

**MINUTES OF THE
SENATE COMMITTEE ON GOVERNMENT AFFAIRS**

**Eighty-second Session
March 8, 2023**

The Senate Committee on Government Affairs was called to order by Chair Edgar Flores at 3:36 p.m. on Wednesday, March 8, 2023, in Room 2149 of the Legislative Building, Carson City, Nevada. The meeting was videoconferenced to Room 4412 of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. [Exhibit A](#) is the Agenda. [Exhibit B](#) is the Attendance Roster. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

COMMITTEE MEMBERS PRESENT:

Senator Edgar Flores, Chair
Senator James Ohrenschall, Vice Chair
Senator Skip Daly
Senator Pete Goicoechea
Senator Lisa Krasner

GUEST LEGISLATORS PRESENT:

Senator Dina Neal, Senatorial District No. 4
Senator Pat Spearman, Senatorial District No. 1

STAFF MEMBERS PRESENT:

Jered McDonald, Policy Analyst
Spencer Jones, Committee Secretary

OTHERS PRESENT:

Ryan June, City of North Las Vegas
Serafin Calvo, City of North Las Vegas
Pamela Goynes-Brown, Mayor, City of North Las Vegas
Warren Hardy, Clark County Regional Flood Control District
Steven Parrish, General Manager, Clark County Regional Flood Control District
Joanna Jacob, Clark County
Will Adler, ACES Delta
Scott Lee, Southwest Gas

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Nick Schneider, Vegas Chamber
Tray Abney, National Federation of Independent Businesses
Alfredo Alonso, Alliance of Automobile Manufacturers
John Sande IV, Halo Car; Nevada State Apartment Association
Sena Lloyd
Wiselet Rouzard, Americans for Prosperity
Morgan Ross, Motional
Virginia Starrett, Protect Nevada Children
John Eppolito, Protect Nevada Children
Donald Gallimore Sr., Protect Nevada Children; Reno/Sparks NAACP
Terry Reynolds, Director, Nevada Department of Business and Industry
Sarah Adler, National Alliance on Mental Illness Nevada
Adrian Patterson
Theresa Armoogan
Ashley Gaddis
Anita Strain
Janis Talavera
Mishon Hurst, Nevada Rural Housing Authority
Tiffany Bank, Nevada Realtors Association

CHAIR FLORES:

Representatives of the City of North Las Vegas may begin their presentation.

RYAN JUNE (City of North Las Vegas):

In our presentation ([Exhibit C](#)), Slide 2 is a slide of firsts. It shows the City of North Las Vegas's first Latino City Councilman Isaac Barron, the first Latina City Councilwoman Ruth Garcia Anderson and the State's first Black Mayor, Pamela Goynes-Brown.

On [Exhibit C](#), Slide 3 is the municipal court in the City of North Las Vegas. In 2016, because of decreased workload within the court, the City Council decided to decrease the number of judges to one. That was in effect for four years. As case numbers increased, a second judge was added in February 2021.

[Exhibit C](#), Slide 4 shows the districts of the City of North Las Vegas. We have four council districts. You can see Ward 1 is very large. It includes some of Senator Goicoechea's former district and Apex Industrial Park; there is a lot of undeveloped land in that area. The City of North Las Vegas is districted after

each census. The attention given to redistricting has created the diversity among North Las Vegas's elected leaders. You can also see the City's demographics and that the elected officials did not necessarily represent the community in 2013. Today, the City is well reflected in the elected representatives on the City Council. We are the eighteenth most culturally diverse city in the Nation. In 2000, the City's population growth was a little over 9 percent. Now the City's population growth is at 1.68 percent.

In 2013, the City was in crisis. [Exhibit C](#), Slide 5 represents some of the different challenges the City had at the time. It was in State receivership; despite this, it was well known the applicable *Nevada Revised Statutes* (NRS) did not contemplate the ability to deal with the kinds of financial challenges that North Las Vegas was facing. That section of the law was written to deal with financial challenges in White Pine County School District which were dramatically different than the challenges the City faced. The City had a highly speculative bond rating of B which was five levels below a junk bond. The City had a \$152.6 million structural deficit, which impacted our ability to provide services to residents and to continue operating as a City.

