MINUTES OF THE MEETING OF THE ASSEMBLY COMMITTEE ON GOVERNMENT AFFAIRS

Eighty-Second Session March 31, 2023

The Committee on Government Affairs was called to order by Chair Selena Torres at 8:05 a.m. on Friday, March 31, 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.leg.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 Bert Gurr Assemblyman Brian Hibbetts Assemblyman Gregory Koenig Assemblyman Richard McArthur Assemblyman Duy Nguyen Assemblywoman Angie Taylor Assemblywoman Clara Thomas

COMMITTEE MEMBERS ABSENT:

None

GUEST LEGISLATORS PRESENT:

Assemblywoman Daniele Monroe-Moreno, Assembly District No. 1

STAFF MEMBERS PRESENT:

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



> Judi Bishop, Committee Manager Lindsey Howell, Committee Secretary Cheryl Williams, Committee Assistant

OTHERS PRESENT:

Miles Dickson, CEO and President, Nevada GrantLab

Aileen Pastor, Government Affairs Supervisor, Regional Transportation Commission of Southern Nevada

Joanna Jacob, Manager, Government Affairs, Clark County

Nicole Rourke, Director, Government and Public Affairs, City of Henderson

Francisco Morales, representing Latin Chamber of Commerce

Daniel Stewart, Private Citizen, Las Vegas, Nevada

Dylan Keith, Assistant Director, Government Affairs, Vegas Chamber

Leonardo Benavides, Government Affairs Manager, City of North Las Vegas

Kelly Crompton, Government Affairs Manager, City of Las Vegas

Chair Torres:

[Roll was called. Committee protocol was reviewed.] We are going to open the hearing on Assembly Bill 361.

Assembly Bill 361: Revises provisions relating to state financial administration. (BDR 31-995)

Assemblywoman Daniele Monroe-Moreno, Assembly District No. 1:

I am here today to present <u>Assembly Bill 361</u>, which seeks to streamline the state's existing federal grant acceptance and work program approval process. To give you a little background on it, we are going to provide the history of federal grants in Nevada. Then we will discuss the need for this bill.

Nevada has long struggled to access and administer federal grant funding on a level competitive with other states. In fact, Nevada ranks forty-fifth nationally in federal grant funding per capita and much worse in key categories like education and health. This shortfall causes the state, along with local governments, public agencies, and nonprofits, to be underfunded. It inflates pressure on the state and local taxes and fees. As a result, every Nevadan is shortchanged hundreds of millions of dollars in federal grants that could be invested in building stronger, more inclusive communities and a more resilient economy. To put it bluntly, Nevadans cannot afford to lose out on these resources, and it is not fair to them at all.

This is my third session working on legislation that aims to improve Nevada's federal grants performance. In 2019, we created a pilot program to provide \$1 million in matching funds to help agencies win more federal grants. In the 2021 Session, we established the new Governor's Office of Federal Assistance, called for the creation and implementation of a statewide plan, enabled a grants management system, expanded participation in the

public-private Nevada Advisory Council on Federal Assistance, and made our 2019 pilot match program permanent. I am proud these bills earned support from a broad coalition of stakeholders and were passed on a bipartisan basis, but we have much more work to do.

Throughout the pandemic, and now as we continue to spend down American Rescue Plan Act of 2021 funds, it is plain to see we need a well-organized plan, along with improved processes, to get federal money flowing quickly and efficiently. That is where we come to Assembly Bill 361.

Existing law requires state agencies to have approval from the Governor's Office of Finance (GFO) and the Interim Finance Committee (IFC) to accept a new grant and revise their work program to expend new grant funds. This process can take three to six months, during which a state agency cannot begin the implementation of the grant or expend the funds. <u>Assembly Bill 361</u> proposes allowing state agencies to seek GFO and IFC approval or denial sooner, so they can get to work shortly after being awarded a federal grant instead of waiting three to six months.

My cosponsor, Assemblyman Cameron (C.H.) Miller, and I are in the same morning committee, so only one of us could leave. He apologizes for not being here. We are sponsoring this bill to address this long-standing challenge our state agencies face as they try to put federal money to work for Nevadans. Joining me at the table today is Mr. Miles Dickson. He is the CEO and founder of the nonprofit Nevada GrantLab. Miles Dickson will walk you through the mechanics of the bill. I am going to turn it over to him and run back to my committee.

