

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

**Seventy-Ninth Session
May 29, 2017**

The Committee on Ways and Means was called to order by Chair Maggie Carlton at 8:13 a.m. on Monday, May 29, 2017, in Room 3137 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. The meeting was videoconferenced to Room 4406 of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. Copies of the minutes, including the Agenda ([Exhibit A](#)), the Attendance Roster ([Exhibit B](#)), and other substantive exhibits, are available and on file in the Research Library of the Legislative Counsel Bureau and on the Nevada Legislature's website at www.leg.state.nv.us/App/NELIS/REL/79th2017.

COMMITTEE MEMBERS PRESENT:

Assemblywoman Maggie Carlton, Chair
Assemblyman Jason Frierson, Vice Chair
Assemblyman Nelson Araujo
Assemblywoman Teresa Benitez-Thompson
Assemblywoman Irene Bustamante Adams
Assemblywoman Olivia Diaz
Assemblyman Chris Edwards
Assemblyman John Hambrick
Assemblyman James Oscarson
Assemblywoman Ellen B. Spiegel
Assemblyman Michael C. Sprinkle
Assemblywoman Heidi Swank
Assemblywoman Robin L. Titus

COMMITTEE MEMBERS EXCUSED:

Assemblyman Paul Anderson

GUEST LEGISLATORS PRESENT:

Assemblyman Keith Pickard, Assembly District No. 22
Assemblyman Richard Carrillo, Assembly District No. 18

STAFF MEMBERS PRESENT:

Cindy Jones, Assembly Fiscal Analyst
Sarah Coffman, Principal Deputy Fiscal Analyst

Minutes ID: 1317



Janice Wright, Committee Secretary
Lisa McAlister, Committee Assistant

After a call of the roll, Chair Carlton made some opening remarks. The Committee would hear some bills and process other bills. She added that Assembly Bill (A.B.) 325 would not be heard this morning, but it might be heard later tonight. Once a bill was posted on the agenda, the Committee might take action on that bill at a later meeting. Some problems remained with A.B. 325, and she needed some final numbers before it could be processed. She needed to have a few more Committee members present before processing bills. She wanted the presence of the Speaker [Assemblyman Frierson], the Majority Floor Leader [Assemblywoman Benitez-Thompson], and the Assistant Majority Floor Leader [Assemblyman Araujo] to process bills. She would open the hearing on Senate Bill 514 (1st Reprint), then hear Assembly Bill 328 (2nd Reprint), and then open a work session to process other bills.

Senate Bill 514 (1st Reprint): Revises provisions governing the Division of Water Resources of the State Department of Conservation and Natural Resources. (BDR 48-903)

Cindy Jones, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau (LCB), explained that Senate Bill (S.B.) 514 (1st Reprint) revised provisions governing the Division of Water Resources of the State Department of Conservation and Natural Resources (DCNR). The bill revised provisions governing the disposition of certain fees collected by the State Engineer to carry forward certain money appropriated for the maintenance and operation of the South Fork Dam. The bill changed how the budget account was funded. The budget account would be funded with State General Funds, and the fees collected by the Division would be deposited to the General Fund. This bill was consistent with how the budget for the agency was included in The Executive Budget. In addition, the bill included an appropriation of \$447,310 for the maintenance and operation of the South Fork Dam.

Jason King, P.E., State Engineer and Administrator, Division of Water Resources, Department of Conservation and Natural Resources, presented S.B. 514 (R1) and read his prepared testimony.

Good morning Chairwoman Carlton and members of the Committee. For the record, my name is Jason King, State Engineer and Administrator of the Division of Water Resources. Senate Bill 514 (R1) is a bill our office introduced, and we thank you for the opportunity to provide testimony in support as amended. This bill is primarily a budget implementation bill.

Senate Bill 514 (R1) addresses two administrative areas within the Division of Water Resources. Those two are simple and straightforward and include:

1. A revenue neutral refinement of funding methodology for the agency and

2. Recognition in statute of the ongoing needs the agency has related to the operation and maintenance of the state-owned, high-hazard South Fork Dam.

Section 2, subsection 3 and section 3, subsection 3 are simple changes being made in regard to the disposition of fees collected by the agency. Historically the fees collected by the agency were deposited directly into the State General Fund. Then three biennia ago, a methodology was introduced that had the Division retain the fees and receive a lower General Fund appropriation. Since that time, it has been determined that the new methodology is not the most efficient and effective way to handle funding for the Division. I, my staff, the DCNR Director's Office, and both LCB Fiscal Analysis Division staff, and the Office of Finance, Office of the Governor concur on this. What is before you in paragraph 3 [Section 3, Subsection 3] is cleanup in statute to return the agency to a method that worked for decades: that is, the deposit of any fees collected into the State General Fund.

As to sections 3.3 and 3.7, I would note for the record that during consideration of the original bill in the Senate Committee on Finance, the Fiscal Analyst determined there was a better way to handle a recognition in statute of the ongoing needs the agency has related to maintenance of the high-hazard South Fork Dam. By way of background, the Division of Water Resources is responsible for the operation and maintenance of the South Fork Dam Reservoir located about 20 miles south of Elko. South Fork was completed in 1988 and turned over to our office to maintain and operate beginning in 1989. The reservoir is operated as an inflow/outflow facility in order to serve downstream decreed water rights, and also serves as a recreation area.

Our office receives a General Fund appropriation for the ongoing maintenance and operation of the facility and leverages these funds with a grant from the U.S. Fish and Wildlife Service through the Department of Wildlife to complete major projects, such as replacing the hydraulic cylinders that open and close the outlet valves, relining the 318 feet of discharge conduits, repairs to the spillway gate, and more.

The problem sections 3.3 and 3.7 of this bill address is, as with most aging facilities such as South Fork Dam that is nearly 30 years old, the need increases for completion of large projects that can take multiple years to plan for and complete.

With the size and complexity of the current list of projects, it takes longer to develop a scope of work, gather qualification statements, evaluate and select a contractor. In addition, projects at South Fork are a challenge because of the dam's geographic location, winter weather conditions, and the potential

impacts to recreation activities. All of these factors impact when work can be done. Additionally, if a planned project calls for underwater work, which many projects do, the best time to perform such projects is in late summer or early fall when the water level is at its lowest and danger or extreme runoff has passed, yet many times this calls for planning and construction to overlap fiscal years. Having the ability to use funds approved as part of the Division's executive budget past a single year is essential to proper maintenance of this dam and mitigation of safety risks.

Section 3.3 of the bill allows FY 2017 funding appropriated for South Fork Dam to be carried forward until June 30, 2019, without reversion.

Section 3.7 of the bill provides for an appropriation of funds to cover estimated costs for operation and maintenance of the South Fork Dam over the next biennium with the balance of any funds reverting after September 17, 2021.

With that, Madam Chair, I look forward to answering any questions you or the Committee may have.

