

**MINUTES OF THE MEETING
OF THE
ASSEMBLY COMMITTEE ON GOVERNMENT AFFAIRS**

**Eighty-Second Session
April 28, 2023**

The Committee on Government Affairs was called to order by Chair Selena Torres at 9:07 a.m. on Friday, April 28, 2023, in Room 4100 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. The meeting was videoconferenced to Room 4401 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.state.nv.us/App/NELIS/REL/82nd2023.

COMMITTEE MEMBERS PRESENT:

Assemblywoman Selena Torres, Chair
Assemblywoman Bea Duran, Vice Chair
Assemblyman Max Carter
Assemblyman Rich DeLong
Assemblyman Reuben D'Silva
Assemblywoman Cecelia González
Assemblyman Brian Hibbetts
Assemblyman Gregory Koenig
Assemblyman Richard McArthur
Assemblyman Duy Nguyen
Assemblywoman Angie Taylor
Assemblywoman Clara Thomas

COMMITTEE MEMBERS ABSENT:

Assemblyman Bert Gurr (excused)

GUEST LEGISLATORS PRESENT:

Senator Dina Neal, Senate District No. 4
Senator Melanie Scheible, Senate District No. 9

STAFF MEMBERS PRESENT:

Jennifer Ruedy, Committee Policy Analyst
Asher Killian, Committee Counsel
Sarah Delap, Committee Counsel

Minutes ID: 1001



Judi Bishop, Committee Manager
Diane Abbott, Committee Secretary
Cheryl Williams, Committee Assistant

OTHERS PRESENT:

Paul J. Moradkhan, Senior Vice President, Government Affairs, Vegas Chamber
Tray Abney, representing National Federation of Independent Business
Cheryl Blomstrom, representing Nevada Trucking Association
Andrew MacKay, Executive Director, Nevada Franchised Auto Dealers Association
Chase Whittemore, representing Nevada Builders Alliance
Nick Vassiliadis, representing Nevada Resort Association
Aodhan Downey, representing Las Vegas Global Economic Alliance
George Hritz, Government Affairs Representative, Nevada Taxpayers Association
Brian Wachter, Senior Vice President, Retail Association of Nevada
Emily Osterberg, Director, Government Affairs, Henderson Chamber of Commerce
Joanna Jacob, Manager, Government Affairs, Clark County
Jodi Hocking, Founder/Executive Director, Return Strong!
Nick Shepack, Nevada State Deputy Director, Fines and Fees Justice Center
Erica Roth, Government Affairs Liaison, Deputy Public Defender, Washoe County
Public Defender's Office; and representing Clark County Public Defender's
Office
Tonja Brown, Private Citizen, Carson City, Nevada
Christine Saunders, Policy Director, Progressive Leadership Alliance of Nevada
Dora Martinez, Private Citizen, Reno, Nevada
James E. Dzurenda, Director, Department of Corrections
Richard P. McCann, representing Nevada Association of Public Safety Officers
Kabrina Feser, Operations Officer, Public Employees' Retirement System of Nevada
Todd Ingalsbee, President, Professional Fire Fighters of Nevada
Carlos Hernandez, Chief of Staff, Nevada State AFL-CIO
Matthew Richardson, Vice President, Nevada Association of Public Safety Officers
Marc Ellis, President, Communications Workers of America Local 9413
Sean Gallagher, President, Nevada State Law Enforcement Officers Association
Bruce K. Snyder, Commissioner, Government Employee-Management Relations
Board, Department of Business and Industry
Ian Carr, General Counsel, Public Employees' Retirement System of Nevada

Chair Torres:

Welcome to the Assembly Committee on Government Affairs, the hardest-working committee in the Nevada State Legislature. We will go into a one-minute recess until the bill presenter is ready to begin. The Committee recessed [at 9:08 a.m.]

The Committee reconvened [at 9:11 a.m.]. At this time, we will open the hearing on Senate Bill 261 (2nd Reprint).

Senator Neal, please begin when you are ready. Welcome to the hardest-working committee in the Nevada State Legislature.

**Senate Bill 261 (2nd Reprint): Revises provisions relating to local governments.
(BDR 19-793)**

Senator Dina Neal, Senate District No. 4:

Basically, Senate Bill 261 (2nd Reprint) is an improvement upon the business impact statement. I carried Assembly Bill 408 of the 77th Session, and now we are doing a retread and adding some additional agencies which you see in section 2. We are adding the local health district, municipal utility, regional transportation commission, and special improvement districts. Why are they being added? Since the bill passed in the 77th Legislative Session, the Vegas Chamber has stayed in contact with me about the agencies that—I do not know if I would describe them as serial offenders, but maybe I will—are serial offenders in terms of what the business impact statement is supposed to do, how it is supposed to work, whether they are supposed to report, and how they are supposed to actually engage the business community when they do regulatory changes. This bill brings them in, making it absolutely clear that they are a part of the business impact law. It also established that the notification process, which I will let Mr. Moradkhan discuss—and we did some clean-up on the Senate side—established that if two or more chambers of commerce or trade associations requested, that this would make the agencies have to move and then provide an economic impact notice and statement. I will turn it over to Mr. Moradkhan.

Paul J. Moradkhan, Senior Vice President, Government Affairs, Vegas Chamber:

I would like to thank Senator Neal for bringing this bill forward. As she indicated, this has been a 10-year effort to clarify the purpose of the impact statement. This bill was drafted with other trade partners and associations in southern Nevada and across the state to ensure the spirit of the law Senator Neal was talking about was achieved. As she indicated, there was an amendment that was adopted, and we worked in collaboration with Clark County, the City of Las Vegas, and the City of Henderson. Those changes you will see in sections 5 and 6 of the bill, which streamline the process where the workshop piece would be activated if more than two chambers or trade associations request that from the local government. It reduces the burden of having to do a workshop every single time, but rather occurs when there are more than at least two trade partners making a request for a workshop.

