring a tenant to pay certain charges. (BDR 10-650)

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CHAIR SPEARMAN:

Is there any public comment? Hearing none, we are adjourned at 11:37 a.m.

RESPECTFULLY SUBMITTED:

Lynn Hendricks,
Committee Secretary

APPROVED BY:

Senator Pat Spearman, Chair

DATE: _____

EXHIBIT SUMMARY				
Bill	Exhibit Letter	Introduced on Minute Report Page No.	Witness / Entity	Description
	A	1		Agenda
	B	1		Attendance Roster
S.B. 147	C	4	Cesar Melgarejo	Work session document
S.B. 386	D	4	Cesar Melgarejo	Work session document
S.B. 427	E	5	Senator Edgar Flores	Conceptual Amendment
S.B. 370	F	26	Senator Nicole Cannizzaro	Proposed Amendment 3550
S.B. 370	G	35	Alisa Nave-Worth / Entertainment Software Association	Proposed amendment
S.B. 277	H	41	Scot Rutledge / Argentum Partners	Support letter