Chair Carlton asked whether the Committee had any questions and, hearing none, asked for any testimony in support of, in opposition to, or neutral on the bill. There was no testimony. She closed the hearing on S.B. 514 (R1) and opened the hearing on Assembly Bill 328 (2nd Reprint).

Assembly Bill 328 (2nd Reprint): Revises provisions relating to professional licensing boards. (BDR 54-157)

Sarah Coffman, Principal Deputy Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, explained that Assembly Bill (A.B.) 328 (2nd Reprint) related to the legal counsel used for professional licensing boards. The bill prohibited an attorney from being employed as legal counsel by more than one board and prohibited a person from being employed as an executive director or executive secretary by more than one board. The amendment removed the provisions originally in the bill that required the Department of Administration to establish standards for financial operations and administration of the boards including a requirement for annual auditing. The Department of Administration had submitted a revised fiscal note stating that there was no longer a fiscal impact from the bill.

Assemblyman Keith Pickard, Assembly District No. 22, provided an overview of the bill. Assembly Bill 328 (R2) was a bipartisan response to some problems that arose during the 2016 interim. This bill attempted to resolve problems of regulatory boards related to how the practice acts were interpreted. Several boards had been removed from the application of Chapter 622A of the *Nevada Revised Statutes* (NRS), which was an offshoot of Chapter 233B of NRS, which was the Administrative Procedure Act. Chapter 233B of NRS specified due process protections for practitioners. This bill would resolve the problems and

make the boards more consistent in addressing matters such as representation and disciplinary actions. The original bill included some tasks that would be performed by the Department of Administration, but those tasks were deleted from the bill, thus eliminating the fiscal note.

Chair Carlton asked for any testimony in support of, in opposition to, or neutral on the bill. There was none. She asked whether the Committee had any questions and, hearing none, said the Committee would process the bill as quickly as possible. She closed the hearing on A.B. 328 (R2).

Chair Carlton stated that Senate Bill 514 (1st Reprint) included an appropriation and must wait for a day or two until the Committee was able to process the bill.

Chair Carlton said the sponsor of Assembly Bill 371 was not present. The sponsor of Senate Bill (S.B.) 226 (2nd Reprint) had not arrived. She asked how many individuals were present in Las Vegas to testify on S.B. 226 (R2). She said the Committee would not hear any testimony about the policy matters, but would hear testimony on the fiscal note of the bill. The Assembly Committee on Ways and Means reviewed fiscal matters, and the bill included a fiscal note that needed to be addressed. Several other bills could be processed even with the absence of Assemblyman Frierson. She developed a list of the bills that could be processed: Assembly Bill 417 (1st Reprint), Assembly Bill 127 (1st Reprint), Assembly Bill 291 (1st Reprint), Assembly Bill 328 (2nd Reprint), and Assembly Bill 144 (1st Reprint). She said the Committee would review those bills, and then as other members of the Committee arrived, the other bills could be processed.

Assembly Bill 127 (1st Reprint): Revises provisions relating to emergencies in schools.
(BDR 34-196)

Sarah Coffman, Principal Deputy Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, explained that Assembly Bill (A.B.) 127 (1st Reprint) made various provisions related to emergencies in schools. The bill required each school district in counties with a population of 100,000 or more to appoint a full-time employee as an emergency manager who focused on training, planning, and coordinating resources to address emergencies and crisis situations. The bill also required consultation with emergency managers, school resource officers, and chiefs of school police as applicable. A district or charter school committee was required to develop a plan to respond to an emergency crisis. The Division of Emergency Management, Department of Public Safety, provided a fiscal note listing a cost of \$83,000 in fiscal year (FY) 2018 and \$101,000 in FY 2019 to pay for a new position to address the responsibilities required in the bill. The Division of Emergency Management sent an email to Fiscal staff withdrawing the fiscal note after the bill hearing. The amended bill had no fiscal costs.

Chair Carlton asked whether the Committee had any questions about the bill. The bill was sponsored by Assemblywoman Teresa Benitez-Thompson, Assembly District No. 27. Caleb S. Cage, Chief, Division of Emergency Management, and Homeland Security Advisor,

Department of Public Safety, removed the fiscal note. Conversations were held about the coordination between the school districts and the Division of Emergency Management. She was comfortable processing A.B. 127 (R1) because no further amendment was needed and no fiscal note remained. She would accept a motion to do pass as amended.

ASSEMBLYMAN SPRINKLE MOVED TO DO PASS AS AMENDED
ASSEMBLY BILL 127 (1ST REPRINT).

ASSEMBLYMAN HAMBRICK SECONDED THE MOTION.

THE MOTION PASSED. (Assemblymen Anderson, Benitez-Thompson, Frierson, and Oscarson were not present for the vote.)

Chair Carlton asked Assemblyman Sprinkle to present the floor statement on the bill.

Assembly Bill 144 (1st Reprint): Creates the Nevada Advisory Commission on Mentoring. (BDR 34-31)

Sarah Coffman, Principal Deputy Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, explained that Assembly Bill (A.B.) 144 (1st Reprint) created the Nevada Advisory Commission on Mentoring. The bill required the administration of a competitive grants program to award grants to mentorship programs. The bill also required a process to identify children in need of mentorship. The Department of Education submitted its fiscal note of \$7,400 in each year of the 2017-2019 biennium to pay for travel expenses, supplies, and temporary office help. The Department said the fiscal note was based upon the estimated costs of conducting a minimum of four annual meetings required by the bill. The additional meetings might be required at the call of the chair. The Department would require a State General Fund appropriation of \$7,400 in each year.

Chair Carlton asked whether the Committee had any questions on the bill. She said the cost of \$7,400 in each year of the 2017-2019 biennium was small. The program was good, and the fiscal note had been reduced as far as possible. She was comfortable processing the bill and sending it to the Senate so a discussion could be held on the merits. The amendment would be to add an appropriation of \$7,400 in each year of the 2017-2019 biennium. She would accept a motion to amend and do pass Assembly Bill 144 (R1).

ASSEMBLYMAN ARAUJO MOVED TO AMEND AND DO PASS
ASSEMBLY BILL 144 (1ST REPRINT).

ASSEMBLYMAN EDWARDS SECONDED THE MOTION.

THE MOTION PASSED. (Assemblymen Anderson, Benitez-Thompson, Frierson, and Oscarson were not present for the vote.)

Chair Carlton asked Assemblyman Araujo to present the floor statement on the bill.

Assembly Bill 291 (1st Reprint): Revises provisions relating to reports of presentence investigations and general investigations. (BDR 14-1076)

Cindy Jones, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, explained that Assembly Bill (A.B.) 291 (1st Reprint) revised provisions of presentence investigations and general investigations. The bill was heard on May 22, 2017. The bill revised provisions governing presentence investigation reports. The Division of Parole and Probation, Department of Public Safety, was required to include certain information related to the offense of a defendant in a presentence investigation report. The Division was also required to include any scoresheets or scales used to determine its recommendation. The bill allowed the court to order the Division to correct the contents of any general investigation or presentence investigation report within 180 days after which judgment of the conviction had been entered.

