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

# Eighty-Second Session April 4, 2023

The Committee on Government Affairs was called to order by Chair Selena Torres at 9:05 a.m. on Tuesday, April 4, 2023, in Room 3143 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. The meeting was videoconferenced to Room 4406 of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. Copies of the minutes, including the Agenda [Exhibit A], the Attendance Roster [Exhibit B], and other substantive exhibits, are available and on file in the Research Library of the Legislative Counsel Bureau and on the Nevada Legislature's website at www.leg.state.nv.us/App/NELIS/REL/82nd2023.

# **COMMITTEE MEMBERS PRESENT:**

Assemblywoman 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 Sabra Newby, Assembly District No. 10

### **STAFF MEMBERS PRESENT:**

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



> Judi Bishop, Committee Manager Geigy Stringer, Committee Secretary Cheryl Williams, Committee Assistant

### **OTHERS PRESENT:**

Shawnyne Garren, Recorder, Douglas County Recorder's Office; and representing Recorders Association of Nevada

Cadence Matijevich, Government Affairs Liaison, Office of the County Manager, Washoe County

Mendy K. Elliott, representing Southern Nevada Regional Housing Authority; Reno Housing Authority; and Nevada Rural Housing Authority

William Brewer, Executive Director, Nevada Rural Housing Authority

Mahogany Turfley, Parker Nelson and Associates, representing Southern Nevada Regional Housing Authority

Theodore Parker, III, Parker Nelson and Associates, representing Southern Nevada Regional Housing Authority

Tony Ramirez, Government Affairs Manager, Make the Road Nevada Andy Romero, representing Make the Road Nevada

### **Chair Torres:**

[Roll was taken. Committee rules were explained.] Welcome to the Assembly Committee on Government Affairs, the happiest committee in the Nevada State Legislature. We are going to take the bills in order today. At this time, we will open the hearing on Assembly Bill 225, which revises provisions governing the confidentiality of certain personal information of members of the military. Committee members will note, there is a conceptual amendment [Exhibit C]. Some of our staff are out this week, so I apologize that it was not given to Committee members earlier, but a copy has been provided at your desks. When you are ready, you may begin.

<u>Assembly Bill 225</u>: Revises provisions concerning the confidentiality of certain personal information of members of the military. (BDR 20-944)

# Assemblywoman Sabra Newby, Assembly District No. 10:

Madam Chair and esteemed members of the Assembly Government Affairs Committee, thank you for inviting me to present <u>Assembly Bill 225</u> before you today. <u>Assembly Bill 225</u> stemmed from a simple conversation I had with a constituent. Although I have known this person for years and knew the nature of his military service, I did not know until that day that he personally had been publicly identified by the Islamic State of Iraq and Syria, or ISIS, as a target for elimination. This listing on the so-called kill list stemmed from a mission he and others undertook against ISIS leadership several years prior. At first, I honestly thought he was pulling my leg. Surely, ISIS does not go around identifying individual service members to be killed by their supporters. But I did some research on the issue, and I discovered that indeed ISIS uses a closely related organization, the United Cyber Caliphate, or UCC, to find the identities of service members and publish them on a so-called kill list. I submitted

a couple of articles about this phenomenon for posting on the Nevada Electronic Legislative Information System (NELIS), in case you wanted to read up on it. Unfortunately, because of staff being out, I do not think you have access to it, but I do encourage you to go back and look at it at a different time. It truly is breathtaking. That is where the idea of A.B. 225 came to me. Surely, we could do something to protect the service members who have put their lives on the line to protect us.

Since that time, I have been able to work with Chair Torres, various county recorders and assessors, and the Office of the Secretary of State. I recognize there are a number of bills before this Committee in this session to expand on the list of possible confidential members. Looking at all of those expansions, I have developed the conceptual amendment before you today, which would provide the protection that I was intending with <u>A.B. 225</u> for this constituent and others like him, as well as others who may be under threat.

With that, Madam Chair, I would like to go over the conceptual amendment. Apologies, again, for this not being up on NELIS in advance. The first concept is to strike the current language that specifies members of the military and replace it with language allowing any other persons who can substantiate a threat to themselves or their families to submit an application to the courts for approval to make their information confidential. This is to allow for this constituent whom I was talking about, but also others, to prove that they need this protection.

### **Chair Torres:**

I will let the Committee know the amendment has been posted on NELIS [Exhibit C]. If any member of the public is looking to review the conceptual amendment, please view it on NELIS.

### **Assemblywoman Newby:**

Thank you, Madam Chair. The second bullet is to allow counties who already have these confidential situations or individual property owners on their books to have the option to institute an expiration of that status. As we know, there is a long list of people who are already on this list. Some of them may no longer be in the service they were in before that made them eligible. Some may have passed on. There are any number of different situations where their status could have changed. This allows counties to expire that status if they so choose. In my discussions with various county recorders, some are interested in this option and some are not. That is why I made it an option for the counties.

The next two bullet points came to me by Ms. Kalie Work, who is the recorder in Washoe County; both of them made sense to me. I believe she worked on these with the other recorders in the state. One is to make the list of eligible persons uniform across a number of different *Nevada Revised Statutes* so there is consistency for the recorders to follow. Another is adding a section to NRS Chapter 247 to allow a court order to specify that subsequent recorded documents may be redacted pursuant to the active court order, so if you already have this confidentiality in place for yourself, this would then make any subsequent

documents also confidential pursuant to the original court order. Those are the conceptual amendments to A.B. 225.

What I am seeking to do is to provide protection for individuals and allow a method for that to happen without necessarily adding entire categories of individuals to the lists already in the NRS. I would be happy to answer any questions. I also understand the Secretary of State may have an amendment, which I considered friendly, and I am happy to keep working on it.