Cities do not go bankrupt in the traditional sense because they still have revenues that come in, usually through utilities. Cities generally go serving and solvent, where they are unable to provide the kinds of services that are required by the residents. The City had active lawsuits with all our collective bargaining groups. The City had a court judgment against it for \$41 million, with no way for the City to fix the issue. There were tough decisions made by those collective bargaining groups that were able to keep the City afloat. Over a third of the workforce had been laid off, which created a lot of issues with service delivery as well as culture challenges within the City. About \$32 million was being used from Payments in Lieu of Taxes (PILT), which represented about a third of our operating budget at the time.

I was contacted in the summer of 2012 to put together a plan on how to save the City of North Las Vegas. In order to change the trajectory of the City, we needed a different team that could to move the city in a different direction. [Exhibit C](#), Slide 6 shows the demographics of the City again. When I came to the City, the director level and above was 96 percent white male. There was not a diversity of thought or representation within that group. Through intentional and purposeful acts, today the City has a management team more

reflective of the diversity of the community. The management team draws constantly on the talent we have to address the challenges of the City.

Each department within the City is a laboratory. This is a concept that comes from Supreme Court Justice Louis Brandeis who said that states are the laboratories of democracy. That was early commentary on federalism and how it operates within the United States. This is the belief that federal decisions can have impacts on States, so it is best for States to try out different things. The City took that idea further and we believe that cities are great laboratories of democracy, where we have the opportunity to try different things, and if they work, they can be replicated and implemented in other jurisdictions. That concept is something the City prides itself on.

The first test of this concept was grow-nomics. North Las Vegas and southern Nevada have the highest tax rates of any entity. Government can usually solve its revenue problems by going back to the tax base and increasing taxes. Because of the high tax burden that already existed in the community, that was not an option for the City. So, the City went with the concept of growing a tax base, reconfiguring things within the City to attract and expand our tax base to provide support services for City residents. This experiment was based on the recognition that 87 percent of Americans' retirement savings are in their homes. If the City could increase property values for residents, that would change the trajectory of many people's lives.

Grow-nomics was mixed in with this idea of increasing property values across the valley to help our residents. Time is money for businesses. Benjamin Franklin talked about that idea in *Advice for a Young Tradesman*. If the City could reduce the amount of time that businesses were moving through our processes, we could attract more businesses. One large developer doing large spec buildings served as our guinea pig to streamline processes and make sure that when businesses acquire land, they would be able to move on it quickly. Halfway through the process, that developer recognized the value of moving through City bureaucracy quickly and moved a project slated for northern Arizona to the City. These projects resulted in building space for Fortune 500 companies to come into the City to build our tax base.

The Apex industrial park was critical to the City. In order to increase the diversity of the economy within the City and bring economic development, we followed the State's lead. In 2011, the State developed the SRI Brookings

Institute report which became a blueprint of seven different sectors to focus on economic development. The City took on three of those sectors. That way we would be working with the State to attract businesses. Apex quickly became something central to provide future real estate for companies to expand. [Exhibit C](#), Slide 9 presents the state of Apex. This City has brought utilities to Apex and created a new tax base.

Another area the City looked at was the downtown core. Agora is a 19-acre, master-planned commercial project. It creates 900 permanent jobs and is over \$200 million in capital investment in the downtown core. It provides a lift for that community and an opportunity to increase valuations of their homes. The City is excited about the project and what it will bring.

Another area the City looked at was medical and health sciences. That was an area that was designated by the State as an area for growth. Helios is a project that is going in by the U.S. Department of Veteran's Affairs (VA) hospital. The VA considers that hospital in North Las Vegas the jewel of their system. The City knew it was an asset that could be leveraged, and all the dirt around that area was an opportunity. The City worked with Senator Harry Reid and his team to move some of the Clark County Lands Bill allocation to 130 acres adjacent to the VA hospital because we knew that we could develop that area. Now we will have a medical campus in the City, which is important for our residents.