Ms. Jones stated that the Division of Parole and Probation, Department of Public Safety, requested two additional presentence investigation writers to absorb any additional workload from this bill and from Assembly Bill (A.B.) 326 (1st Reprint). The total cost for the two positions for both bills would be \$97,992 in fiscal year (FY) 2018 and \$123,505 in FY 2019. About 70 percent of the cost would be paid by county assessments and 30 percent would be paid by State General Funds, which totaled \$29,377 in FY 2018 and \$37,052 in FY 2019. The money committees approved a total of 34 new full-time-equivalent (FTE) parole and probation specialist positions in the Division of Parole and Probation's approved budget for the purpose of writing presentence investigation reports. The total number of 113 presentence investigation writer positions included 97 parole and probation specialist 3 positions and 16 parole and probation specialist 4 positions. The new FTE positions related to a change in how the caseload would be managed by the agency. Fiscal staff was unsure whether the proposed staffing level was necessary for the caseload change. After the caseload change was experienced, the staffing level should be analyzed. Ms. Jones suggested that if the Committee wished to proceed, it could either fund the two new positions or process the bills without funding the positions but allow the agency to return to the Interim Finance Committee (IFC). The agency could then demonstrate whether the workload required additional staff to remain timely with its work.

Chair Carlton asked whether the Committee had any questions on the bill. She said she would be more comfortable processing A.B. 291 (R1) without the positions.

Ms. Jones commented that the fiscal note would remain, but the Committee could not fund the bill for the two new positions. If the agency determined at a later date that it was unable to absorb the additional workload, it could request the additional positions from IFC.

Chair Carlton said she preferred to allow the agency to return to IFC during the interim to support its need for the additional staffing positions. When the bill was presented by Assemblyman James Ohrenschall, Assembly District No. 12, and testimony was heard from Assemblyman Steve Yeager, Assembly District No. 9, both testified they were unable to

identify the actual need and did not believe the effect was significant. She would accept a motion to do pass as amended.

ASSEMBLYMAN HAMBRICK MOVED TO DO PASS AS AMENDED
ASSEMBLY BILL 291 (1ST REPRINT).

ASSEMBLYMAN FRIERSON SECONDED THE MOTION.

THE MOTION PASSED. (Assemblymen Anderson, Benitez-Thompson, and Oscarson were not present for the vote.)

Chair Carlton asked Assemblyman Hambrick to present the floor statement on the bill.

**Assembly Bill 130 (1st Reprint): Revises various provisions relating to guardianships.
(BDR 13-524)**

Chair Carlton said Assemblyman Frierson was present, and she wanted to process Assembly Bill (A.B.) 130 (1st Reprint). The guardianship bill was an important policy bill that had a fiscal note attached. The Legislature held numerous discussions on this matter during the interim. She believed the bill should be moved to the Senate to allow sufficient time to hold discussions on guardianships.

Cindy Jones, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, explained that A.B. 130 (R1) made various changes regarding guardianship. The bill created the State Guardianship Compliance Office run by the Guardianship Compliance Officer, who would be appointed by and serve at the pleasure of the Nevada Supreme Court. The State Guardianship Compliance Officer would be authorized to hire two accountants and two investigators. The Office would provide services to the district courts as part of the guardianship proceedings. A February 2017 fiscal note showed a cost of \$601,114 in fiscal year (FY) 2018 and \$621,533 in FY 2019 to support the bill. However, a revised fiscal note was received by Fiscal staff on May 11, 2017, indicating that the amounts could be changed to \$295,732 for FY 2018 and \$659,019 for FY 2019. A reduction for the biennium was achieved by delaying the start date of the six new positions. Four positions would start in January 2018, and the remaining two positions would start in July 2018. A six-month delay would be placed on four positions and a one-year delay on two positions. The delay in the position start dates resulted in the cost being reduced. The appropriations required for the six new positions to be amended into the bill would be \$295,732 in FY 2018 and \$659,019 in FY 2019.

Chair Carlton asked for any further questions on the bill and, hearing none, said she would accept a motion to amend and do pass the bill.

ASSEMBLYMAN SPRINKLE MOVED TO AMEND AND DO PASS
ASSEMBLY BILL 130 (1ST REPRINT).

ASSEMBLYMAN FRIERSON SECONDED THE MOTION.

THE MOTION PASSED. (Assemblymen Anderson, Benitez-Thompson, and Oscarson were not present for the vote.)

Chair Carlton asked Assemblyman Sprinkle to present the floor statement on the bill.

Assembly Bill 326 (1st Reprint): Revises provisions relating to reports of presentence investigations and general investigations. (BDR 14-1117)

Chair Carlton explained that the same discussion held for Assembly Bill 291 (1st Reprint) applied to Assembly Bill (A.B.) 326 (1st Reprint). Assembly Bill 326 (R1) was just a little bit different, and the Committee could take the same action related to the new positions.

Cindy Jones, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, explained that A.B. 326 (R1) revised provisions regarding reports of presentence investigations and general investigations. The bill related to the process for documenting and supporting information in a presentence investigation report about a defendant's gang affiliation. The presentence investigation report would be amended to correct for any errors. The court could order the Division of Parole and Probation, Department of Public Safety, to correct the contents of a presentence investigation or general investigation report if the defendant or the prosecuting attorney stipulated to the correction within 180 days from the date of the conviction. The bill clarified that those provisions applied to reports made on or after October 1, 2017. Assembly Bill 291 (R1) contained an identical fiscal note for the presentence investigation reports including the request for two presentence investigators. Only two full-time-equivalent positions were needed by the Division for both bills combined. The workload was unknown, and Fiscal staff was uncertain whether either of the bills would require additional positions in light of the additional 34 positions that were just approved for the agency. Ms. Jones suggested that the agency could come to IFC when it determined that it was unable to absorb the workload associated with the bills.

Chair Carlton asked whether the Committee had any questions on the bill. She would accept a motion to do pass as amended and allow the agency to return to IFC to request positions when appropriate.

ASSEMBLYMAN SPRINKLE MOVED TO DO PASS AS AMENDED
ASSEMBLY BILL 326 (1ST REPRINT).

ASSEMBLYMAN HAMBRICK SECONDED THE MOTION.

THE MOTION PASSED. (Assemblymen Anderson, Benitez-Thompson, Frierson, and Oscarson were not present for the vote.)

Chair Carlton asked Assemblyman Hambrick to present the floor statement on the bill.

Assembly Bill 417 (1st Reprint): Creates the Nevada Main Street Program within the Department of Tourism and Cultural Affairs. (BDR 18-1053)

Cindy Jones, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, explained that Assembly Bill (A.B.) 417 (1st Reprint) created the Nevada Main Street Program within the Department of Tourism and Cultural Affairs. The agency would adopt regulations setting forth the requirements to apply for and receive approval as a designated Main Street Program, coordinate the program, and approve or deny applications for grants for the Main Street Program. The bill further created an account for the Main Street Program in the State General Fund to accept donations, grants, and other funding for the operation and awards of the grants to the Main Street Program. The bill contained a General Fund appropriation of \$500,000 that was excluded from The Executive Budget. The funds would allow the Interim Finance Committee (IFC) to allocate the money for the operation of the Program. An amendment to the bill would move the Main Street Program to the Office of Economic Development, Office of the Governor (GOED). Funding would support one full-time-equivalent position with GOED, and the amended fiscal note reduced the funding to \$350,000.

