

**MINUTES OF THE
SENATE COMMITTEE ON FINANCE**

**Eighty-second Session
May 12, 2023**

The Senate Committee on Finance was called to order by Chair Marilyn Dondero Loop at 8:10 a.m. on Friday, May 12, 2023, in 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 Julie Pazina, Senatorial District No. 12

STAFF MEMBERS PRESENT:

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

OTHERS PRESENT:

Dylan Keith, Vegas Chamber
Chris Daly, Nevada State Education Association
Kenny Varner, Director, Nevada Institute on Teaching and Educator Preparation
Alejandro Rodriguez, Nevada System of Higher Education
Mary Pierczynski, Nevada Association of School Superintendents

Senate Committee on Finance
May 12, 2023
Page 2

Sheila Bray, University of Nevada, Reno
Marc Kahn, Dean, Kirk Kerkorian School of Medicine, University of Nevada,
Las Vegas
Jesus Medrano, Vice President of Graduate Medical Education,
Hospital Corporation of America Healthcare, Far West Division
Ashley Cruise, Touro University
Chris Bosse, Renown Health
Vanessa Dunn, Nevada Public Health Association
Angelina Rodriguez, Hospital Corporation of America Healthcare, Sunrise Health
Graduate Medical Education Consortium
Steven Messinger, Nevada Primary Care Association
Daniel Marlow, Administrator, Administrative Services Division, Nevada
Department of Administration
Brigid Duffy, Juvenile Division, Clark County District Attorney's Office
Jennifer Noble, Nevada District Attorneys Association
Chris Ries, Las Vegas Metropolitan Police Department
Nicole Rourke, City of Henderson
Jared Luke, City of North Las Vegas
Hana Fahmi
Barbara Carter
Eli Valdez
Derek Rimson, Bishop, NAACP; National Action Network
Edward McCall
Aiesha Goins, NAACP
Webster Davis
Cody Hoskins, Service Employees International Union Local 1107
Frank Fritz
Aariel Williams
Linda Stout, Sierra Club
Steve Aichroth, Administrator, Nevada Housing Division, Nevada Department of
Business and Industry

CHAIR DONDERO LOOP:

I begin our work session with Senate Bill (S.B.) 244.

SENATE BILL 244: Makes an appropriation to the Other State Education
Programs Account for the creation and maintenance of school gardens.
(BDR S-557)

WAYNE THORLEY (Senate Fiscal Analyst):

This bill was heard on March 28, 2023, in this Committee. It provides General Fund appropriations of \$1.5 million in fiscal year (FY) 2023-2024 and FY 2024-2025 to the Nevada Department of Education's Other State Education Programs account for allocation to nonprofits to create and maintain school garden programs and requires reporting to the Interim Finance Committee (IFC) on expenditures from the money appropriated. The effective date of the act is July 1, 2023. The bill was presented by Senator Julie Pazina, and there was testimony in support provided by the Nevada State Education Association (NSEA), the Vegas Chamber and Washoe County Charter Schools. There was no testimony in opposition. Several people testified in neutral as did the Healthy Communities Coalition.

There is a conceptual amendment for S.B. 244 ([Exhibit C](#)) from Senator Pazina which would change section 1, subsection 3, paragraph (b), subparagraph (1) from "Kindergarten through grade 5" to "Pre-Kindergarten through grade 12." In section 1, subsection 3, paragraph (g) would change from "Advisory Council on Science, Technology, Engineering and Mathematics" to "Office of Science, Innovation and Technology" (OSIT).

SENATOR TITUS:

I support the concept, but yesterday we heard that other nonprofits help with school gardens. If this money goes to the Nevada Department of Education or OSIT, can staff award these grants based on their judgment?

SENATOR JULIE PAZINA (Senatorial District No. 12):

Yes. Any organization accredited by the Nevada Department of Education, can receive the funds. The accreditation is for accountability.

SENATOR CANNIZZARO MOVED TO ACCEPT CONCEPTUAL AMENDMENT [EXHIBIT C](#) TO S.B. 244 AMEND AND DO PASS AS AMENDED S.B. 244.

SENATOR NGUYEN SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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Senate Committee on Finance
May 12, 2023
Page 4

CHAIR DONDERO LOOP:
Next on the agenda is S.B. 285.

SENATE BILL 285: Makes an appropriation for civics education programs.
(BDR S-86)

CATHY CROCKET (Chief Principal Deputy Fiscal Analyst):
Senate Bill 285 was heard in the Committee on March 28, 2023. It provides General Fund appropriations of \$250,000 in FY 2023-2024 and FY 2024-2025 to the Nevada Center for Civic Engagement to support civics education programs, such as We the People, and requires reporting to the IFC on expenditures. This bill is effective on July 1, 2023, and was presented by Chair Dondero Loop, accompanied by members of the Nevada Center for Civic Engagement. Five people testified in support, including members of the Nevada Center for Civic Engagement. No one testified in opposition or neutral.

SENATOR SEEVERS GANSERT MOVED TO DO PASS S.B. 285.

SENATOR TITUS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR DONDERO LOOP:
Next on the agenda is S.B. 339.