My wife is a fourth-generation Nevadan and a North Las Vegas girl. We have five children and none of them were born in the City because it does not have a hospital with a maternity ward. Helios will change that. Helios will provide 600 hospital beds, will create over 12,000 jobs and represents over \$4.5 billion in investment. The City is excited about the opportunity Helios provides in leveraging that area, which the State has identified for economic development, in the future.

If you look at the City's ten years of grow-nomics, it is an experiment that worked well. The City is doing business at the speed of business. Permit processes that used to take six months can now be done in minutes. That brought a lot of businesses into the City to build our tax base.

In [Exhibit C](#), Slide 11, you can see 63,000 new jobs were created and the \$438 million of investment capital. The City had audacious goals. For example, the City wanted to have 100 million square feet in new concrete. The City

surpassed that goal. The City successfully grew its tax base. In 2013, the total valuation of all taxable assets in the City was \$3.98 billion. Today, it is \$11.11 billion. That is a 280 percent increase in our tax base. That increased tax base has started to bring City revenues in alignment to support the services that we provide for residents.

SERAFIN CALVO (City of North Las Vegas):

I oversee educational initiatives, homeless services initiatives and the Veteran Services Resource Center and veterans services. On October 27, 2022, the City opened a 2,000-square-foot Veteran Services Resource Center. There is also a space for workshops, educational initiatives and social gatherings. The City offers computer training, and tablets are available for the veterans and their families to access. The City has also partnered with several nonprofit service providers operating out of the resource center daily. These organizations include Salvation Army, AARP, Armed Forces Chamber of Commerce, U.S. VETS, Aetna, Integrative Medicine, Goodwill Retail Store and Donation Center, and Compassion for Hospice. The resource center is open Monday through Thursday, 8 a.m. to 5 p.m., and soon will be open Monday through Saturday.

The other project that I am excited about is the Dolores Huerta Resource Center, slated for completion in 2023. It will be the first facility of its kind in Nevada, operated by the City and supported by service providers from across the Las Vegas Valley to provide a welcoming and inclusive one-stop-shop for residents to access a wide variety of services and programs. All resources and information will be offered in both English and Spanish. The center will focus on serving and bringing critical services to the Latino community while working to build connections between the diverse populations represented in the City. The City has identified six areas the programming and services will focus on. They are law workshops, education, technology, physical and mental health and wellness, job development, and arts and culture. The community has rallied around this project and is excited. We have several community partners, service providers that have signed up to partner with the City to make the resource center a success. Dolores Huerta will do ribbon cutting personally. This is something that is important for our community that will represent them and their needs and will be able to help them grow as they inform themselves of available services.

MR. JUNE:

One of the things the City changed was be more professional in our approach to grants and grant writing. When Congress brought back earmarks in 2020, the City was prepared. In fiscal year (FY) 2019-2020, the City acquired over \$20 million in federal funding. When the City put together a team that targeted these grants and earmarks, we saw a dramatic increase in funding. In FY 2021-2022, the City received \$168 million; if you take out American Rescue Plan Act funds, it was \$121 million. That was a 727 percent increase in federal dollars that benefitted City residents. The approach the City took to grant writing has been extremely successful for our residents.

When COVID-19 hit, there were different ideas from directors about how to handle the pandemic. The City tried a bunch of different things and many were widely successful. When people would register to get vaccinations online, the program kept crashing. Our IT director suggested an alternative program used in professional sports during halftime. When lots of people used it all at once, it did not have a propensity to crash. For \$6,000 the City brought on a program that was not expensive compared to the kind used by governments, and it never crashed.

