

**MINUTES OF THE
SENATE COMMITTEE ON FINANCE**

**Eighty-second Session
May 19, 2023**

The Senate Committee on Finance was called to order by Chair Marilyn Dondero Loop at 8:16 a.m. on Friday, May 19, 2023, Room 1214 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 Marilyn Dondero Loop, Chair
Senator Nicole J. Cannizzaro, Vice Chair
Senator Dallas Harris
Senator Dina Neal
Senator Rochelle T. Nguyen
Senator Pete Goicoechea
Senator Heidi Seevers Gansert
Senator Robin L. Titus

GUEST LEGISLATORS PRESENT:

Senator Edgar Flores, Senatorial District No. 2
Senator Julie Pazina, Senatorial District No. 12
Senator Melanie Scheible, Senatorial District No. 9
Senator Pat Spearman, Senatorial District No. 1
Assemblyman Howard Watts, Assembly District No. 15

STAFF MEMBERS PRESENT:

Wayne Thorley, Senate Fiscal Analyst
Cathy Crocket, Chief Principal Deputy Fiscal Analyst
Joko Cailles, Committee Secretary

OTHERS PRESENT:

Christine Saunders, Progressive Leadership Alliance of Nevada
Will Adler, Pyramid Lake Paiute Tribe; Duck Valley Indian Reservation;
Duckwater Reservation
Marla McDade Williams, Deputy Director, Programs, Nevada Department of
Health and Human Services
Dylan Keith, Vegas Chamber
Pat Kelly, Nevada Hospital Association
Jo Malay, Deputy Administrator, Division of Public and Behavioral Health,
Nevada Department of Health and Human Resources
Nick Vassiliadis, Nevada Resort Association
Kelly Crompton, City of Las Vegas
Nicole Rourke, City of Henderson
Leonardo Benavides, City of North Las Vegas
Beth Schmidt, Las Vegas Metropolitan Police Department
Mendy Elliott, Nevada Housing Coalition; Reno Housing Authority; Southern
Nevada Regional Housing Authority; Nevada Rural Housing Authority
Joanna Jacob, Clark County
Matthew Tuma, Deputy Director, Nevada Department of Administration
Catherine Nielsen, Executive Director, Nevada Governor's Council on
Developmental Disabilities
Dora Martinez, Nevada Disability Peer Action Coalition
Deanna Hua Tran, Nevada Immigration Coalition
Kelly Maxwell, Executive Director, Baby's Bounty; Chair, Nevada Diapering
Resources Committee
Erica Scott, Economist, Nevada Department of Taxation
Dakota Hoskins, Service Employees Union Local 1107
Stephen Aichroth, Administrator, Housing Division, Nevada Department of
Business and Industry
Lilith Baran, American Civil Liberties Union of Nevada
Valerie Thomason, Democratic Socialists of America

CHAIR DONDERO LOOP:

We will open today's meeting with Senate Bill (S.B.) 94.

SENATE BILL 94: Revises provisions relating to tribal liaison officers. (BDR 18-348)

ASSEMBLYMAN HOWARD WATTS (Assembly District No. 15):

It is my pleasure to present S.B. 94 for your consideration. This bill seeks to create a tribal liaison position in State government. In the Eightieth Legislative Session, we created a tribal liaison program that designated a point person in those State agencies that work regularly with tribes to be the tribal liaison. That role and its responsibilities of engaging with tribes were essentially added on to another position's existing responsibilities. Some agencies had people who were already doing these tasks, but others did not. Based on conversations with tribal governments and others, it would be beneficial to have specific positions created in agencies to focus on tribal engagement. Senate Bill 94 seeks to lay out a tribal liaison position and its qualifications in statute. In the original draft, it essentially had a requirement for each State agency to employ rather than designate a tribal liaison.

Since this submission, Proposed Amendment 3639 ([Exhibit C](#)) to S.B. 94 was submitted to the Committee. By requiring every agency to employ a new position, numerous fiscal notes resulted. The proposed amendment limits the requirement to employ a tribal liaison to certain State agencies and all Constitutional offices: Offices of the Governor, Lieutenant Governor, Secretary of State, State Treasurer, State Controller and the Attorney General. All other agencies that work with tribes would continue to designate an existing staff person. The goal was to reduce the overall fiscal impact, but still ensure we had coverage among the key constitutional offices and cabinet level agencies. Nevada does not have a definition for cabinet level agencies, so this bill noted the top departmental level.

There were a lot of questions on the revised scope. Originally, boards, commissions, divisions and offices would have been covered under the definition of agency. We checked with the Legislative Counsel Bureau (LCB), Legal Division and were informed if the agency does not have the word "department" in its name, then it will not be included in the requirement. A division within a department would not have to employ its own liaison. For example, one liaison each would be required for the Nevada Department of Transportation (NDOT), the State Department of Conservation and Natural Resources (DCNR), the Nevada Department of Health and Human Services (DHHS) and so on.

There are many fiscal notes provided by agencies and many may testify on this bill. We compiled the fiscal notes resulting from the original language and it

totaled about \$7.5 million. Although we did not get responses back from all the agencies that submitted fiscal notes, we estimate the proposed amendment will reduce the total projected cost by more than half to \$3.5 million. The email responses from agencies ([Exhibit D](#)) are summarized.

CHAIR DONDERO LOOP:

Can you tell the Committee what the amendment does?

ASSEMBLYMAN WATTS:

The proposed amendment has added in section 1 of S.B. 94 the definition of a constitutional officer to mean the Governor, Lieutenant Governor, Secretary of State, State Treasurer, State Controller and the Attorney General. Section 1.6, subsection 4 states:

Each constitutional officer and other state agency which is designated as a department by statute shall employ a tribal liaison who reports directly to the constitutional officer or the head of the department, as applicable. Each tribal liaison who is employed pursuant to this subsection is in the classified service of the State.