Miles Dickson, CEO and President, Nevada GrantLab:

As Assemblywoman Monroe-Moreno said, we are a nonprofit based in southern Nevada that supports fellow nonprofits, local governments, and public agencies as they pursue and administer federal funds to benefit Nevadans. It is a pleasure to be here before you. Assemblywoman Monroe-Moreno assured me she was not intentionally going to leave me alone. I hope I do it justice.

I know you have a few exhibits [Exhibit C and Exhibit D] on the Nevada Electronic Legislative Information System that have to do with this bill. We also have a presentation I am going to walk through [Exhibit C]. I understand it is Friday morning at 8 a.m., and we are talking about financial policies and federal funds. I will try to keep it relatively brief, and I look forward to questions afterwards.

To Assemblywoman Monroe-Moreno, Assemblyman C.H. Miller, and the many partners who have been working on this issue for more than 12 years to move Nevada forward in getting its fair share of federal funds, I want to say, We have made a lot of progress, but as Assemblywoman Monroe-Moreno pointed out, we still have a lot of work to do, and Assembly Bill 361 tries to deal with one of the more critical challenges we see in the flow of federal funds, and that is postapplication and the implementation period.

I know you are going to be hearing a lot about federal funds this cycle and in the future. I want to offer an overview of the process of federal funding. This is the entirety of the process, to the best of someone's ability to get it on one slide [page 2, Exhibit C]. You see a preaward and postaward section. We often think about funds as preaward, before it actually hits the state, and postaward, which is what happens after we have signed a grant agreement.

The preaward section, at the top left [page 2], is where we start the work. We think about ideas, programs, and partnerships we would like to fund. Then we start writing applications for them. We match them to federal funding opportunities. Ultimately, if we are fortunate, we can press "submit" on a high-quality, competitive federal grant application. In Nevada right now, that is in many ways where the work gets paused until we hear back from the federal agencies.

Once we hear back, we move into implementation. Here in Nevada that includes seeking state-level approvals from GFO and IFC. Once we get approval, we can start the work. It is important to understand that what we are really doing is starting. It is not actually doing. That is when we start hiring. It is when we start issuing subaward agreements. It is when we start implementing the work, which still takes months in and of itself. Assembly Bill 361 tries to deal with this center section, which is the point after a state agency presses "submit" on an application but before they hear back on an award and ultimately, before they can start the work.

In any federal grant award, that federal grant award is effectively a contract. Anytime a state agency, local government, or nonprofit takes in a federal grant award it has applied for, it enters a grant agreement. That grant agreement, much like other contracts, defines a period of performance [page 4]. Date A through Date B is the time you have to do the work that is going to be funded. A federal grant agreement dictates the period of performance. Notably, grants are not unique to Nevada. Negotiating a start date is not always a possibility. With federal programs that reoccur every year or may be large, discretionary, competitive programs, there is a standard, definitive date set by the federal agencies that does not vary from state to state or applicant to applicant all across the country.

Here in Nevada, state statute requires state agencies to have approval from both GFO on behalf of the Governor and IFC on behalf of the Legislature in order to accept a federal grant and implement it—that is, revise the work program that allows them to expend the funds. There are two pieces of approval required, one from each of the two branches of government.

Let me flag something. There are exceptions in this process as it is. There is an emergency statutory exception—that is, an immediate exception the Governor can grant under emergency circumstances. There is a 15-day exception, an emergency exception, and a 45-day exception. As Assemblywoman Monroe-Moreno pointed out, this state is forty-fifth in per capita funding and fifty-fifth—behind territories and districts—in federal investment in poor categories like health care. We are fifty-fourth in education. In a state that needs to crawl out of the absolute worst position in the country, treating every single grant—and there

should be hundreds more—as an emergency does not make sense. This is about creating more predictability and more consistency, so folks understand how quickly they can start implementation.