### **Chair Torres:**

Thank you for bringing forth this bill and working on the conceptual amendment. I will note for the Committee that there have been more than five confidentiality bills introduced and referred to our Committee this cycle, and there are more still in the Senate. There are more than five bills this cycle that have to do with confidentiality as it pertains to public information.

I worked with Assemblywoman Newby. I reached out so we could figure out how to make this more concise so that we do not continue to see ten bills every legislative cycle having to do with confidentiality. I appreciate the Assemblywoman's work on this in getting stakeholders together. I know there is probably still more work to do. At this time, I will take questions from Committee members.

### **Assemblywoman Thomas:**

I look at this bill as a former military member. Your conceptual amendment says any other person, but you started off with military members. Is this still for active-duty military members, or all military members, or scratch that and make it for any person?

# **Assemblywoman Newby:**

Assemblywoman Thomas, I choose option number three. The individual whom I was speaking of would be able to take the information that he has been provided by the FBI about his being on this kill list and use it in an application to get that protection. With the conceptual amendment, no longer would all active-duty military or National Guard people be included, other than if there were a threat against them; then they could pursue this avenue.

# **Assemblywoman Thomas:**

For clarification, if there is a threat, regardless of your military service as a citizen or veteran, you or anyone would be able to take that to the recorder and have your personal information removed from the system. Would that include information accessible to anyone because of the fact you own a home?

# **Assemblywoman Newby:**

That is correct, Assemblywoman Thomas. It would allow someone to provide that information—not actually to the recorder; first, it goes to a court. There is an application to a court. The court makes a court order, then that is what gets taken to the recorders of the information.

### **Assemblyman Carter:**

This ties into what the Chair brought up about the proliferation of carve-outs. I struggle with the concept of supercitizens. Our country is based on equality, and I wonder—at what point do we switch from carving out specific individuals to looking at the bigger issue of what data is acceptable for our government entities to release and/or profit from by selling. I am struggling with this a bit. Could you address that, because everybody deserves a certain level of privacy, but we also have to balance that with our open society.

# **Assemblywoman Newby:**

I tend to agree with you. Unfortunately, we are in a time when it has become acceptable to attack individuals, whether virtually or in person at public meetings. We are in a time where doxing and swatting are a thing. I do not remember in my lifetime, before maybe the last five to seven years, when those were a thing.

I agree with you about supercitizen. I, too, have those concerns. If it were up to me, I would probably advocate for all of the names being taken out, but I know, just as you mention, there is a balance between the public's right to know and protecting people. What I am trying to do with this amendment is to thread that needle and try to provide protection when it is needed, but still remain as open as possible.

### **Assemblywoman Taylor:**

Surrounding the opportunity for others, whether they are elected, military, or whomever, to have their information protected if there has been a threat—I am wondering if that extends to social media.

A year or two ago, my personal address was put on social media with a "Let us drag her out of her house" kind of a thing going on. That is a real thing, and I was unable to protect my private information. That was scary. That was real. It actually happened. I know there is difficulty in drawing the line, as my colleague Assemblyman Carter said, but there is a very real reason why we should have the opportunity to protect our information, especially those who may be targeted. So, does that include social media?

# **Assemblywoman Newby:**

This does not include social media. This is only the information that would be publicly available through the recording clerk's office.

To your point, I completely understand the fear that comes—as a personal aside, many of you know that my husband is an attorney with the Office of the Attorney General. Thus, he is part of law enforcement. When he was defending the State, which was his job, in COVID-19 cases brought against the State for the closure of churches, and subsequently, for the election cases, we received messages through social media, things like your children, you, and your family are going to burn in hell. It is scary to have someone do that. We all volunteered to do this. We all come into this building, so we are all going to take a certain number of slings and arrows; we signed up for that. But my kids did not. I understand where

you are coming from, and I wish there were a way to prevent that, but this bill does not do that.

# **Assemblywoman Taylor:**

If someone was threatened via social media as in my case, is that enough of a threat to say, Hey, here is the threat and I am applying for this privacy.

# **Assemblywoman Newby:**

That would be up to the judge. If it were me, I would certainly turn that in as an application.

# Assemblywoman González:

My questions dovetail off of my colleague's. We have now opened it up for anyone, right? How does this play into the current process for a protection order for domestic violence, for example? If a partner threatened me, could I then take the information to the court to seal my current or new address? Would this be creating more processes for a person? If this is not the correct process for someone to do that, what guardrails are in place to tell the person, Hey, this is not the process you need, you need to go elsewhere.

# **Assemblywoman Newby:**

I am not so familiar with protection orders, but the way I have written this, my intent was if you have been threatened with something that you feel is credible, you can make an application to have that information kept confidential. Unfortunately—this is something you have pointed out in your question, maybe without meaning to—what needs to happen first is that threat. It is not proactive; it is reactive. I will leave the question about how that interacts with the protection order up to the court or up to people who are more educated in that area than I, but yes, to answer your question, I believe that situation would apply here.

### Assemblywoman González:

I know the intent here is to protect people who are receiving threats, but my concern is for when it is used in the opposite way, for a perpetrator to then use this process against someone. Could it be used—Hey, this person was threatening me; I made an application; the judge said no—would it be part of evidence? I am a little nervous about opening it up to everyone.

My other question is, what constitutes a threat? In Assemblywoman Taylor's question, a social media post would not be considered a threat. So, what constitutes a threat that would meet the threshold to apply for this process?

# **Assemblywoman Newby:**

Part one of the question, I do not know the answer to. Part two about what constitutes a threat needs to be worked out. Right now, the application goes before a judge. The process goes like this: Are you a police officer or a judge? Yes, you are. Okay, approved. In this case, there would be some sort of supporting evidence, and the judge would need to make that call. In my discussions with some of the court representatives, they may want some sort

of standard to compare it to. With this conceptual amendment, I do not have that, but I am more than happy to continue working on it so that we get to that, if that is desired.