Section 1.6, subsection 5 states:

Each state agency that is not otherwise described in subsection 4 and that communicates with Indian tribes on a regular basis shall designate an employee who reports directly to the office of the head of the state agency to be the state agency's tribal liaison.

The goal of the amendment is to remove the requirement for every single State agency to hire a dedicated tribal liaison position. It has been revised to require only constitutional officers and the top department level agencies.

SENATOR GOICOECHEA:

How many departments would this affect? There are departments like DCNR and the State Department of Agriculture (NDA). Would the requirement be for each of these, or would it just be for DCNR? Is the DCNR, Division of Forestry considered to be a department?

ASSEMBLYMAN WATTS:

We have listed out the constitutional offices. As far as departments, I would like to address your question because you specifically mentioned DCNR. In the original version of the bill, DCNR as well as its divisions, like the Division of Forestry and the Division of Environmental Protection (NDEP), would each be required to employ a separate new position. Under the proposed amendment, only DCNR would be required to employ a separate new position. The amendment limits the requirement to the department level. Since the NDEP works with tribes, it would continue to designate one of its employees. The NDEP would not be required to create a new position.

It is the same for DHHS. The creation of a tribal liaison position would be a requirement at the departmental level. Divisions within DHHS would designate an existing employee rather than create a new position.

SENATOR GOICOECHEA:

Since it is technically a department, the NDA would be required to create this position. Some departments will have a liaison with not a lot of interaction with the tribes, which is concerning. I understand you are trying to keep from having 200 employees in place. However, this is likely a good place to start and then we can try to tweak it down. Some of the tribal liaisons will not have the workload that others are going to have.

ASSEMBLYMAN WATTS:

Most of the departments are going to have some level of engagement with tribal communities. This is the best way we could wrap our arms around it. There are some boards, commissions and other agencies that perhaps make sense to specify. However, instead of writing a bill to pick and choose, we started at the department level.

The DCNR could probably use more than one position and the NDA may not have the same workload. Under the amendment, each department would be required to have one dedicated position. The DCNR, NDA and NDOT would each have one new position. Keeping the existing statute to allow smaller agencies to have a designated employee will help balance the workload without creating a substantial cost to the State.

SENATOR TITUS:

Looking at the logistics of this bill, it definitely has a fiscal impact. I appreciate what you are attempting to do, but part of the wording in the bill has me concerned. Will these employees communicate to each other as a group? The bill states each employee is required to establish protocols that prioritize tribal self-determination.

It goes on to state they are required to manage and ensure adherence to tribal consultation policies. This bill is proposing every single department will have an individual employee who will set up their tribal self-determination and different protocols. Are the employees expected to meet and communicate with each other? There are many different tribes with different issues and needs. I am concerned about the structure, administration and implementation.

ASSEMBLYMAN WATTS:

Nevada already has an established tribal liaison program. It would depend upon each employee's workload. There are liaisons that the tribal communities absolutely love to work with, because they are extremely engaged with the tribes. I do not want to speak ill of any State employee because of the number of things they have going on, but there are liaisons who have room for improvement. We are adding these responsibilities on top of their existing job duties. Tribal liaisons from different agencies are already meeting to share information.

There is a proposal for the Nevada Indian Commission to leave the Nevada Department of Tourism and Cultural Affairs and become its own agency. The Nevada Indian Commission has also tried to be a bridge and provide community help with communication and support for these tribal liaisons. While it is not specifically in statute, the structure is in place. The Nevada Indian Commission will continue to support the agencies that designate an employee as well as support the more robust work of new positions created in this bill.

CHRISTINE SAUNDERS (Progressive Leadership Alliance of Nevada):

We support S.B. 94. We were proud to testify in support of A.B. No. 264 of the 80th Session. That legislation required State agencies to designate tribal liaisons and to improve collaboration with Nevada's Indigenous communities. It was a step in the right direction. Senate Bill 94 will ensure there is a dedicated staff person who can focus on prioritizing frequent and clear communication with

tribes. This bill is important as we face critical decisions impacting resources of our State. We urge your support.

WILL ADLER (Pyramid Lake Paiute Tribe; Duck Valley Indian Reservation; Duckwater Reservation):

Dedicated tribal liaison positions are a piece of the communication puzzle missing in Nevada's interactions with the tribal communities. Having a dedicated position in all executive offices and at the head of the satellite or mothership agencies would provide a clear sounding board or a place where tribal community issues and concerns can be heard. Today, there is no one at an agency they can call to obtain clear communication. Senate Bill 94 would correct this issue and it is needed and appreciated. Please support this bill.

MARLA MCDADE WILLIAMS (Deputy Director, Programs, Nevada Department of Health and Human Services):

Based on the amendment, I am here to testify that the fiscal notes submitted by the various divisions in DHHS will no longer apply. We have had tribal liaison positions in place for a long time. This bill seeks to establish a State classification system to specifically recognize the skills it takes to serve as a tribal liaison in State government. Our existing liaisons range from a management analyst to a health program specialist. Someone with tribal experience does not meet the qualifications of those positions. The intent of this bill is to develop a classification system that recognizes a person's experience working with tribes. The new classification system will allow a State agency to hire someone with a skillset not available within the agency. This bill will give DHHS the opportunity to reclassify existing positions so they will be filled by people coming from tribal communities or with applicable experience.