On the workshop pieces, to Senator Neal's comment about some of the things that could use improvement, the Southern Nevada Water Authority, for example, has done a great job with workshops over the years and has done a great job following the spirit of the law and so forth. That process is quite clear in terms of where two trade associations or chambers must notify the entity within the time frame of the impact statement notification timeline, which has been set by the local government. There are also provisions about how they need to be notified. As many of us have moved to electronic (E) communications and so forth, we thought it was best that there be consistency in the notification process. That would be E-communication, not just hard mail and so forth. That brings some clarity because what we

have seen happen, especially in the pandemic, is inconsistency with local governments in how they are notifying trade partners, chambers of commerce, or small businesses. It really is an issue of transparency and consistency. Then, of course, it dictates some of the provisions that need to be clearly providing the business impact statements about the adverse effects, positive effects, and direct/indirect effects that were always the spirit of the law that Senator Neal brought back in 2013. I am happy to answer any questions, Madam Chair. Again, I want to thank the local governments for working with us, and you will hear their representation shortly. They have now moved to neutral.

Chair Torres:

Committee members, do you have any questions?

Assemblyman Nguyen:

I have a question for Mr. Moradkhan. In terms of the list of chambers that are designated in this bill, how do you measure those, because there are a lot. I represent a community that has so many chambers, I want to make sure we do not spend time chasing after shadows or illegitimate organizations that have listed themselves as chambers. I want to make sure we do not get complaints for not including certain groups. Somehow, I want to tie it to ensuring the chamber of commerce is an active, good-standing organization with the Secretary of State, so someone cannot walk in and say, Hey, you missed me. I am the chamber of XYZ, and nowhere can they be found. They have no website, there is no registration with the Secretary of State, and it is going to add more time into compliance.

Paul Moradkhan:

That is an excellent point, Assemblyman Nguyen. To your point, the chambers must have a business license issued from the Secretary of State and so forth. It would be an accepted standard for any group that they would have to be registered with the state to be classified as a chamber of commerce or a trade association. We did draft the bill to be inclusive, but also not burdensome to local governments.

Senator Neal:

I am wondering how many illegitimate chambers you think are out there?

Assemblyman Nguyen:

The understanding of a lot of communities who are not familiar with the state process may establish an organization that could be existing in their own communities, but is not necessarily registered with the state or have a certificate of good standing with the Secretary of State to verify the organization or the business meets all entities. I am aware of several organizations that exist in name, but if you look up their Secretary of State registration, they do not exist. That could be a challenge coming into this process, and yes, I understand the intent is to be inclusive, but I want to make sure these organizations go through these things so they are checked and verified, so we can make sure our local government does not have challenges when it comes to providing this information.

Paul Moradkhan:

To your point about legitimate chambers and trade associations, they would obviously need to be registered with the Office of the Secretary of State. Chambers themselves are not franchisees of the United States Chamber of Commerce, for example. Every chamber is independent. From our perspective, if the chamber is registered with the Secretary of State and has a local government business license and so forth, then the Vegas Chamber would say yes, you are a chamber of commerce. If you are not licensed and so forth, we would not recognize you as a peer or a partner because you are not licensed by the state. I would defer to Clark County when they come up, but I think they would probably say the same thing. If you are not licensed, I would assume they would not recognize you as a chamber of commerce.

Senator Neal:

I want to point out that, and if you look at section 4, subsection 1, lines 1 through 13, on page 3, these are also/or statements including "must notify chambers of commerce, trade associations or owners and officers of businesses which are likely to be affected" In that regard, if they are not a designated chamber or trade association but they are a legitimate business, which is saying this is going to affect them positively or negatively. The bill does not remove a singular business from coming to the table and saying, I have commentary on this regulation, and I am putting in information that this could have a negative impact upon me, and then eliciting commentary.

Assemblywoman Taylor:

This is pretty clear, but I want to make sure I get this on the record just to make sure the purpose is to really codify the spirit, because it sounds like when the law was originally passed, when you did the work in 2013, there were some things that were intended that perhaps were not specified in it. To make it clear from a, What is actually happening standpoint. To make clear this is what this was supposed to do. Am I reading that correctly?

Senator Neal:

It is more that the law was absolutely clear, and then there was further reinterpretation that they were excluded, such as the health district—I will not mention anyone. There was a consistent, This does not apply to us, and a consistent, Well, we do not believe that we have to provide an impact to the businesses. Now it is crystal clear, even if there is an attorney who comes to the table of the agency and says, Well, I think that the word "special" may mean something other than special improvement district. It is absolutely clear.

Assemblywoman Taylor:

Okay. Thank you, Senator. I appreciate that totally random example you shared as well.

Chair Torres:

That is what Senator Neal is known for—being very general and speaking in generalities.

Committee members, do you have any additional questions? I do have one last question. I noticed in section 4, subsection 5, you are talking about the workshops in the references in your presentation. Is there anything in statute that lays out what a workshop looks like or what the requirements of the workshop are?

Senator Neal:

No, it does not.

Chair Torres:

I am sure you are aware how sometimes we write legislation and different things end up happening after. It might be helpful if we could see language that outlines what the expectation of a workshop is. Some of that is in the bill. It requires at least the opportunity to solicit comments from persons on one or more general topics to be addressed by the proposed rule, but I am wondering if you think it might be necessary for us to outline more specifics of what that entails and what the notice for those workshops would look like.