Chair Carlton asked whether the Committee had any questions on the bill. Hearing no response to her request for questions, Chair Carlton said she would accept a motion to amend and do pass the bill.

ASSEMBLYWOMAN DIAZ MOVED TO AMEND AND DO PASS
ASSEMBLY BILL 417 (1ST REPRINT).

ASSEMBLYMAN FRIERSON SECONDED THE MOTION.

THE MOTION PASSED. (Assemblymen Anderson, Benitez-Thompson, and Oscarson were not present for the vote.)

Chair Carlton asked Assemblywoman Swank to present the floor statement on the bill.

Assembly Bill 328 (2nd Reprint): Revises provisions relating to professional licensing boards. (BDR 54-157)

Chair Carlton stated that Assemblyman Keith Pickard, Assembly District No. 22, presented Assembly Bill (A.B.) 328 (2nd Reprint) earlier this morning. The fiscal note had been removed and there were no proposed amendments. Chair Carlton asked whether the Committee had any questions on the bill and, hearing none, said she would accept a motion on the bill.

ASSEMBLYWOMAN TITUS MOVED TO DO PASS AS AMENDED
ASSEMBLY BILL 328 (2ND REPRINT).

ASSEMBLYMAN FRIERSON SECONDED THE MOTION.

THE MOTION PASSED. (Assemblymen Anderson, Benitez-Thompson, and Oscarson were not present for the vote.)

Chair Carlton asked Assemblywoman Titus to present the floor statement on the bill.

Chair Carlton said she needed to check on the availability of a couple of presenters who were en route. It was her intention to hear Assembly Bill 371 next. The sponsor of Senate Bill 226 (2nd Reprint) was not in the building, but that bill would be heard as soon as he was available. Chair Carlton opened the hearing on Assembly Bill 371.

Assembly Bill 371: Makes an appropriation for the purchase of the Huntridge Theater located in Las Vegas, Nevada. (BDR S-883)

Sarah Coffman, Principal Deputy Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, explained that Assembly Bill (A.B.) 371 made an appropriation of \$3 million to the Division of State Lands, State Department of Conservation and Natural Resources, for the purchase of the Huntridge Theater in Las Vegas. She presented Exhibit C, a mock-up of proposed amendment 4755 to A.B. 371 to change the provisions of the bill to eliminate the appropriation but allow a public/private partnership with the State Land Registrar to purchase historic buildings.

Assemblywoman Heidi Swank, Assembly District No. 16, presented A.B. 371. The Huntridge Theater was the genesis of the bill. She said the bill created a revolving loan fund for historically significant large and endangered buildings across Nevada. The fund was called Restore Nevada's Treasures Revolving Account. The first project and the impetus for the fund was the Huntridge Theater in Las Vegas. She identified that there was a need for a fund that could bridge the gap between purchasing and renovating significantly endangered buildings across Nevada. She cited some other examples of buildings that, like the Huntridge Theater, could benefit from this program: the Reed Whipple Building in Las Vegas, which sat empty for at least five years; the Bridger Building, which recently was purchased, but sat empty for ten years in downtown Las Vegas; the Belmont Courthouse in Nye County; and numerous other county courthouses statewide. There were also some lucky buildings in Nevada that had been purchased by individuals and restored, including the 1933 Post Office in Reno. The Post Office had a nice store on the ground floor and a great venue called The Basement, which held a wonderful collection of food vendors and other establishments. The El Rancho Hotel in Wells, Nevada, was the luckiest building in Nevada. The Hotel was damaged in 2008 during the 6.3 earthquake centered about eight miles northwest of Wells. The building was donated to the City of Wells in 2017.

Assemblywoman Swank said it was unreasonable to expect owners of historic buildings to donate the buildings, which they purchased with their own funds. Nevada had many significant buildings in need of restoration and rehabilitation. It was difficult to bridge that expense gap for larger projects that had suffered significant neglect. Buildings played a significant role in creating the communities in which people wanted to live. Communities should have a mix of new and old buildings. Older buildings provided an anchor to the

memories of the past, and new buildings directed us to the future. She cited a quote about older buildings from the prominent architect Mary Werner DeNadai, "Old buildings are like memories we can touch." Nevada had a reputation for tearing down buildings, and this fund could go a long way to bridge that initial expense gap. The Restore Nevada's Treasures fund would provide much-needed assistance to help at the start of a project when money was tight. It would provide a loan for the purchase of the building that would be repaid over time. While Restore Nevada's Treasures would start with the Huntridge Theater, in the future it would assist with similar projects statewide.

Assemblywoman Swank reviewed each section of the bill for the Committee. The first several sections included the definitions. Section 3 of proposed amendment 4755 to A.B. 371 stated that the buildings that could enter the program had to be eligible or listed in the State Register of Historic Places, the National Register of Historic Places, or had other historical significance as determined by the Office of Historic Preservation, State Department of Conservation and Natural Resources. The program was created for buildings that were anchors of the communities. Section 6 stated that the building had to be at risk of loss. Those buildings would cost developers too much money to be fiscally prudent projects but were important to the communities. It was in the best interest of the state to assist in the short term with the renovation of those buildings. The program would proceed to the extent that money was available. She would have liked the \$3 million appropriation but would be happy just to get the program structure in place at this time.

Assemblywoman Swank commented that the role of the Office of Historic Preservation was to recommend historic buildings for the program. The State Land Registrar would purchase the building and enter into a public/private partnership with a developer. The public/private partnership was structured so that the private partner eventually repaid the purchase price and became the full owner of the building. The State Land Registrar determined the details and structure of the partnership in a manner that ensured that the state's interests were protected. If the partner defaulted, then the state would own the building and have a way to recoup the investment. The private partner paid to have the building preserved, rehabilitated, restored, reconstructed, or adaptively reused. Historic preservation had moved beyond mothballing buildings and keeping them exactly the way they were. The reality for the Huntridge Theater in a city like Las Vegas was it was difficult to compete with the Las Vegas Strip. The Huntridge Theater would always be called the Huntridge Theater. Should the project receive funding, it would most likely not be used as a theater in the future, but would be some other mixed-use type of building. She wanted to ensure the program was not just about restoring buildings but also adaptively reusing historic buildings.