I had a quick exchange with the executive director of the Nevada Indian Commission. In 2017, I represented a client who was successful in establishing a law to require a Statewide tribal consultation policy. This policy has been under development with the Nevada Indian Commission and they intend to finalize it at their June 2023 meeting. This policy will apply to all State agencies and will provide the basis for how they can best collaborate with tribes.

CHAIR DONDERO LOOP:

We will close the hearing on S.B. 94 and will open the hearing on S.B. 185.

Senate Committee on Finance
May 19, 2023
Page 8

SENATE BILL 185 (1st Reprint): Establishes provisions relating to businesses.
(BDR 18-35)

SENATOR DINA NEAL (Senatorial District No. 4):

I am here to discuss the fiscal note on S.B. 185. This bill creates a Business Opportunity Outreach Unit within the Nevada Department of Administration, Purchasing Division. To administer this bill, the Division would need a management analyst III to be the director over the Business Opportunity Outreach Unit created by this bill. The Division will also need an administrative assistant II.

The bill includes the creation of a centralized dashboard for a Statewide system between Clark County and the Purchasing Division. This builds upon an existing procurement advisory committee for contracts in place since 2005. This bill advances and improves a minority women-owned procurement system.

DYLAN KEITH (Vegas Chamber):

Senate Bill 185 will bring a strong benefit to small businesses across the State. We ask for your support.

CHAIR DONDERO LOOP:

There is a conceptual amendment. Is it old? Can you walk us through where that is?

SENATOR NEAL:

Yes, the bill is now at first reprint. The amendment was adopted.

SENATOR TITUS:

Is this Business Opportunity Outreach Unit going to work with the Office of the Lieutenant Governor, Office of Small Business Advocacy? Or, is it a separate program that will not communicate with them?

SENATOR NEAL:

It will not be working with the Office of Small Business Advocacy. The Unit will work with the Clark County Regional Business Development Advisory Council which has been around since 2005. The Council has been doing work with local governments for a long time.

There has never been a connection between the Clark County Regional Business Development Advisory Council's procurement and the State's procurement. This bill will connect and bring them together. The Office of the Lieutenant Governor of Small Business Advocacy does not handle procurement. This bill will close the loop around procurement.

CHAIR DONDERO LOOP:

We will close the hearing on S.B. 185 and open the hearing on S.B. 385.

SENATE BILL 385 (1st Reprint): Revises provisions relating to health care.
(BDR 40-375)

SENATOR DINA NEAL (Senatorial District No. 4):

Renown Health has submitted a proposed amendment ([Exhibit E](#)) to S.B. 385 for section 1, subsection 3. This is an omnibus healthcare bill with a fiscal note which, although it totals \$13 million, the impact to the State is about \$2.5 million because the federal share covers the majority of the implementation cost.

SENATOR SEEVERS GANSERT:

Section 1, subsection 3 of S.B. 385 states if a provider chooses not to order or conduct any test requested by the patient the provider would have to document a reason.

SENATOR NEAL:

This legislation was brought to me by constituents who were going into the emergency room with clear signs that something was wrong. They asked for certain tests, but the tests were not administered. When the constituents left, they found out there was something seriously wrong with them. I have a constituent who sought medical care because she had swelling and was trying to figure out what was going on. Although it is difficult to identify, she had vasculitis. She kept telling the provider that she was having pain and constriction. She asked for a series of tests, but instead was sent home.

I worked with the hospitals on the bill's language. The amendment represents what the hospitals can live with. The provider has primary responsibility for the patient's treatment and care. However, the hospital must document the reasons the provider chose not to order or conduct any test in the medical records. The bill does not mandate tests. It only records the tests requested but not

administered. The record can be available to the primary physician when the patient leaves.

SENATOR TITUS:

We heard this bill in the Senate Committee on Health and Human Services. I have concerns about this amendment. How do we, the courts or anyone else know if tests were requested and denied? It will be the patient's word versus the provider's word. The patient will state they wanted the test, but the provider will say the patient never asked for it. I worry when we mandate healthcare issues and treatment into a system that may be used for litigation. I have concerns about a patient requesting a computer tomography scan when there is no indication for it. We can take it offline with Renown Health.

PAT KELLY (Nevada Hospital Association):

We want to thank Senator Neal for working with us. We have been working on this language particularly on section 1, subsection 3. I think we have found a compromise that we will be able to implement.

JO MALAY (Deputy Administrator, Division of Public and Behavioral Health, Nevada Department of Health and Human Resources):

In response to the changes made in section 1 of S.B. 385, the fiscal note for the Division of Public and Behavioral Health is eliminated.

CHAIR DONDERO LOOP:

We will close the hearing on S.B. 385 and will open the hearing on S.B. 395.

[SENATE BILL 395 \(1st Reprint\)](#): Revises provisions relating to real property.
(BDR 10-288)

SENATOR DINA NEAL (Senatorial District No. 4):

Senate Bill 395 limits the aggregate purchases of investor companies or large hedge fund companies. I worked on this with the Securities Division of the Office of the Secretary of State. This bill mandates a registration. The State needs to know who is buying homes in the State and creating competition between regular homeowners and corporations.

An investor will be mandated to register with the Office of the Secretary of State. We will know who is investing. Senate Bill 395 will change the deed at the county level. A box will be added to disclose the individual is an investor.

There would be a form filed with the county recorder's office to identify the investor has registered with the Office of the Secretary of State. The investor would file this information with the deed being recorded.

To implement this bill, the Office of the Secretary of State projects it will cost \$476,000 in fiscal year (FY) 2023-2024 and \$81,000 in FY 2024-2025. The projected cost for future biennia is \$163,000. The fiscal note requests a program officer I, information technology personnel and technology changes or advancements.

