

**MINUTES OF THE MEETING
OF THE
ASSEMBLY COMMITTEE ON COMMERCE AND LABOR**

**Eighty-Second Session
May 29, 2023**

The Committee on Commerce and Labor was called to order by Chair Elaine Marzola at 1:35 p.m. on Monday, May 29, 2023, in Room 4100 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/82nd2023.

COMMITTEE MEMBERS PRESENT:

Assemblywoman Elaine Marzola, Chair
Assemblywoman Shea Backus
Assemblyman Max Carter
Assemblywoman Bea Duran
Assemblywoman Melissa Hardy
Assemblywoman Heidi Kasama
Assemblywoman Daniele Monroe-Moreno
Assemblyman P.K. O'Neill
Assemblywoman Selena Torres
Assemblyman Toby Yurek

COMMITTEE MEMBERS ABSENT:

Assemblywoman Sandra Jauregui, Vice Chair (excused)
Assemblyman Steve Yeager (excused)

GUEST LEGISLATORS PRESENT:

Senator Marilyn Dondero Loop, Senate District No. 8
Senator Skip Daly, Senate District No. 13

STAFF MEMBERS PRESENT:

Marjorie Paslov-Thomas, Committee Policy Analyst
Bradley Wilkinson, Chief Deputy Legislative Counsel
Sam Quast, Committee Counsel
Joe Steigmeyer, Committee Counsel

Minutes ID: 1257



Cyndi Latour, Committee Manager
Elizabeth Lepe, Committee Secretary
Garrett Kingen, Committee Assistant

OTHERS PRESENT:

Abbey Bernhardt, Youth Peer Support Specialist, National Alliance on Mental Illness
Erica Fredenburgh, Private Citizen,
Jeanette Belz, representing National Alliance on Mental Illness
Barry Cole, Private Citizen, Reno, Nevada
Hannah Branch, representing Dignity Health-St. Rose Dominican Hospital
Sarah Adler, representing Vitality Unlimited; and New Frontier Treatment Center
Sarah Watkins, Interim Executive Director, Nevada State Medical Association
Elizabeth MacMenamin, Vice President, Government Affairs, Retail Association of Nevada
Kathleen Kruk, Private Citizen
Steve Shell, Vice President of Behavioral Health, Renown Health; and Board President, National Alliance on Mental Illness Nevada
Lesley Dickson, State Legislative Representative, Nevada Psychiatric Association
Paul Young, representing Pharmaceutical Care Management Association
Jeanneil Marzan, Private Citizen, Sparks, Nevada
Kathleen Anderson, Private Citizen, Reno, Nevada
Toni Niedle, Private Citizen, Reno, Nevada
Karen Louton, Private Citizen, Sparks, Nevada
Duane Anderson, Private Citizen, Sparks, Nevada
Valerie Tilson, Private Citizen, Reno, Nevada
Joshua Hicks, representing Manufactured Home Community Owners Association
Dylan Keith, Assistant Director, Government Affairs, Vegas Chamber

Chair Marzola:

[Roll was taken and Committee rules and protocol were explained.] We will hear three bills today. We will hear [Senate Bill 167 \(1st Reprint\)](#), [Senate Bill 275 \(1st Reprint\)](#), and [Assembly Bill 503](#). I will not be taking those in that order. I will now open the hearing on [Senate Bill 167 \(1st Reprint\)](#), which prohibits the imposition of step therapy under certain circumstances. Senator Dondero Loop, you may begin when you are ready.

[Senate Bill 167 \(1st Reprint\)](#): Prohibits the imposition of step therapy under certain circumstances. (BDR 57-81)

Senator Marilyn Dondero Loop, Senate District No. 8:

I am pleased to present [Senate Bill 167 \(1st Reprint\)](#), which seeks to prohibit using step therapy protocols for prescription drugs to treat psychiatric conditions. Step therapy protocols, also known as "fail first" policies, are cost-saving strategies used by private and public insurance companies to manage the prescription drug costs of patients. The concept is that patients must first try less expensive, generic, or older drugs before moving on to more

appropriate and effective treatments. While this may seem like a reasonable approach to control health care costs, it also hinders the delivery of quality, personalized health care for certain psychiatric conditions. First and foremost, step therapy can delay access to necessary and effective treatments, which can be a danger to the health and well-being of the patient. Patients may have to try several medications before they find one that works for them, which can take weeks or even months. Often, these patients must discontinue their treatment altogether. Research shows that step therapy protocols can impede patients' overall health and increase long-term costs, particularly for patients who require inpatient care after being required to use alternative drugs per the protocol.

Second, step therapy protocols can be particularly burdensome for patients with complex and severe psychiatric conditions which require specialized treatment plans. Standard treatment pathways built into step therapy protocols may not adequately address the specific needs of these patients. Finally, step therapy protocols can negatively impact the doctor-patient relationship by limiting practitioners' ability to provide the most appropriate and effective treatments for their patients having certain psychiatric conditions. Health care providers feel frustrated when they are unable to prescribe the most effective treatments for their patients, and patients may feel their medical care is being dictated by the insurance company rather than by their practitioner. Patients or their families are then forced to advocate for the care they need that is appropriately prescribed by their doctor to remove these insurance barriers.

With me today—and these testimonies will really tell you why we need these pieces—I have Abbey Bernhardt and her mother, and I would like for them to tell you their story to illustrate why this bill is so important. This is the third time we have presented this bill, and Ms. Bernhardt and her mother have been right here by my side, so I applaud them. Ms. Bernhardt is our current Miss Virginia City.

Abbey Bernhardt, Youth Peer Support Specialist, National Alliance on Mental Illness:

At three years old, I was diagnosed with bipolar disorder. I experienced manic episodes and rapid cycling. I had so much anxiety, sadness, and anger all at once. By middle school, the mania turned into depression, and I found myself in crisis. My doctor put me on medications, hoping one would work for me. When one did not, he added another until eventually I was on ten medications and still in crisis. Only now, all of the medications were affecting me. Anxiety and depression increased. I suffered hallucinations, which I never had before and have not had since. Perhaps, one of the scariest memories is the sleep paralysis. At one point, I was hospitalized and received a new doctor who started decreasing the medication over time. I experienced withdrawal from the medication, which added extreme additional symptoms.

When I first became depressed, I could deal with the depression and the pain to a certain degree. Eventually, it became harder, and I could not get through the day. I started to disassociate. I became convinced life was not real; maybe I was drowning under water or in a coma, dying. It was like a dream in which I came in and out of reality. I could not see

a way out of my pain, and I was beyond what I could handle. At ten years old, I attempted suicide. The weight of the world consumed me, and the loneliness and sadness consumed me. At ten years old, suicide seemed like the only solution to my problem.