Assemblywoman Swank said the Office of Historic Preservation provided assistance to the Division of State Lands, State Department of Conservation and Natural Resources, in the identification, design, and restoration work on the building to maintain as much of the integrity as possible and still allow the project to be economically feasible for the developer. Section 7 of proposed amendment 4755 to A.B. 371 allowed the State Land Registrar to retain consultants as necessary, apply for grants, accept donations, and adopt regulations to run the program. Section 8 of proposed amendment 4755 to A.B. 371 required the prevailing

wage to be paid for the rehabilitation work done on the building. The State Public Works Division, Department of Administration, would serve as the building official for all work. Section 9 of proposed amendment 4755 to A.B. 371 created the Restore Nevada's Treasures Revolving Account. The subsequent sections laid out further parameters for the State Land Registrar to run the program.

Assemblyman Edwards asked how many buildings might be involved in the program and whether the account stayed at the \$3 million level.

Assemblywoman Swank responded that the intent was that the account would stay at the \$3 million level. Interest on the loan would be repaid at a rate negotiated between the developer and the State Land Registrar. The \$3 million amount was based on the funding needed for the Huntridge Theater project. The program was not intended to be used for small projects but was intended for large projects. The Huntridge Theater would probably be the only project for now depending on the payback time for the loan. Flexibility was built into the program. The repayment period might be five years or ten years. She did not envision the Huntridge Theater being a huge project, but one that could make significant changes to help the preservation of the community.

In response to a question from Chair Carlton about the appropriation in the amendment, Assemblywoman Swank stated that her intention was to eliminate the \$3 million appropriation from the amendment for the bill.

The next person to testify from Las Vegas was Daniel Roberts who read his written testimony into the record.

Good morning, my name is Daniel Roberts. I am President of the nonprofit The Huntridge Foundation. Our mission is to preserve the architectural integrity, history, and culture of the Huntridge Theater and the surrounding community. We support this bill.

For more than six years now, I have advocated for the preservation of the Huntridge Theater. I have had the pleasure of meeting hundreds of longtime Nevadans who shared fond memories of their experiences at the Huntridge. These stories have been added to our Memory Project, along with countless ticket stubs from concerts and movies, posters, personal photographs, and [there were] recorded many oral history interviews to document people's experiences. We would like to share some of the more notable history with you to better describe the significance of the property to Las Vegas and Nevadans alike.

- In 1944, the 75-foot tower was the tallest sign in Nevada and still serves as a celebrated landmark of the neighborhood.

- In 1951, the theater was partially owned by Hollywood actresses Loretta Young and Irene Dunne.
- The Huntridge was designed by the world renowned Los Angeles architect S. Charles Lee. His architectural work is dwindling yet still recognized and celebrated amongst scholars and aficionados to this day. We are so very lucky to have a shining example of his legacy in our state.
- I was fortunate enough to meet several members of his family, including his daughter, at a beautiful home that he designed in Beverly Hills, California. They were delighted to learn of the efforts to preserve his work and shared many intimate details of his personal life with us. His daughter recalled accompanying him to visit many of his projects around the globe, including the Huntridge Theater here in Las Vegas.
- From 1951-1978, Lloyd Katz owned and operated the Huntridge. Even though the surrounding neighborhood was well known as a "white only" neighborhood, in 1951, Lloyd Katz insisted that all patrons of the Huntridge be able to sit wherever they please. As a Jewish man accustomed to discrimination post-WWII, Katz was not going to enforce segregated seating.
- When patrons would complain about certain individuals sitting near them, Mr. Katz would suggest that they could change their seat or he would be glad to refund their ticket. This was a huge deal for 1951, in Las Vegas no less.
- During the latter decades of the 20th century, the Huntridge flourished as a performance arts venue featuring Alternative and Punk music. Many local youth at the time would enter into an unofficial apprenticeship at the "Huntridge University" through shadowing a sound or lighting tech during shows while learning skills and growing a passion for the trade. Many of these former youth are now successful professionals with Cirque de Soleil and other legendary shows in Las Vegas and abroad.
- Local theatrical productions from the nearby Bishop Gorman High School were sometimes held at the Huntridge. These events brought friends and families from all over Las Vegas valley to the historic Huntridge Theater.
- Throughout her existence, the Huntridge has seen her share of good days and bad, yet she has always recovered. Whether from a roof

collapse, market competition, or other hardships such as an economic recession, the Huntridge Theater has always found a new life while never losing her original essence. I am eager to see what new and exciting prospects lie on the horizon for the iconic beacon of Las Vegas.

I support the bill and I encourage all of you to join me in the preservation of the cultural icon.

The next person to testify from Las Vegas was Melissa Clary who read her written testimony into the record.

Good morning. My name is Melissa Clary. I am a volunteer with The Huntridge Foundation and also President of the Huntridge Neighborhood Association, which included the theater property among 330 other residential and commercial properties in our boundaries.

I would also like to share some of our Memory Project with you:

- When theater construction began during World War II, materials were in short supply, which gave way to the very minimal, clean lines of the streamline modern architecture of the building designed by the world-renown theater architect S. Charles Lee. People from around the world still photograph the vacant building and ask if it can be rented out for events.
- We hear from countless Las Vegans about their favorite Rocky Horror Picture Show experience at the Huntridge Theater.
- The baby boomer generation often share stories about getting dropped off at the theater with 50 cents to enjoy cartoons and weekly serials until parents picked them up after a long day of shopping on Fremont Street.
- Many Las Vegas musicians practiced in their garages hoping to play the Huntridge stage one day, such as the world-famous local bands The Killers and Imagine Dragons.
- Former Green Beret James "Bo" Gritz held his campaign kick-off speech at the theater as head of the Populist Party ticket for President of the United States in 1992.
- In the 1990s, theater operators transformed the venue into a Haunted House known as the Haurtridge each Halloween to the delight of kids from all over Las Vegas.

- Also during WWII, Las Vegans could buy bonds in the theater lobby from Navy mothers. One 1940s theater comedy show advertisement exclaims, "We realize our costumers' memories will outlast the war." Another movie newspaper ad states, "Entire proceeds tonight given to local community war chest."

Whether it has been through supportive wartime efforts on the home front, through the magic of big screen cinema or the local music scene, the theater has always served as a community center, and sadly, our community has been without it for the 13 years that it has been closed.

It has been a passion for me to advocate for this property and its original core of Las Vegas, and I strongly urge each of you to support this bill and help Nevada restore the Huntridge Theater and many other deserving historic properties across the state for future generations. Thank you.

Chair Carlton said her daughters also had fond memories of the Huntridge Theater. Even though they were transplants, they enjoyed the Huntridge Theater in their teen years, and she did not ask and did not want to know what events occurred there. There were some things parents just should not ask. Chair Carlton asked whether the Committee had any questions on the bill.

Assemblyman Oscarson said he had fond memories of the Huntridge Theater as well. Many might not realize that he had lived in Las Vegas that long, but he had. The Rocky Horror Picture Show was a fun time for him. He was squirted in the audience with water. It was great fun, and he had watched the redevelopment efforts in the neighborhood. He agreed with the efforts to work on money for historic buildings, and the funding for the Huntridge Theater had merit.