Senator Neal:

That is a good point. We assume that when we start engaging in proposed rulemaking as a governing body, either as a county, city, or health district, that is the workshop, but we could further delineate to make it once again absolutely clear that you are engaging in a workshop on rulemaking.

Paul Moradkhan:

To your question, Chair Torres, those workshops are held to gather information that has been dictated to your point about the adverse effects, overview, and so forth. Typically, those are the reason the workshops are held, to capture information because they do have to provide the business impact report that has been approved at the county commission meeting or city council meeting. The workshops are supplemental to the data gathering that you pointed out.

Chair Torres:

Committee members, do you have any last questions? [There were none.]

Senator Neal seems to have had a blast presenting in the hardest-working committee in the Legislature in Club 4100. At this time, I will invite anyone wishing to testify in support of S.B. 261 (R2).

Tray Abney, representing National Federation of Independent Business:

We appreciate Senator Neal and my friend Mr. Moradkhan for bringing this bill. The average number of employees for the National Federation of Independent Business (NFIB) members is four to eight. These folks do not have teams of lawyers and lobbyists to keep track of these things, to follow everything that local government is doing, and certainly not everything state government does as well. Obviously, NFIB would like to be on that list of associations that is notified to keep our members informed. Anything that brings more transparency and local government reaching out their hand and helping small businesses, we are supportive of.

Cheryl Blomstrom, representing Nevada Trucking Association:

We are one of those associations that would be considered. When you pass laws, the laws say what, and then the agency that you direct to do it and manage the law creates a regulation which says how. It is the how that we have to focus on because it is the way that we comply. The transparency that Senator Neal brings in this bill is very welcome, and we are happy to participate in it. We started doing these business impact comments—I am older than rocks—in 1999, and it was a partnership between Senator Ann O'Connell and Assemblyman David Goldwater. It has been a long time and an evolutionary process, but thank you for your time.

Andrew MacKay, Executive Director, Nevada Franchised Auto Dealers Association:

We fully support this. Obviously, when you go back to 2013, the intent was clear while people were not following it. As somebody who used to run a regulatory agency, now it is a different chapter. It is *Nevada Revised Statutes* (NRS) Chapter 233B. Regulations are only as good as what feedback you get from the industry that is ultimately going to be impacted. This is going to go a long way to improving that. I would say I was kind of shocked, and listening to your conversation, I thought, Oh, sure, workshops have to be defined in NRS Chapter 233B. It is not. We all know what one is, but it is not defined. I think it is one of those where you know it when you see it. We encourage the Committee to support this, and thank Senator Neal for bringing this matter forward.

Chase Whittemore, representing Nevada Builders Alliance:

We are also in support.

Nick Vassiliadis, representing Nevada Resort Association:

For the sake of brevity, us too. Thank you to the sponsor for bringing this forward. Thank you for allowing the association to have some input and recognizing the business community as a valued partner. We urge your support.

Aodhan Downey, representing Las Vegas Global Economic Alliance:

Many businesses we work with—our partners to bring and grow here in the region—are small businesses. We support measures that look to provide clarity as to how public entities are reaching out to those constituents to ensure we connect and gain their input during the law-making process.

George Hritz, Government Affairs Representative, Nevada Taxpayers Association:

Including the chambers, the trade associations, and the email lists of government bodies who are going to be conducting a workshop is an important avenue for sharing information and communication with Nevada taxpayers and businesses. By sheer number, the more businesses and people are informed of a proposed rule, the more input or feedback received from Nevada taxpayers and businesses to the governing body will only assist the governing body in creating a better rule. Senate Bill 261 (2nd Reprint) is good policy. It provides an avenue toward government efficiency. I would like to thank the bill presenters and ask the Committee to support this bill as written.

Chair Torres:

I invite anyone else wishing to testify in support of S.B. 261 (R2). I do not see anyone here in Carson City. Is there anyone in Las Vegas? [There was no one.] Is there anyone on the phone line wishing to testify in support?

Brian Wachter, Senior Vice President, Retail Association of Nevada:

In the interest of time, we would echo all the comments from those folks whom you heard from in support in Carson City. We urge your support of this bill.

Emily Osterberg, Director, Government Affairs, Henderson Chamber of Commerce:

Most of our members are small businesses, and we would like to thank Senator Neal for bringing this bill forward. We are in support of S.B. 261 (R2). Requiring local government to notify chambers of commerce and hold requested workshops would benefit the entire business community and would really be a benefit to our members, most of which are small businesses. Working with our members and local government to create public policy that is business-friendly and benefits the community—for this reason and all the previous reasons stated, we urge you to support S.B. 261 (R2).

Chair Torres:

Is there anyone wishing to testify in opposition to S.B. 261 (R2) in Carson City, Las Vegas, or on the phone line? [There was no one.]

Is there anyone wishing to testify in neutral on S.B. 261 (R2)?

Joanna Jacob, Manager, Government Affairs, Clark County:

I wanted to get on the record that we are neutral and comment on the partnership we had in the Senate. Thank you to Senator Neal and to Mr. Moradkhan for working with us on this bill. We do support the intent behind this. Working with our trade associations will help us get the notification out. We wanted to work on it to make sure we knew some clear rules on when to have a workshop, given the volume of ordinances that we do. We are neutral under the provisions of the bill. I want to thank the sponsor and Mr. Moradkhan. We will work with the people who supported this bill to ensure that they are on the list in response to the questions about whom to notify. Obviously that is a concern, but there is an annual provision in here that will keep the list updated, and we have already contemplated working with the chambers to compile that list on a regional basis, really in southern Nevada. We will work on it and get it done.