SENATE BILL 339: Authorizes the reimbursement of teachers for certain out-of-pocket expenses. (BDR 34-85)

MR. THORLEY:
Senate Bill 339 was heard by this Committee on April 3, 2023. In its current form, it creates the school supplies assistance account to provide money to teachers for the purpose of necessary school supplies for their students, to be administered by the Nevada Department of Education. The Department would be required to appropriate the money available in the account among the school districts and charter schools based on the number of teachers, up to \$500 per teacher per year. Each school district and charter school would then disperse the money to teachers to be used for school supplies. There is a \$10 million

General Fund appropriation in FY 2023-2024 for the program. A conceptual amendment ([Exhibit D](#)) from Chair Dondero Loop guts and replaces all existing provisions in the bill and instead would make a \$10 million appropriation to the Nevada Department of Education for the purpose of creating a grant program to allow teachers and specialized instructional support personnel to obtain necessary supplies and materials for their classrooms or school operations.

The conceptual amendment would also require the Nevada Department of Education to enter into an agreement with one or more organizations to receive a grant from the Department, for the purpose of administering the program for teachers and specialized instructional support personnel to request necessary supplies and materials, and using the grant money to provide such supplies and materials directly to teachers and specialized instructional support personnel.

The conceptual amendment would also require the agreement entered into by the Department to include a limitation that the maximum amount of grant funding that can be used to fulfill the request of any individual teacher or specialized instruction support personnel is \$500, but a request in excess of that amount can be made, and to the extent money from a source other than the grant program is available, it can be fulfilled. The \$10 million appropriation does not change from the current bill to the conceptual amendment. When the bill was heard on April 3, 2023, several organizations provided testimony in support, including the Clark County Education Association, Washoe County Charter Schools, the City of Henderson, Vegas Chamber, several teachers and parents of students, NSEA and the Charter School Association of Nevada. There was no testimony in opposition. The Nevada Association of School Superintendents provided testimony in neutral.

SENATOR TITUS:

Does the money roll over if not used, since we are using General Fund appropriations, or will it revert?

MR. THORLEY:

The General Fund appropriations not expended by the end of the biennium would revert to the General Fund.

SENATOR CANNIZZARO MOVED TO ACCEPT THE CONCEPTUAL AMENDMENT [EXHIBIT D](#) AND AMEND AND DO PASS AS AMENDED [S.B. 339](#).

SENATOR NGUYEN SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR DONDERO LOOP:
I open the hearing on S.B. 282.

SENATE BILL 282 (1st Reprint): Revises provisions governing education.
(BDR 34-532)

SENATOR ROCHELLE T. NGUYEN (Senatorial District No. 3):
I have a fiscal amendment ([Exhibit E](#)) to S.B. 282 that extends the time to spend the carryover monies from 18 months to 24 months. It initially started off at 12 months; moving it to 24 months removes the fiscal impact from the Nevada Department of Education.

CHAIR DONDERO LOOP:
How would that amendment work for a school principal? Can you give us a scenario?

SENATOR NGUYEN:
Sometimes it is difficult to expend all the resources given in a 12-month period. However, moving it to 18 months meant the period ended mid-year and that required a different accounting procedure. Going to 24 months would give principals extra time and flexibility to expend any resources given and avoid changing the accounting procedure.

CHAIR DONDERO LOOP:
Many times, principals know they might need something the following year but are not ready to purchase it. For example, they may be waiting on the latest version of a textbook to be made available. I appreciate giving them extra time.

DYLAN KEITH (Vegas Chamber):
We support S.B. 282.

CHRIS DALY (Nevada State Education Association):
We support S.B. 282.

CHAIR DONDERO LOOP:

I will close the hearing on S.B. 282 and open the hearing on S.B. 291.

SENATE BILL 291: Makes various changes relating to education. (BDR 34-503)

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

Senate Bill 291 seeks to make it possible for student teachers to receive substitute pay while completing their coursework in higher education. The bill also provides funding to allow University of Nevada, Las Vegas (UNLV) student cohorts at the Nevada Institute on Teaching and Educator Preparation (NITEP) to continue their educator preparation program. The NITEP program was instituted during the Seventy-ninth Legislative Session and has been funded each Legislative Session thereafter via an appropriation. This program recruits the best and brightest students to be a part of an intensive and hands-on teacher preparation program. Participants make a commitment to begin their teaching careers in Nevada.

Section 1 of the bill removes the requirement that a student teacher must have completed at least four weeks of student teaching to qualify for employment as a substitute teacher and makes an appropriation of \$1,575,000 from the State General Fund to the Nevada Department of Education for the NITEP. This is in line with the amount of funding provided to NITEP over past Legislative Sessions, and S.B. 291, section 1 requires reporting of expenditures made from those funds. There are two local government fiscal notes attached to the bill, one from Carson City School District and one from Elko County School District.

KENNY VARNER (Director, Nevada Institute on Teaching and Educator Preparation):

The NITEP program serves many students who are first generation students, like me, or are from underrepresented groups. It allows for a nontraditional approach even in a traditional preparation program. Since 2020 the program has focused on systematic redesign, to ensure teachers receive enhanced preparation. Since 2021 we have worked to expand NITEP to both the University of Nevada, Reno (UNR) and to Nevada State College, to ensure we are able to work with students across the system. We look forward to collaborating with Great Basin College as well in the next biennium.