Requesting and obtaining state-level approvals is time-consuming. It is also sometimes complicated. That process can take three to six months. As a result, the delay from the period of performance the federal agencies set to when Nevada can start working is often three to six months. Notably, that does not change when the federal agencies expect us to start working. It does not change the date of the agreement. It simply changes when we show up to work. That is a challenge for us. In fact, since 2011, when the Nevada grants office was created following the last recession and emergency spending from the American Recovery and Reinvestment Act, numerous reports almost every single year come either from the Governor's Office of Federal Assistance itself or the Nevada Advisory Council on Federal Assistance, which is a public-private coalition that includes lawmakers who look at these issues, time and again, survey results come back and note the timing of our ability to start work as part of our challenge in getting and administering federal funds. We end up with a delay of three to six months.

You can see this on a visual here [page 5, Exhibit C]. This is a zoomed-in section. The top left is when the application is now submitted. Generally, in the state, when we submit an application as an agency, we press pause. We wait three, six, or at this point, sometimes almost nine months to hear back from the federal agency on whether our grant was awarded. If we are fortunate enough to have that grant awarded, we start the state-level approval process. Once we get through the state-level approval process, and we are finally at the point where we can begin work, we are looking at a range of anywhere from 190 to 440 days. I want to note, these are not the standard. This is the low end and the high end. The average probably sits somewhere in there. From start to finish—the submission or building of an application when the work begins—we are looking at a really long timeline.

Right now, the federal process happens. Then we start the state process. <u>Assembly Bill 361</u> proposes the creation of a provisional approval process that will allow the federal process and state process to happen concurrently instead [page 6]. <u>Assembly Bill 361</u> does not adjust the oversight of the Legislature in this process. It does not adjust GFO's oversight. It simply adjusts when this happens. Rather than it happening after federal award notice, we bring it up to after the federal grant application. The moment an agency presses "submit" on their federal grant application, hopefully they take a day or two off and celebrate, because it is tough work and a big accomplishment in itself. Then they can start the state process. Ideally, if and when they get awarded the federal grant, they also have in hand the level of approval they need from the state to start working sooner.

We see that happening by enabling IFC to grant state agencies a provisional approval to accept a grant and revise a work program. The provisional approval would become hard or final as long as the awarded amount does not exceed the greater of \$75,000 or 10 percent. The context for \$75,000 or 10 percent is, you will see that ratio, or that formula, show up in different places in fiscal policies for the state. We wanted to strike a balance and recognize

that. I will speak for myself, not Assemblywoman Monroe-Moreno: I would love to see a much higher cap. I would love to see even more flexibility, but we recognize we need to strike a balance here. We simply mimicked an existing rule of thumb for state financial policies.

What does that look like in effect? Here you see a modified flowchart [page 7, Exhibit C]. You stack the state-level approval process right below the federal approval process, rather than state agencies having to wait for the federal government to come back to them to start the state-level process. We simply allow this. I want to underscore "allow"—this is an optional step. This is not required. The existing process can continue as it is for those who want to use that. For those who want to take a fast lane to approval so they can start working sooner, this is a way to do it. They simply start the state-level request right after they complete the federal request, so while they are waiting to hear back from the feds, they can get state-level approvals. That can shorten our overall timeline by 70 to 155 days. If we think about that in the context of 365 days, being able to save two to three months is real.

It is critically important, too, because most federal funds work on a reimbursement basis. That means you do not get a check up front. You get paid for work you do. If we are not showing up to work until two, three, or six months late, we simply cannot bill the feds for that. Maybe more importantly, it means we are not delivering services to Nevadans. When we are late to the job, under the current circumstances, we cannot deliver services. We cannot even use the funds we are awarded. That is part of what drives Nevada down to fifty-fourth and fifty-fifth in per capita federal investment. What we are trying to do is allow the work to begin sooner.

I want to zoom out one more time and say, federal grants are really complicated [page 8]. There are lots of partners involved—multiple agencies and multiple folks within an agency. When you start thinking about money flowing down to local governments and nonprofits to do the service, the picture gets even more complicated. There are investments and improvements needed at almost every one of these steps. Today we are talking about just the handful that come after you press "submit" to the federal agency and before you have your state-level approval. We are looking to condense that timeline while maintaining the same level of oversight.