Chair Torres:

Is there anyone else here in Carson City, in Las Vegas, or on the phone line wishing to testify in neutral? [There was no one.]

At this time, I will invite Senator Neal up for any closing remarks.

Senator Neal:

To the alleged hardest-working committee in the entire Legislature outside of Senate Finance and Assembly Ways and Means, I would strongly urge your support of S.B. 261 (R2) in the wisdom of this hardest-working committee to pass this legislation so that it can become law.

Chair Torres:

We will close the hearing on S.B. 261 (R2) and open the hearing on Senate Bill 105 (1st Reprint). Welcome to the hardest-working committee in the Nevada State Legislature. Please begin when you are ready.

Senate Bill 105 (1st Reprint): Revises provisions relating to the Department of Corrections. (BDR 18-320)

Senator Melanie Scheible, Senate District No. 9:

I am very happy to be here this morning presenting Senate Bill 105 (1st Reprint). I am joined in Las Vegas by Jodi Hocking from Return Strong!. For those of you who do not know, Return Strong! is the premier advocacy organization in all the country for people who are incarcerated and their families. They happen to be located here in Nevada. I will give a very brief overview of S.B. 105 (R1) and allow Ms. Hocking to speak a bit more to the necessity for this bill.

Senate Bill 105 (1st Reprint) was born out of the Joint Interim Standing Committee on Judiciary, where we studied a variety of different factors that contribute to the functioning of the Department of Corrections (NDOC). Something that we learned over the course of the last few years is that the Nevada Department of Corrections has historically been exempt from the Administrative Procedure Act, *Nevada Revised Statutes* (NRS) Chapter 233B, and that has led to a series of problems with a lack of transparency when the Department of Corrections has undertaken certain policy changes. Through a series of conversations with advocates, with legislators, and with representatives from the Department of Corrections, we came up with a list of policies that the Department of Corrections regularly updates and changes that should actually go through the NRS Chapter 233B process.

There was already one set of policies required to go through NRS Chapter 233B that was established in the 81st Legislative Session when we first started addressing issues with a lack of transparency in NDOC policies. We carved out this one small section of policies regarding deductions from inmate accounts that must go through NRS Chapter 233B. We come back now in 2023 to add to that list a couple of other policies that should be included in the NRS Chapter 233B process. Those include a public process which requires notice, public input, publishing of the proposed regulations, and the finalized regulations.

As you look at the bill, you can see that those are all included in section 1 at the very end of the bill. It is on page 4, section 1, subsection 7, and it outlines that any fiscal policies and policies regarding correspondence with inmates and visitation must go through the NRS Chapter 233B process. That would include anything to do with inmates' accounts, with any deductions to those accounts, with the rate at which inmates are being charged for room

and board, for man-down fees—things like that. Then the visitation and communication policies would include things like changes to the mail program, changes to the package program, changes to when people are allowed to visit the facility and not allowed to visit the facility. Things that would remain outside of the NRS Chapter 233B process would include day-to-day type policies for personnel—how guards check in every morning, how they submit their time sheets, their uniform dress code—things like that would not have to go through NRS Chapter 233B. The three types of policies that I just outlined would now have to go through the NRS Chapter 233B process to allow more public input and ensure that once major policy changes are being made that are significantly going to affect the people who are incarcerated and their families and their ability to send money to put on their books, or to communicate with them, that they have some say in that process. That they are informed in a timely manner before policies go into effect, and they are not taken by surprise when they were able to visit one day, or one week, or one Christmas, and then the next year, or the next day, or on the next holiday, the policy has changed. Perhaps they did not realize it, and now they can no longer see their loved one in person, or it might be that you used to have to apply a month in advance. Now you have to apply six months in advance, and people want to know that so they can plan for it. I will turn it over to Ms. Hocking to give some more remarks and a couple of examples, then we will be happy to take any questions.

Jodi Hocking, Founder/Executive Director, Return Strong!:

I am a family member impacted by my loved one's incarceration. I want to thank Senator Scheible and for all of you for hearing this important piece of legislation. Some of what I was going to say, Senator Scheible stole my words. I apologize for the repetitiveness, but I am sure you know that when the Administrative Procedures Act was implemented, NDOC was exempt from those requirements. Over the past three years, families and incarcerated people have had to deal with the ramifications of that.

I want to share two examples with you and encourage you to go to the videos of the Board of State Prison Commissioners meetings from these two examples and listen to the public comments from them. The first example started on September 1, 2020. Overnight, NDOC and ex-director Charles Daniels had implemented restitution deductions that were between 80 and 100 percent of money that was coming in for someone or that was on their books. When people woke up that morning, their trust accounts were emptied. The money that families had scraped together to put on their books in August was gone and there was no notice, no explanation, and everyone was panicked.

Ex-director Daniels had the authority to make a reasonable deduction. I am not going to go into all the specifics of what happened except to point out that he never came to the Board of State Prison Commissioners, and since he was exempt from the Administrative Procedures Act, he literally devastated families in Nevada who were already struggling to survive during the pandemic. Had fiscal processes been subject to NRS Chapter 233B, he would have had to bring that through the entire process before it could have gone into effect. The cleanup from that is still not complete. We were able to pass Senate Bill 22 of the 81st Session,

which puts statutory caps on the amount that can be deducted from an incarcerated person. There are still problems that were not resolved, and those individuals are still fighting to get their situations rectified.