### **Chair Torres:**

That is a good thing for us to be cognizant of. As the Assemblywoman noted, we had earlier conversations where we looked over some of the other confidentiality bills with the recorders. To their knowledge and to the knowledge of the counties, there have not been any cases that were not recognized. This at least puts some type of level to where they have to substantiate a threat. I might consider looking at some type of burden of proof in the amendment so there is a requirement to have something available, rather than just he said, she said. It would also likely be helpful to the judge in making the decision.

### **Assemblywoman Duran:**

The bill is needed. People are crazy these days. People make threats, and sometimes you do not take them seriously, and things happen. Is this going to be limited to one property? If you own multiple properties, would you have to apply separately for each location?

# **Assemblywoman Newby:**

If you have multiple residences in Nevada, first of all, good for you, you will have to go to the county recorder for each of those properties. For your lake house, you would need to go to Douglas County, and for your domicile, Clark County.

# **Assemblywoman Duran:**

For the record, I only have three: this building, the little apartment I live in over there, and one in Clark County.

# **Assemblyman Hibbetts:**

My clarifying question is on the third paragraph of the amendment where it says, make the list of eligible persons uniform across the three different NRS sections that are affected. For instance, under my personal circumstances, I am listed under NRS 250.140 but not under the other two. Would the intent be to list each individual category from the three of them and make sure that the full amount is listed in each NRS?

# **Assemblywoman Newby:**

I believe so. Again, this portion of the amendment came from Ms. Kailey Work. My understanding is that yes, it would make things uniform. Perhaps she is here or wants to weigh in. It would make it easier for the courts; there would be, as I understand it, one template.

### **Chair Torres:**

I do not see Ms. Work here, but somebody from the office, I see, is going to testify.

# Shawnyne Garren, Recorder, Douglas County Recorder's Office:

I worked very closely with Ms. Kalie Work on some of these conceptual amendments. I would love to be able to provide clarity on them from some of the notes I took along the way.

I will speak from the recorder's standpoint. First of all, with regard to the multiple properties, it is very different on the recorder's side than it is on the assessor's side or the clerk's side, where there is a single data set of information that is being marked confidential. On the recorder's side, where the difference lies is, we are affecting individual documents, individual records that are on record. So, if you own multiple properties, you, as the petitioner are required to identify within the order what document numbers are on record specifically that contain the personally identifiable information.

Keep in mind, statute sets forth that personally identifiable information is limited to the personal residence, a phone number, and an email address. We do not redact the party names for the sake of transparency in government, as was brought up. You can identify that yes, Joe Smith owns property in Douglas County, but you do not see the physical address. We are limited as to the information we can redact.

One of the issues that was brought up was the expiration of the confidential records and the reason why it would be beneficial for that to be optional. There are a number of reasons why one county might want to institute that option, while another might not. First and foremost is the sheer volume. In Douglas County, we are understandably going to have a much smaller volume of these types of orders put in place than in Clark County. The ability to manage the volume is something; we do not want it to come across as an unfunded mandate.

We can probably manage it on a more manual basis. If you get into the larger volume of records, you are now looking at having to implement software to keep track of things, and it becomes a lot more cumbersome. It can be done, but it will require time and money. The amendment gives the various offices the ability to work within their scope for expiration.

There was another direct question that you were looking for clarification on from the recorder's side.

# **Chair Torres:**

The question was regarding the intent to make the list uniform.

# **Shawnyne Garren:**

It was brought up that there are lot of discrepancies between the various statutes and the various offices that are affected. We have two different court order templates currently, because not all of the groups that are protected under one statute have the same protection under the other. There is a desire to at the very least—however it needs to be brought about—have uniformity across the different statutes so that we are not having to identify, Does this group need this order? Does this group need that order? And then, within our offices, Does this affect our office or not?

You all have the ability to decide if that is more along the lines of having a general option for people to petition the court regardless of positions held, or whether it is identifying what positions held are listed in each of the statutes and bring those into alignment. That would be much appreciated.

### **Chair Torres:**

Thank you. Members, do you have any additional questions?

# **Assemblywoman Duran:**

What is the process? Is there a charge? Is there a process you have in place that can be an example for other counties or cities?

### **Shawnyne Garren:**

Yes. We each have processes within our individual offices. They are going to vary between the different offices—from the assessor's office to the recorder's office—those processes are going to look very different. Then across the different counties, depending on staffing and staffing levels and who is responsible for what, the processes might look a little bit different.

Essentially, from our standpoint as recorders, there is no fee to redact the records. We receive the order; that order does not get recorded; it gets filed away because the order contains that sensitive information. We keep that order in a separate record; it is not part of the public record. Then we redact the documents accordingly.

### **Chair Torres:**

As a follow-up to that, can you talk a bit about the process of redacting information? Is it as easy as a computer click? How does that work?

### **Shawnyne Garren:**

I can speak as to Douglas County's records. Our records are all digitized. Our deeds date back to 1855, so deeds and records from then all the way to current are digitized. For us, I can speak very clearly that it is just a matter of digitally redacting those documents. There is also a process for removing that redaction, but certain elements as set forth in statute have to take place, and certain steps must be taken by the party who has petitioned for the court order, specifically. Yes, there are processes.

### **Chair Torres:**

I appreciate that. Members, are there any additional questions? I do not see any, so at this time I invite anyone wishing to testify in support for A.B. 225. I do not see any here in Carson City or in Las Vegas. Is there anyone on the line wishing to testify in support for A.B. 225? [There was no one.] I will invite anyone wishing to testify in opposition to A.B. 225. I do not see any here in Carson City or in Las Vegas. Is there anyone on the line wishing to testify in opposition to A.B. 225? [There was no one.] At this time, we will invite anyone wishing to testify neutral to A.B. 225. We have a couple of people coming up. When you are ready, you may begin.