Doctors fought with Medicaid trying to manage my medications, but they lacked control over what medications were approved due to the power insurance companies have over coverage. I know the importance of medication; it gave me my life back. If doctors were able to choose medications based on need, I would not have suffered so much trauma for so long. The memories of my suicide attempt left me with recurring nightmares in which I relived that horrible day in every detail. Now when I get depressed, I fear the nightmare I once lived. I stand with those who are struggling. There can be better days ahead. I support doctors' control over medication.

Erica Fredenburgh, Private Citizen:

Abbey is my daughter. Abbey was diagnosed with bipolar disorder when she was three years old. Medications have always been a huge part of our lives. Insurance companies have a list, or a formulary of medications they approve for treatment. Medicaid and other insurance companies are no different. They have all the control over your treatment, not the doctor. Doctors are left choosing medications available based on your plan, not on your specific need. It was difficult to find the right medications because my daughter had to try other medications first that did not necessarily fit her needs, and the medications that she did need were not covered. I could not cover the medications, such as Abilify myself because the cost was well over \$1,000 a month. This is one of the medications she needed. As a parent, you feel responsible for providing care. I watched helplessly as my ten-year-old daughter's condition deteriorated. I was terrified. I tried hard to stop what was happening. I hospitalized her. In fact, I had her hospitalized 13 times to try to get the condition under control. I was given a list of what signs to look for suicide. One night, my fear became reality. How could this happen? It took her years to get to this point, but the lack of the right medications caused it. Medication should be between the doctor and the patient because the doctor would select the medication based on her specific need, not the cost.

Senator Dondero Loop:

I have heard this story so many times, and every time I hear it, it still makes me feel the same way—that as a mother, I would have to deal with this, and Ms. Fredenburgh has been dealing with this with our dear Abbey. With that, I would just say S.B. 167 (R1) prohibits health insurers, including Medicaid, state and local governmental employee-based plans, amongst others, from imposing a step therapy protocol for a drug that is appropriately prescribed to treat a psychiatric condition if the prescribing health care practitioner reasonably expects each drug required to be dispensed according to the step therapy protocol to be ineffective. I also have Jeanette Belz with me, who can provide additional information, if need be, from the National Alliance on Mental Illness (NAMI).

Chair Marzola:

Before we go to questions, I just want to say that as a mother, my heart goes out to you. I cannot imagine what you went through. Thank you for being here today. And Abbey, it takes a lot of strength to sit in a room in front of strangers and tell your story so that you can open a path forward to others. I thank you so much for being strong and being here with us today. And with that, we will move on to questions.

Assemblyman Carter:

Thank you very much for the presentation. I see it seems like there must be a mental health care professional involved, not just a general practitioner. Are there any health plans that are excluded from this bill?

Senator Dondero Loop:

Madam Chair, may I phone a friend from the audience?

Chair Marzola:

Absolutely.

Jeanette Belz, representing National Alliance on Mental Illness:

First, to your question regarding who can prescribe, I want to say that the bill originally was extremely broad, and that was one of the amendments that brought us to the first reprint. If you look, for example—so these are all just sections of law. For example, section 1, subsection 4, would allow for a primary care provider to work in conjunction with the other practitioners if that patient lives more than 60 miles away from that care. We wanted to make sure that was available in rural areas as well. In terms of all of the various chapters this does amend, I would probably turn to Legal Counsel to see who might have been admitted. I know that generally the state is not allowed to impact Employment Retirement Income Security Act (ERISA) or ERISA-like plans, so those would be excluded, but I am happy to say it does include Medicaid as well as the Public Employees Benefits Program (PEBP). The reason we have made this presentation three times is because we were able to work with PEBP on that fiscal note, so when that was removed, the public employees were included as well.

Assemblywoman Torres:

What would this look like if an insurance provider says an individual needs to go through step therapy? What does that look like for that patient in order for them to get approved and get the medication they need?

Jeanette Belz:

What this does is, it does not require the insured to submit to a step therapy protocol. It is not asking permission to have the step therapy protocol; it actually eliminates the step therapy protocol as long as the drug is FDA-approved, or the use of the drug to treat that psychiatric condition is otherwise supported by medical and scientific evidence. That is important particularly with the care of children, because often there have not been enough clinical

studies that are FDA-approved because they do not study children. This helps children get the medication they need. We also have Dr. Barry Cole here who would be way better at explaining that than me.

Assemblywoman Torres:

This question might be for Dr. Cole too. With some medications, there is some overlap to what it might serve, like it might help with one thing, but it also helps with a different thing. What does that process look like for the pharmacy—so the pharmacy knows this is something related to a psychiatric condition and step therapy would not apply there?

Barry Cole, Private Citizen, Reno, Nevada:

Normally, what many physicians do is put the ICD-10 code that says the diagnosis. The pharmacist looks at a medication that would not have a formal FDA approval, but once they look at what the diagnosis is, and we code it so that the casual reader is not going to know this is bipolar, or this is schizophrenia—we use the proper term—that usually tips the pharmacist off. If in doubt, I receive phone calls directly from the pharmacist: this appears to be off-label; do you know that? Now the problem with kids, just for clarification, is there is sort of a pattern in pharmaceutical companies where they do not get their pediatric indications until late in their patent life so they can extend the patent life, and it is a deliberate choice that is made. They do not want to get all their indications upfront. They want to layer them on to keep drawing this out.

Assemblywoman Duran:

Are there any consequences for somebody who does not allow this to happen for the insurance group? Would they have to pay a fine or anything like that if they do not abide by this statute?

Jeanette Belz:

No, there is no consequence that is written into this bill if that does not happen.

Assemblywoman Duran:

What happens if they do not approve the medication? Is there some recourse? How would it get paid if they are not going to allow this to happen?

Jeanette Belz:

I do not know if someone is here from the insurance commissioner's office. There are some consequences. For example, in section 10—and I would have to see where they are in other sections as well—if you look at the top of page 10, that section of statute, for example, *Nevada Revised Statutes* (NRS) Chapter 695C, relates to HMOs and it says that—

Chair Marzola:

I can have our Legal Counsel chime in as well if that helps.

Sam Quast, Committee Counsel:

If you take a look at NRS 680A.200, that is consequences for failing to comply with the provisions of the insurance code, so the commissioner would be authorized to suspend, limit, or revoke an insurer's certificate of authority. There is also an administrative fine of not more than \$2,000 for each active violation.

Chair Marzola:

Thank you, Mr. Quast. Committee members, are there any additional questions? [There were none.] We will begin with support testimony. Is there anyone wishing to testify in support of S.B. 167 (R1)?