If you listen to the public comments from the Board of Prison Commissioners meeting on October 8, 2020, you will hear the panic, chaos, and devastation that was done to so many families and their loved ones. That is not how we should be doing business as a state. The second example is in regard to changing the physical mail policy. It was partially implemented before it had the approval of the Board of State Prison Commissioners. Again, families had to show up at public comment to fight the proposed changes and are now in the middle of getting legislation passed to protect the mail. The Board of State Prison Commissioners public comment on August 30, 2022, shows that same panic. Again, we had to get a stay on the changes and bring it to the Legislature to get resolution.

Here is the problem in a nutshell. As citizens, we are forced to fight these changes to policy, often with 72 hours' notice and in two-minute public comments. We spend every quarter anxiously awaiting the Board of State Prison Commissioners' meeting agenda, praying there is nothing horrible on it and that we do not miss the meeting announcement and get shut out of the process completely. Yes, the new administration and Director James Dzurenda are very different. They communicate with us regularly, and they are transparent with us on what is happening. That is how we were able to agree on the specific areas of NRS Chapter 233B oversight for this bill that you now have in front of you.

Our democracy is built on a series of checks and balances that have not existed when it comes to Corrections, and it cannot rely on the employment of one person, especially in the political environment that exists with the director of NDOC. Passing S.B. 105 (R1) is a way to add one layer of oversight into proposed changes and ensure that the positive work that is happening now cannot be undone without legislative oversight in the future.

Chair Torres:

Committee members, do you have any questions? [There were none.] We will invite anyone wishing to testify in support of S.B. 105 (R1).

Nick Shepack, Nevada State Deputy Director, Fines and Fees Justice Center:

We worked hard on this legislation with the Department of Corrections and other stakeholders to ensure that the problems you heard about today do not exist in the future. Looking into the finances of NDOC, we have found problems going back as far as 1995 when a piece of legislation was passed that allowed the Department to charge individuals for medical care and then allowed indigent individuals to have that medical care covered by the Inmate Welfare Account. From the legislative history, it does not look like the intent was to then put those incarcerated individuals into debt which now follows individuals outside of the Department. Problems like this occur because you pass laws in this building, and then they go to a regulatory process that has no oversight, nor go through NRS Chapter 233B, and are not implemented with the original intent.

We have three areas here that directly impact families. We have visitation, which is extremely important to rehabilitation and reentry. We have mail, which is one of the best forms of communication and the only way a lot of people receive drawings from their children; and then we have the financial policies, which are the concern of our organization, which have gotten to a point where 10,000 families are paying an exorbitant amount of taxes to run a department that is essential government services. We believe that by passing this law, you will allow the public input from both advocates and families on the policies that most directly impact them, and we will create a better department in a better state. We urge your support.

Erica Roth, Government Affairs Liaison, Deputy Public Defender, Washoe County Public Defender's Office; and representing Clark County Public Defender's Office:

This morning I am testifying in support of S.B. 105 (R1). I want to thank the bill sponsor for bringing this forward. It is incredibly important legislation, and I want to quote Mahatma Gandhi who said, "Truth never damages a cause that is just." There is no reason not to have transparency in this process. Incarcerated people are your constituents too, and so are their family members, and they will eventually be released back into the community. We need to ensure that while they are incarcerated they are treated with dignity and respect, and to ensure that happens, we must know how these administrative procedures are put into place and how they are being enacted. I urge your support.

Chair Torres:

Is there anyone else here in Carson City wishing to testify in support of S.B. 105 (R1)? [There was no one.] Is there anyone else in Las Vegas wishing to testify in support of S.B. 105 (R1)? [There was no one.] Is there anyone on the phone line wishing to testify in support of S.B. 105 (R1)?

Tonja Brown, Private Citizen, Carson City, Nevada:

We would like to thank the sponsors for bringing this incredibly wonderful bill to the Legislature, and we strongly support that you pass this bill. I am an impacted family member of someone who has been incarcerated. I have had family and friends incarcerated. I have come to know a lot of the old-timers. I have been around for over 30 years working for oversight of NDOC. I want to briefly explain my personal experience. My brother spent 21 years incarcerated for a crime he did not commit, and just prior to his death, all the exculpatory evidence was found hiding in the Washoe County District Attorney's file that would have exonerated him. Just as his attorneys were about to file motions for a new trial, he passed away. I can tell you what it means to me to have the correspondence with the mail. It is such a treasure to be able to still look at the letters and the artwork and to be able to hold it and touch it. To me there is nothing that anybody can say or do to ease the pain of losing a loved one or having them incarcerated, but to see this information and to see the artwork and the children grow up, and then when they leave to have the artwork and the letters that have come in. We are strongly in support of this bill, and we would like to thank the sponsor for bringing this piece of legislation forward.

Christine Saunders, Policy Director, Progressive Leadership Alliance of Nevada:

We are here in support of Senate Bill 105 (1st Reprint). We appreciate all the bills brought forward this session to address the regulatory problems we have seen over the past two years, along with Nevada Department of Corrections and Director Dzurenda's willingness to work with the community. Senate Bill 105 (1st Reprint) will ensure the community, particularly families and incarcerated individuals, are able to have a say in the decision-making process around and not just when the Legislature is in session. Senate Bill 105 (1st Reprint) will clarify the processes going forward, and we urge your support.

Chair Torres:

Is there anyone wishing to testify in opposition to S.B. 105 (R1)? I do not see anyone in Carson City. Is there anyone in Las Vegas? I do not see anyone in Las Vegas. Is there anyone on the phone line wishing to testify in opposition to S.B. 105 (R1)?