[Exhibit C](#), Slide 18, shows the City's vaccination numbers, which were over 100,000 doses provided to our residents. This was important because the City had communities impacted more by COVID-19. When the City declared the pandemic an emergency on the following Monday, we met with our team and determined that all government employees were essential workers. However, some of the functions they performed were not essential during a pandemic. So, the City worked closely with our bargaining groups to move government workers into areas where they could provide services to residents. For example, members of our parking enforcement crew packed lunches for students who became food insecure when schools closed since enforcement crews were not handing out parking tickets during the pandemic. As mandates kept changing, the City could multipurpose employees so every business received multiple calls from our employees because we understood the importance of these businesses. The City worked hard to grow our tax base, and we did not want to lose the businesses which made that possible. The City worked with them to make sure they had signage and understood the mandates and whatever was necessary to keep them in business.

I want to acknowledge the role the Legislature played in helping the City's success story. In 2011, the Legislature was rightfully concerned with how the City was handling the PILT funds. The City was charging residents for utility services, sewer and water, then instead of putting leftover revenues into an enterprise fund for the day pipes fail, was putting them into the general fund to support other services. That was a problem. The Legislature rightfully understood that method was not an honest way to do business with the public. In 2011, the Legislature gave the City ten years to stop the practice. However, ten years was not reasonably feasible because of the City's terrible bond problem. Everyone on Wall Street knew that the City of North Las Vegas was using about \$32 million a year from the utility fund to pay for general fund operations, and if the City had to stop cold turkey in 2021, it could not make up the shortfall. It was called a fiscal cliff and was a problem the City had to solve.

In 2017, the City worked with the Legislature on a solution, allowing the City to refinance, taking advantage of lower bond rates, reducing necessary interest payments and returning tax dollars to the community. With the Legislature's help, the City was able to refinance those junk bonds and saved residents over \$70 million. Money that would have gone to Wall Street now could be put back into City programs. Since the City was no longer relying on PILT, it dramatically cut sewer rates for all residents. The City had the highest sewer rates in the Las Vegas Valley and was able to return some of those dollars to the community during the pandemic.

The City has turned itself around. Today, our bond rating is investment grade. For the first time since the recession, City libraries have returned to normal business hours. It has been a slow and deliberative but successful process. Bond analysts from Wall Street in Chicago visited with our team to identify how the City was able to do what it did. Our team has met with counties and cities in California and cities as far away as Japan and Peru to explain what we were able to do and how they could learn from it.

PAMELA GOYNES-BROWN (Mayor, City of North Las Vegas):

The City has its struggles but as has been presented here today, it is evident the City has grown into a truly diverse and thriving community, much different than the North Las Vegas of the past when the city was faced with State receivership. I stood up for my community, stayed up late trying to find solutions, got my hands dirty and helped save the City. I look forward to

working with the Legislature and the State to support each other and our diversity.

SENATOR OHRENSCHALL:

Have the federal funds provided in the last several years all been allocated and spent, or is some still waiting to be spent? How much PILT has been paid back on that and how much is still waiting to be paid back?

MR. JUNE:

Regarding federal funds, I can get you the numbers at a later date. I can tell you the philosophy that the City Council had on appropriating those funds is as if the City had to fight for our allocation of federal dollars. The City had to work aggressively with individuals to make sure that they interpreted the federal guidelines provided like the rest of the Country did. What was important was how those dollars were spent. So over 75 percent of the dollars that came to the City went directly back into the community. They were not used to redo the lobby in the City Hall, employee bonuses or things like that. After the pandemic was over, there were still fiscal challenges the City must face. The City needs our businesses to be healthy and to continue operating. So, the City allocated dollars to them. Many of the dollars we received are going into nonprofits providing social programs the City does not provide.

The City will get you more information on specific money amounts and allocations in regard to PILT. One of the challenges with PILT was the cold-turkey approach that was going to happen in 2021. The legislation that passed in 2017 provided a 30-year period for the City to get off the PILT reliance, which required a 3 percent reduction every year. The City has gone from using \$32 million in PILT funds at its height to \$19 million. The transition away from relying on PILT transfer is still happening. By delaying the process, it gave the City the lift we need to pay it off. The City recognizes the need to remove the reliance on PILT funds but to do it in a responsible way so we can increase services to residents back to prerecession levels.