Senate Committee on Finance
May 12, 2023
Page 8

CHAIR DONDERO LOOP:

Can the changes to NITEP be implemented immediately, or does NITEP need a transition period?

MR. VARNER:

We are ready to go on July 1, 2023. We have students who are mid-cycle that we would like to continue working with, as well as welcoming up to 50 new students. To address the fiscal note, according to the Nevada Association of School Superintendents, the large note from Carson City School District will be removed. There was a misunderstanding around whether S.B. 291 would obligate them to pay student teachers. The bill does not, and with that clarification, the Carson City School District is prepared to speak on behalf of the bill.

ALEJANDRO RODRIGUEZ (Nevada System of Higher Education):
We strongly support S.B. 291.

MR. KEITH:

We support S.B. 291. It is an efficient use of taxpayer dollars.

MARY PIERCZYNSKI (Nevada Association of School Superintendents):

We support S.B. 291, and to reiterate, the Carson City fiscal note has been removed.

MR. DALY:

The Nevada State Education Association supports S.B. 291.

SHEILA BRAY (University of Nevada, Reno):

We support S.B. 291. It provides extended support for the teacher pipeline, a serious issue that we face in Nevada.

CHAIR DONDERO LOOP:

I will open a work session on S.B. 282.

MR. THORLEY:

Senate Bill 282 was heard a few minutes ago. There is a fiscal amendment from Senator Nguyen [Exhibit E](#) that would change the window to use unspent funds laid out in section 1.5, subsection 4 from 18 months to 24 months. If the

Senate Committee on Finance
May 12, 2023
Page 9

Committee desires to move this bill, the motion would be to amend and do pass as amended.

SENATOR TITUS:

I will be a no on this motion. I do not support the policy and I will not put money in bad policy.

SENATOR SEEVERS GANSERT:

I will not support the motion because I have concerns about some of the requirements in the bill.

SENATOR CANNIZZARO MOVED TO ACCEPT FISCAL AMENDMENT [EXHIBIT E](#) AND AMEND AND DO PASS AS AMENDED [S.B. 282](#).

SENATOR HARRIS SECONDED THE MOTION.

THE MOTION CARRIED. (SENATORS SEEVERS GANSERT, GOICOECHEA AND TITUS VOTED NO.)

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CHAIR DONDERO LOOP:

I close the work session and open the hearing on [S.B. 350](#).

[SENATE BILL 350 \(1st Reprint\)](#): Revises provisions relating to graduate medical education. (BDR 18-553)

SENATOR JULIE PAZINA (Senatorial District No. 12):

Nevada is facing a shortage of medical professionals. This bill aims to expand graduate medical education opportunities including residency and fellowship programs in the State to ensure Nevada medical school graduates and physicians stay in Nevada to practice medicine. The bill requests a \$17 million appropriation to cover four years rather than the traditional biennium. The Governor's Graduate Medical Education Budget for the biennium was \$8.5 million. This bill doubles that for the four years to establish fellowships for specialty physicians. We needed the additional time and money to build these programs. For example, a traditional obstetrics and gynecology residency startup is approximately \$2.8 million each year.

Senator Titus and I have been working together on funding and policy for Graduate Medical Education (GME). We would like to incorporate an amendment, with funding elements from S.B. 369, to establish a credit against the modified business tax to ensure sustainable funding for graduate medical education in Nevada.

SENATE BILL 369: Revises provisions relating to health care. (BDR 32-528)

MARC KAHN (Dean, Kirk Kerkorian School of Medicine, University of Nevada, Las Vegas):

Nevada has a critically low number of physicians per capita in every specialty field. A medical student who graduates medical school in our State has about a 50 percent chance of practicing in Nevada. However, if the student does graduate medical education or a residency training program, that number approaches 80 percent. For many decades, the federal government through the Centers for Medicare and Medicaid Services have funded GME. Those positions were capped by a bill passed in 1996 and enacted in 1997. For comparison, Nevada has 404 funded residency spots for the entire State, while California has over 9,000, and New York has over 16,000. Nevada is woefully undersubscribed. The best way to get more doctors into Nevada is to expand graduate medical education and this bill will do that.

JESUS MEDRANO (Vice President of Graduate Medical Education, Hospital Corporation of America Healthcare, Far West Division):

I echo Dean Kahn's comments. In addition, our historical retention rate in southern Nevada has been 30 percent. We can get that up to 50, 60 or even 75 percent retention by funding fellowships. We cannot achieve that right now because there is a five-year Centers for Medicare & Medicaid Services cap to fund them. After exceeding the five years, there would be no funding source for fellowships. This bill would allow us to collaborate with UNLV and other institutions to create fellowships and retain physicians.

ASHLEY CRUISE (Touro University):

Touro University graduates 180 doctors every year. We do not have a shortage of medical students in Nevada. We have a shortage of GME residency spots that are needed to make sure our medical students stay in Nevada. We support S.B. 350.