Dora Martinez, Private Citizen, Reno, Nevada:

I am actually calling in support of S.B. 105 (R1). I was trying to get the number. This is a commonsense bill, and nobody should be above the law. There are some people with disabilities who are incarcerated, and they get confused when their money is taken away.

Chair Torres:

Is there anyone wishing to testify in neutral on S.B. 105 (R1)? I do not see anyone here in Carson City. It looks like we do have someone in Las Vegas. Please begin when you are ready.

James E. Dzurenda, Director, Department of Corrections:

We did have many, many discussions about S.B. 105 (R1) and came up with what I believe is necessary and appropriate for NRS Chapter 233B. I am testifying in neutral, but I want to put on record that we did have long discussions and came into agreement with what should be done for the public.

Chair Torres:

Is there anyone on the phone line wishing to testify neutral on S.B. 105 (R1)? [There was no one.] At this time, we will ask the bill sponsor for any closing remarks.

Senator Scheible:

I do want to take a moment to appreciate what a historic story we all get to be a part of, because I know many of you were here in 2019, which was my first session. Many of you are new and Ms. Hocking touched on what happened in the summer of 2020, between the 2019 and 2021 sessions, when those deductions were taken from inmates' accounts. If you can imagine being in the interim at that time, and Ms. Hocking and a group of truly grassroots advocates popped up out of nowhere, and they started calling in to the Joint Interim Standing Committee on Judiciary meetings and the Joint Interim Standing Committee on Government Affairs meetings. They started showing up at the Board of State Prison Commissioners meetings, the State Board of Pardons Commissioners, the county commission—they were just everywhere because they knew there was a problem that needed

to be solved. As citizens, they did not have the power to write the legislation, but they had the wherewithal to contact the people in power, including us, and they had foresight to work with us on it. Not only did they come and complain, take their ball, and go home, they raised their voices, and they got our attention. For four years now we have been able to sit down with Return Strong! on a regular basis and talk about policy, talk about people's lives, and talk about what it is like to be incarcerated. They have truly made a change in the state of Nevada because they have touched the hearts and minds of so many of our colleagues. We hear a lot from them in the Senate Judiciary Committee. I know none of you sit on the Assembly Judiciary Committee because you are here at eight o'clock in the morning. It really is special that you can be a part of this story, and this process to get to know the folks from Return Strong!. They are true grassroots advocates who went from calling in to every meeting they could possibly find, to sitting at the table beside me via technology to present the bill on the Administrative Procedures Act, which is a super technical part of legislation, but it is an incredibly important part of the public process. I look forward to working with all of you on this bill.

Chair Torres:

You can rest assured we are not here at 8 a.m. We are here at 9 a.m., to be very clear. Thank you so much for those closing remarks, Senator Scheible. I will go ahead and close the hearing on S.B. 105 (R1), and I will open the hearing on Senate Bill 388 (1st Reprint).

Senate Bill 388 (1st Reprint): Revises provisions relating to certain public employees. (BDR 23-131)

Senator Melanie Scheible, Senate District No. 9:

I am pleased to be presenting Senate Bill 388 (1st Reprint) on the heels of Senate Bill 105 (1st Reprint) because they might look like bills that do not go together, but in one way they do. What S.B. 388 (R1) is about is collective bargaining for state employees who work in law enforcement. For the past many years, we have had trouble staffing state law enforcement—the Nevada State Police and officers of the Nevada Department of Corrections. Over the course of the last few years, I have worked with a number of partners, including my friend, Mr. McCann, who is here to testify with me about ways we can better recruit and retain law enforcement officers at the state level.

Something that came up many times in these conversations was that law enforcement officers see their colleagues in local offices or local jurisdictions being able to negotiate through the collective bargaining process for a very specific benefit, which is their employer/employee contribution to the Public Employees' Retirement System (PERS). I know you all understand this, but the record lives on forever. I must make sure I have this on the record. For anybody who works for the state, PERS is their retirement fund, and the employer contributes to that fund. The employee also makes a contribution to that fund. Let us say, for example, that I am an employee of the Nevada State Police, and my total monthly contribution is \$200. It might be \$100 from my employer and \$100 from me. That \$100 from me comes directly out of my paycheck to get deposited into PERS. At the local level, collective bargaining units can bargain for their employer to cover that employee portion, so when their paycheck comes

every month, the employer has already paid all \$200 of that contribution. State employees do not have the ability to bargain their PERS contribution. What S.B. 388 (R1) proposes to do is to put PERS contributions on the bargaining table so that the bargaining unit and the state agency that is employing these peace officers have to discuss PERS as part of their potential benefits package.

Senate Bill 388 (1st Reprint) does not say the state will cover their portion. It does not say that they will change the rate of the contribution. It says it will become a part of mandatory bargaining. The other thing I really want to emphasize here is that it is an extremely technical distinction we are talking about. In the example I gave, we are not talking about changing the \$200 from \$100 from the employer and \$100 from the employee, half and half. We are talking about keeping the same delineation, half of it comes from the employer, half of it comes from the employee, but having the employer cover the employee's portion, which is legally different from the employer covering 100 percent of the contribution. The bargaining units still have to bargain for the employer to cover that employee portion. Generally, that means they are going to have to make up for it somewhere else. It could be, theoretically, that they bargain for only half of their contribution to be made by their employer. They could bargain for 75 percent of it to be made by their employer, but the portion that the employer has to pay already, that first 50 percent, or \$100, that would remain. We are talking about that second group of \$100—being able to bargain for who will pay that portion and how they are going to make up for it elsewhere in their contract.