CHAIR DONDERO LOOP:

We will close the hearing on S.B. 395 and open the hearing on S.B. 400.

SENATE BILL 400 (1st Reprint): Revises provisions relating to homelessness.
(BDR 38-1027)

SENATOR DINA NEAL (Senatorial District No. 4):

Senate Bill 400 is intended to create a collaboration between counties, cities and rural continuums of care. It will build a Flexible Continuum of Care Plan outside of the handcuffed federal dollars Nevada receives. This bill requests funding of \$30 million in gaming fees from nonrestricted gaming licensees pursuant to *Nevada Revised Statutes* (NRS) 463.370. The revenue would come from the 6.75 percent tax rate.

I have submitted a conceptual amendment (Exhibit F) to S.B. 400 which details how the money would be used. The City of Las Vegas would use \$9 million to allow the continued build out of the Hope Corridor. The Fiscal Advisory Committee in S.B. 400 would be under DHHS similar to the Fund for a Healthy Nevada. Control of the fund would be with DHHS and work programs would be submitted to the Interim Finance Committee as each city applies for their portion of the revenue. The funds support specific work defined in this bill.

To create the Flexible Continuum of Care Plan, the reinvestment dollars in managed care organizations would be reviewed and contracts amended. The Plan will reinvest into homeless services, sustainable medication, prescription services, etc.

To close the loop on a Statewide homelessness program, S.B. 400 brings in the federally qualified healthcare centers which have a higher Medicaid

reimbursement rate. To fill the gap in service providers, there would need to be a consideration of how we build the flexible continuum. The \$30 million would get this started.

Local governments, such as the cities of Henderson and North Las Vegas, would have to use existing resources and personnel for the Plan. Senate Bill 400 does not require the cities give up \$2 million, but does require any existing efforts be applied to the Plan. The cities would be eligible for a matching grant, if they can establish that they are already contributing. The Las Vegas Metropolitan Police Department portion is in the Plan, but their fiscal note has been removed. The City of Las Vegas and Clark County should remove their fiscal notes because the bill no longer takes any property tax from the Las Vegas Metropolitan Police Department.

Item 6 on page 4 of the conceptual amendment, [Exhibit F](#), includes the ability for small and large nonprofits, who have expertise, to be part of the continuum to prevent duplicate agencies or monopolies. Smaller nonprofits may have expertise and should be part of the solution for homeless services.

NICK VASSILIADIS (Nevada Resort Association):

We appreciate the sponsor's willingness to work with us on this bill. When it comes to large scale issues like this, we often look for a magical solution to solve all the problems. Frankly, that does not exist. We appreciate the sponsor looking for a place to start by bringing various members of the community, State government, businesses and nonprofits together to try and tackle this problem in a holistic manner. We urge the Committee to support S.B. 400.

KELLY CROMPTON (City of Las Vegas):

We support S.B. 400. We appreciate the Senator's continued efforts to bring dollars into the region for homeless services including building out our Courtyard Homeless Resource Center. We hope to continue conversations over the years about dedicated revenue we can depend on. We will remove our fiscal note submitted in response to the original bill.

NICOLE ROURKE (City of Henderson):

We are in neutral on S.B. 400. We appreciate Senator Neal's work and our discussions on the services we provide to assist the homeless in finding housing and other services. We still have a few policy questions which puts us in neutral. We will continue to work with the Senator on these questions.

We appreciate the removal of the \$2 million requirement, being allowed to apply for additional funding and to include our existing services in the amount.

LEONARDO BENAVIDES (City of North Las Vegas):

I echo the sentiments of my colleague from the City of Henderson. Senator Neal clarified our questions on the funds being used and making sure we use our existing funds to help on the homeless services project.

BETH SCHMIDT (Las Vegas Metropolitan Police Department):

We have had extensive conversations with Senator Neal. We are in neutral on S.B. 400 because I just received the amendment. It is encouraging to see we are not throwing our hands up or kicking the can down the road for someone else to deal with this. Right now, we are in neutral. We have removed our fiscal note based on the amendment and we hope to move to support.

MENDY ELLIOTT (Nevada Housing Coalition):

We support S.B. 400 and appreciate the effort to provide a continuum of solutions for housing during this Session.

JOANNA JACOB (Clark County):

We are in neutral of S.B. 400 because we are also working through the amendment. We can, as Senator Neal mentioned, remove our fiscal note which was submitted in response to the bill as introduced. I can send documentation to this Committee to formally remove the fiscal note.

We support Senator Neal's efforts to bring additional resources to the problem of homelessness in Clark County. We have paid over \$100 million in supportive housing and bridge housing in addition to our rental assistance program, which deployed at the beginning of the pandemic. We are supportive of the funding request and remain neutral until the amendment is completed. We will remove our fiscal note.

CHAIR DONDERO LOOP:

We will close the hearing on S.B. 400 and open the hearing on S.B. 387.

SENATE BILL 387: Revises provisions related to the state personnel system.
(BDR 23-961)

Senate Committee on Finance
May 19, 2023
Page 14

SENATOR JULIE PAZINA (Senatorial District No. 12):

Senate Bill 387 was brought forward to ensure opportunities exist for every qualified person to be employed in our classified State service. We have heard about the many open positions within the State. This bill allows for those with commensurate experience to qualify for a position without requiring a bachelor's degree.

I have had conversations with the deputy director of the Nevada Department of Administration and the administrator of the Division of Human Resource Management (DHRM). They removed the fiscal note.