Barry Cole:

As a practicing psychiatrist, I want to say, how this step therapy works out and what the implications really are. It is aggravating for patients because we have worked out what medications could be appropriate and which ones are most likely to be effective. Then, we get somebody two states away calling in saying, never mind, try this first. "Try this first" often breaks down to, it is going to take one to two months to figure out if this medicine will work. Maybe it will, maybe it will not; 70 percent odds. The problem is, once we have tried it and it has failed, now I have to do a detox from that medicine sometimes before I could cross to another medication, and that takes more time. If I am following a protocol, it could take months. I mean, we are talking half a year to a year to finally get to what I am trying to get to. In the meantime, this is supposedly all about cost, so we are trying all these medications that do not work. They often wind up in the trash. That could be a couple of thousands of dollars' worth of medicine going in the trash for lack of tolerance. If someone winds up hospitalized, a day in a hospital could be minimally \$1,000 or \$2,500. If there were a suicide attempt that resulted in trauma, this could be a half-a-million to a million dollars after a month in an intensive care unit. The costs keep coming back. The delay in treatment is what is truly scary because we now know with the first episodes of psychosis, if you do not get that under control fast, each psychotic break takes away 10 percent of the potential for recovery. Ten breaks and you may never recover again. To me, that is the failure of all of this delay. I really want to support S.B. 167 (R1) and get our patients access to what we think can make a difference as soon as we can, not at the end of the road.

Hannah Branch, representing Dignity Health-St. Rose Dominican Hospital:

I am with Ferrari Reeder Public Affairs, representing Dignity Health - St. Rose Dominican Hospital. The hospital supported S.B. 167 (R1) on the Senate side and is proud to continue that support today.

Sarah Adler, representing Vitality Unlimited; and New Frontier Treatment Center:

I am with Silver State Government Relations today, representing our clients Vitality Unlimited and New Frontier, who are both certified community behavioral health centers serving rural Nevada. These two organizations provide care to a wide range of individuals whose ability to be present for their families, for their employers and in their communities depends upon being able to be connected to the right medication for their biology and their brain characteristics. Thus, we are in strong support of S.B. 167 (R1). My clients thank the

sponsor for this bill. I am the sister of someone who has lived heroically with bipolar disorder for 43 years. When my sister had to have a hysterectomy, if she had not been able to access the very best medications to help her at that time, we might not have her, so it is very important.

Sarah Watkins, Interim Executive Director, Nevada State Medical Association:

As a physician and patient advocacy organization, we are in strong support of S.B. 167 (R1). It ensures continuity between the patient and the physician, and we thank the bill sponsor for this.

Elizabeth MacMenamin, Vice President, Government Affairs, Retail Association of Nevada:

First of all, I would like to thank Senator Dondero Loop for bringing this piece of legislation forward. Our pharmacists are often frustrated, as are doctors, when we hear these stories of patients being unable to access the medication needed to treat whatever it is they need to, and especially with psychiatric meds. Pharmacists are at the front line of this and are often the ones who are interacting with the patients, and these can become unnecessarily antagonistic when we give the power to the insurers and the pharmacy benefit managers to determine what medications they think are necessary, as opposed to the doctor and the pharmacist who are there with the patient. I certainly appreciate Senator Dondero Loop for bringing this forward, and I appreciate this Committee for seriously considering this piece of legislation and moving it forward. We are in total support.

Kathleen Kruk, Private Citizen:

While I do work for the State, I am here on my own time with my own interest. I am urging you to support S.B. 167 (R1). I am the mother of an amazing 17-year-old trans masculine son. When he turned 13 years old, his mental health started declining and we had multiple suicide attempts. When Max was hospitalized the first time in December 2018, his doctor prescribed multiple medications that our pharmacy could not fill and told me to contact our benefits manager. After many hours on multiple phone calls, I was told that to get the medication that had originally been prescribed, we would need to try two to three other drugs first. Medications that treat psychosis take four to eight weeks to hit a therapeutic level. If you do the math, trying three medications at eight weeks per medication is a 24-week delay of treatment.

During that time, Max had two more stays at Reno Behavioral Health and a stay at a residential facility out of state. I cannot help but think that had Max been able to get the correct medication at the time it was requested, I would not have missed out on being able to spend the entire spring of 2019 with my son. Max is lucky to have a family that will support him no matter what and place him into a hospital if needed, but there are many people in Nevada who do not have the same type of support who, while waiting 24 weeks playing literal Russian roulette with their medication, could have taken their own life.

Mental health medication is the key component in a life-or-death game, but other things were also at risk for my family. Our whole well-being could have been in jeopardy. I was blessed to be able to use Family and Medical Leave Act (FMLA) leave to go to hours upon hours of extra doctor's appointments and spend days on the phone with our insurance company. I was able to do this without losing my job. Not all Nevadans have that luxury. If FMLA would not have been an option for me, I would have lost my job, my insurance, and my housing as a result, my two sons and I would have been put on public benefits to survive and we would have started the whole process all over again. Not being able to get the medication the doctor prescribed because the insurance company thinks it knows better, not only has an effect on the patients, but the lives of those who are surrounding and supporting them through the whole process. Our focus should be on the mental health of Nevadans, not the bottom lines of benefit managers.

Steve Shell, Vice President of Behavioral Health, Renown Health; and Board President, National Alliance on Mental Illness Nevada:

I am in full support of S.B. 167 (R1) and ask that you move this bill forward. Let us protect the mental health and medication needs of all Nevadans during this unprecedented time in our state when we have more mental health issues than ever before. Thank you for your time today and for your commitment to the state of Nevada.

Lesley Dickson, State Legislative Representative, Nevada Psychiatric Association:

I am a psychiatrist representing the Nevada Psychiatric Association, and I am in support of S.B. 167 (R1). I have been in practice for 40 years, and I remember the days when we were using the first-generation medications which are frequently required or requested for this step therapy. We are so glad that we moved on to just second-generation medications. Maybe they will call the next ones generation three. The improvement in the new medications in terms of both treating psychotic symptoms and preventing some of the unpleasant side effects that lead patients to quit taking their medications and lose faith in their doctors is significant. I want to eliminate the need for doing step therapy and let us prescribers go to the drugs that we know will be the best for our patients.

Chair Marzola:

Is there anyone else wishing to testify in support of S.B. 167 (R1)? [There was no one.] We will move to opposition testimony to S.B. 167 (R1). Is there anyone wishing to testify in opposition?

Paul Young, representing Pharmaceutical Care Management Association:

I want to thank all the stakeholders for taking the time in meeting with us. We are going through different proposed amendments with them. Unfortunately, we were unable to come to an agreement, so at this time, we are still in opposition to S.B. 167 (R1).

Chair Marzola:

Is there anyone else wishing to testify in opposition? [There was no one.] Lastly, we will go to testimony in the neutral position to S.B. 167 (R1). Is there anyone wishing to testify in neutral? [There was no one.] Senator Dondero Loop, would you like to give any closing remarks?

Senator Dondero Loop:

I would like to thank you, Chair, and your Committee, and also thank Abbey and her mother for their stories, as well as all the stakeholders.

Chair Marzola:

Thank you, Senator, for bringing such an important piece of legislation forward. I will now close the hearing on Senate Bill 167 (1st Reprint).

[[Exhibit C](#) was submitted but not discussed and will become part of the record.]