SENATOR DALY:

I see the City has a new City Charter Committee added to the charter in 2021. Can you give me a rundown on how it went? How many minutes did they have? What staff was given to them? Were there any recommendations? I want to make sure that it is working properly. It can be a good tool.

MR. JUNE:

A 120-day Legislative Session is not the appropriate place to have conversations about fundamental changes that would happen to a city. The Charter Committee is something that the City is digging into as novices. The Charter Committee had one meeting, because there was one charter concept that the City Council directed staff to look at. All the appointments were made by both the Legislature and the City Council. The charter is the final area where the City needs to grow to see changes that can be made on the government side. The City intends to bring the committee back during the Interim. Some of the appointments to the committee will change because two appointments were made by the former mayor and former mayor pro tempore. I think there might be some legislative appointments that we need. The City intends for the committee to go over the charter more thoroughly and members are going to be a lot more active.

SENATOR DALY:

Charter committees should be a little autonomous. I understand more appointees are from the City than from the Legislature because we are not trying to outweigh you. But I think if you let the Charter Committee do its stuff, you will find it works pretty well.

MR. JUNE:

I would like to meet with you offline to discuss some of your experiences in the Charter Committee and how we can make our Charter Committee more responsive. I completely agree on the committee's independence. The first trial run of the Charter Committee cannot be optional because then it becomes an optional committee forever.

SENATOR GOICOECHEA:

I tip my hat to North Las Vegas. You were in trouble, and you did a great job.

SENATOR OHRENSCHALL:

Can you update us on the infrastructure and industry possibly coming into Apex industrial center?

MR. JUNE:

Apex is a long play. It is 18,000 acres, not nearly as large as the Tahoe-Reno Industrial Center which is 100,000 acres. One of the first things the City needed to deal with was undeveloped land around the speedway leading to

Apex. Speedway land had City water but Clark County sewer, and the County does not like to flush our water down their sewer, which created a challenge for developing the land. The City worked with Congresswoman Dina Titus's Office and got a federal grant that allowed us to build the Northeast Interceptor. Within months of the Northeast Interceptor being built, all the land within that speedway area is in some form of development and the City started shifting focus to Apex. The growth in Apex started in the southern portion closest to the utilities and began moving north. There is a ton of development in the first chunk of southern Apex, with Fortune 500 companies like Crocs, Ball and Kroger. The development is happening at the proper pace because now the City is bringing water to the top portion of Apex by U.S. Highway 93.

Apex is still the future of the Las Vegas Valley. Apex could host over 116,000 jobs. Those jobs are not going to be absorbed in North Las Vegas alone. The economic impact for the region is over \$200 billion, direct and indirect. With the water challenges in southern Nevada, the City needs to bring in the right mix of businesses, but Apex is going full speed ahead. It is moving faster than the City expected it could and we are excited about what Apex brings to the region.

SENATOR KRASNER:

Congratulations to Mayor Pamela Goynes-Brown on being the first African-American mayor in Nevada.

SENATOR GOICOECHEA:

You have got a ton of solar going in Apex, particularly on the one side. Is that short term or how do you develop it?

MR. JUNE:

The solar panels going in are on the County side. The Bureau of Land Management designated a corridor for solar. The City has a small portion on the mountains but most is not held by the City.

CHAIR FLORES:

Regarding law enforcement retention, what outreach mechanisms are in place? How is the City bringing folk in? And what is the culture like? How is the City actively engaging folks to come in and create a pipeline? Regarding affordable housing, what are the relationships like with builders now when they come to the City? Typically, the space is small and dominated by the same players. Are

we actively engaging other players to bring them into that space? Walking methodically through that education? What are the plans moving forward?