Back to my original point: The reason for this is to create parity between the state employers and the local employers so that when we have individuals who want to become law enforcement officers or peace officers in the state of Nevada, they have similar benefits whether they go to a state agency or a local agency. That is all in section 3 of the bill. I will hand it over to Mr. McCann to provide a little bit more context.

Richard P. McCann, representing Nevada Association of Public Safety Officers:

I am a member of the Nevada Law Enforcement Coalition and wish to thank Senator Scheible for sponsoring this bill. Senator Scheible, as you probably know, has been a champion for law enforcement for a number of years and the issues of the hard-working women and men of law enforcement, and we appreciate her for that.

With some exceptions, existing law says that the state, as the employer, and its employees each pays matching portions, as you have heard, of the contributions to PERS. In local government, which would be cities and counties and their collective bargaining, the employer and the employee are also bound to matching contributions, but when PERS contributions go up, as they sadly often do, the employee organization, or the union, and the employer can negotiate for the employer to pay the employees' contribution through decreased cost of living adjustments (COLA) that they may be offering, or a decrease in the employees' uniform or equipment allowance, maybe a holiday pay or something. They have things in the contract that they can essentially give—if you will, bargain—but they are still paying their contribution. It still stays that way. Section 3 of this bill does one thing: it allows for these negotiations over PERS contribution rates to be similarly bargained in the state

collective bargaining agreements. The cool part about collective bargaining coming about in 2019 for state employees is we had decades of history from the locals to be able to learn from, and they do it well. If I may say, I did it well, too, when I was negotiating for all those people for those decades. However, now that we are in the state system, we are trying to steal some processes from the local groups, and we think it would help the state to have the exact same mandatory subject to bargaining available that for all practical purposes is available in the locals. Section 3 does just that. It makes it a mandatory subject of bargaining. It does not mean that they must bargain. It means that if the parties wish to do so, it is there. It is something that must be discussed. Sometimes people will like things as they are. That is fine. We are not forcing anybody to do anything. We are simply saying that it is a mandatory subject of bargaining if the parties wish to do so.

Long story short, which is rare for me, state employees have the right to collectively bargain their wages, benefits, and working conditions. They have learned by the decades of collective bargaining engaged in between local governments and their employees that PERS contribution rates, while always being fully paid by both parties, may be paid as a result of bargaining the means by which their respective contributions between the parties may be made. This bill, S.B. 388 (R1), provides that is the same right to state employees as a mandatory subject of bargaining which the parties may use during their contract negotiations. For these reasons, we ask that you support S.B. 388 (R1).

Chair Torres:

Committee members, do you have any questions?

Assemblyman Carter:

Are the employees' portion of the contributions pretax or post-tax contributions?

Richard McCann:

I am not a state employee. I do not know, but I can assure you there are some people from PERS who can probably answer that.

Kabrina Feser, Operations Officer, Public Employees' Retirement System of Nevada:

Assemblyman Carter, that is depending on which contribution plan they choose. The state is the only police/fire employer that has a choice between contribution plans. All the local governments are strictly employer-paid. The state has a choice between the employee/employer contribution plan and the employer-paid. The employee/employer contribution plan is pretax. I hope that answers your question.

Assemblyman Carter:

The plan we are talking about, correct me if I am wrong, the employee contribution, is also pretax. They are not paying tax on it before it goes into the pension plan.

Kabrina Feser:

Under the employee/employer pay mechanism, that is where the employees are paying in half of the contribution rate and the employer is matching it; their contributions are pretax.

Chair Torres:

Committee members, are there additional questions? [There were none.] I would like it to be clear for the record and for our understanding as well: Is this only applicable to one bargaining agent or is this applicable to all state employees?

Richard McCann:

Yes, this will not be for law enforcement purposes only. This will be for everyone.

Chair Torres:

That would only be in the instance the agent was to bargain for it, correct? This might not be something they are going to even bargain for. This just makes it something they could be bargaining.

Senator Scheible:

Exactly.

Chair Torres:

Then to be very, very clear, it makes no changes as is; it is something that would be worked on through the negotiations, correct? It only makes it available to be on the negotiating table, and it is not going to make any changes right now to PERS.

Senator Scheible:

That is correct. It does not change the way PERS functions. It does not change the way PERS contributions are added into the system. It makes it a mandatory subject of bargaining. It does not say they have to change anything. In fact, there will definitely be agencies that do not make changes to their contributions. There will be bargaining units for whom that is not a priority, which is fine, but for those who do want to bargain it, the purpose is to ensure the state comes to the table to discuss it.

Chair Torres:

I am going to go to our Legal Counsel for further clarification.

Asher Killian, Committee Counsel:

For clarity, the collective bargaining that applies to state employees only embraces state employees who are employees of the Executive Branch of state government and in the classified service of the state, not in the unclassified or nonclassified service of the state. This bill would apply to state employees who are allowed to collectively bargain, which is only that subset of employees who are in the Executive Branch and in the classified service of the state. Employees in the unclassified and nonclassified service, or who serve the Legislative or Judicial Branches of state government, would not be allowed to bargain over PERS contributions in the manner contemplated by this bill.

Chair Torres:

I will invite anyone wishing to testify in support of S.B. 388 (R1). I will also note to the Committee that we did receive a letter of support from the Nevada Faculty Alliance [[Exhibit C](#)]. Unfortunately, they had to leave, but this has been posted in the exhibits.