With that, and with the permission of Assemblyman Yeager, I will be opening a work session on Senate Bill 167 (1st Reprint) this afternoon. I will take a motion to do pass S.B. 167 (R1).

ASSEMBLYWOMAN TORRES MADE A MOTION TO DO PASS
SENATE BILL 167 (1ST REPRINT).

ASSEMBLYWOMAN MONROE-MORENO SECONDED THE MOTION.

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

THE MOTION PASSED. (ASSEMBLYMEN JAUREGUI AND YEAGER
WERE ABSENT FOR THE VOTE.)

I would also like Assemblyman O'Neill to give a statement.

Assemblyman O'Neill:

Thank you, Chair, for the opportunity. This is a great bill. It truly is. It goes to the heart of so many things we are looking at in saving money and taking care of people. We have discussed on so many other issues the need for mental health to be addressed. I feel that is what we are doing here. I would truly appreciate being assigned the floor statement, as some of the presenters are constituents of mine, and they are great people. I know this bill will pass, so I am going to ask—I will actually say I will beg for the floor statement, and I do not do that often.

Chair Marzola:

I was going to take the floor statement, but I will sacrifice and give it to you, Assemblyman O'Neill. With that, I will close our work session. I will open the hearing on Senate Bill 275 (1st Reprint), which revises provisions relating to manufactured home parks. Senator Daly, you may begin when you are ready.

Senate Bill 275 (1st Reprint): Revises provisions relating to manufactured home parks.
(BDR 10-958)

Senator Skip Daly, Senate District No. 13:

I am here to present Senate Bill 275 (1st Reprint), and I have a copresenter and constituent who will tell the story probably far better than I. I will stick to the bill as much as I can. I was approached by a constituent about this bill where the mobile home parks were recently sold in a move that is not only happening in Nevada but is happening nationwide. Corporate investors—equity investors—are buying mobile home parks and then seeking to maximize profits and various things without much regard for the people who are there. This bill speaks only to the space rental for mobile home parks.

Mobile home parks are in a unique situation in that regard, where the people own the home—they own the mobile home, it is their property, that is where they live—but the space they rent underneath it is not theirs. They have to comply with the rules of the mobile home park, but they also have to pay rent on that space. If the rent goes up higher and higher, it potentially causes these people to not be able to afford their homes anymore. It is not like you can just move the mobile home that easily. It also impacts the resale value on the assets, which is sometimes the only asset they have. Generally, these are senior citizens, people on single incomes, et cetera. These are people who are the least able to adjust to some of these inflationary issues, and Ms. Jeanneil Marzan will be able to talk more on that.

We will go through the bill very quickly. Section 2 defines what the maximum rent increase is. Section 3 then provides the calculation for determining what the maximum increase can be, which is 60 percent of the Consumer Price Index for the western region. Section 3, subsection 1, paragraphs (b) and (c) state that there will be a press release and the Housing Division within the Department of Business and Industry will maintain on their website the maximum annual rent increase percentages. Section 4 provides for an exemption process with documentation on why the exemption would be needed if they had to have an increase. They do have to justify that through documentation that has proved satisfactory to the Housing Division. Section 5 is conforming information on where this would be placed in the statute. Section 6 adds this new restriction to the existing restrictions of *Nevada Revised Statutes* (NRS) 118B.150 where there are some provisions in there for protections for people over 55 years of age, people with disabilities, and long-term rental agreements. On page 5 the maximum increase is added to those sections.

Just for clarification, the landlord—or the person, the mobile home park—for instance, if they say, we are going to cover the water, the garbage, the sewer and if they have actual increases to those, they cannot put markups on them. If those go up, it would not be subject to this maximum increase on the rent for the space. That is the language of the bill. I am happy to answer any questions, but I know the copresenter can give you a bit more actual application of what we are trying to accomplish and what the repercussions and the effects are on the constituents in not only my district, but I am sure all of yours as well.

Jeanneil Marzan, Private Citizen, Sparks, Nevada:

[Read from [Exhibit D](#).] First, I would like to thank you for hearing S.B. 275 (R1), especially with such a short time left on your agenda. I would also like to thank Senator Daly for talking to me and listening to what would happen to his constituents and other people in the state of Nevada who live in manufactured homes, and for sponsoring this bill. In February, when I discussed this with Senator Daly, I was only concerned about the manufactured home park that I lived in, which was Sierra Royal Mobile Home Park, a senior park in Sparks that was sold by a family who had some financial crisis. They did not even know how Carlisle Corporation found out the park was for sale, but it did, and we were sold. At that time, I became very concerned because there were discussions and they had shown they were going to increase the space rents for new people moving into our park by about 27 percent, and the sister park by 75 percent. Now, that had not happened to the existing people yet, but in the laws of manufactured home parks in the state of Nevada, there is a part that states that manufactured homes of the same size on the same size lots had to be charged the same amount of space rent. Basically, we were fearful of what was going to happen.

What astounded me was I recognized that over 60,000 people live in manufactured home parks in the state of Nevada—there are 30,000 spaces, and if you just put two adults into each one of those spaces, that is 60,000 people, and there are 400 parks in the state of Nevada. What really bothered me about this was the seniors who are in the parks who are living on fixed incomes, who are trying to buy their medication, pay their space rent, and pay their insurance. Then, you look at the family parks where you have families and the adults are working two and three jobs just to cover their space rent, their food, and to give their children bare necessities. Then, you top it off with these kinds of increases by the new companies that are coming in.

I kind of took a look and studied this, and in the past when the parks were owned by more local people—local families, and so forth—the space rents were reasonable. They made reasonable profits obviously, or they would not have been in business since 1970 and 1980. Obviously, the people who lived in the parks were getting reasonable rent increases. Before I left my home today, I took a look at—the opposition says the answer to the problem is to build more housing. Well, here is the bottom line: statistics. Currently, in Reno there are 84 parks with 92 homes for sale. In Sparks, there are 13 parks with 11 homes for sale. Most of the homes for sale are those homes that have a higher space rent than those with a lower space rent. Unfortunately, I could not go through all of the parks in Las Vegas because there are quite a few, but Las Vegas currently has 100 parks—and half of what I looked at—there were 177 homes for sale. I would not say that we have a housing shortage of manufactured homes. We have a viable market of homes that are for sale.

This is not a rent control bill. As Senator Daly said, rent control is implementing a specific percent and nothing else can happen. This is a rent standardization bill that gives flexibility on an annual basis for how big a percentage can be put on to increase the rent. It gives the parks the ability to pass through their charges and it gives them the ability—if their expenses are more—to recoup them. We are not saying, this is all you can make. The bottom line with this is, for me, it is a fair solution. Once they have raised the rents, there is no going

back. If people are saying we have to wait until the next legislative session in two years, it is going to be too late. People are either going to lose their homes or they are going to be in financial distress. I am asking the Legislature and our Governor—he is not here, but I am asking him—to please pass this bill. This is not a partisan bill or a bipartisan bill. This is a bill for your constituents and for the people—for the state of Nevada.