MR. JUNE:

I will get you the police information later. I can directly address the six police department command staff. When I became city manager, all the command staff were white males. I appointed the first female police chief in the City's history. I appointed her successor, the first female African-American police chief in the City. Today that command staff is made up two African Americans, two Latinos and two whites. Regarding recruiting and retention, the City had POST-certified police officers working in recruiting. One of the changes the City made recently is bringing in a professional recruiter. Recruiting and retention is challenging every jurisdiction across the Nation. The City is in a much better place within the culture of the police department.

In regard to affordable housing, it is a serious challenge. The City is exploring some of the root causes of affordable housing. There is probably a proportionality to the number of hotel rooms the jurisdiction has and the number of short-term rentals in the jurisdiction. Short-term rentals are a private sector way to get into the hotel space. Many of the City's affordable housing units are gobbled up by short-term rentals. That creates a supply and demand challenge within that space. There are people who can buy homes in the City and by renting out a couple of key weekends during the year, they can cover their mortgage because they can rent those at such high amounts. That creates a crunch within affordable housing. The City has been a significant contributor to affordable housing within the region by providing more affordable housing than other areas in the region. The City has worked with some of the developers and some State funds to bring affordable housing. We have looked at regional things such as what the Blind Center of Nevada is doing for affordable housing for their clients. The City is limited in what it can do in the affordable housing space.

SENATOR OHRENSCHALL:

I appreciate the diversity of the leadership of the North Las Vegas Police Department. Do you know what the demographics of the rank-and-file officers are? Do you know how many units of affordable housing are needed in North Las Vegas to meet the demand, and what kind of projects are going on?

MR. JUNE:

I will get you the number of affordable housing units later. As far as diversity within the rank and file of the police department, the City is seeing major strides. In 2013, about 23 percent of our officers were either African American or Latino, today that number has climbed to 37 percent. The increasing diversity of our police force is being done in an intentional and purposeful way—by recognizing the need to ensure the City has officers that represent the community they serve. When you have challenges in communities across the Country, it is not because something went wrong in public works or utilities. We have challenges because of those closest to the people that can restrict freedoms and liberties. Our command staff No. 1 and No. 2 are both African Americans. Increasing diversity is something they are leaning into.

CHAIR FLORES:

I will close the presentation and open the hearing on Senate Bill (S.B.) 115.

SENATE BILL 115: Revises provisions relating to the mitigation of certain projects. (BDR 20-679)

WARREN HARDY (Clark County Regional Flood Control District):

Senate Bill 115 is necessary to bring Nevada into alignment with the federal government, specifically the Environmental Protection Agency (EPA) and the U.S. Army Corps of Engineers. In the 1990s, the Corps and the EPA created a concept called mitigation banks. Agencies like the Regional Flood Control District must sometimes disrupt sensitive wetlands to deal with floods. The program was designed to help offset the damage to the wetlands by using funds through a mitigation bank to create, repair and develop wetlands. The Legislature authorized the creation of these mitigation banks in Nevada in 1999. The Clark County Regional Flood Control District created one of these banks.

Recently the EPA and the Corps created the in-lieu fee program. It is similar to the mitigation bank program but with a couple of advantages. The most significant is the mitigation bank program administered by for-profit entities; the in-lieu fee program can be administered with nonprofits and local governments. It also allows for a more fluid response to these issues. The bill updates Nevada's statutes to allow the State to implement the in-lieu fee mitigation program. We have one nonsubstantive proposed conceptual amendment ([Exhibit D](#)) because we neglected to include some of the federal references that are needed.

STEVEN PARRISH (General Manager, Clark County Regional Flood Control District): Nevada law authorizes the establishment and management of a wetlands mitigation bank. These banks are large-scale mitigation sites approved by the U.S. Army Corps of Engineers and the EPA in accordance with the federal Clean Water Act. If it is determined that a flood control project, residential subdivision or commercial development is impacting a wetlands area under the Clean Water Act, we are required to mitigate for any impacts to those protected waters. One way to do that is by purchasing credits from the wetlands mitigation bank. The bank uses the resources collected from selling credits to complete the restoration, rehabilitation and creation of wetlands in other parts of the watershed as defined in the agreement for the mitigation bank.