The Senate Committee on Finance and the Assembly Committee on Ways and Means, or the Joint Committee, directed \$500,000 in Assembly Bill 451. This is why the fiscal note was removed.

ASSEMBLY BILL 451: Revises provisions relating to certain employees in the Office of Finance in the Office of the Governor. (BDR 23-1085)

MATTHEW TUMA (Deputy Director, Nevada Department of Administration):

We submitted the fiscal note when there was the expectation that we would review classifications for classified positions on a more frequent basis than we do now. On average, each class specification is reviewed once a decade, a slow review process except when there is a specific legislative directive to create a new class specification for a position. If we are going to review specifications at a higher rate, DHRM would need additional staff.

In a previous hearing, the Joint Committee directed an appropriation of \$500,000 for a comprehensive class specification study of all positions within the State. The funding was based on DHRM's testimony in a previous hearing. If S.B. 387 passes with that appropriation, we would be able to incorporate a one-time update of all class specifications across the Executive Branch. We would then return to the normal cycle for staff to review the specifications once a decade.

CHAIR DONDERO LOOP:

We will close the hearing on S.B. 387 and open the hearing on S.B. 373.

SENATE BILL 373 (1st Reprint): Revises provisions relating to language access. (BDR 18-1034)

SENATOR EDGAR FLORES (Senatorial District No. 2):

Before presenting S.B. 373, I want to acknowledge there are a voluminous number of fiscal notes placed on this bill. I have spoken to many, but not all, of the agencies.

I am submitting Proposed Amendment 3677 ([Exhibit G](#)) to S.B. 373 for the record. Not all agencies have seen the amendment, but it should remove most of the fiscal notes.

For background, S.B. No. 318 of the 81st Session required a language access plan be created by State agencies and required each agency to designate a person to create its plan. However, there was no requirement to implement the language access plan. It was only required to be presented, but never actually implemented.

Senate Bill 373 requests implementation and provides guidance on how to do that. State agencies that receive federal funds are required to ensure compliance with the Omnibus Crime Control and Safe Streets Act of 1968 and Title VI of the Civil Rights Act of 1964. These agencies must take reasonable steps to ensure that limited English speaking people have meaningful access to the agencies' programs and activities. Meaningful access may entail providing language assistance services including oral and written translation. If State agencies are not doing this, complaints can be filed with the U.S. Department of Justice (USDOJ), Civil Rights Division which will trigger a federal audit by the USDOJ. In addition, the USDOJ periodically performs compliance reviews of select federally funded agencies.

My intent with the conceptual amendment is to cast a wider net. I am not attempting to go after self-funded agencies or boards. The amendment is focused on those that receive federal funding. The cost for implementing a language access plan could be funded by the federal government who tasks the agency to implement a plan. If a complaint is filed, it would trigger an audit. We can cover the cost through the federal government. The bill will remain, but we added language making it only applicable to agencies that receive federal funds.

There will be some State agencies that believe the fiscal note is needed. However, the amendment will remove fiscal notes from the self-funded agencies. The fiscal notes range from zero to several million dollars. The

proposed amendment, [Exhibit G](#), will remove many but not all of the fiscal notes.

SENATOR SEEVERS GANSERT:

The original bill talks about 12 languages. Is this number still correct?

SENATOR FLORES:

I will take direction from the Committee on this. We selected 12 languages modeling what other states do. I am concerned for the person who falls in the thirteenth language category. I fear that this 0.003 percent of the population who speak that language may be able to file a language access complaint against one of our State agencies.

Some agencies are comfortable in reducing the plan to the top three languages. The other languages would be triggered by a request from a community-based organization, nonprofit or a person. I am concerned because, based on some past federal complaints, there is a possibility of a complaint no matter what we do. For example, the deaf and hard of hearing community is not in the original 12 language category. However, we have to provide those services.

We need to be careful how narrowly we tailor the number. I am concerned about changing it, whether we increase it to 14 or decrease it to 2 or 3. There is still a risk of agencies having an audit if they do not meet the federal language access plan requirements. I am open to working with the Committee on this language.

SENATOR SEEVERS GANSERT:

Since there are federal requirements, I am not sure why we do not rely on their requirements. As proposed, the bill is going to be limited to agencies receiving federal funding. The requirements exist and that is where the risk is. Do we need this if it is tailored to just those who receive federal funding, and we already have a federal standard?

SENATOR FLORES:

The only way to require any State agency to do this is by the federal requirement triggered from a complaint. There would have to be complaints consistently filed against the State agencies. This bill would preemptively avoid that entire procedural walk. As a State in the Thirty-third Special Session during

COVID-19, we realized we should have language access plans. The plans are accessible. The question is how we implement them.

CHAIR DONDERO LOOP:

There is another bill coming on the other side. Does it work with this bill?

SENATOR FLORES:

I had an opportunity to review that bill. It seems to be in alignment with the exception of my proposed amendment. I believe their bill will cost \$25 million. My amendment excludes self-funded agencies and focuses on those that provide direct services. I spoke to a board that asked if the plans were required for people to sell propane tanks. This is not what we are trying to capture, the net would be too wide. We need to focus on direct services and those receiving federal funds.

CHAIR DONDERO LOOP:

It sounds like there is additional work to be done before we can go forward with this bill.

CATHERINE NIELSEN (Executive Director, Nevada Governor's Council on Developmental Disabilities):

Many people with disabilities use various forms of language, including but not limited to American Sign Language, Braille, large print and audio. Our comments last time requested an expansion of this bill to include auditory, visual, manual or spoken language. It would increase access to all Nevadans requesting information from our State agencies.