These sorts of improvements and adjustments are needed at almost every one of these steps. Assembly Bill 361 is a step in the right direction, but it alone will not solve federal funds. We have a lot more work to do, as Assemblywoman Monroe-Moreno said. Some of those things include more investments in all the other different lines here [page 8], as well as more opportunities to streamline.

Let me close by saying, I have had the opportunity to work on federal grants in the state for a long time. I have the privilege of running an organization every day that works with grant writers in local governments, nonprofits, and state agencies. Time and again, I meet folks who are incredibly capable, skilled, thoughtful, and caring in their jobs, who genuinely want to move Nevada forward and see federal funds as a key opportunity to do that. Today, by

and large, they lack the support and the systems they need to be effective at their jobs. Assembly Bill 361, along with the work Assemblywoman Monroe-Moreno and others have done over the last several years and the work that needs to come in the next several years, can finally move us to a place where, as a state—state agencies, local governments, nonprofits, and our teams at each level—we have more of a fighting chance to get Nevadans their fair share of federal funds.

With that, I will stop and see if I can take any questions.

Chair Torres:

I see a number of questions—almost everybody. It would be easier to ask who does not have a question.

Assemblywoman Taylor:

In my opinion, you hit the nail on the head. The most tragic thing about this is that those services are not being delivered to the people in our state, especially as we think about the great work some of our nonprofits are doing for those who are most vulnerable and need the help. Thank you for the work you are already doing. Here is my question: How do you envision the implementation looking? Let us say this bill passes; we get through all the work we need to do. What does that look like? Then I have a follow-up.

Miles Dickson:

I will be honest. We have passed a lot of legislation in this building over the last seven years, and we have not seen everything we passed fully implemented in a way we envisioned. That comes with the territory, to some extent. In this specific case, we would like to see agencies have the discretion to use a provisional approval process in cases where they think it makes sense. I find, working with grant writers as well as on the program side, that folks often have a good sense of whether their grants are going to be competitive or not.

Federal funds exist on a continuum. You have relatively reliable, recurring, formula-based aid. Folks generally have a sense of, I am going to press "submit," and odds are, I am going to get this application. At the other end of the spectrum, we have onetime, discretionary, highly competitive programs that only five entities in the country are going to get. I would expect grant writers and their teams throughout the state to have the discretion, as well as the competency and skill, to know, I am not going to go through a provisional approval process for some extraordinarily unlikely grant we decided to submit for. Instead, I am going to use a provisional approval process when we think it genuinely lets us get to work sooner. The discretion it can provide is important.

The other thing I would flag is, while this moves the timeline sooner, what it does not do—which I think does need to get done at some point at an administrative level—is think about how to make the work program request process easier for applicants. When we think about a federal grant, we are talking about hundreds of pages of detail. There is almost nothing unanswered in most winning federal grants. As a state—and I think the same goes for local governments, philanthropy, and my space—think about finding opportunities to recognize

that state team members already put a tremendous amount of work and detail into their federal grant application. A key opportunity is using as much of that content as possible in a secondary request to the state, as opposed to requiring people to rewrite, use all new forms, change modules, et cetera.

This bill does not dictate how the Governor's Finance Office uses work programs in the existing content they ask for. I would offer, though, that much like so many other lines in that chart, we need to be looking at the administrative side of how to streamline and simplify these processes so we are not discouraging and making it difficult for state agencies to apply for money and are instead encouraging and streamlining processes.

Assemblywoman Taylor:

You talked about 100-page grants. A friend of mine has a grant-writing organization in a different state. She has had it for 20 years. She talks a lot about some of those grants and all the work. She is on shutdown; she says, Do not call me during that time. My follow-up is, you mentioned something about another challenge you see in place from the grant process. Do you see any other challenges in the implementation of this? It sounds like a no-brainer, quite frankly, if we can speed up the process and not lose the approvals. What other barriers might you see?