# Shawnyne Garren, Recorder, Douglas County Recorder's Office; and representing Recorders Association of Nevada:

It is important to have an understanding of the final point on the conceptual amendment is [Exhibit C] shown as. We are testifying neutral as to the group or groups that would be included in the allowance of the courts to issue this type of order.

One of the distinct differences that affects the recorder's offices is, you can bring us a court order today, and we will redact the documents that you have set forth on that order. Whether it is one document or 100 documents, we are going to redact those documents. However, if in two years, you decide to refinance your home, for example, every time you refinance, there are typically two to four additional documents that are going to record. Currently, there is no mechanism in place that provides for the recorder's office to then redact the personal information from those records.

We would not know, especially in the counties that have a larger volume. We do not have any way of keeping track of whether it is these properties or these names that are on documents that are recording. That is not an element that we are looking for as recordable form.

We are looking for a mechanism for the petitioner to know when they are recording a document or a set of documents, they need to notify the recorder's office that these documents need to be recorded with confidentiality—ideally upon recording, because quite frankly, once the information is out there, it is out there. We have all come a long way, in the name of transparency and efficiency, to be able to provide the records in the most timely manner possible. Sometimes it can be a double-edged sword where once it is out there, it is out there.

I want to provide that bit of clarity as to what the subsequent recording element is. That would be specific to the recorder's office.

# Cadence Matijevich, Government Affairs Liaison, Office of the County Manager, Washoe County:

We, too, are neutral on the policy of the bill with respect to which groups or persons should or should not be covered. I want to thank Assemblywoman Newby for taking on the challenge of addressing all of these procedural and implementation issues raised by the recorders and by the courts.

Irrespective of what you decide on the policy as to who should or should not be included, cleaning up these procedural things and making them uniform will, in fact, actually achieve the protections that were intended by the original legislation and any subsequent legislation that you may pass to include others in this. We are very appreciative of the Assemblywoman for working on that. There are a number of other bills, and we hope these changes can be harmonized into those as well.

### **Chair Torres:**

That is definitely the goal. Thank you, Assemblywoman Newby, for all your work on this issue. Is there anyone wishing to testify neutral to <u>A.B. 225</u> in Las Vegas? I do not see anyone. Is there anyone on the line wishing to testify neutral to <u>A.B. 225</u>? [There was no one.] At this time, I will invite the bill sponsor up for any closing remarks. It does not seem we have any, so we will close the hearing on <u>A.B. 225</u>, and we will open the hearing on Assembly Bill 333, which revises provisions governing housing authorities.

# **Assembly Bill 333:** Revises provisions governing housing authorities. (BDR 25-184)

# Assemblywoman Bea Duran, Assembly District No. 11:

Chair Torres and Committee members, thank you for the opportunity to present Assembly Bill 333, which revises provisions governing housing. I bring this bill today because your home is your castle. You should be able to live in your house, safe and comfortable. Your house is a place where you should be able to raise your family with dignity and respect, make special memories with your family, friends, and loved ones; a place that you should be proud of, regardless of whether you own your home or are renting an apartment, living in a senior community, or even public housing. Regardless of where you live—northern Nevada, southern Nevada, in cities as big as Las Vegas or Reno or as small as Gold Hill or Beatty, rural areas or Indigenous communities—your home should be your safe place.

I bring this bill before you today because of personal experience. My dad has been living in a senior community for a little over 20 years. His house has never been painted, never had a full inspection of his appliances, and never had his sink checked. They never looked under the sink for wood rot. Recently we complained that his faucets were so full of calcium build up, we could barely move the faucet from one side to the other side. He did replace that.

Most people do not report issues because they do not know how to or they are afraid of being evicted. With the housing shortage, these homes and apartments should be taken care of so that the owners and residents have a safe home. If the owner finds work that needs to be done or things that need to be replaced or fixed, they can fix the necessary issues in a timely manner, and it will not cost them an arm and a leg to keep their property from becoming deteriorated and being uninhabitable.

There have been many complaints from my constituents about some of their living conditions, and there is nothing in statute to hold owners accountable. These complaints go unheard, and the owners continue to ignore them, and there is not much they can do. Moving is not an option for most of our constituents. They cannot afford the cost for deposits, background checks, credit reports, and first and last month's rent.

I am going to give you a little background information, and today I have Mendy Elliott, senior vice president at Flynn Giudici Government Affairs, and William Brewer, executive director for the Nevada Rural Housing Authority. I am going to go through some of the

background information and walk through the bill, and then we will be able to answer questions.

Housing authorities have a long history in Nevada. While the United States was engaged in World War II, the 1943 Nevada Legislature enacted <u>Assembly Bill 36 of the 41st Session</u>, known as the Housing Authorities Law of 1943, "to aid the prosecution of the war by providing for the creation of local agencies to cooperate with the Federal Government in making housing available for persons engaged in war industries and activities." Specifically, section 2 of <u>A.B. 36 of the 41st Session</u> authorized creation of housing authorities with this language: "Upon the adoption of a resolution by the government body of a city, town, or county, that there exists or impends an acute shortage of housing in such city or county for persons engaged or to be engaged in war industries or activities, there shall hereby be created a public body corporate which shall be known as the housing authority of such city, town, or county." The statutory provisions related to housing authorities are found in Chapter 315 of the *Nevada Revised Statutes* (NRS), and their services have expanded to meet the needs of a much wider group of people.

There are three housing authorities in Nevada currently: Reno Housing Authority, Nevada Rural Housing Authority, and Southern Nevada Regional Housing Authority.

We are going to walk you through the bill now. Section 1 of <u>Assembly Bill 333</u> requires each housing authority in the state to contact a person who is 60 years of age or older and has lived in public housing or housing project that is operated or managed by the housing authority, to offer to perform an inspection of the dwelling at least every five years. If the resident wants the inspection performed, the housing authority must conduct such inspection on a day and at a time that is convenient for the tenant. The bill further requires: One, such an inspection be conducted to determine whether the dwelling unit of the person is in a decent, safe, and sanitary condition, including without limitation, that the fixtures, appliances, and plumbing are in good working order; two, the housing authority ensure that all necessary repairs are made as soon as practicable after the inspection to ensure that the dwelling unit is in a decent, safe, and sanitary condition.