Nevada needs to model what "should be" when discussing language access. We applaud Senator Flores and Governor Joe Lombardo for their hard work and increased funding to ensure language access for all. We are dedicated to working with the bill sponsors.

DORA MARTINEZ (Nevada Disability Peer Action Coalition):

I am blind and a lot of my members have various disabilities. I want to echo Ms. Nielsen's comments. I hope that you pass this bill.

DEANNA HUA TRAN (Nevada Immigration Coalition):

We support S.B. 373. It requires agencies to designate vital information and documents related to their services in the most common languages spoken by

individuals with limited English proficiency. The bill ensures these individuals can access and understand important information necessary for utilizing State services.

It allows individuals to access and understand information about employment opportunities, State resources, education programs, healthcare services and other vital agencies of the State. These individuals are better equipped to participate in the workforce, pursue education and make better informed decisions for themselves. An intentional meaningful language access plan is imperative for our State residents to feel both safe and included in our communities. We urge your support on S.B. 373.

SENATOR FLORES:

I have met with approximately 50 percent of the agencies involved and promise to sit down with every single one. I will report back to the Committee regarding the fiscal notes related to my amendment.

CHAIR DONDERO LOOP:

I will close the hearing on S.B. 373 and we will open the hearing on S.B. 428.

SENATE BILL 428: Proposes to exempt sales of diapers from sales and use taxes and analogous taxes upon approval by the voters. (BDR 32-1033)

SENATOR EDGAR FLORES (Senatorial District No. 2):

I am joined by Ms. Kelly Maxwell, Executive Director of Baby's Bounty. Ms. Maxwell will provide additional information to the Committee on her work. Her organization has diaper banks all over the State.

During the Interim, they reached out to me to ask why Nevada had not followed other states to help new families by removing the tax on diapers. I joined her in that effort.

KELLY MAXWELL (Executive Director, Baby's Bounty; Chair, Nevada Diapering Resources Committee):

Baby's Bounty is a 15-year-old nonprofit that works to improve health outcomes for Nevada families living in poverty. We help these families through several programs. In the past 3 years, the diaper bank program has distributed nearly 3 million diapers and 6 million wipes to 37,000 Nevada families.

One in three families experience a diaper need. This is defined as the lack of ability to afford enough diapers for families to keep their children clean, healthy and dry. Due to inflation in the past three years, diapers have increased in cost by 20 percent to 185 percent depending on the brand. Diapers are preventative healthcare supplies without an alternative and should not be subjected to sales tax. Nevada needs to join the other 18 states and the District of Columbia that have removed the sales tax on these preventative healthcare supplies.

Removing sales tax on diapers would create a cost savings to allow a family to purchase a full month's supply of diapers. That is quite a benefit for families struggling to afford these essential items. In addition to broad bipartisan support, this bill is supported by the Nevada Secretary of State, Nevada State Treasurer, Las Vegas Councilmen Brian Knudsen and Cedric Crear, Reno Mayor Hillary Schieve, Reno Vice Mayor and At-Large Councilman Devon Reese, former Lieutenant Governor Lisa Cano Burkhead, Clark County Commissioner Michael Naft, North Las Vegas Mayor Pamela Goynes-Brown, the National Diaper Bank Network, and the Nevada Statewide Maternal and Child Health Coalition.

To paraphrase the words of State Treasurer Zach Conine on the budget surplus, Nevada does not need this money and it does not need it on the backs of working families.

SENATOR NEAL:

I did not understand the last part of your testimony when you said the State does not need this money on the backs of working families. What do you mean?

MS. MAXWELL:

There is a fiscal note to remove the sales tax. I think our State Treasurer's point was Nevada does not need the sales tax revenue from diaper sales on the backs of working families.

SENATOR NEAL:

Thank you for the clarification. I chair the Senate Committee on Revenue and Economic Development Committee and am sensitive about sales tax revenue.

CHAIR DONDERO LOOP:

I see the sales tax revenue fiscal note, but do you have an idea how much this will save a family? Can you give us a dollar amount?

MS. MAXWELL:

Diapering supplies can cost a family between \$900 and \$1,200 per child per year. If we consider an 8 percent sales tax rate, a family would save about \$100, which would allow the family to purchase a month's supply of diapers.

SENATOR NEAL:

In the fiscal note, is the number \$460 million correct?

SENATOR FLORES:

Can you repeat your number?

SENATOR NEAL:

The fiscal note says the General Fund will decrease by \$460 million.

SENATOR FLORES:

I may be looking at something completely different, but what I have is \$5,871,773 for FY 2024-2025. The effect on the future biennia is \$25 million.

SENATOR NEAL:

The last sentence of the fiscal note states that the General Fund revenue will decrease by approximately \$460 million in total from January 1, 2025, through sunset of 2050 for over 25 years.

SENATOR FLORES:

I see that. This was a rough estimate, and it was impossible to know the exact amount. They looked at statistical data and spoke with demographers to estimate diaper purchases.

SENATOR TITUS:

Although Nevada would lose tax revenue from the diaper sales, the savings giving back to families would be reinvested in food or other items. They are not going to put it in a can in the ground. They will use the money for other family needs. The focus should not be on how much we lose in this particular tax, because the families will reinvest that money.

SENATOR FLORES:

Your comment is the whole vision and purpose behind this bill. It can help families, particularly young families. Anyone who has a child understands how much it means to save every nickel and dime. You are correct, this money will

be reinvested in something else in Nevada. A family will be able to spread the dollar further and provide more for their child. If they are saving \$200 on diapers, then they are spending \$200 more on that same child for something else.