Chair Marzola:

Thank you for being here with us today. Does that conclude your presentation, Senator Daly?

Senator Daly:

Yes.

Chair Marzola:

Committee members, are there any questions? [There were none.] I will now open testimony in support of S.B. 275 (R1). Is there anyone wishing to testify in support?

Kathleen Anderson, Private Citizen, Reno, Nevada:

My husband and I purchased our manufactured home at the Lucky Lane Mobile Home Park in July 2017. Before the current owners purchased the park in January 2020, we had minimal space rent increases of about \$20 a month. In the past two years, our space rent has increased from \$648 a month to \$856 a month, an increase of 30.33 percent a month. An increase on this level has been devastating to the residents of the park, especially since the manufactured homeowners need home improvements desperately and cannot make them. There is no money for it. This year alone, the space rent went up by 16.49 percent. With the social security raise of only 8.7 percent, it leaves a lot of these tenants in an even worse financial position. Those hardworking families, singles, disabled, and retired folks count on social security and workforce incomes, be it paychecks, retirement, or whatnot, to help keep up with their increased daily living expenses, and it is just not always happening. All too soon, the constituents could be homeless and unable to pay their space rents. As spouses or roommates either pass on or move away, it leaves the remaining tenant with the full burden of fears of what uncontrolled rent hikes will be. I am also convinced that is a real fear of all tenants of manufactured home parks. Every day, they wake up and they have a new rent, and all of a sudden, boom. A year later, who knows what it is going to be?

I am asking that you hear our statements and take into account that everyone has a loved one that may rent in a modular home park and lays awake at night scared for their financial future. In the great state of Nevada, people should not be afraid. They should not be afraid for their homes. Would it not be wonderful for part of your 2023 legacy to be able to help your loved ones and so many others by passing S.B. 275 (R1)?

Toni Niedle, Private Citizen, Reno, Nevada:

I live in Reno at the Donner Springs Village Mobile Home Park. I am a 69-year-old retired registered nurse who devoted much of my life to working as a nurse at the Veterans Administration hospital until I was forced to leave to take care of both of my parents who

had dementia, and who were both veterans. This bill is crucial for my very existence. Without it, I will have nowhere to live. Currently, I spend 30 percent of my meager \$2,000 social security income on rent, 20 percent on utilities that keep going up, 30 percent on insurance, and 10 percent on my medications that I am forced to take every other day so that I can continue to afford them. That is 90 percent of my income before food or emergencies. The new owners of our park have increased rent to \$1,045 for new homeowners. That is a 75 percent increase that I cannot possibly afford. I can honestly say that at this stage in my life, I am appalled that I should have to live in fear of being homeless so that the investors at the top of the heap can profit off of my space rent. I understand the concern that there is a fear this is the beginning of rent control in our state. I would like to reiterate that this is not rent control but rent stabilization. The investors will still be able to see a return on their investment.

This bill protects your most vulnerable constituents—the ones who vote for you—against gouging, making us their profit center at absurd, unreasonable rates. Do not the seniors and disabled deserve a little protection from the investors that are invading our state? Is this how you would like your grandmother or grandfather to live, in fear? I paid my dues, taxes, and lived a life of service. Do I not deserve a moment of peace? It cannot always be about the Benjamins. I implore you all to do the right thing and vote yes on S.B. 275 (R1). In conclusion, this is not about Republican or Democrat. It is about your constituents who need your help to protect them from the multibillionaire investors, both with domestic and foreign interests. Please keep our state affordable for all. Let us not turn this good state into a San Francisco crisis. I thank you for your commitment to Nevada and your time.

Karen Louton, Private Citizen, Sparks, Nevada:

My husband and I have lived at Sierra Royal Mobile Home Park for about eight and a half years now. We are pleased to be here today in support of S.B. 275 (R1). Since we last testified, we have been told that the new market rent at Sierra Royal is now \$1,010 a month, which will apply to any new owner of a home in the park. We current residents who are paying \$790 a month have not received anything in writing to this date—it has been five and a half months—regarding the new or existing rents or fees. We really do not know what is happening. We were told verbally that an increase for current residents is on hold at this time, probably because they are waiting to see what happens with this bill. We are afraid that if the bill does not pass, we will get a substantial rate increase soon, even though we did just have one of \$40 in September. We have open-ended rental agreements, not leases. The rent can be changed at any time with only a 90-day written notice from management. At present, there are no legal guidelines to be followed regarding the amount of the increases or how often they can be implemented.

These multibillion-dollar investment companies would have you believe that if this bill passes, they will be unable to realize a profit. No one is suggesting that setting some parameters to help keep people in their homes should keep anyone from making a profit. Smart businesspeople can manage expenses and make money. In addition, there is a provision in the bill that allows the park to increase the passed-through expenses if they can prove those expenses have risen so much that the calculated rent increase is insufficient. The

result of a substantial increase would be extreme financial hardship for most of us seniors on a fixed income. If we could even afford to pay it, we would not have money left for the other necessities of senior living. It would also affect local businesses, as we would probably be unable to patronize them. If S.B. 275 (R1) does not pass to make rent increases at least manageable, if not affordable, maintenance in our homes will suffer, major purchases will not be possible, and the lost revenue from this large section of the population is likely to negatively impact the nearby local businesses.

In conclusion, I would like to ask you to think of the fairness of a system that is completely in the favor of the huge corporations. They would like you to believe that it is necessary for them to put our housing security in jeopardy for them to survive as companies. No one seems concerned about the fixed-income and lower-income people who are at risk of losing their homes or are literally just trying to survive. Thank you for your time, and please pass S.B. 275 (R1).

Duane Anderson, Private Citizen, Sparks, Nevada:

I am a resident of the Sierra Royal Mobile Home Park. I have been there for almost eight years and the rent increases have been reasonable. However, when it was sold and the new management took over, they increased the new owners' rent by a very large amount. When we moved there eight years ago, we sold our house in Reno and used the excess from the sale to pay off the new mobile home and to do some improvements. Since that time, my health has deteriorated and I am on oxygen constantly. There is no way that at 85 years old, I would be able to take a job and work. We just need this legislation to pass so we will be able to remain where we are and not be forced to find someplace we could afford, and there is probably not anything more affordable than a mobile home park.

Valerie Tilson, Private Citizen, Reno, Nevada:

I am a resident of the Donner Springs Mobile Home Park. I purchased my home back in 2012. At that time, the rent was \$540. Currently, it is \$590. With the new proposal of rent that is coming for new tenants, it will be \$1,045. That is the highest space rental charge in northern Nevada. There are currently seven homes for sale and have been for the last six months. The depreciation of those home sales has significantly increased, homes that were listed at \$220,000 are now at \$119,000. Homes at \$100,000 are still stagnant, not moving. When new inquiries ask for what the space rent is, and they are told it is over \$1,000, people are saying no. I am disabled. My husband is 68 years old. I receive my disability of \$1,100. I already know that we are in a housing crisis shortage. We are in a health worker shortage. When the new property management held a meeting to notify us of their requirement, we had a full house of people attending, scared out of their minds and wondering what is going to happen to them because there is not adequate housing for them to go to. I notified the city, the county, and the press and was ignored. Senator Daly has been the only one who has listened and addressed the issue.