Robert A. Ostrovsky, Vice Chairman of the Board of Museums and History, Department of Tourism and Cultural Affairs, and Chairman of the Commission for Cultural Centers and Historic Preservation, State Department of Conservation and Natural Resources, testified that his Commission gave grants from general obligation bonds to various historic preservation projects around the state. The Commission was unable to fund public/private partnerships. He supported the bill. He said his Commission sued the current owner of the Huntridge Theater last year, and through a stipulated settlement, applied a lien to the building of about \$800,000. The state had spent over \$1.7 million on the Huntridge Theater over the years through his Commission. The Commission paid for a new roof on the Theater and prepared it for public use. The Commission was scheduled to meet again on July 25, 2017, to receive a report on the status of the building from the State Historic Preservation Officer who had visited the building. Mr. Ostrovsky had seen the report that was not yet public, but would become public at the time of the meeting. The building needed a lot of work, but it was an important piece of the history of Las Vegas. He wished more could be done. The Commission would settle the lien by working with the Office of the State Treasurer on the general obligation bonds. The Office of the Attorney General assisted with and prosecuted

the case against the current owner for failure to upgrade the building as stipulated in the covenants.

Mr. Ostrovsky said the covenants applied to the building followed the standards of the National Park Service. He said he would work with the parties involved to satisfy the lien. The Commission was not interested in the money but in saving the building. The Commission sued to force the owner to make the upgrades and make the building suitable for public use partially during the year. The efforts of the Commission focused on finding a way to get the Huntridge Theater back to public use as an important historic building in Nevada.

Chair Carlton thanked Mr. Ostrovsky for his efforts and providing the history of the property during the last few years to help make the public aware of the efforts. She appreciated his support on the long and bumpy road.

Assemblywoman Swank added that the parties who were interested in working on the building were aware of the covenants, the judgment, and the lien. The whole area had recently undergone considerable restoration and renovation from individuals who understood the neighborhood and had done great works. This neighborhood was almost the last piece of that puzzle at the intersection of Maryland Parkway and Charleston Boulevard in Las Vegas.

Chair Carlton asked for any further testimony in support of the bill.

The next person to testify from Las Vegas was Jonathan Warren, Honorary Consul, Consulate of The Principality of Monaco in Las Vegas, who read his written testimony. He said he was the Chairman of the Liberace Foundation and a lifelong Las Vegas resident. He first moved to Las Vegas in 1969 and lived across the street from the Huntridge Theater. Mr. Warren said he would present a few minutes of the deep history of the Huntridge Theater, which might give the Committee an idea of how it got there and why it was so important nationally.

When the Nazis invaded Paris in May of 1940, the owner of the land on which Huntridge Theater now stands resided in Paris and drove to safety the aging Count Aldebert de Chambrun, a descendant of Lafayette who was an American bank board member and head of the American Hospital in Paris.

Henry Leigh Hunt, the owner of the land, a decorated WWI hero of the Battle of Belleau Wood, hid the aging count, as well as the Countess Clara Longworth de Chambrun, a Cincinnati native who ran the American Library in Paris, at a remote castle of the family of the Prince of Monaco, Chateau de Polignac, in southern France.

Hunt was a trust officer at the American bank served by the Count. He had spent years bringing the Chambrun fortune, and [those of] others, to safety. He left occupied Paris in October of 1940 when he smuggled the younger

Count Charles de Chambrun, along with his new wife and family jewels, to safety in Portugal.

Hunt returned to Las Vegas at the end of 1940. Plans for the Huntridge Theater and Huntridge neighborhood, named for his father Leigh S. J. Hunt, soon followed.

The Hunts major investor in the Huntridge land sections had been an executive with the bank as well. Like the Chambruns, he was a descendant of a revolutionary war officer. It was this man, Harry Fessenden Meserve who had called on Hunt from Las Vegas to rescue the Chambruns. This act of loyalty sprung from membership in the Society of the Cincinnati, an organization created by officers in the American Revolution, with membership passed only to their descendants. Meserve and Chambrun were members of this ancient society whose symbol, the American Eagle medallion, was worn by George Washington and was given to him by the Society.

The same member who designed the Washington Eagle also designed the streets of Versailles and Washington D.C., where the society is administered today.

If you look at the oldest overhead photos of the streets off Huntridge, often displayed by the Huntridge Foundation, including the theater, commercial area, schools and churches, you may discern the shape of the Washington Eagle, the very symbol of the Society of the Cincinnati, in the streets of our oldest master-planned community.

The Society of the Cincinnati is based in Maryland, where every member has honorary citizenship; where Henry Leigh Hunt joined the Maryland Garrison in WWI; where the Meserves are buried; and where the first developments also called Huntridge still exist.

I cannot say for certain that the fortune and family that Henry Leigh Hunt helped to rescue 77 years ago were responsible for the sudden influx of cash and favors from the War Department, which built Huntridge.

But the street created as the centerpiece of Huntridge is called Maryland Parkway. And the original Washington Eagle? It was later purchased by the Chambrun family, along with the historic castle of Lafayette, where the Washington Eagle now rests.

In France three weeks ago, the Duke de Polignac showed me the painted portrait, at his historic castle, of the family member who lodged there during WWII, Constance de Polignac. The Duke explained that this American-born

aristocrat was a dear friend of the wife of Henry Leigh Hunt, famed French author and poetess—and former Las Vegas—Louise del Vilmorin.

Last week at Liberace's 98th birthday celebration, on the occasion of the opening of an exhibit including his jewels at the Paris Museum of Modern Art, four members of the Vilmorin family—relatives of Henry Leigh Hunt—were present, including members of the Society of the Cincinnati. They were publically recognized as members of a pioneering Las Vegas family by Line Renaud, former headliner of Casino de Paris in Las Vegas.

I would venture to say that some of the history is better known in France and Monaco than it is here in Nevada.

This history was not known in Las Vegas even when my mother wrote the application, which placed the theater on the list of the National Trust for Historic Places. Yet it qualified at the National level regardless.

The artifact of this legacy is the Theater. The dedications are in the place names. The significance is not just local sentimental value, it is of international scale, and of importance in national origin. It is drawing attention from Washington to Versailles. And it is ours.

This entire account will be the cover story of *Marquee*, the magazine published by the Theater Historical Society of America, this fall. If you would like to read it with all of the footnotes and sources, please find it at thehuntridge.org.

How appropriate that you should consider this testimony on Memorial Day. Captain Henry Leigh Hunt and the other men and women who made these things come about were great patriots, daring and bold. And fortune favored them.

Today we implore you. Be bold.

Chair Carlton asked Mr. Warren to please submit his written testimony, because she wanted it to be included in the record verbatim. She asked for any additional testimony in support of, in opposition to, or neutral on the bill.

Charles Donohue, Administrator, Division of State Lands, and State Land Registrar, State Department of Conservation and Natural Resources, testified in the neutral position. The mock-up for proposed amendment 4755 was released yesterday, and he needed the opportunity to see how the new language fit into existing statutes and his responsibilities.