CHRIS BOSSE (Renown Health):

We support S.B. 350 because it will grow GME in Nevada. To highlight our current shortages, Nevada would need an additional 1,500 physicians to reach the national average. Based on a 2002 survey done by the Nevada Hospital Association, approximately 150 to 170 residents complete their training annually in Nevada, and a number of these physicians have to leave the State to seek specialty and fellowship training. It is very unlikely we will get the 1,500 additional residents we need.

Capped funding was brought up earlier. I will use Renown's program as an example of the problems that creates. The number of Medicare-funded residents for Renown Regional Medical Center was capped at 56 back in 1996. Renown funds 73 residents in our partnership with UNR, so 17 go unfunded by Medicare. Renown Health became affiliated with UNR in 2021 for purposes of research, clinical practice and medical education training. Both organizations have focused on how to grow our GME programs.

Core residencies need to be established to both support the medical school training and ensure we have an adequate supply of doctors in northern Nevada. We have been able to get a pediatric residency accredited, and it will start on July 1, 2023. The program is only partially funded by community donors since it is capped in the near term. We are also considering establishing an obstetrics residency.

Our initial estimates indicate the cost will be about \$400,000 in startup funding and about \$2.8 million annually once it is fully functioning. To increase medical education at Renown and other programs, the State will need additional funding. This bill will allow us to expand training programs and retain more physicians.

VANESSA DUNN (Nevada Public Health Association):

We support S.B. 350.

MR. RODRIGUEZ:

The Nevada System of Higher Education strongly supports S.B. 350.

MR. KEITH:

The Vegas Chamber supports S.B. 350. Getting more healthcare providers is one of the Vegas Chamber's top priorities, as Nevada ranks near the bottom on

doctors per capita. It is absolutely essential to retain the doctors we are training.

ANGELINA RODRIGUEZ (Hospital Corporation of America Healthcare, Sunrise Health Graduate Medical Education Consortium):

We support S.B. 350. We are excited to expand our GME programs in Nevada.

Ms. BRAY:

As many testifiers have mentioned, Nevada badly needs medical professionals who grow and stay in Nevada. This bill will support graduate residents, graduate medical education, residency programs and fellowships. We support S.B. 350.

STEVEN MESSINGER (Nevada Primary Care Association):

Our members mention the trouble they have retaining and attracting qualified providers to their practices on a daily basis, and we support anything that would increase the number of providers in the State. We support S.B. 350.

DANIEL MARLOW (Administrator, Administrative Services Division, Nevada Department of Administration):

We are neutral on S.B. 350. We placed a fiscal note on this bill for the administration of this program, but based on the joint Senate Finance and Assembly Ways and Means Committees' approval of a management analyst IV position that would accomplish this, we can remove the fiscal note at this time.

CHAIR DONDERO LOOP:

I will close the hearing on S.B. 350 and open the hearing on S.B. 367.

[SENATE BILL 367 \(1st Reprint\)](#): Revises provisions relating to public safety.
(BDR 15-942)

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

This bill allows for charges against any prohibited person in possession of a firearm. This includes felons and individuals with domestic violence convictions or restraining orders that prohibit the possession of firearms. This bill would allow for charges for all firearms in such a person's possession. Current law allows for just one charge if a prohibited person has a firearm, but if they have 10 to 50 guns, they are illegally possessing all of them, and we want to be able to charge them for each gun. The fiscal impact of this portion of S.B. 367 is unclear. The second portion of the bill allows for additional information to be

made accessible on background checks of certain juvenile offenders, in compliance with federal law. The second portion has a fiscal note of \$34,000 from the Nevada Department of Public Safety (DPS) for system upgrades to facilitate the expanded background checks.

BRIGID DUFFY (Juvenile Division, Clark County District Attorney's Office):
When the federal Bipartisan Safer Communities Act of 2022 went into effect, I started receiving requests from the DPS to obtain information on juvenile backgrounds for young adults aged 18 to 21 who were applying to purchase a long rifle. Long rifles include AR-15s. For the background checks, DPS wanted information from the time these young adults were ages 16 and 17, to see if they had any disqualifying, juvenile delinquent history or any involuntary mental health commitments. After the Eighty-first Session, our juvenile history records for many offenses seal automatically at the age of 18. The information DPS wanted was not accessible.

Many recent mass shootings were carried out by young adults who cleared a background check, and thus could buy a rifle, but who had sealed juvenile histories of mental health problems or delinquency. This bill would allow us to ensure these young adult gun owners are responsible by unsealing the juvenile's history to check for mental health problems or delinquency and keeping that information in a central repository. The records would then be removed from the central repository when the individual turns 22. The fiscal note accounts for the cost of storing and then removing the records in question. In Clark County, we have received requests on an average of seven young adults per year for the last five years.

SENATOR NEAL:

I do not understand how the mental history works for the bill. Would getting a 16-year-old's mental health information and putting it in a repository be a HIPAA violation? How do you obtain it?

Ms. DUFFY:

Per the Bipartisan Safer Communities Act of 2022, getting this specific information for purposes of background checks to possess a firearm is not a HIPAA violation. Getting the same information for adults over age 22 is not a HIPAA violation either.