Miles Dickson:

If I zoom out, and you give me all morning, I will tell you about a lot of challenges I see. Specific to the provisional approval process, you end up with a scenario where, if we are educating agencies on the purpose and intent of this legislation—which will not do itself, by the way—we have to go and tell folks we are modifying processes because we expect and want them to be more successful in federal grants. We appropriately educate people and help them understand it is discretionary—if you go through a provisional approval process, in some cases, by design, it should help you get started much sooner. We help them recognize it does not mean you have to go through this every single time, and you should use discretion in when you use it. That is a key part of it, so we do not have folks wasting precious time going through a process that may not make sense for them. But I genuinely believe, based on my experience, a lot of state team members, as well as their colleagues, local governments, and nonprofits, have an understanding of the flexibility they need and when to use it.

Assemblyman Nguyen:

Thanks for waking me up this morning, because nonprofits are my passion. This was the space I got to work in every day before I came to this body. Federal grants are my least favorite topic in terms of what I did on a daily basis. Nonprofits work with federal grants as well. Writing one is like a doctoral thesis. You write it, you submit it, you forget it. You may or may not get a doctoral degree. When you do get it, it is cool, because that is amazing. You have this project you can work with. Even amendments within that same grant award are another hurdle. If you come back and see things you need to change in what you submitted a year or months ago, you have to go back for another process. People think amendments in this building are hard, but amendments for a federal grant are on a whole other level.

Can you explain something in the bill in layman's terms? You stated you must seek approval, whether it is 10 percent or \$75,000. Can you walk us through that better in everyday terminology? For example, in the proposal we asked for \$1 million. We get back \$1.1 million, or we get \$1.076 million. In both scenarios, it is a \$24,000 difference, if I did my math right. In either case, you would go back and seek guidance. We are setting ourselves up in a way that is too cumbersome. As we are trying to make it easier, it seems like we are going backwards. Can you explain that?

Miles Dickson:

First and foremost, I want to hire your grant writer who gets more money than they ask for. Please send them my way. I will tell you, you are absolutely right. We often see a federal agency come back with a different award than they request. Usually, it is lower. In those lower rates or cases, you end up with something where—I think it is represented here on that rust-colored bar—an agency will come back and say, Congratulations, you have won the grant, but not in the amount you asked for. Rather than giving you \$1 million, we are going to give you \$900,000. In that case, you have to renegotiate. Typically, that looks like a modified budget. The agency says, We are going to give you \$900,000; give us a budget for what you are going to spend \$900,000 on. Also, you may need to modify your work plan differently than your state work program. How many people are you going to serve? What is the timeline? Et cetera. It is your job as an applicant to revise your budget and your work program and resubmit it.

That process can be cumbersome and, to your point, sometimes a little frustrating. In any event, it happens, and it happens regularly. With A.B. 376, we are trying to recognize that this process happens. We are allowing for whichever is the greater of \$75,000 or 10 percent. Say it was a \$1 million award request, and the agency comes back and says, Congratulations, you have received \$900,000. In that case, it would still satisfy the provisional approval, because you are at 10 percent. If it is \$899,999, you have to come back. I want to note, in that case, it is essentially the same process an agency would have gone through anyway. You still would have gotten an award.

Under current state action and practice, you wait until the award is finally settled, and then you start the state-level approval process. In this case, you start sooner. If you are lucky, you get every dollar you asked for—maybe more—and the provisional approval process holds. If not, you end up with an opportunity to go through the same process you would have usually done. In that case, you would already have most of the work program documents written. You would already have most of the narrative and the budget. You would just need to update it with the same information you are sharing with the federal government.

Having said all that, again speaking candidly from my perspective, I would love to see a cap that is a lot higher. Moving to a higher level of flexibility that does not discourage agencies or create unpredictability in bringing in federal funds is the absolute right thing to do. I think the cap should be a lot higher, but we are trying to strike a balance between how things are currently done and where we think we need to go.

Assemblyman Hibbetts:

Boiling this all down to what it really means, if I am not mistaken: This is to make government more efficient and leaner. Is that correct?

Miles Dickson:

More efficient, certainly. As for leaner, I have to give you a complicated answer. Bear with me. Part of our challenge in Nevada is that we rely on local and state taxes to pay for things. A big reason for that is, we do not get our fair share of federal funds. It would become leaner in your ability as a body and as a state to better balance the cost—that is, to share it with taxpayers who have already paid into the system. The same goes for local governments. You end up with taxpayers who have paid into the system. All of us, our families, our neighbors, and our constituents, do not get our fair share of federal funds back. In terms of fairness to a taxpayer and more money, absolutely. Does that make sense?