Rebecca L. Palmer, State Historic Preservation Officer, Administrator, Office of Historic Preservation, Department of Conservation and Natural Resources, testified that she received

the mock-up yesterday, but she did not believe that there would be any fiscal effect to her office.

Chair Carlton asked whether the Committee had any questions on the bill and, hearing none, she closed the hearing on A.B. 371. She said one of the big five budget bills was ready to be presented. The Committee would hear the proposed bill draft request (BDR) S-1188 [later introduced as Assembly Bill 517] and then send it to the floor where the Assembly would refer it to the Committee to process. There could be no amendments.

Cindy Jones, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, explained that this proposed BDR was the first of five money bills presented in the 79th Session for The Executive Budget. Fiscal staff presented the proposed BDR to the Committee while it was still in bill draft request form, and would follow the same process for the other money bills. The hearing on the BDR was held now rather than waiting until the actual bill was prepared.

Joi Davis, Senior Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, explained that section 1 of the bill listed the maximum annual salary amounts for the unclassified state employees. Those amounts included the 1 percent cost-of-living adjustment (COLA) that was approved by the 78th Session (2015) for fiscal year (FY) 2016 and the 2 percent COLA approved for FY 2017, but excluded the 2 percent COLA approved for each year of the 2017-2019 biennium. Section 2 allowed the Division of Human Resource Management of the Department of Administration to review the duties and responsibilities of a position to establish the salary of a position that might have been omitted from the bill. The BDR also allowed for any corrections to the bill for errors that were determined by the Fiscal Analysis Division with the approval of the Interim Finance Committee (IFC). Section 2 also included standard provisions regarding a person filling or vacating an unclassified position.

Ms. Davis continued that section 3 provided for a 2 percent COLA for state employees for each year of the 2017-2019 biennium. The State General Fund portion of the COLAs was outlined in the following sections and totaled \$18.6 million in FY 2018 and \$38.4 million in FY 2019. The State Highway Fund portion of the 2 percent COLAs totaled \$1.4 million in FY 2018 and \$2.8 million in FY 2019. Section 4 authorized the State Board of Examiners to appropriate funds to state agencies including the Judicial Branch from the amounts shown in that section for the difference between the maximum salaries outlined in section 1 for the unclassified positions and the 2 percent COLAs approved in section 3.

Ms. Davis mentioned that section 5 authorized the State Board of Examiners to appropriate funds to state agencies including the Judicial Branch from those amounts shown for any deficiencies that were created between the funding appropriated to those agencies and the 2 percent COLA approved for classified and nonclassified employees. Section 6 provided the same provisions from section 5 to the agencies supported by Highway Funds including the Department of Motor Vehicles, Department of Public Safety, and Nevada Transportation Authority.

Ms. Davis commented that section 7 authorized the State Board of Examiners to appropriate from the amounts shown to the Nevada System of Higher Education (NSHE) for any deficiencies created between the funding appropriated to NSHE and the 2 percent COLAs approved for the classified and the professional positions. Section 8 provided for the 2 percent COLAs to be applied to employees of the Legislative Counsel Bureau and the interim legislative operations, and it allowed for any deficiencies regarding the amounts appropriated for those employees and the COLAs to be paid from the Legislative Fund. Section 9 was standard language related to the plans for differential pay for the Department of Health and Human Services and the Department of Corrections for unclassified physician positions.

Ms. Davis described section 10 as standard language related to plans for credential pay for the Nevada Gaming Control Board. Section 11 was standard revisionary language applicable to previous sections. Section 12 allowed for the 2 percent COLAs as set forth in previous sections to be transferred between fiscal years. Section 13 authorized the State Board of Examiners to appropriate from the amounts shown to the Tahoe Regional Planning Agency for deficiencies created based on the funding provided and the 2 percent COLAs for its employees provided that the State of California provided the required 2-for-1 match. Section 14 provided funding to effectuate salary increases for elected officials beginning January 7, 2019, in accordance with the COLAs approved for state employees.

Ms. Davis relayed that section 15 amended *Nevada Revised Statutes* (NRS) 281.123 to expand the list of positions exempt from the provision that required that the salary of a person employed by the state not exceed 95 percent of the salary of the Governor. Because of the COLAs that were approved by the 78th Session (2015), several salaries exceeded the 95 percent rule. However, the Governor's salary would catch up with those approved COLAs effective January 7, 2019, at which time the expanded list would sunset. Section 16 amended NRS 408.111 as it related to the Department of Motor Vehicles to align with prior budgetary approval. Section 17 amended NRS 612.230 as it related to the Department of Employment, Training and Rehabilitation to align with prior budgetary approval.

Chair Carlton asked whether the Committee had any questions on the bill. She reviewed the 95 percent rule again to ensure everyone understood the provision that related to the end of the second four-year term of a Governor who finished his term. Occasionally, individuals would exceed the 95 percent rule. The next Governor would receive all the salary increases afforded to other state employees. A Governor did not receive the raises provided to state employees during his term. Those raises accumulated during the Governor's term and were provided to the next Governor. The top rate would then change, and the state employees' salaries would not exceed the 95 percent rule. That provision in the bill would sunset when the new Governor began his term. She wanted everyone to be aware of the 95 percent rule. The Committee would not be taking a motion to introduce the BDR today because several technical adjustments were needed. The BDR would be introduced later. Chair Carlton asked whether the Committee had any questions on the bill.

Cindy Jones, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, revealed that there were a couple of technical adjustments that the Legal Division would make on the BDR. The bill had to be introduced later today or no later than tomorrow. No amendments were made to the budget bills after they were introduced. She wanted the Committee to be aware that if there were any concerns, those should be brought to the attention of the Chair or Fiscal staff. Time was of the essence, and any problems should be discussed immediately.

Chair Carlton said her intent was the Committee would recess soon and probably reconvene later in the day to get work done to ensure the process kept moving. Then there would be another joint meeting with the Senate Committee on Finance at 6 p.m. today. The Committee members could review the draft of the BDR and present their concerns to her or Fiscal staff.

Chair Carlton opened the hearing on Senate Bill 226 (2nd Reprint). She mentioned that the Committee would not address the policy discussion of the amendment today. The Committee would only address the unsolicited fiscal note that was applied to the bill.

Senate Bill 226 (2nd Reprint): Revises provisions relating to transportation network companies. (BDR 58-486)

Cindy Jones, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, explained that Senate Bill (S.B.) 226 (2nd Reprint) required a driver to obtain a driver's permit from the Nevada Transportation Authority (NTA) before providing transportation services in affiliation with a transportation network company (TNC). This requirement was generally consistent with the requirements to obtain such a permit for individuals who drove a motor vehicle for a taxicab carrier. The amendment caused the Department of Business and Industry to submit an unsolicited fiscal note. The Department estimated it would require 25 new full-time-equivalent (FTE) positions to administer the new provision of issuing a driver's permit to those individuals providing transportation services in affiliation with TNCs. The Department said the 25 positions would cost \$1,570,189 in fiscal year (FY) 2018 and \$1,929,457 in FY 2019. The vast majority of that cost would be supported from the State Highway Fund except for some fees that would be generated.