SENATOR NGUYEN:

Is this only for involuntary mental health commitments? We are not talking about the truancies or other types of violations done by 16-year-olds going into that repository.

Ms. DUFFY:

That is correct. If someone seeks mental health treatment on their own, that would not be sent to the central repository. The central repository would only track court orders for involuntary mental health commitments, for which we have very high due process protections. For teens going up for involuntary commitment, everyone has a right to an attorney, most of whom come from legal aid, and to first and second opinions, and evidentiary hearings.

JENNIFER NOBLE (Nevada District Attorneys Association):

We support S.B. 367. It is good public policy for public safety.

CHRIS RIES (Las Vegas Metropolitan Police Department):

I will echo Ms. Noble's comments and support S.B. 367.

CHAIR DONDERO LOOP:

I will close the hearing on S.B. 367 and open the hearing on S.B. 425.

SENATE BILL 425: Establishes the Commission on Innovation and Excellence in Education to develop a Statewide vision and implementation plan to improve the public education system in this State. (BDR 34-1060)

SENATOR MARILYN DONDERO LOOP (Senatorial District No. 8):

Senate Bill 425 establishes the Commission on Innovation and Excellence in Education to develop a Statewide plan to improve Nevada's public education system. I had the pleasure to serve as a member of the 2020-2021 Legislative International Education Study Group, a bipartisan group of 20 Legislators and Legislative staff from across the Country. This group studied the highest performing education systems to take lessons from those education systems and apply them to State education systems.

The Commission created by S.B. 425 would be comprised of 24 members, as outlined in section 3, including 3 Senators and 3 Assembly members. Additionally, the bill requires the Commission to conduct a study comparing Nevada's education policies to those of high-performing international and

domestic education systems, make recommendations on how to adapt those education policies into Nevada's system, make recommendations on improving student performance in Nevada, incorporate any relevant findings of previous or ongoing studies related to education funding and develop an implementation plan for the recommendations made, including an analysis of the costs involved. Sections 5 and 6 of the bill appropriate funds to travel, \$12,500 each year of the biennium, and \$250,000 to allow the Commission to enter into a contract with an organization to support the Commission's work.

NICOLE ROURKE (City of Henderson):

We support S.B. 425 and appreciate the inclusion of cities in the Commission. We are interested in the education of Nevada's youngest residents.

MR. DALY:

The Nevada State Education Association seeks an amendment related to the appointment process and the composition of the Commission. For that reason, we oppose S.B. 425. We do not have an issue with the fiscal impact.

VICE CHAIR CANNIZZARO:

I will close the hearing on S.B. 425.

CHAIR DONDERO LOOP:

I will open the hearing on S.B. 450.

SENATE BILL 450: Establishes a program for the relocation of persons residing in the Windsor Park neighborhood of the City of North Las Vegas. (BDR S-794)

SENATOR DINA NEAL (Senatorial District No. 4):

Senate Bill 450 is the Windsor Park Environmental Justice Act. I have a video that will serve as my testimony. Windsor Park was built in the 1960s, when segregation was still a problem in southern Nevada, as a black neighborhood so African Americans could build wealth and a community for themselves. However, Windsor Park was built in an area riddled with faults, and in the 1980s it started to suffer from subsidence. Subsidence causes parts of the ground to sink faster than other parts, cracking houses, pipes and roads.

Residents asked the City of North Las Vegas for help. The U.S. Department of Housing and Urban Development conducted a study and estimated that

between \$12 and \$14 million was needed to relocate the residents. In 1991, the money was reduced to \$5 million with officials believing that the reduced amount was sufficient for the residents to “reestablish their living conditions.” That has not proven true. The 1991 resolution also prevented the residents from repairing or rebuilding, now many homes are on the verge of falling apart.

I learned about the problems with Windsor Park from my father, former Senator Joe Neal, who served Nevada and tried for 32 years to fix this problem. That is how long Windsor Park has been neglected. That is unacceptable, and the City of North Las Vegas is not going to do anything about it, which is why the residents of Windsor Park need S.B. 450.

I have a conceptual amendment ([Exhibit F](#)) to this bill, adjusting the appropriations from \$10 million to \$12 million from the State, which would have to be paid back by the City of North Las Vegas over three years, and adjusting figures to use \$25 million in Coronavirus funds. The Nevada Department of Taxation would be required to withhold \$250,000 per month from the City’s tax distribution until the bill is paid. The reasons for this amendment are because the City is opposed to this bill, and because the City claimed to have had a plan in place, but I am not aware of any such plan. The City mentioned it was going to secure federal funds to address the issue but provided no timeline. Windsor Park residents are not in a position to wait. The amendment also deals with the permitting process to ensure there are no unreasonable barriers to relocating the residents into houses of equivalent size.

The conceptual amendment also covers Fannie Mae dollars. In 1994, roughly \$14 million in Fannie Mae money was provided for the residents. Of that, nearly \$2.5 million remains. However, there was a Fannie Mae bond created in 1999 that was supposed to generate \$300,000 per year for the Windsor Park residents. Point 2 of the conceptual amendment requires the City of North Las Vegas to create a program with the Nevada Department of Business and Industry, Housing Division and use the leftover Fannie Mae and Community Development Block Grant dollars to assist original residents Windsor Park. It would give \$55,000 for rehabilitation to those who relocated to 45 poorly built homes now known as Baby Windsor Homes.