Section 2 relates to unfunded mandates. It provides that the statutory requirement for a specified source of additional revenue to pay for an additional expense associated with carrying out the requirements of certain legislation do not apply to A.B. 333.

We do have a couple of amendments that are not ready yet, that I am working with the Housing Authority as well as Mendy Elliott concerning taking the Southern Nevada Regional Housing Authority out of an NRS section. She is going to explain that to you.

# Mendy K. Elliott, representing Southern Nevada Regional Housing Authority; Reno Housing Authority; and Nevada Rural Housing Authority:

First off, we want to thank Assemblywoman Duran for this bill and for our conversations. I would like to have Mr. Brewer explain some of the requirements the housing authorities are under. Because they do receive federal funds from the U.S. Department of Housing and

Urban Development (HUD), there are some requirements. The intent of the bill is why there is a need for some cleanup, which I will have Mr. Brewer discuss in detail.

### William Brewer, Executive Director, Nevada Rural Housing Authority:

We examined this bill and worked with Assemblywoman Duran. We appreciate the intent of this bill, that we need to be looking after our tenants in making sure they have a decent, safe, and sanitary place to live. In fact, those are the federal guidelines that we operate under. If a person has a housing choice voucher, we are required as administrators of that program to inspect those units when the person moves in and then every two years thereafter. The federal requirement is much more stringent than what is proposed in the bill. If a person lives in public housing, we are required to inspect those units every year. The federal requirements are quite stringent on that as well.

If a unit is not being inspected or looked after, that is a problem for the housing authority that needs to be addressed with the housing authority and/or with HUD, which oversees that program. We certainly support that and encourage that. Beyond that, we should have a standard that is a little kinder and more thoughtful. For example, my personal standard is if I would not want my mother to live in that unit, I would not want anybody else to live there either. That is how we try to manage our properties and our voucher units, and we have run into some issues, of course. When you have a number of units out there and a number of tenants, things are going to happen. We look after those and try to get those corrected as soon as we can.

What we run into oftentimes is that tenants are afraid to bring issues to the management of those units for fear they will be in trouble, or they just do not want to bother somebody. But you all know, if you have lived in a home and you have a leak from your faucet under your sink, you are going to damage your cabinets and maybe have much greater damage beyond that. As a landlord, I personally would want to know about that so I can come in and fix it. We need our tenants to report those things. If there are other issues with the unit, we need to know that. Therefore, what we are proposing is some kind of a feedback mechanism, perhaps a survey or something such as that. When these tenants renew their certifications each year—they have to come in each year to renew their income certification to make sure they are eligible for those units—to have a questionnaire there for them so they can report any problems that they may be having with the unit. That gives us a mechanism to follow up on that and make any needed repairs to the unit at that time. We are working with Assemblywoman Duran on that, and we hope to have that in place before you see the bill again.

# **Assemblywoman Duran:**

We do have another amendment we are working on with Make the Road Nevada as well, and they propose something like that. We checked with the Legal Division, and they are getting something together concerning that. We can continue working with the housing authority to make sure that is something doable for them.

### **Mendy Elliott:**

I have Mr. Theodore Parker on the phone. He is managing partner at Parker Nelson Associates, and Ms. Mahogany Turfley, who is a partner. They are on the line and can provide context to the purpose of the next amendment. They are going to discuss the amendment regarding removing the Southern Nevada Regional Housing Authority from NRS 354.474, and the reason why we will be deleting that section of NRS.

# Mahogany Turfley, Parker Nelson and Associates, representing Southern Nevada Regional Housing Authority:

I have Mr. Theodore Parker with me.

# Theodore Parker, III, Parker Nelson and Associates, representing Southern Nevada Regional Housing Authority:

Thanks for giving us some time to explain, from the Southern Nevada Regional Housing Authority perspective, why this amendment would be appropriate. For some reason, the Southern Nevada Regional Housing Authority was excluded from NRS 354.474 initially. When it came to our attention, of course, we wanted to get it addressed.

The main reason is, the Southern Nevada Regional Housing Authority, not unlike the Nevada Rural Housing Authority and Reno Housing Authority, is funded by the federal government, by HUD. As a result, the *Code of Federal Regulations* require that we internally audit ourselves, that we pay for an independent third-party certified public accountancy firm to audit our finances; and then HUD audits our finances, all in accordance with the federal regulation. Having Southern Nevada Regional Housing Authority comply with a state statute related to auditing our year-end financial information does not coincide with the federal year-end requirements and auditing requirements.

We do not receive any state funding, no state tax dollars. All of our dollars are federal money. Our year end is consistent with federal regulations, as opposed to what the state does. That would put a greater financial burden on the Southern Nevada Regional Housing Authority that no other housing authority in the state has to comply with. Therefore, we want the Southern Nevada Regional Housing Authority, not unlike the Rural Housing Authority and Reno Housing Authority, to not be a part of this requirement under NRS 354.474, given the heightened amount of evaluation and scrutinization that we get by the federal government for all of our financial expenditures.

The other concern that we want to express is, in addition to all of the accounting that we pay for: third party, our own internal, as well as accommodating HUD's auditing. The cost of doing anything additional interrupts what we have to do for HUD. It is an expense that otherwise would go towards providing additional housing.

Finally, it is difficult to determine how useful the information that we provide to the state is, because we are providing information that complies with the federal regulations. It is not consistent with what the state typically would be concerned with because the state, of course, is concerned with its tax dollars and how its political subdivisions are spending and

accounting for those dollars, which is different from the federal regulations. Hopefully, that helps to give context. If you have any questions, we are more than happy to address them.