Senate Bill 115 would allow an in-lieu fee type of mitigation in addition to the wetlands mitigation bank. The Clark County Flood Control District wants to set up an in-lieu fee program in southern Nevada. We are asking you to create it, and then the Clark County Department of Environment and Sustainability is going to manage this program. In-lieu fee programs are authorized to sell mitigation credits in advance. So if we plan to build flood control channels over the next five years that may impact protected wetlands, we can purchase credits ahead of time and know we have mitigation in place to deal with those impacts. Both mitigation banks and in-lieu fee programs are acceptable to the Corps and the EPA to mitigate impacts to wetlands. We have done mitigation banks in southern Nevada, and they have worked well. In fact, the Corps encourages us to use mitigation banks on our projects. I ask that you support this bill.

SENATOR GOICOECHEA:

The mitigation areas that you are using for the bank or to cover the in-lieu fee program, do they have to be in that jurisdiction or can they be out in an adjacent county?

MR. PARRISH:

Mitigation areas must be within the watershed area of the project they are mitigating for.

SENATOR OHRENSCHALL:

If S.B. 115 passes, what kind of effect will it have on the wetlands park in southern Nevada? Or are they unrelated?

MR. PARRISH:

There would be no effect to the wetlands park. The prior wetlands mitigation plan provided funding to the wetlands park and some ponds were built with those funds.

SENATOR DALY:

We have a mitigation plan that is in place now where you buy credits through a for-profit corporation. The in-lieu fee program would be an alternate used by a nonprofit or local government. How would it work on the ground? If you disturb ten acres of wetlands with a development, would you have to replace it with another ten acres? Or would you buy credits in lieu of replacing these ten acres, and someone else would use the money and replace the ten acres? Is it an acre for acre type deal? How much do these credits cost? Are they all the same amounts, or can you do it piecemeal? When you are replacing wetlands, obviously the size is going to matter. I remember looking at a study regarding the rainforest and how much species degradation we get from deforesting 1 hectare, 10 hectares and 100 hectares. They found 80 percent of the species are not supported in the one hectare. Can I buy credits and sell them to someone else, or do they have to go through the relevant government agencies?

MR. PARRISH:

When the District does a project, we must go through to the Corps and get a 404 permit issued. Studies are done to determine how many acres may be impacted by that project. The study also looks at the quality of the area being disturbed. Is it a heavily disturbed urbanized area, or is it a nice pristine area? Based on all that information, the Corps decides on the ratio of credits needed to be purchased for each acre. In a heavily urbanized area, the value of those wetlands is low, so the Corps will put a low ratio on the acres being disturbed. If it was a more pristine area, the Corps could set a higher ratio of credits per acre. So the cost per acre depends on where your project is located. Mitigation banks are limited in size, so during the development process, the entities all come up with proposals for improvements.

For example, I mentioned the wetlands park and the ponds. The mitigation bank figured out how much it would cost to build those ponds and then had a cost per acre that would give the resources to fund the construction. The wetlands park mitigation bank has been used up, and there are no more credits left on it. The District has a project that is underway, the Eglington Preserve, which has some credits we are using. But we are running out of credits, which is why the

District wants to use an in-lieu fee program in future. It gives us more flexibility with how the credits are managed so we can continue to construct our flood control facilities.

SENATOR DALY:

Can the owner of undisturbed wetlands trade acres to entities who are disturbing wetlands, so the state has a net loss of wetlands? Or do you have to create, or pay enough money for someone else to create, new acres equal to the number of acres being disturbed? I have seen credit programs like this abused for impact fees and housing and such. I want to make sure that the in-lieu fee program does not allow for a net loss of wetlands by allowing an entity to pay enough money.