Point 6 of the conceptual amendment requires that any property exchanged by the residents of Windsor Park must become part of a public park to memorialize the neighborhood. This has been discussed by the City of North Las Vegas

before, so there should be no opposition to the park. The proposal to turn Windsor Park into a public park is not a new one, it has been going on for years. We want to memorialize some of the local landmarks, like Greater Faith Church, which residents still use today. We also want to protect the area for the safety of elderly residents who do not want to move.

SENATOR SEEVERS GANSERT:

You mentioned money for relocation and rebuilding the homes. What is the goal precisely? Are we relocating the people, moving the homes or rebuilding the homes?

SENATOR NEAL:

The goal is to relocate the residents, not move or rebuild the homes in Windsor Park.

SENATOR SEEVERS GANSERT:

What about rented homes in the area? Some corporations bought homes in Windsor Park and are leasing them out.

SENATOR NEAL:

Many of the renters are related to the prior residents of Windsor Park. For those cases, the renter will be relocated to a replacement home and continue paying their lease as if they still lived at the Windsor Park home. Residents with mortgages will not have their mortgage totally extinguished but go through a special program with the Housing Division. Residents without mortgages would not have to pay a mortgage on the houses they are relocated to.

SENATOR SEEVERS GANSERT:

Once residents are relocated to a new home, are they required to stay there for a period of time?

SENATOR NEAL:

I did not spell that out, but there will probably be an affordability period on the mortgaged homes. The prior relocation effort included an affordability period but prevented a resident from passing down the new house to the resident's descendants, which is a problem. We want to avoid that.

SENATOR SEEVERS GANSERT:

It makes sense for the relocated residents to be able to pass the property to their descendants, but I am concerned about people selling it for a profit. Will there be any restrictions on that?

SENATOR NEAL:

We will put a restriction on that.

SENATOR SEEVERS GANSERT:

Is it possible to upgrade the houses the residents will be relocated to, if the residents are willing to pay the difference?

SENATOR NEAL:

That would be up to the residents. I doubt these families have \$25,000 sitting around to make that change. We want to include in the value of replacement homes the value of any improvements they made to their homes. That should be in the developer agreement.

SENATOR TITUS:

Are the Windsor Park lots bigger than current Las Vegas lots? I'm concerned about zoning complications.

SENATOR NEAL:

The lots are about 6,000 square feet, compared to modern lots where the houses tend to be smaller, but the yards tend to be bigger.

SENATOR TITUS:

How many original homes were there?

SENATOR NEAL:

There were 242.

SENATOR TITUS:

Is the ground still good for building? It shifted because of the water pumping, but there is no contamination in the lots, correct?

SENATOR NEAL:

That is unclear. The last geotechnical study was in 2014. The ground removal around the faults was significant enough to crack the foundations. Between the

1980s and 2011, there was a period where the City of North Las Vegas allowed the groundwater to recharge, but then it had to start pumping again because Lake Mead was low, and the damage was further exacerbated. The City has never agreed the homes could be rebuilt there, and I concur.

SENATOR TITUS:

Are we moving this community as a group, or will they be scattered all over the area or maybe go to other states?

SENATOR NEAL:

We will be moving them together as a census group. These residents are a community, the last 90 did not want to move because of the failures of the Baby Windsor Homes. Moving them as a whole community gives them comfort and peace, because they are a tight-knit group.

SENATOR TITUS:

What about residents with liens on the property? Will this bill cover them?

SENATOR NEAL:

That is the plan. We will use whatever is left over from the \$2.5 million from the prior effort and the Fannie Mae bond to deal with the liens. The City illegally used Fannie Mae dollars to buy some of the properties in Windsor Park that had tax delinquent liens.

SENATOR TITUS:

How do renters factor into this bill? Some of the homes were sold and are now owned by corporations, not original residents.

SENATOR NEAL:

For renters who have a lease with an original resident of Windsor Park, their lease will stay intact for the relocated property until the lease expires, then it will be up to both parties to extend or alter the lease. There is language to protect renters whose leases run out during the relocation period as well, because S.B. 450 should not displace renters.

SENATOR GOICOECHEA:

How big is the area affected? Based on the lot size, I would assume 40 to 45 acres.

Senate Committee on Finance
May 12, 2023
Page 20

SENATOR NEAL:
It is 20 acres.

SENATOR GOICOECHEA:
That is smaller than I expect for 6,000 square foot lots for 242 homes.

SENATOR NEAL:
This bill only covers the 90 homes that remain, the residents of the other 150 homes were relocated in the 1990s.

SENATOR GOICOECHEA:
That makes sense; subsidence is difficult to stabilize. And once the relocation is done, will those 20 acres become a public park?

SENATOR NEAL:
That is the plan.

SENATOR GOICOECHEA:
A significant number of original residents were relocated by the process in the 1980s and 1990s, where the residents were given \$50,000 or \$100,000 to relocate. Has that been paid for?