### **Chair Torres:**

Thank you. At this time, are there any additional remarks? There being none, at this time we will open it up for questions from Committee members.

# Assemblyman Nguyen:

I have asked this question before in another committee. I want to make sure we follow up in terms of age selection. You selected 60 years of age in terms of funds; I think elderly persons in federal statute are categorized as age 62 or older, and opportunities to get federal dollars and other grant money might be there. I am trying to figure out: If we put the age at 60, do we limit ourselves from additional funding opportunities that could help this project?

# **Assemblywoman Duran:**

Thank you for that question. This came from a personal experience I had with my father. I know we can modify the age. Hopefully, this just opens up the conversation—it is not just the seniors who have this problem. We have a shortage in our state and all over the country. I hope this opens up the conversation for everybody, not only for seniors. We have people who are in public housing, people who rent to be able to live in a safe and decent place. That was my thought process as we moved on. As you know, as the language drops, we get more people and stakeholders coming forward, so we can modify a lot of the language around the funding part. That is a whole different animal that we have to address as well.

### William Brewer:

You are correct, Assemblyman Nguyen. The federal line in the sand is 62 years of age. The way this bill is written, though, would not have any adverse effects on that kind of funding, as the bill does not address funding but addresses the physical condition of the units.

# Assemblyman Nguyen:

I want to make sure we do not leave any money on the table that we are eligible for. I look forward to working with Madam Vice Chair and all of you in ensuring, if this does pass, that we include elements that will help us get those additional dollars to help this project, because I think it is truly needed, and many people will benefit from it.

# **Assemblyman Koenig:**

I need a little clarity. This applies to projects operated by the housing authority. When you were talking about one group already being required federally to be inspected every two years and another group already being required federally to be inspected every one year—that is not the housing authority? This is someone completely different?

My second question is, we just heard on the phone that we want to exclude the Southern Nevada Regional Housing Authority. What exactly is included in that? Who are we excluding by excluding that? What is left after we take that out of the picture?

# **Mendy Elliott:**

Let me address the amendment. All of the housing authorities are governed in NRS Chapter 315. All of them, whether it is Reno, Southern Nevada, or Rural—they are all under NRS Chapter 315. An amendment was put forth in 2017 that provided additional information requirements on the Southern Nevada Regional Housing Authority, specifically, that the other two housing authorities were not required to provide to the state.

I will talk about the amendment first. The Southern Nevada Regional Housing Authority is still in NRS Chapter 315. They are still there, but the 2017 amendment also placed them in NRS Chapter 354 for oversight from the state. The issue with the oversight from the state is, the housing authorities receive all their funding from the federal government. Therefore, the timing for their financial statements and those requirements are not in sync with what the state requires. The timing of the state is disconnected: state has a fiscal year ending June 30; the federal government has a fiscal year ending September 30. There was a disconnect not only in the timing but also in what the Southern Nevada Regional Housing Authority is required to report to HUD. There is a disconnect with the state.

### **Chair Torres:**

Ms. Elliot, it was Senate Bill 183 of the 79th Session.

# **Mendy Elliott:**

Thank you, Madam Chair. The purpose for the 2017 amendment no longer makes sense; it no longer makes sense to have that requirement. That is why this amendment has been requested. It does not remove any of the other requirements the state has on the Southern Nevada Regional Housing Authority. They are still in NRS Chapter 315. There are still public notice requirements. None of those change. The only requirements that change are the financial reporting requirements to the state, because it just does not make sense. It never made sense.

I do not know why the amendment was made, but we appreciate Assemblywoman Duran. We have had several conversations with her, Senator Dina Neal, and several other Assemblymen and Senators, relative to having this requirement removed. It is just redundant, frankly. We appreciate having the opportunity to bring forth this amendment to remove that requirement. I do want to make it very clear though: It does not change anything as it relates to the housing authority's responsibility to the state under NRS Chapter 315.

I will defer to Mr. Brewer for the second part of your question.

# **William Brewer:**

We are talking about three fundamental types of vouchers. There is the housing choice voucher, which is issued to an individual, and that individual can take that voucher and rent an apartment anywhere he chooses that fits the requirements of the voucher. Then there are project-based vouchers, which is essentially the same as the other kind of voucher, except it

is assigned to a project, not to a particular person, so a person moving into that project theoretically could take advantage of that voucher and have their payment subsidized. Then thirdly is public housing, which is funded completely separate under federal budget requirements. Those have a different set of rules altogether than the vouchers.

As housing authorities, we cover all three of those, although Nevada Rural Housing Authority does not have any public housing. That is where those inspection requirements come in. For all housing choice vouchers, whether my client is renting an apartment from you or from us or anybody else, we have to inspect those units every two years. For the public housing, we have to inspect those each year under the guidelines of the federal government.

### **Assemblyman Koenig:**

The five years would be under the housing authority. What kind of units are under the housing authority that would be affected by this every-five-years inspection?

### **Assemblywoman Duran:**

I checked into this. There are some rules. Unfortunately, they are not happening. I am trying to put something in place so even private owners who are renting long term, so people who have something to say can say, Hey,—that is just a starting point. I wanted to open up the conversation. I am willing to go through any amendment. I know we have rules in place to have inspections by the housing authority, the federal government. Unfortunately, those rules are not happening with landlords. Landlords do not come in. They rent out a house while living in California, and they are just collecting the rent. Who is going to come in and inspect the house? My constituents have complained to me that they are living in roachinfested housing apartments and houses, and there is nothing that can be done. But with the cost of living, moving somewhere is impossible.

# **Assemblyman Koenig:**

The bill says housing project that is "operated or managed by a housing authority." Would a private landlord fall under operating under the housing authority?

### **Assemblywoman Duran:**

We want to make it clear that we need to hold homeowners who are renting properties out, collecting money—people need to live in dignity and respect. My goal is to have not only the housing authority do inspections; I think this is a starting point. It may not be under the housing authority; maybe it can be a questionnaire under a lease renewal. That is why we are going to be working with stakeholders and others to amend the bill.