Chair Carlton said with the amendment, the drivers would not be charged for the driver's permit, and that cost would be paid from Highway Funds.

Assemblyman Richard Carrillo, Assembly District No. 18, testified that he wanted to ensure that there was no charge for the driver's permits. The 25 new positions would be required to issue driver's permits.

Chair Carlton commented that it was her understanding that drivers already had a business license. The driver's permit just validated the business license because the drivers already paid that. The cost of the positions would be paid by the Highway Fund. She was unsure about the workload, thus her intention was to set those dollars aside in the

Highway Contingency Fund. If the bill was approved, those dollars would be available when necessary, and the Department could approach the Interim Finance Committee (IFC) to request those positions when it deemed them necessary. She said it was unwise to approve those positions without knowing exactly what would happen or how the bill would be put into effect.

Assemblyman Carrillo concurred.

Chair Carlton asked whether the Committee had any questions on the bill.

Assemblyman Sprinkle asked for details about the appropriation.

Chair Carlton responded that the appropriation that was associated with the bill of \$3.5 million would go to the Highway Contingency Fund. Depending on how many positions would actually be needed, the Department could request the funds from IFC. The money was set aside to be available, but she did not want to appropriate the amount because of the uncertainty about the amount that was needed.

Alaina Burtenshaw, Chair, Nevada Transportation Authority (NTA), testified from Las Vegas and submitted [Exhibit D](#), which provided some NTA statistics regarding the fiscal note on S.B. 226 (R2). The NTA had experience with the driver permitting process because several years ago the NTA was asked to begin a permitting process for limousine drivers. The NTA did not receive any new positions for the limousine permitting process. The NTA used its experience to estimate the number of employees needed to input permits each day. The estimates also included the number of hearings that were required and the number of applications that the NTA could process. The NTA had received about 7,960 driver permit applications, and about one-third of those applications had been processed. The NTA conservatively estimated that about 40,000 TNC drivers would request driver's permits. That estimate was based on the cumulative driver count of 70,000 TNC drivers as of May 25, 2017. Four compliance/audit investigators had been able to process 7,960 limousine permits; thus, the NTA estimated it would need 25 new positions.

Chair Carlton explained her proposal to set the money aside and allow the agency to approach IFC to request the funds for new positions, depending on the final version of the bill and the responsibilities assigned to the NTA.

Assemblyman Araujo asked for the numbers to be repeated. He questioned whether the NTA included the number of drivers who drove for Uber and Lyft in the estimate of the number of TNC drivers.

Ms. Burtenshaw responded that NTA had 7,960 driver permit applications from existing limousine drivers that were currently being processed. The latest numbers of over 70,000 TNC drivers included all three license holders: Uber, Lyft, and GetMe. The vast majority of drivers worked for GetMe. Based on an active and cumulative driver count, which she considered confidential, the NTA developed a conservative estimate of

40,000 drivers who would request driver's permits. About 70,000 drivers drove for Uber, Lyft, and GetMe, and NTA tried to account for the duplication.

Chair Carlton asked whether the Committee had any questions on the bill and, hearing none, she asked for any testimony in support of, in opposition to, or neutral on the bill.

George Lally, Uber/Lyft driver, opposed the bill.

Paul Archie, Uber/Lyft driver, opposed the bill.

John Richard Oliver, Uber/Lyft driver, opposed the bill. He said that much money would be spent for something that did not need to be fixed. Uber/Lyft drivers were responsible, insured, and licensed. They drove effectively to get individuals home safely in a variety of situations.

Chair Carlton asked for any further testimony in support of, in opposition to, or neutral on the bill and, hearing none, she closed the hearing on the bill. The bill would require an appropriation from the Highway Fund. The bill would be processed by the Committee and sent to the floor to be placed on the Chief Clerk's desk because the Legislature was not allowed to approve an appropriation before the Education First funding was approved. No other dollars could move until that education funding was approved. She asked that any questions about the process be directed to her office. She cautioned that no profanity would be permitted in any future communications with her office. Some of the most recent communications had been filled with profanity, and she and her staff would no longer accept vulgar and profane communications.

Assembly Bill 371: Makes an appropriation for the purchase of the Huntridge Theater located in Las Vegas, Nevada. (BDR S-883)

Chair Carlton said the Committee would process Assembly Bill 371 because the appropriation had been removed. Chair Carlton asked whether the Committee had any questions on the bill and, hearing none, said she would accept a motion on the bill.

ASSEMBLYWOMAN SPIEGEL MOVED TO AMEND AND DO PASS
ASSEMBLY BILL 371.

ASSEMBLYWOMAN DIAZ SECONDED THE MOTION.

THE MOTION PASSED. (Assemblyman Edwards voted no.
Assemblymen Anderson, Oscarson, and Swank were not present for the vote.)

Chair Carlton said Assemblywoman Swank should present the floor statement because it was her bill.

Chair Carlton said Assembly Bill 399 was in the jurisdiction of the Committee, but there was still one outstanding question. She asked Assemblywoman Bustamante Adams to have a conversation with Ms. Jones to clarify that concern. An amendment was being drafted for Assembly Bill 382 to address one small technical problem. It appeared that the Committee had processed every bill that was appropriate at this time. There were other bills that she wanted to process after the problems had been resolved. She asked the Committee members to reconvene this afternoon at 4:30 to get some work done before the 6 p.m. joint meeting. She advised that for the remainder of this week, the Committee would probably hold meetings in the morning and in the evenings as long as there was work to be done.

Chair Carlton recessed the meeting at 9:58 a.m. until 4:30 p.m. that same day or at the call of the Chair.

At 5:45 p.m., Ms. Jones explained that the Committee would be unable to reconvene today because of the 6 p.m. scheduled joint meeting with the Senate Committee on Finance. The Assembly Committee on Ways and Means would reconvene tomorrow morning at 9 a.m. to process bills. The joint meeting of the Assembly Committee on Ways and Means and the Senate Committee on Finance would begin today at 6 p.m. in Room 4100. Because of time constraints, this meeting was not reconvened until the next day and was adjourned at 9:06 a.m. on May 30, 2017, by Chair Carlton.

Assembly Bill 325: Creates the Task Force on the Modernization of State Government.
(BDR 19-953)

The bill was not heard by the Committee.

RESPECTFULLY SUBMITTED:

Janice Wright
Committee Secretary

APPROVED BY:

Assemblywoman Maggie Carlton, Chair

DATE: _____

EXHIBITS

[Exhibit A](#) is the Agenda.

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

[Exhibit C](#) is a mock-up of proposed amendment 4755 to Assembly Bill 371, dated May 16, 2017, presented by Assemblywoman Heidi Swank, Assembly District No. 16.

[Exhibit D](#) is a document submitted by Alaina Burtenshaw, Chair, Nevada Transportation Authority, which provided some Nevada Transportation Authority statistics regarding the fiscal note on Senate Bill 226 (2nd Reprint).