I want there to be protections for seniors as I get older, and it seems like it is this demographic that seems to get slighted. Time is something that we cannot afford. The increased proposed rent for new tenants is hurting us as property owners. For owners of

mobile homes, the values decrease. If there is a rental increase, we have 90 days to liquidate our house and move. If the same seven homes in the last six months have not moved, what does that tell you for our investment? It hurts this community, the county for taxes, the state for taxes, the real estate agents—it is not just us that it impacts—it is the whole community and the state. I am asking you to support this bill for rent stabilization for the realistic terminology of affordability. The next COLA [cost of living adjustment] is going to be projected under 4 percent; our monies are calculated on last year's figures, not this year's. Keep that in mind when you are thinking of this bill.

Chair Marzola:

Is there anyone else wishing to testify in support? [There was no one.] [[Exhibit E](#) was submitted but not discussed and will become part of the record.]

We will move to testimony in opposition to S.B. 275 (R1). Is there anyone wishing to testify in opposition?

Joshua Hicks, representing Manufactured Home Community Owners Association:

The association is a small nonprofit organization that focuses on issues related to manufactured home communities. The association stands in opposition to S.B. 275 (R1) because it is a short-term reaction that will have negative long-term consequences for the tenants of manufactured home communities. Housing prices are a function of supply and demand. The more housing options Nevadans have to choose from, the more stable the housing market becomes. Rent control policies like S.B. 275 (R1) only serve to limit housing options by disincentivizing the construction of new housing supply and by impacting the ability of park owners to maintain and invest in the quality of manufactured home communities. Manufactured home park owners tend to look to other markets and states that implement artificial rent controls, and existing communities in those states tend to deteriorate and decline as the park owners see their expenses continue to rise while revenues are constrained. Ultimately, the people harmed in that scenario are the tenants who want reasonably priced, clean, and safe communities to call home. The association urges this Committee to consider long-term solutions to housing prices. Those solutions should always center around policies that encourage more housing supply or provide financial assistance for fixed-income tenants. Senate Bill 275 (1st Reprint) is a short-term response that will ultimately harm the very people that it supposedly protects. For all of those reasons, the association opposes S.B. 275 (R1) and asks the Committee to do the same.

Chair Marzola:

Thank you for your testimony today. One of the Committee members does have a question.

Assemblywoman Monroe Moreno:

In your testimony in opposition, you said that the property owners in the mobile home parks are seeing increased expenses for themselves. Could you tell us what those increased expenses are? Because when we heard testimony from those in support, those numbers did not really seem—they did not have a justification for why their rent was going up. And how

often are they going up? And can you justify what that is, because these are seniors and people who are disabled—people on fixed incomes—who cannot afford rental increases. Could you just give us some more detail about why those rents are going up?

Joshua Hicks:

Certainly. I think for the first part, what I heard among the testimony is the rent was going up on new spaces, not necessarily on existing spaces, which is also consistent with the association's clients' experiences. They have not been raising revenue. Many park members have just raised rents of very minor amounts on existing tenants, so I think that is an important distinction. Nonetheless, any kind of property owner who is providing maintenance and care of common areas, paying taxes, paying utilities—those kinds of things tend to go up. They fluctuate with inflation especially. Overall, like any property owner, the expenses are going to increase year after year.

Assemblywoman Monroe-Moreno:

One of the people testifying said their rent was \$22 when they first moved in. It has gone up increasingly by 33 percent, and now it is up to \$800 a month for the space they are living in. Then, when the taxes go up, are the tenants informed of the taxes and the utilities that are going up to justify the rental increases?

Joshua Hicks:

Yes, I understand that they are.

Assemblywoman Monroe-Moreno:

Is that across the board at every mobile home park, or just some?

Joshua Hicks:

Generally speaking, I can only say to my experience with owners, that they do that—but I do not know how every single park does it.

Assemblywoman Monroe-Moreno:

If the rental rates are increased to the point where a senior or someone who is disabled cannot afford it, do you help that displaced person find another place to stay? They cannot get a job in today's market. I mean, they worked, they have done their time helping the state out—this community in general. When the rents are raised so high that their social security check or their retirement check does not accommodate that rental increase, do you help that displaced tenant?

Joshua Hicks:

There was an interesting study—that I think answers your question—that was done in St. Paul, Minnesota, when they were looking at rent control and there was a discussion that the underlying problem is not necessarily rental prices, but income and housing supply. I think everyone understands that income is fixed. Tenants who are good tenants are very valuable—who stay, who pay on time. In my experience and my clients' experience, they are

not looking to get rid of those tenants. They are not trying to price people out. You see the rental increases on maybe new spaces, and some of that is the function of trying to catch up on not necessarily making as much revenue on existing spaces.

Chair Marzola:

We have one more question.

Assemblywoman Duran:

When you said some of these people are trying to sell their mobile homes, would this new price of \$1,000 for the rental space be to these new people because of the fact they have never lived there before?

Joshua Hicks:

Generally speaking, yes. That is a new tenant who comes with a lack of history. It is a new space; it is a new market.

Chair Marzola:

Thank you. There are no more questions. We will resume testimony in opposition.

Dylan Keith, Assistant Director, Government Affairs, Vegas Chamber:

The Chamber does come in opposition to S.B. 275 (R1) today. It is a principle of the Chamber to believe in the free market of pricing and remove burdensome government intervention when determining prices in a market. We do appreciate Senator Daly's intent, as there are Nevadans who are struggling to find housing. However, Nevada has seen explosive growth in our population over the past two decades, and we do not believe this bill will address the over 80,000 housing units that are necessary to truly solve the housing crisis in our state. The Chamber believes this will set a dangerous precedent for the future, and we do ask you to please oppose this legislation.

Chair Marzola:

Is there anyone else wishing to testify in opposition? [There was no one.] We will move to neutral testimony. Is there anyone wishing to testify in the neutral position? [There was no one.] Senator Daly, would you like to give any closing remarks?

Senator Daly:

I appreciate the question you had during opposition testimony. People in mobile home parks with space rental—owning the home, but not the space—are at a unique disadvantage in that regard. They literally do not have any place else to go. There are protections; there are statutes in place that state if the park owners close down the park, they would have to move the mobile home up to 275 miles and they would have to pay for that cost. The problem is some of these homes are old and cannot be moved. They simply cannot be moved. When that rent increase goes up—and I know right now they are saying only in existing spaces—but if you have been paying attention at all at what is going on across the country, whether it is apartments, housing, mobile home housing, whatever it might be—every investor who is doing this, especially on the corporate side, the private equity investments—they are looking

to hit the market rate, whatever the market rate is. The market will maximize profits. Now, I do not necessarily want to see those people not be able to maximize profit or not get a return on their investment but, at some point, we have to address the issue and look at the reality of it and try to stabilize it for the most vulnerable people in our society in these mobile home parks.