Todd Ingalsbee, President, Professional Fire Fighters of Nevada:

We represent all the professional firefighters in Nevada, and more recently over the last two years, once we won the ability to collectively bargain for state workers, we now represent Nevada Division of Forestry firefighters. With that being said, we have 22-plus locals and only one local does not have the right to collectively bargain their PERS contribution. We fully support this bill. We are thankful for the bill sponsor and ask for your support.

Carlos Hernandez, Chief of Staff, Nevada State AFL-CIO:

The Nevada State AFL-CIO proudly supports Senate Bill 388 (1st Reprint).

Matthew Richardson, Vice President, Nevada Association of Public Safety Officers:

We strongly support this bill.

Marc Ellis, President, Communications Workers of America Local 9413:

We fully support this bill at this time.

Chair Torres:

I do not see anyone else here in Carson City wishing to testify in support of S.B. 388 (R1), and I do not see anyone in Las Vegas. Is there anyone on the phone line?

Sean Gallagher, President, Nevada State Law Enforcement Officers Association:

We stand in support of this bill. I would like to put something on the record for all of you to consider and appreciate if you also write down *Nevada Revised Statutes* (NRS) 286.421, subsection 9 which states, "Public employers, other than the State of Nevada shall pay the entire employee contribution for those employees who contribute to the Police and Firefighters' Retirement Fund on and after July 1, 1981."

I would like you to imagine a room where a job fair is going on. There is a recruiting desk from the Reno Police Department, a recruiting desk from the Las Vegas Metropolitan Police Department, and there is a recruiting desk there from the Nevada State Police and other state law enforcement agencies. All that the Reno recruiting officer and all the Las Vegas Metropolitan Police Department officer have to do is tell potential applicants to look at this law and read subsection 9. Do you really want to go talk to the state recruiter?

We have made a lot of progress this legislative session in fixing the absolutely horrendous massive recruitment and retention problem the state has. This bill is a big step towards that. I am very, very, very grateful to Senator Scheible for shining some light on this. I would ask all of you also to please take a look at NRS 286.421, subsection 9 and make it part of your consideration. This has got to get fixed. Thank you so much. We support the bill.

Chair Torres:

At this time, we will invite anyone wishing to testify in opposition to S.B. 388 (R1). I do not see anyone here in Carson City, and I do not see anyone in Las Vegas. Is there anyone on the phone line wishing to testify in opposition to S.B. 388 (R1)? [There was no one.]

Is there anyone wishing to testify in neutral on S.B. 388 (R1)? I will start with Las Vegas.

Bruce K. Snyder, Commissioner, Government Employee-Management Relations Board, Department of Business and Industry:

I am here today in case there are any questions that need to be answered.

Chair Torres:

Committee members, do you have any questions? [There were none.] Thank you so much for being with us today. I will come back up here to Carson City.

Ian Carr, General Counsel, Public Employees' Retirement System of Nevada:

Public Employees' Retirement System of Nevada expresses neutrality to S.B. 388 (R1) as amended. Certainly the initial text before the amendment had presented some potential Internal Revenue Code issues. However, thanks to working with Senator Scheible and Mr. McCann, we believe those issues have been resolved in the amended text. I am pleased to report that the Public Employees' Retirement Board as of April 20, 2023, had expressed a neutral sentiment to S.B. 388 (R1) as amended. Thank you very much, and I would defer to the operations officer, Ms. Feser, for clarification.

Kabrina Feser:

I would like to clarify my previous testimony. The employer-paid contribution is pretax. It is the employee/employer that is post-tax, and that is due to the ability to refund the employees' contributions. I wanted to state that clarification on record and to see if there are any additional questions. I am happy to answer them at this time.

Assemblyman Carter:

Thank you for that clarification. My question is if it was negotiated to where the employer was paying part of or all the employee contribution, would that move that into pretax category, or would it have to stay in post-tax?

Kabrina Feser:

It is my understanding that this would give them the ability to negotiate, and dependent upon what contribution plan the employee is in is what makes it pretax or post-tax. Again, pretax would be employer-paid; post-tax would be employee/employer-paid regardless of what contribution plan they are under. It is the ability to negotiate, rather in lieu of a pay increase or COLA, where the employer would pick up the full contribution rate adjustment, they would negotiate the reduction method, which is what the state has historically used.

Chair Torres:

Is there anyone else wishing to testify neutral on S.B. 388 (R1)? I do not see anyone here in Carson City or in Las Vegas. Is there anyone on the phone line who would like to testify neutral on S.B. 388 (R1)? [There was no one.]

I invite Senator Scheible for any closing remarks. [There were none.] We will go ahead and close the hearing on S.B. 388 (R1). The next item on our agenda is public comment. Is there anyone wishing to testify in public comment here in Carson City? [There was no one.] Is there anyone wishing to testify in public comment in Las Vegas? [There was no one.] Is there anyone on the phone line wishing to testify in public comment? [Public comment was heard.]

Chair Torres:

Are there any remarks from Committee members?

Assemblyman Hibbetts:

I would like to put on the record my congratulations to the Vegas Golden Knights, who are advancing to the second round of the Stanley Cup playoffs.

Chair Torres:

[Committee reminders were given.] At this time, the meeting is adjourned [at 10:22 a.m.].

RESPECTFULLY SUBMITTED:

Diane Abbott
Committee Secretary

APPROVED BY:

Assemblywoman Selena Torres, Chair

DATE: _____

EXHIBITS

[Exhibit A](#) is the Agenda.

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

[Exhibit C](#) is an email dated April 28, 2023, submitted by Kent M. Ervin, Ph.D., State President, Nevada Faculty Alliance, in support of Senate Bill 388 (1st Reprint).