Assemblyman Hibbetts:

You have restored my faith in the ability of the government to make a "yes" into a seven-sentence answer.

Chair Torres:

I do not think Mr. Dickson is known for his very concise, short answers. Ask with caution.

Assemblywoman Thomas:

My question has to do with history, and whether you looked at other states to see how they have implemented this concept. Could that be the reason why we are behind? Has our state had a lot of pushback in making positive changes?

Miles Dickson:

When we look specifically at <u>A.B. 361</u>, we are dealing with the approval processes an applicant entity uses to say, Yes, we want these funds; yes, we agree with how they are going to be spent. Those approvals typically occur preapplication. The reality is, right now, by the time an application or award gets to IFC, it is a contract. You face a take-it-or-leave-it decision. The agreement of how money is going to be spent—the project proposed, the budget proposed, who is going to do the work—happens preagreement. When it reaches this body, it is in agreement form. The challenge that makes Nevada unique is that you all are not here every 730 days. With how we are set up, getting preapproval is not viable here. Often, when we looked at other scenarios, thinking about cities and counties, you typically see some level of preapproval happening before. That is, we are going to come to our council; we are going to come to our commission. I am not necessarily talking about Nevada entities. I am talking more broadly. You see approval for a grant happening before the application is submitted, not after. We are looking at "after" here, and I think that is part of the challenge.

Assemblywoman González:

I have a few logistical questions. I was curious, and I do not think I asked this yesterday: Is this only for the state agency grant process? I see you shaking your head yes.

You touched on getting the information out about the change. Who will be responsible for letting the state agencies know this provisional process will exist?

Miles Dickson:

I would expect that would be the Governor's Finance Office—which as you know, produces the finance manual—and the Governor's Office of Federal Assistance. Those two offices play a key role in educating Nevada stakeholders about grants.

Assemblywoman González:

Why is this process just an option? Why not make this process standard?

Miles Dickson:

I think provisional approvals—and on a broader level, more flexibility for state staff who know their job well—are a good thing. One, grant writers and program staff will have a sense of, I do not think this process makes sense for this grant. Not all grants are the same. They will be able to say, Okay, this is a recurring program; we think we are likely to get awarded, and we want to use a provisional approval.

That is as opposed to, This is so unlikely, it does not make sense to do extra work until we know for certain it is going to work. So much of this comes down to providing more flexibility to folks who do the work every day so they can be successful in their jobs. We think a provisional approval process that does that and preserves the existing process for folks who like it as it is makes the most sense.

Assemblywoman González:

That helps a lot. I am not a grant writer, so I appreciate all your detailed responses.

Assemblyman D'Silva:

The actual loss of time here is staggering. When you first went over this data with me yesterday, it was very concerning, to be honest with you. So was seeing how this is associated with Nevada losing out on millions of dollars we could be implementing and using to benefit people through services. My question is this: If you do not finish a project on time, are there any fees, penalties, or fines associated with timeliness?

Miles Dickson:

Typically, you do not see fees and fines. Those are reserved more for compliance issues, such as fraud and those sorts of things. What you end up with is the opportunity—say your agency wins a \$10 million grant. If you do not do the work, you cannot bill for it. Your \$10 million award turns into \$5 million that was actually spent. It is not fines and fees; it is the loss of the actual money. We effectively return money to the federal government we could be spending for Nevadans.

Chair Torres:

Building off that question, do we have any idea how much we are losing as a result of this? Could you give me a ballpark figure or a couple of examples, maybe?

Miles Dickson:

When we look at different studies over time, there was one at the University of Nevada, Las Vegas in 2016 that said Nevada was losing more than \$526 million per year in federal revenue, excluding Medicaid. When you look at the Guinn Center's report in 2019, the difference for Nevada just to get to the national average would have been, I think, \$276 million per year. That is the national average. I will tell you, I think it is higher than both of those, because Nevada leads the country in need, and often federal funds are premised on need categories. We are the anomaly, as a state, that leads the entire country in need categories for education and health. We are fifty-fourth and fifty-fifth in getting the very money intended to reach them. We are the only state that has that distinction. It is \$250 million of \$270 million from the Guinn Center, \$526 million from The Lincy Institute. I would bet on a higher number. I think it is going to take years to get there. Assembly Bill 361 will not get us there next year, but if we get our act together as a state, we should be talking in excess of half a billion dollars a year or more in additional revenue.