SENATOR NEAL:
In 1989, the State gave \$250,000. In 1992, the State gave \$500,000. The City of North Las Vegas leveraged one of those amounts to get a matching Community Development Block Grant. In 1994, the City went to the U.S. Congress and got roughly \$6.75 million spread out over time. In 1999 the City issued a \$4 million general obligation bond, which Fannie Mae purchased in 1999. The bond was supposed to generate \$300,000 per year for the residents, and it should still be in effect since it is cited in the 2022 and 2023 budgets.

SENATOR GOICOECHEA:
Would it be possible to leverage the State appropriations in S.B. 450 against federal dollars to accomplish the bill's objectives?

SENATOR NEAL:
That could be a possibility. I do not know what the timeline would be. When Congressman Steven Horsford was here a couple of weeks ago, he said there was a potential grant the Housing Division can apply for, but it is only

\$4 million. The bill has the \$12 million the City would have to pay back to the State, because it is primarily the City's responsibility, but the residents do not have time to wait for the City to handle the problem. Most of the residents are seniors, and I do not want to run the risk of another resident passing away.

From 2019 to 2021, Boyd School of Law Professor Frank Fritz and Associate Dean Ngai Pindell tried to find developers who would help, but the City prevented them from building there. The City has never proposed a plan to handle the issue. City officials have alleged the residents of Windsor Park are holding out and trying to get a brand-new house on the City's dime. The residents live in squalor. When they got their homes in Windsor Park, no one told them the houses were being built on a fault line. In 1989, their homeowner insurance was canceled, so they had no remedy, and then they were redlined. All of this can be confirmed in existing City of North Las Vegas minutes. The only reason the holdouts are willing to move now is that they trust me and what I am trying to do for them.

SENATOR GOICOECHEA:

I would want you in my corner as well. This problem has gone on for 60 years, and I look forward to working with you on fixing it.

CHAIR DONDERO LOOP:

Point 4 of the conceptual amendment requires the City of North Las Vegas to pay back the \$12 million State appropriation via its monthly tax distribution. How much would that be, and how would it work?

SENATOR NEAL:

It is \$250,000 every month. The City has a tax distribution paid to them from the Nevada Department of Taxation. If this bill were to pass, the Department of Taxation would withhold \$250,000 over a period until the \$12 million was paid off. That period could be two to three years.

CHAIR DONDERO LOOP:

You are thinking about having these withholdings take place over two to three years to spread out the cost?

SENATOR NEAL:

Yes. If we break up the payments over three years, it would lower the withholding to \$175,000 from the tax distribution.

CHAIR DONDERO LOOP:

Has an idea like yours been tried and failed? I am trying to understand how this situation has taken so long to address.

SENATOR NEAL:

I think the prior efforts failed with regard to the 45 Baby Windsor Homes I mentioned earlier. Those residents were forced out of Windsor Park into low quality homes that rapidly deteriorated. That failure was why the last 90 households in Windsor have fought not to be moved, because they did not want to fall into a similar situation. North Las Vegas City Councilman Theron Goynes tried to fix things. He went to Congress and put in the work to see the problem resolved. But somewhere along the way, everything fell apart, and the problem never got fixed. Councilman Goynes lost his 1999 election to William Robinson who tried to get the residents of Windsor Park to leave. They refused because of the Baby Windsor Homes, and there ceased to be a dialogue.

CHAIR DONDERO LOOP:

Is the City of North Las Vegas' consolidated tax roughly \$6.5 million a month?

SENATOR NEAL:

That is correct.

JARED LUKE (City of North Las Vegas):

I do not defend what the City did, or did not do, prior to 2013. I was part of a team brought in to fix the problems of the past. At the time, the City was nearly bankrupt and had terrible bond ratings, \$152 million of structural deficit, active lawsuits with every union, a \$41 million judgement against it and sweeping layoffs.

We took those problems head on and now the City is a national model for good governance and municipal practices. We previously opposed S.B. 450 because it was not financially prudent to use State and local dollars to fund a program that was previously mostly funded by federal dollars. Nevada ranks last in the Nation in getting its fair share of federal dollars, and Mayor Pamela Goynes-Brown is working to get more federal funds. State and local officials should work together to get more federal funding for the existing program that successfully relocated the majority of Windsor Park residents. We were unable to meet with Senator Neal about this bill and were unaware of the

amendment, but we want to help the residents of Windsor Park and are willing to provide funds to make it happen. The City supports S.B. 450 on the condition that it does not have to enter into a financing agreement.

CHAIR DONDERO LOOP:

I am unclear as to whether you support the amendment or not. I understand time is short and things are moving quickly.

HANA FAHMI:

I support S.B. 450. Senator Neal is an inspiration for the work she has done on this bill. The City of North Las Vegas is at fault for a lot of what happened in this situation. These residents were redlined because they were Black, when others would have been moved.

BARBARA CARTER:

I am an original resident of Windsor Park, and I support S.B. 450. My husband and I purchased our home there in 1966. At our age, moving to a new home is not easy, but we want a property we can pass down to our children and grandchildren.