# **Chair Torres:**

I have a follow-up question to that point. My understanding is, there are federal requirements applicable to those houses. If somebody is a landlord, they are supposed to be meeting those requirements. This bill would be ensuring that those landlords who are already participating in this program, through their tenants who are part of this program, are meeting those minimum standards, correct?

# **Mendy Elliott:**

The amendment that we are in discussion with our very passionate Assemblywoman Duran about is going to be a certification on either an annual or biennial basis. It will be between the tenant and the landlord. It will be a checklist asking, How is everything looking, how is it going? As Mr. Brewer alluded to, the concern is that maybe tenants do not feel as comfortable to go—if I am a landlord and they do not feel as comfortable, and I am bringing to someone who has a housing choice voucher—I am not under the umbrella of the Nevada Rural Housing; I am not an employee of Nevada Rural Housing, but I am an independent landlord—but I am bringing to somebody, that will require me as a landlord to work with that tenant to make sure that there is a checklist. That is what the conceptual amendment is going to probably do, and we are in the process of finalizing that. It will be a little different. Do we think there is a need for this? We think this is a good idea, so we are more than happy to work with Assemblywoman Duran to make sure that this amendment meets the goals of this bill.

# **Assemblywoman Taylor:**

I do think this is absolutely necessary, and I can see a lot of sides to this. My mom lives with me, so we do not have to deal with that, but my grandmother lived in a very different situation. She lived in a place in California. She was there for probably 30 years but was really afraid to advocate for herself because, we know how it is in California, how the rents and so on can be. Finally, we just moved her out. I have seen older people, in particular, be taken advantage of in this situation.

I happen to have a rental house, so I see the other piece of this as well. I am glad I am after my colleague, Assemblyman Koenig, because I want to make sure I have my arms around this.

So, it is already in federal law—inspections every one year or two years, depending upon what kind of housing it is. But we know it is not always happening. The whole idea behind this bill is to ensure that inspections happen, and to take some of the pressure off that renter who may be in a tough situation who does not want to be . . . especially right now, we know how rents are in Nevada anyway, especially in our part of the country. This would extend, in particular, towards those who are in the housing authority programs, in addition to those who may have Section 8 housing which may be property rented from private property owners. They would still have to do the every-one-year inspection because it is not a housing authority thing; but they would have to have the inspection at least every five years to take advantage of that.

I do not know how to reach someone like me; my tenant is not in Section 8. I am fine with that. I do not know how that piece might look because there is no connection there. That might be a little bit more individual, but at least for those who are doing some kind of public housing service, as an authority or personally, because they are getting the Section 8 voucher, would have to fall under this, except in southern Nevada.

In southern Nevada, they are different. That is a whole different conversation. For housing, they are different, right? In some ways, they are not different. They have to follow this thing, but they will not be in this because they have a separate legislation that was passed in 2017. If you can clear that piece . . . . I was doing so well. I thought I had it.

### **Mendy Elliott:**

You were doing awesome, Assemblywoman Taylor. You were doing great. I want to make it abundantly clear: The Southern Nevada Regional Housing Authority is still under the same requirements as every other housing authority. The only thing the amendment will do is eliminate the requirement for the Southern Nevada Regional Housing Authority to give their financial statements to the state. That is it. The rest of the requirements under NRS Chapter 315 for the Southern Nevada Regional Housing Authority remain the same. Whatever the Nevada Rural Housing Authority is required to do, Southern Nevada Regional Housing Authority will be required to do. Everything else remains the same; public notices are still a very robust requirement by the State of Nevada in order for the housing authorities to operate under NRS Chapter 315.

### **Assemblywoman Taylor:**

So, they would not be a part of A.B. 333?

### **Mendy Elliott:**

Under this bill, anyone that is under NRS Chapter 315 will be required to perform, once this certification or whatever is developed.

# **Assemblywoman Taylor:**

Got it. It is very clear now. Thank you for getting me through that.

### **Chair Torres:**

My understanding of <u>S.B. 183</u> of the 79th <u>Session</u> from our earlier conversations, because we did have the opportunity to meet before the hearing, and in reading through <u>S.B. 183</u> of the 79th <u>Session</u> is, <u>S.B. 183</u> of the 79th <u>Session</u> was very unique in that it only applied to the Southern Nevada Housing Authority. The bill would make the Southern Nevada Housing Authority consistent with the reporting requirements that are currently applicable to the Nevada Rural Housing Authority and the Reno Housing Authority, where the Southern Nevada Housing Authority is required to submit additional reporting. Is that correct?

# **Mendy Elliott:**

That is correct, whatever the other two, Reno Housing Authority and the Nevada Rural Housing Authority—whatever the requirements are under NRS Chapter 315, the Southern Nevada Regional Housing Authority will still have those requirements.

### **Chair Torres:**

Then all the housing authorities would be required to follow this bill, A.B. 333.

### **Assemblywoman Thomas:**

My colleagues have asked, and you have answered, the questions I was concerned with. It looks like this bill will have the tentacles to reach not only the housing authority but the rental associations, anybody who has property they are renting. I believe everyone needs the bare necessities in life.

# **Assemblyman DeLong:**

I just want to get this clear. Maybe I am confused on a couple of things, or I just did not hear correctly. It is from the Assemblywoman's response to a comment. Are all landlord-tenant contracts subject to this law, or is it only those covered by the housing authority?

# **Assemblywoman Duran:**

I would like to start there. Hopefully this bill builds that bridge to have that communication opened, so that you can deal with your landlord and be able to call them and say, I have an issue, or come and check my place. If I owned property, I would love to go in and be able to fix something—not just to do an inspection every couple of years—if there is something wrong, to make sure things are in working order. I would hope any landlord would, because you do not want to go in and have larger costs when it can be fixed quickly. If there is a water leak, you will want to be able to fix that leak instead of having rot everywhere. To me, this is a start, but hopefully it will expand to private landlords as well.