[Exhibit D] was submitted but not discussed and is included as an exhibit for the hearing.]

Chair Torres:

That helps us conceptualize the impact of streamlining the grant process for state agencies and nonprofit organizations within our community, as well as finding ways to support their work so we can get more of those federal funds in our community. Every session, all of us bring legislation with fiscal notes that require us to have the funds available. We all know a lot of our legislation dies because we quite simply do not have the funds for it. I hope this legislation allows us to bring more funds in here and actually use the money we are awarded, because it seems like that is part of that barrier. If it takes several months for these organizations and agencies to process and receive these funds and start their programs, we are delaying work they could be doing that could be positively impacting hardworking Nevada families.

I do not believe there are any other questions from the Committee. Thank you for sharing your expertise. This is your world, and that is why we can get so much information. We can learn so much from you.

At this time, I will invite anyone wishing to testify in support of A.B. 361.

Aileen Pastor, Government Affairs Supervisor, Regional Transportation Commission of Southern Nevada:

The Regional Transportation Commission of Southern Nevada is in support of <u>A.B. 361</u>, as it promotes greater flexibility by allowing agencies to have the preclearance needed when applying for federal grants, which definitely streamlines and improves the efficiency of the grant process. Grants are essential in developing local economies, and we need to ensure that Nevada is getting its fair share of federal dollars. We urge the Committee's support.

Joanna Jacob, Manager, Government Affairs, Clark County:

This has been an interesting discussion. As local governments, we are often at the end of the process Miles Dickson showed you today. We have been supportive of all Assemblywoman Monroe-Moreno's efforts to grow and build capacity for us to accept federal awards, because as the Chair noted, the delay in being able to deploy those funds often means service is delayed in our community. That is important to us, as Clark County and our regional provider for so many of these services offset our costs with federal funding. We are supportive of these efforts. We are also working with Nevada GrantLab on our local processes to see if we can streamline our efforts as well. We are very supportive, and we urge your support.

Nicole Rourke, Director, Government and Public Affairs, City of Henderson:

As a former grant writer myself in another career, I appreciate the work of Miles Dickson and Assemblywoman Monroe-Moreno in moving the state forward on grants. On behalf of the City of Henderson, we are here to support this. We hired our own grant coordinator in February 2020. Think about that timing—it was literally a month before the pandemic. I would like to think we had foresight that way, but in reality, it was just chance timing. We were very fortunate to have someone in that role, coordinating amongst our departments and coordinating federal funds. Any process that helps expedite work on our side and the state side actually brings in more dollars. We have seen that ourselves, so we appreciate the efforts to bring this forward and bring more money to our state.

Francisco Morales, representing Latin Chamber of Commerce:

The Latin Chamber of Commerce is in full support of this bill. We are talking about federal grants, the state, and lots of processes. Ultimately, a lot of this money ends up in our local communities, whether it is a local small business, a startup, an entrepreneur, health care, education—all the gamut of services that are important to our community. We agree that anything that makes this process a little more streamlined, predictable, and faster is good for our state and for our local communities overall. That is why the Latin Chamber is in full support of this bill.

Daniel Stewart, Private Citizen, Las Vegas, Nevada:

I technically represent Nevada GrantLab, but I am testifying in my personal capacity this morning. That is simply based on my experience; I had the good fortune of working for two different governors in the Executive Branch, both Governor Sandoval and Governor Sisolak. What I can tell you is, frustration about the ability to acquire federal grants does not have any partisan lens to it. The frustration runs across the gamut. In some respects, it is that nobody understands how far it goes. In fact, Michael Brown, former director of the Governor's Office of Economic Development, spent a good number of days and weeks trying to research how long Nevada has had institutional barriers to federal grants. He found that things that had been built into the system might have gone back even as far as the '50s. The last thing I would say is, there is an additional problem when we talk about barriers to federal grants. People look at how hard it is, and they just do not apply. That is one of the hardest things to quantify. We can talk about the lost funds, starting halfway, and time loss, but the number of

people who simply look and say, It is not worth my time and effort to apply, is almost unquantifiable. We need to incentivize that process as much as possible. I personally urge support of this bill.