ELI VALDEZ:

I am one of the newer residents of Windsor Park, I bought my house in 2019. I bought my house at a young age to build wealth. Now I cannot sell my house, and even if I could, I do not think it would be morally correct to do so. I was not aware of the history of Windsor Park until a few weeks ago. My house is rapidly deteriorating and before I thought it was just bad luck on my part, now I know otherwise. I support S.B. 450.

DEREK RIMSON (Bishop, NAACP; National Action Network):

We support S.B. 450, it is a no-brainer. These residents have been living in deteriorating homes for 50 to 60 years. The State and City of North Las Vegas should provide the finances to get them their new homes and help them move. As prior testifiers mentioned, older residents want a house they can pass down to their children, and younger residents want to be able to build wealth. Neither is possible with these deteriorating houses, and that is unacceptable. I hope the City and State will come together and fix this problem, even if they have to get federal dollars to do it. It needs to be resolved quickly.

Senate Committee on Finance
May 12, 2023
Page 24

EDWARD MCCALL:

I have been a resident of Windsor Park since 1966, and I support S.B. 450.

AIESHA GOINS (NAACP):

We support S.B. 450. There were some questions over the finances of helping these residents, but regardless of how it is done, it needs to be done. People build generational wealth by getting and passing down homes. These people have been prevented from doing that. Earlier, someone mentioned restrictions about moving or selling the replacement homes. There should be no restrictions because these people have already done everything right to become homeowners; we are just transferring new property to them.

WEBSTER DAVIS:

I have been in Windsor Park since 1980. My father bought this home in 1966. He passed away in December 1981, and we have been holding onto this house ever since. I support S.B. 450.

CODY HOSKINS (Service Employees International Union Local 1107):

We support S.B. 450. What these residents have been through is heartbreaking, and we should do right by them by passing this bill.

FRANK FRITZ:

I strongly support S.B. 450. In 1993, a City of North Las Vegas employee asked the Assembly Committee on Ways and Means for funds to "allow the Windsor Park families to reestablish their living conditions to the standard that once existed in Windsor Park." This bill will fulfill that promise. The State and the City have long recognized their duty to help the families of Windsor Park. After the ground subsided, they worked with the federal government to rehabilitate homes, build new homes, offer grants and relocate residents. However, 90 families are still stranded in Windsor Park in broken homes. This bill will help those stranded families move to new equivalent homes on stable soil.

AARIEL WILLIAMS:

I support S.B. 450.

LINDA STOUT (Sierra Club):

We support S.B. 450. The story of Windsor Park is heart wrenching. Overpumping groundwater caused this 1960s subdivision of roughly

300 predominantly Black family homes to crack, buckle and sink, making them uninhabitable. Our mission is to protect and restore the quality of the natural and human environment. This bill is an environmental justice bill that establishes a program for relocating the remaining 90 residents whose homes and the surrounding community have sustained irreversible damage.

According to the United States Geological Survey, more than 17,000 square miles across the United States have been impacted by subsidence, and 80 percent of those known cases are the result of unsustainable land and water use practices. Subsidence from groundwater depletion is often gradual and widespread, but in the Windsor Park subdivision, major fault lines and fissure zones exacerbated the damage. Since 1989 and as a result of Windsor Park, the U.S. Department of Housing and Urban Development has required special subsidence hazard assessments for property near known subsidence features. Recent efforts to build a warehouse on nearby undeveloped land have raised concerns for the taxpaying residents of Windsor Park who have been denied homeowners insurance and property improvements, and live amid vacant lots. If their community cannot be restored, we are obligated to relocate their community.

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

We are neutral on S.B. 450 and available to answer any questions on the bill.

SENATOR TITUS:

If we give State funds to cover the cost of relocating these residents, will we be at risk of losing any potential federal funds which would assist us?

MR. AICHROTH:

I would need to do a deeper dive into the funding sources. Typically, we try to leverage any eligible funds with federal funds, State funds, or whatever we can find.

SENATOR TITUS:

One of the testifiers mentioned buying a home in Windsor Park in 2019, and there have been more purchases in the area since then. Do you take into consideration what those homes sold for? Is that relevant when we buy out these folks and determine equal value properties?

Senate Committee on Finance
May 12, 2023
Page 26

MR. AICHROTH:

It could be on a case-by-case basis, but the main consideration would be the existing mortgage on a particular home.

SENATOR NEAL:

I tried to meet with North Las Vegas Mayor Brown on several occasions to discuss S.B. 450, but it never worked out. I hope we will be able to discuss the plan in the future to avoid a repeat of the Baby Windsor Homes.

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Senate Committee on Finance
May 12, 2023
Page 27

CHAIR DONDERO LOOP:

I will close the hearing on S.B. 450. Having no further business, the Senate Committee on Finance adjourns at 10:53 a.m.

RESPECTFULLY SUBMITTED:

Spencer Jones,
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. 244	C	3	Senator Julie Pazina	Amendment
S.B. 339	D	5	Chair Dondero Loop	Conceptual Amendment
S.B. 282	E	6	Senator Rochelle T. Nguyen	Fiscal Amendment
S.B. 450	F	16	Senator Dina Neal	Conceptual Amendment