### **Chair Torres:**

I am going to go to Asher Killian, our committee counsel.

# **Asher Killian, Committee Counsel:**

In response to that question, the bill as introduced only concerns housing that is operated or managed by a housing authority.

# **Assemblyman Hibbetts:**

My question is probably better answered by Mr. Killian also. Mr. Killian, section 2 says, "The provisions of NRS 354.599 do not apply . . ." and I will skip to the end, ". . . to the provisions of this act." Why not?

### Asher Killian:

I cannot make a policy argument as to the why. What I can say is, that section of law generally requires some sort of funding stream to be provided when a bill would impose an obligation on a local government. What section 2 does is exempt the provisions of this bill from providing that kind of funding. As to why, that is a policy question that I would not be able to answer.

### **Assemblyman Hibbetts:**

For my own edification, in reading NRS 354.599, it seems to me it basically says—and I am going to paraphrase because I do not have my computer open at the moment—that any law passed by this body that requires a new or expanding service by a local government has to

have an identified funding source. I did not see anywhere in NRS 354.599 where you can exempt something or say, Nah, we are not going to do that. Am I correct in my assumption?

### Asher Killian:

Nevada Revised Statutes 354.599 is a provision of law that was enacted by a previous Legislature that expresses that policy. Generally, constitutionally, no previous Legislature has the power to tie the hands of the current Legislature, just as the current Legislature has no power to tie the hands of a future Legislature. So, while NRS 354.599 was a law adopted by a previous Legislature, the current Legislature retains the power to either exempt any particular piece of legislation from that provision, or to repeal it entirely.

# **Assemblyman Hibbetts:**

Thank you very much. I appreciate your time.

### **Chair Torres:**

Too, upon review of the fiscal notes posted on NELIS, there are no fiscal notes on this bill at this time.

Members, are there any additional questions? Seems almost everyone has asked a question today. Assemblyman McArthur, are you feeling left out? No? It looks like we are good. All right. At this time, I will invite anyone wishing to testify in support of A.B. 333.

# Tony Ramirez, Government Affairs Manager, Make the Road Nevada:

We are in support of the intent behind <u>A.B. 333</u>. In particular, we are here in support of the language we have been working on with stakeholders and the Assemblywoman to capture all vulnerable members of the community, and require all landlords to keep their dwellings habitable and livable. We feel it will also provide protection for tenants to proceed to withhold rent, with the survey response serving as official notice for repair. We have been working closely with the Assemblywoman. We are deeply grateful for that, and we hope to continue doing so.

# **Chair Torres:**

Thank you. I do not see anyone else wishing to testify in support of <u>A.B. 333</u> here in Carson City or in Las Vegas. Is there anyone on the line wishing to testify in support of <u>A.B. 333</u>?

# Andy Romero, representing Make the Road Nevada:

We are in strong support for the intent behind <u>A.B. 333</u>. As the housing organizer in Nevada, I have seen some poorly maintained units that tenants have been subjected to by their bad landlords. The reality is, tenants are in fear of being evicted if they pressure their landlords into fixing their units' concerns, leaving them vulnerable and with certain health risks. The intent of <u>A.B. 333</u>, which seeks to hold the bad landlords accountable by requiring them to respond to the tenant's complaint in a timely manner and also require them to repair grateful for Assemblywoman Duran, who has allowed us to work very closely with her on this bill. We hope to continue working with Assemblywoman Duran to capture the vulnerable members of Nevada.

### **Chair Torres:**

All right, at this time I invite anyone wishing to testify in opposition to <u>A.B. 333</u>. I do not see anyone here in Carson City or in Las Vegas. Is there anyone on the line wishing to testify in opposition to <u>A.B. 333</u>? [There was no one.] Is there anyone wishing to testify in neutral to <u>A.B. 333</u>. I do not see anyone in Carson City or in Las Vegas. Is there anyone on the line wishing to testify neutral to <u>A.B. 333</u>? [There was no one.] At this time, I invite the bill sponsor for any closing remarks.

# **Assemblywoman Duran:**

Thank you everyone who has listened to this bill. This is going to help our communities. We have constituents who have issues going on in their homes, and they need to be taken care of. This affects their family life. When you have somebody not taking care of roaches, children have issues going to school; they are embarrassed they have to live out of bags and cannot use their kitchen. It is a problem, and it breaks my heart. I am hoping we can work on this to make it even better. I urge your support for <u>A.B. 333</u>. This bill will improve the living conditions for everybody.

### **Chair Torres:**

Vice Chair Duran, thank you for bringing forth this piece of legislation. I look forward to working with you on the amendment for this bill. At this time, we will go ahead and close the hearing on A.B. 333. That concludes our agenda today. We will move on to public comment. Anyone wishing to testify in public comment, testify for up to two minutes. Is there anyone wishing to testify in public comment? [There was no one.]

[Meeting reminders were given.] Are there any additional comments? [There were none.] A McArthur Minute today? It is important the Committee knows. While speaking to Assemblyman McArthur, my best friend, this morning, he let me know what his favorite movie is. Do I have any guesses for what Assemblyman McArthur's favorite movie is?

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James Bond. He is a 007 fan. That was important to be noted at this time. We will go ahead and adjourn [at 10:28].

	RESPECTFULLY SUBMITTED:
	Geigy Stringer Committee Secretary
APPROVED BY:	
Assemblywoman Selena Torres, Chair	
DATE:	

# **EXHIBITS**

Exhibit A is the Agenda.

Exhibit B is the Attendance Roster.

Exhibit C is a conceptual amendment to <u>Assembly Bill 225</u>, dated April 4, 2023, submitted by Assemblywoman Sabra Newby, Assembly District No. 10.