CHAIR DONDERO LOOP:

As a point of reference, a box of diapers, depending on the number of diapers, can cost from \$35 to \$50. I am looking at a website right now and 32 diapers for size 1 is \$10. However, this is a small number of diapers. A larger box is \$50. Can the Nevada Department of Taxation weigh in on this bill?

ERICA SCOTT (Economist, Nevada Department of Taxation):

The \$460 million in the fiscal note is the total from FY 2024-2025 through FY 2049-2050.

MS. MARTINEZ:

The Nevada Disability Peer Action Coalition supports S.B. 428.

DAKOTA HOSKINS (Service Employees Union Local 1107):

We are in support of S.B. 428. This is a great bill for working families and our members in Nevada. We urge your support.

CHAIR DONDERO LOOP:

I will close the hearing on S.B. 428 and open the hearing on S.B. 389.

SENATE BILL 389 (1st Reprint): Revises provisions relating to crimes. (BDR 16-133)

SENATOR HEIDI SEEVERS GANSERT (Senatorial District No. 15):

There is a fiscal note due to section 4 of S.B. 389. There are all sorts of organizations that work around human trafficking. Part of the fiscal note is the cost to determine how the organizations coordinate what they do.

Section 7.5 of S.B. 389 has a \$1 million request for funding the Contingency Account for Victims of Human Trafficking. That Account does not have a lot of money in it, but it is used for a victim's emergency situation. These people also have access to the Fund for the Compensation of Victims of Crime which does have quite a bit of money.

Senate Committee on Finance
May 19, 2023
Page 22

The bill extends the duration of time a victim of sex trafficking can apply to that fund from 24 months to 48 months. Victims of crime often take a while to recover and recognize they need help with things like rental assistance, relocation costs, childcare or aid in preparing for a job.

SENATOR MELANIE SCHEIBLE (Senatorial District No. 9):
My colleague, Senator Seevers Gansert, has done an excellent job in presenting this bill. We are ready for questions.

Ms. MARTINEZ:
The Nevada Disability Peer Action Coalition supports this bill.

CHAIR DONDERO LOOP:
I will close the hearing on S.B. 389 and will open the hearing on S.B. 426.

SENATE BILL 426 (1st Reprint): Revises provisions governing rent increases.
(BDR 10-15)

SENATOR PAT SPEARMAN (Senatorial District No. 1):
I will give you the abbreviated version of S.B. 426. This bill is for neighborhood stabilization. During the pandemic, some people had a difficult time staying in their homes because rent prices were escalating. On five different occasions, people contacted me about rent increases. One place went from \$1,800 to \$3,000 per month. The rental property did not have any improvements like painting or new carpet. It just increased arbitrarily.

Senate Bill 426 intends to put some checks and balances in place and put the brakes on the rent. This bill provides tenants an opportunity to understand why rents are going up. Many landlords were compassionate and did not participate in those types of increases. We want to make sure landlords are protected as well. However, there were people who participated in the increases and we want to make sure there are checks and balances. That is the summary of the policy portion of this bill.

I spoke with Stephen Aichroth, Administrator, Housing Division, Nevada Department of Business and Industry who suggested we add language that had already been adopted. The fiscal note from the Nevada Department of Business and Industry, Housing Division is primarily related to hiring staff who would review requests and answer questions. The proposed amendment ([Exhibit H](#))

could aid in eliminating this cost and will allow us to remove the fiscal note revising section 5 as follows:

Require that an application from such a landlord for an exemption from the cost of-living increase include: (a) Any proof necessary to justify an exemption; and (b) A report that demonstrates the need for an exemption which must be prepared by a certified public accountant certified to practice in this State pursuant to the provisions of chapter 628 of NRS.

These provisions are similar to those for mobile home parks. The amendment also limits S.B. 426 to a landlord with five or more units. The amendment will remove the Housing Division's fiscal note and also protect the mom-and-pop landlords with less than five units.

SENATOR NGUYEN:

Your amendment directs me to section 5, subsection 1 of the bill which states, in part, "if an exemption is necessary for the landlord to obtain a fair and reasonable rate of return on his or her property." I did not see a corresponding definition. Is it defined by the Nevada Department of Business and Industry? Is there a standard or do you have some intention? I did not sit on the policy committee, so I am curious what that means.

SENATOR SPEARMAN:

I do not have the exact language. I received this from the Housing Division. Once I receive clarification, I will send you a response.

SENATOR NGUYEN:

I appreciate the response. The language appears to be vague. I am uncertain who makes the determination on what is fair and reasonable. Perhaps it is standard industry language.

SENATOR NEAL:

I have a question on section 6 of S.B. 426 regarding rent withholding. Can you give me an example how this works? The section states in part, "If the landlord increases or charges rent to a tenant in violation of the provisions of section 4 of this act, the tenant may, in addition to any other remedy"

They can go to court. They can withhold rent without incurring late charges or any other charge or fee authorized by the rental agreement. What is the remedy if they find out the landlord acted appropriately? Is the renter going to repay this withholding? Is it going to be tacked onto the end rent? How will they pay this back if the landlord acted properly?

SENATOR SPEARMAN:

If the landlord acted improperly, the Housing Division will assess the fines and fees. I do not have the information with me, so I am uncertain what that entails in terms of numbers. I will get the information to you regarding your question.

SENATOR NEAL:

Section 6.5, subsection 2 refers to a law enforcement agency. Which law enforcement agency is this referring to? Is it the Las Vegas Metropolitan Police Department? The subsection states, "A showing by the tenant that the tenant complained in good faith to the landlord or a law enforcement agency of a violation"

SENATOR SPEARMAN:

It is my understanding it would be the Housing Division, but I will get back to you.