When we started mobile home parks in the 1970s, if you look at the statutes in the state of Nevada, it was meant to be the solution for low-income housing or for people to have affordable housing. If we price things out where a person cannot sell or get their market value out of their investment because the rent on the land is so high that causes their property value to go down, it is an unfair situation. What I can tell you about most investors—and testimony in the opposition was that—as an observer of human nature, it is consistent and predictable. I know what the people will do. They are going to try to hit the market rate, maximize the profits, and what actually happens to the people? That is our job to try to make sure that it is done in a fair and equitable manner for those people. I encourage you to support the bill.

Chair Marzola:

Senator Daly, before you go, there are actually a couple of questions. Just for my clarification, is there a time when, if you do not own your mobile home, you would be paying for your mobile home and the space that you are renting?

Senator Daly:

Yes, there are people—so if someone buys a mobile home that is for sale and unless they pay in cash, they are going to have the payment on the mobile home and the payment on the space. That is where the problem starts to come in, and people are not going to buy that mobile home and say this is affordable, at least if it is in the area of \$200,000 or \$300,000, whatever it might be, and also be able to make the payment on that plus a \$1,000 space payment. It is as much as if you are buying a house somewhere. Those are some of the issues that are changing the affordability of this. The people who are in the park—if they get their space rent increased and they are on a fixed income, they may not be making their mobile home payment. The space payment, as you heard in testimony, is going to cause them to do that. I know there was one thing we need to solve—the housing crisis. This bill is not designed to solve the housing crisis, but it is designed to not add to it.

Chair Marzola:

Thank you for that clarification. We do have another question.

Assemblywoman Monroe-Moreno:

In your research for this piece of legislation, did you find if the property owner of the mobile home park has a cap on the property taxes they pay because of the way Nevada's property tax structure is, or does it go up annually since it is commercial property?

Senator Daly:

Your understanding of the tax laws in Nevada is probably better than mine, but I do know quite a bit. Yes, they would have the 8 percent cap if the actual value went up on the property they have. We also have the depreciation which applies, so that amount has already been reduced. I know for a fact the two mobile home parks are at least 35 to 40 years old. I worked on them when they were built when I was still working in the field. The family who owned it before was Helms Construction Company. Robert Helms and the two sons, when they had to sell it—it is my understanding it is a Warren Buffett-owned firm now—but the property tax works the same for them. They get the depreciation, and they are capped at the 8 percent maximum.

Assemblywoman Backus:

I probably should have asked this earlier on, but some of the comments I heard made me want to go through section 6, which is already an existing law. I can understand why your constituents are concerned about the rent increase, because section 6 basically has this already in statute, *Nevada Revised Statutes* 118B.150, a requirement that mandates that the rents across the board, along with additional charges, are supposed to remain consistent for each unit size except only in the limited circumstances where discounts could be given. Those would be for those who are handicapped, 55 years or older, and those are only in selective cases. I think that is what your constituents were getting to. Is that right?

Senator Daly:

My understanding of section 6 is that some protections were put in. I did not look up to see when those changes were made in the statute for people with disabilities or people 55 years of age or older. As I did mention, in some of the information that I looked up, mobile homes were meant to be an affordable housing option for seniors, and many of the parks—for instance, Sierra Royal is a senior community, so no kids. The other one that was mentioned is in my district, Donner Springs, they do allow kids. It is for all ages, but there are still a significant number of seniors there. It is selective to whom this part of section 6 applies. All of those would still apply, but the new exemption or limit that we put in that applies to everybody would be drafted by the Legislative Counsel Bureau and made sure it was in there as well.

Chair Marzola:

Thank you for being with us today in your presentation. I will now close the hearing on Senate Bill 275 (1st Reprint). I will now open the hearing on Assembly Bill 503, which revises provisions relating to background checks. Mr. Wilkinson, you may begin when you are ready.

**Assembly Bill 503: Revises various provisions relating to background checks.
(BDR 1-900)**

Bradley Wilkinson, Chief Deputy Legislative Counsel, Legal Division, Legislative Counsel Bureau:

I am here today in my capacity as an attorney in the Legal Division of the Legislative Counsel Bureau to present Assembly Bill 503, a bill requested by the Legislative Counsel in coordination with the Records, Communication, and Compliance Division of the Department of Public Safety. Before beginning my presentation, I need to make the disclosure that as an employee of the Legislative Counsel Bureau, I am prohibited from encouraging the passage or failure of legislation, but I can make recommendations on legislation.

Originally, I intended to provide you with some historical background and context about Public Law 92-544, which authorized the FBI to conduct criminal history background checks for the purposes of licensing employment. However, in the interest of time, I cut that out of my presentation, but I am happy to discuss it with anyone who wants to call me. We can talk as long as you would like. The revisions you see in A.B. 503 today [[Exhibit F](#)] have actually been in the works for about four years. We started working on this project back in 2019 with the Division to fix certain statutes that have been rejected by the FBI. Unfortunately, we were going to bring a bill last session, but we ran out of time, so we figured we would try this session.

The revisions in the bill address a variety of different problems the FBI found with our statutes. Let me start by saying, I am working from Mock-up 3703 [[Exhibit F](#)], not the original bill. When you look at the mock-up, you will see I am proposing to delete quite a few sections of that. Originally, this bill was going to be a fix-everything-once-and-for-all bill. However, upon further discussion and reflection, we decided these issues required a little more consideration and input from licensing bodies. We are hoping to keep working on that over the interim and come back in 2025 with another bill. With that in mind, I will quickly run through the sections in the bill that are remaining and describe what we are fixing and why.

Sections 7, 8, and 11 of the bill fix some statutes that exempt volunteers who are likely to have unsupervised contact with pupils from the requirement to submit fingerprints and undergo a background check if those volunteers had already had a background check conducted by another entity in the past six months. We cleaned up these statutes by clarifying that the entity which conducted the investigation must be a public entity. We also did our best to make sure the statute ticks off all of the requirements set forth in the federal guidelines. Sections 9, 12, 13, and 89 make additional changes with respect to the same background checks in the educational context. The FBI determined that these sections do not meet the requirements of the federal law because they improperly authorize the dissemination of criminal history record information to a private person. For that reason, we removed those provisions and made conforming changes as appropriate. For section 10 of the bill, the FBI rejected this statute because it believed the language, "other auxiliary, nonprofessional personnel" is too broad a term for the purposes of background checks. We replaced that term

with "paraprofessionals," which is a defined term in *Nevada Revised Statutes* (NRS). Sections 51, 52, and 53 of the bill pertained to dental matters and related to statutes that were considered not to be specific enough in the references to dental terms, such as the persons who would be fingerprinted were not identified clearly enough. For example, there is no definition of dentistry in the chapter, so we added a definition of dentistry in section 51. Section 52 makes a conforming change. In section 53, the FBI felt that the language in the current statute referring to any of the special branches of dental hygiene, dental therapy, or dentistry was overly broad, so we simply removed that phrase.