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

Good morning to the members of the hardworking Assembly Committee on Government Affairs. It was my absolute pleasure to oversee the Southern Nevada Forum. The sponsor brought this bill back from last session, where we brought the Office of Grant Procurement, Coordination and Management into the Governor's cabinet to make sure we were more efficient and it was fully funded. She brought it back once again to make sure the grants process is as streamlined and commonsense as possible. This bill is doing a fantastic job making sure our most desperate needs in Nevada can be funded. It is absolutely essential we get this bill passed this session. Thank you to Assemblywoman Monroe-Moreno and Mr. Dickson for bringing this commonsense, bipartisan legislation forward.

Chair Torres:

Mr. Keith, you made an error. You meant to say the hardest-working Assembly Committee on Government Affairs. I think he is gone, but the record will reflect that.

Leonardo Benavides, Government Affairs Manager, City of North Las Vegas:

Good morning to the hardest-working Assembly Committee on Government Affairs. I am testifying in support of <u>A.B. 361</u>. Similar to some of our colleagues, especially Henderson, we also have our own grant specialist. We appreciate Miles Dickson and the Nevada GrantLab's work on streamlining that process and helping bring federal dollars to Nevada.

Kelly Crompton, Government Affairs Manager, City of Las Vegas:

We would also like to thank the bill sponsor and Mr. Dickson for bringing this bill forward through the Southern Nevada Forum process. Over the last couple of legislative sessions, we have built a strong grants process in the state of Nevada. We continue to build upon the work we have done over the last few sessions. The City of Las Vegas has been building our grants program up in tandem. When we are not in the legislative session, I oversee two grant administrators for the City of Las Vegas. We build processes to ensure we are bringing Nevada's fair share of grant dollars back to our state. We look forward to continuing to work with the bill sponsor, Mr. Dickson, and the Nevada GrantLab to make sure these important dollars are coming back to the state.

Chair Torres:

Is anyone else wishing to testify in support of <u>A.B. 361</u>? [There was no one.] Is there anyone wishing to testify in opposition to <u>A.B. 361</u>? [There was no one.] Is there anyone wishing to testify in neutral to A.B. 361? [There was no one.]

We will invite the bill sponsor up for closing remarks. All right, there are no closing remarks.

I will close the hearing on A.B. 361 and open it up for public comment. [There was none.]

Members, are there any remarks? Assemblyman McArthur, you had a lot to say earlier this morning. No, he decided he used up all his words for the day. I see for April Fools' Day, Assemblyman DeLong forgot his tie. Are we doing all right there?

Assemblyman DeLong:

I am barely keeping it together.

Chair Torres:

Our freshmen are having their first week of barely keeping it together, but we are holding strong here in the hardest-working Assembly Committee on Government Affairs. As a reminder to members, we will be meeting this upcoming Monday at 9 a.m. We will be hearing <u>Assembly Bill 139</u>. As a heads-up, I do expect quite a bit of public testimony on that bill. I will see you all in this room on Monday. At this time, the meeting is adjourned [at 8:58 a.m.].

	RESPECTFULLY SUBMITTED:
	Lindsey Howell
	Committee Secretary
APPROVED BY:	
Assemblywoman Selena Torres, Chair	
DATE:	

EXHIBITS

Exhibit A is the Agenda.

Exhibit B is the Attendance Roster.

<u>Exhibit C</u> is a copy of a PowerPoint presentation titled "Assembly Bill 361," submitted by Assemblywoman Daniele Monroe-Moreno, Assembly District No. 1, and presented by Miles Dickson, CEO and President, Nevada GrantLab.

Exhibit D is an informational document from Nevada GrantLab, dated February 7, 2023, submitted by Miles Dickson, CEO and President, Nevada GrantLab.