STEPHEN AICHROTH (Administrator, Housing Division, Nevada Department of Business and Industry):

I am here and prepared to answer your questions.

SENATOR NEAL:

Are you the law enforcement agency?

MR. AICHROTH:

We are not a law enforcement agency, but we are enforcement from a compliance agency perspective.

SENATOR NEAL:

I had asked about section 6 of S.B. 426 regarding withholding rent if the landlord has an increase or charge. What if the landlord acted properly and the tenant withheld the rent? What will your role be in trying to remedy the loss of fees and rent under section 6, subsection 2? This is outside of the courts.

MR. AICHROTH:

If I am reading this correctly, section 6 states, in part, "If the landlord increases or charges rent to a tenant in violation of the provisions of section 4 of this act, the tenant may, in addition to any other remedy" Section 6, subsection 2 states:

Withhold any rent that becomes due without incurring late fees, charges for notice or any other charge or fee authorized by this chapter or the rental agreement until the landlord has remedied, or has attempted in good faith to remedy, the failure;

I do not have an answer. I apologize, but typically we are not the enforcement agency for something along those lines.

SENATOR SPEARMAN:

I will attempt to get an answer for you.

CHAIR DONDERO LOOP:

Perhaps we can get those answers at some point. With the proposed amendment, Mr. Aichroth, can you confirm that your fiscal note would go away?

MR. AICHROTH:

We would still need to have personnel to administer the program. However, it would be substantially reduced. I will need to perform more due diligence. I cannot tell you at this point it would be eliminated entirely.

MS. SAUNDERS:

The Progressive Leadership Alliance of Nevada supports S.B. 426. Unchecked rent increases push family budgets past the breaking point and forces them to choose between paying rent or buying essentials like food and medicine. These financial hardships can cause families to deplete their savings, push them into homelessness and send them into a spiral of poverty. This bill will keep families in their homes when the rental market is stacked against them.

When rent stabilization policies are in place, landlords can raise the rent only when they keep units safe and maintained. Rent stabilization policies both protect tenants and include provisions that make the system fair for landlords.

Senate Committee on Finance
May 19, 2023
Page 26

Senate Bill 426 will keep families in their homes and create more economically stable and diverse communities. We urge your support.

LILITH BARAN (American Civil Liberties Union of Nevada):

We urge passage of this measure because stability is important for children and families. When they experience housing insecurity and instability, it is difficult to know where the child is going to school which often trickles down into school discipline issues. This topic has been discussed during this Legislative Session. It is also a concern for small businesses and the overall greater good of the community. We urge you to pass this measure.

MR. HOSKINS:

The Service Employees Union Local 1107 urges your support of S.B. 426. It will create stability and affordable housing for many of our members and others throughout Nevada. We believe S.B. 426 should be passed.

VALERIE THOMASON (Democratic Socialists of America):

I am calling in support of S.B. 426. I am a single mother and a lifelong Nevadan. I watched as rent prices went from something most people could afford to something that almost nobody can afford. I have moved six times in the last five years. Every time I renew my lease, the rent goes up. The increase is beyond what someone could reasonably expect. I am talking about an increase of \$400 to \$500 in a year which causes me to move. Each time the apartment is smaller than the apartment I moved from. At this point, I am in an apartment that is 600 square feet and costs \$1,300 a month with no amenities.

Five years ago, a \$1,300 monthly rent would have you in a house. It is ridiculous how far it has gone. I am worried that if it keeps increasing \$400 each year, there will be nowhere left for us to live. I do not really know what is going to happen when we get to that point. How are people going to get back into housing if those costs increase across the board?

MR. KEITH:

The Vegas Chamber would like to thank Senator Spearman for her intent with this bill. We see rents rising. However, we are in strong opposition to S.B. 426. We believe in the free market of pricing and removing burdensome government intervention to determine prices in the market. This legislation will not address the housing shortage in Nevada. We need around 80,000 units Statewide. We

Senate Committee on Finance
May 19, 2023
Page 27

have concerns about the cost of this legislation and ask the Committee to oppose it.

MENDY ELLIOTT (Reno Housing Authority; Southern Nevada Regional Housing Authority; Nevada Rural Housing Authority):

We just received this amendment and I need to discuss it with the housing authorities. We will work with the bill sponsor to see if there is an impact to us.

SENATOR SPEARMAN:

I have not received an answer back from the LCB Legal Division, but they are checking it. I know some people think this will not solve the problem. If there is one person that needs something and you help that one person, you might mean the world to them. People in my district were really hurt by this. Many of the men and women who work do not make \$15 an hour. This legislation will help them tremendously. It may not be perfect, but I would ask you to consider that perfect not be the enemy of good. We have options when it comes to our living arrangements, but there are people who do not.

Remainder of page intentionally left blank; signature page to follow.

Senate Committee on Finance
May 19, 2023
Page 28

CHAIR DONDERO LOOP:

I will close the hearing on S.B. 426. Hearing no public comment, this meeting is adjourned at 10:19 a.m.

RESPECTFULLY SUBMITTED:

Mary Ashley,
Committee Secretary

APPROVED BY:

Senator Marilyn Dondero Loop, 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. 94	C	3	Assemblyman Howard Watts	Proposed Amendment 3639
S.B. 94	D	4	Assemblyman Howard Watts	Agency Email responses to Proposed Amendment 3639
S.B. 385	E	9	Senator Dina Neal	Renown Health Proposed Amendment
S.B. 400	F	11	Senator Dina Neal	Conceptual Amendment
S.B. 373	G	15	Senator Edgar Flores	Proposed Amendment 3677
S.B. 426	H	22	Senator Pat Spearmen	Proposed Amendment