In section 60, the FBI determined that one sentence in the Psychology Interjurisdictional Compact improperly authorizes the dissemination of criminal history record information to private entities, so we deleted that sentence and specified that a compact state is prohibited from submitting to the coordinated database any criminal history record information obtained from a report of the central repository or the FBI. Section 61 pertains to marriage and family therapists and clinical professional counselors. Currently, fingerprinting authority only exists for an expedited license by endorsement, so we added specific authorization for the other types of licenses in NRS Chapter 641A. Section 64 of the bill makes a minor technical correction relating to applicants for licenses of behavior analysts or assistant behavior analysts or registration as a registered behavior technician, to clarify that an applicant must submit a complete set of fingerprints to the board for purposes of a report on the criminal history of the person from both the central repository and the FBI. In section 65, the statute which pertains to the Nevada State Board of Funeral and Cemetery Services was not approved by the FBI because the specific applicants were not identified in the statute, so we revised the statute to identify each type of license, certificate, or permit required pursuant to the chapter. Sections 81 to 84 pertain to the Cannabis Compliance Board and define the terms "board member," "officer," "owner," and "ownership interest" for purposes of background checks of persons associated with medical cannabis establishments and adult-use cannabis establishments, as the FBI determined those terms were overly broad without a definition.

Section 85 makes a conforming change. Section 89 of the bill repeals the statute relating to the State Board of Cosmetology that improperly authorizes the sharing of criminal history record information between certain entities. There is also a proposed amendment on the Nevada Electronic Legislative Information Systems from Connor & Connor PLLC that relates to the provisions governing the Cannabis Compliance Board [[Exhibit G](#)]. My office does not support or oppose those provisions of the amendment, but I am familiar with them and could discuss them if you desire. I am happy to answer any questions.

Chair Marzola:

Committee members, are there any questions?

Assemblywoman Torres:

I believe you spoke about section 64, but on the amendment we have, it was removed. Could I have clarification on whether or not section 64 was going to be removed?

Bradley Wilkinson:

I am sorry; you said section 64?

Assemblywoman Torres:

Yes, section 64, I think, which was on the behavior analysts on page 23.

Bradley Wilkinson:

I believe we did review that. I think that one just came back as being okay. It was a really minor technical correction, anyway. Frankly, there are many statutes in NRS that read the same way. Yes, we took that out.

Assemblywoman Torres:

For clarity, are we keeping it removed or would we like to keep section 64 in?

Bradley Wilkinson:

We are proposing not to amend that statute in section 64. It is out of the bill.

Assemblywoman Monroe-Moreno:

The second amendment from Connor & Connor—with the amendments in the language in their amendment, do you know if they would be conforming to the FBI regulations? I know it is not your amendment, but in your conversations with the FBI, would the changes in their amendment conform to FBI regulations?

Bradley Wilkinson:

Right now, those terms are not defined at all, so adding a definition certainly gets us much further along in getting it approved. Their proposed amendment actually narrows the definition somewhat, which would possibly make it more likely to be accepted by the FBI than without the amendment—the first part. Then, for the second amendment, adding natural person, I do not think that one really matters much—it is clear from the context of the NRS that we are talking about natural persons, but it certainly does not hurt to add that into the statute because the FBI is always looking at the statute itself as a self-contained thing. They do not want to go back and flip through other parts of the chapter.

Chair Marzola:

Committee members, are there any additional questions? [There were none.] We will begin with testimony in support of Assembly Bill 503. Is there anyone wishing to testify in support? [There was no one.] We will move to testimony in opposition. Is there anyone wishing to testify in opposition to Assembly Bill 503? [There was no one.] Lastly, we will go to neutral testimony. Is there anyone wishing to testify in the neutral position? [There was no one.] Mr. Wilkinson, would you like to give any closing remarks? [There were no closing remarks.] I will now close the hearing on Assembly Bill 503 and we will take a one-minute recess. [The Committee recessed at 3:05 p.m. and reconvened at 3:06 p.m.] With the permission of Assemblyman Yeager, we will work session Assembly Bill 503. I will take a motion to amend and do pass Assembly Bill 503 with the mock-up amendment and the amendment from Connor & Connor.

ASSEMBLYWOMAN TORRES MADE A MOTION TO AMEND AND DO
PASS ASSEMBLY BILL 503.

ASSEMBLYWOMAN MONROE-MORENO SECONDED THE MOTION.

Is there any discussion on the motion?

Assemblyman Yurek:

At this point, based on the testimony given by the presenter, I am still a little concerned about the FBI on the Connor & Connor amendment and their approval of the narrowing of that definition—that is kind of still a lingering thing out there. I guess I will vote yes out of committee, but I am going to reserve my right to go no, just in case we get some feedback from the FBI that that is going to be problematic for the bill. And I would ask the Legislative Counsel Bureau to follow up on that and give us the information we might need as we proceed forward.

Chair Marzola:

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

THE MOTION PASSED. (ASSEMBLYMEN JAUREGUI AND YEAGER
WERE ABSENT FOR THE VOTE.)

I will assign the floor statement to Assemblyman Carter, and that will end our work session for today. I will now open up for public comment. [There was no public comment.] We will meet again on Wednesday at 1:30 p.m. If there are no other comments from the Committee, this meeting is adjourned [at 3:08 p.m.].

RESPECTFULLY SUBMITTED:

Elizabeth Lepe
Committee Secretary

APPROVED BY:

Assemblywoman Elaine Marzola, Chair

DATE: _____

EXHIBITS

[Exhibit A](#) is the Agenda.

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

[Exhibit C](#) is an information page for [Senate Bill 167 \(1st Reprint\)](#), submitted by Lea Case on behalf of the National Alliance on Mental Illness - Nevada.

[Exhibit D](#) is written testimony, dated May 29, 2023, submitted by Jeanneil Marzan, Private Citizen, Sparks, Nevada, in support of [Senate Bill 275 \(1st Reprint\)](#).

[Exhibit E](#) is a letter submitted by Tiffany Liguori, Office Manager, White Knight Homes of Nevada, in support of [Senate Bill 275 \(1st Reprint\)](#).

[Exhibit F](#) is a proposed amendment 3703, dated May 26, 2023, to [Assembly Bill 503](#), presented by Bradley Wilkinson, Chief Deputy Legislative Counsel, Legal Division, Legislative Counsel Bureau.

[Exhibit G](#) is a proposed amendment to [Assembly Bill 503](#), dated May 29, 2023, submitted by Amanda N. Connor, Esq., on behalf of Connor & Connor PLLC.