MR. PARRISH:

The mitigation bank comes up with a project to restore or create new wetlands in a large site project and puts a value to it. Based on the project dollar amount, the project assigns a certain number of credits to the mitigation bank and a cost for each one of those credits. When a developer or an agency disturbs a number of acres, the bank decides how many credits need to be purchased to allow for that disturbance to happen. It is not always a one to one on the number of acres disturbed depending on the condition of the wetlands being disturbed versus the wetlands created or recovered. The Corps strictly regulates this program; it does not allow just anyone to purchase credits. You must complete a 404 permit application and describe your project and what the impacts to the jurisdictional area will be. Then the Corps decides on how many credits need to be purchased from that bank to offset the impact.

SENATOR DALY:

I understand.

MR. HARDY:

The central part of the Senator Daly's question is whether the credits are actual commodities. When the State had smog and the emissions credits, people could buy and sell them as they wished. As I understand it, wetlands mitigation credits are carefully regulated by the EPA and the Corps, and these credits are not on the market. They are tightly controlled; we are told exactly what we have to offset through these fees, and the funds go directly to mitigation projects.

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MR. PARRISH:

That is correct, the credits cannot be purchased and resold as a commodity.

JOANNA JACOB (Clark County):

Clark County supports S.B. 115. The County's Department of Environment and Sustainability will serve as the mitigation bank under this program. The County is working with the Regional Flood Control District on this program, it is tightly controlled.

CHAIR FLORES:

We will close the hearing on S.B. 115 and open the hearing on S.B. 165.

SENATE BILL 165: Revises provisions relating to businesses engaged in the development of emerging technologies. (BDR 18-878)

SENATOR PAT SPEARMAN (Senatorial District No. 1):

Senate Bill 165 seeks to expand Nevada's emerging technology industries so the State knows what developments are coming, when they are coming and how it must prepare for them.

How many people have heard of Meta? It is a new platform that advertises someone is training to be a doctor or a cardiac surgeon on a virtual cadaver, like a computer-aided design. The Meta platform came into existence in October 2021, right after the Eighty-first Legislative Session. If the State had a task force on emerging technologies at the time, it would have followed that development. Meta is expanding the virtual universe and connecting social networks and business platforms. The idea is using virtual in a way to make sure that there is more synchronization when it comes to business planning and development. If the State knew Meta was coming, it could negotiate to see how it could get involved.

A task force could ensure the State is aligning our curriculum for the jobs of tomorrow in K-12, postsecondary schools, technical schools and beyond. Several jobs are likely to be gone by the end of the decade: travel agents, taxicab drivers, store cashiers, fast food cooks, and administrative and legal jobs. All those jobs are going away because more and more automation is coming into the workplace. A grocery store was built in my neighborhood in 2008 that had 16 stations, each staffed by a person. By 2014, the stations staffed by a person started to decrease and were replaced by kiosks. I was at

Nellis Air Force Base a couple of months ago, and after I did some shopping, there were no staffed checkout lines, only kiosks. Technology is starting to displace people.

The task force created by S.B. 165 would look out for those kinds of developments and study their effects. If there are opportunities for Nevada businesses to exploit that knowledge, let us take advantage of that. Nevada is growing, and more businesses are wanting to come here. However, all too often, the State gets notified last minute. If the State has this technology task force in place, it will know what is coming and be able to work with Department of Education and Executive Branch partners to ensure the State has a workforce ready.

When Tesla came to Nevada, there was not a workforce. The State partnered with the company to develop the workforce it needed. With the task force created by S.B. 165, the State would already know about upcoming developments, and our education system would be aligned for that. The task force would be housed in the Nevada Department of Business and Industry. The Department director would be the one who puts it together. Several different people would be appointed. There does not have to be a fiscal note for the task force because virtual meetings significantly cut the time and costs.

SENATOR DALY:

I think the task force is going to be useful. Section 8, subsection 1, paragraph (b) of the bill mentions that the task force would identify barriers for business and people coming to Nevada. What do you think some of the barriers are? I get concerned about identifying barriers because some people think that labor standards are barriers. I do not think the task force would go there, but what are the other barriers?

SENATOR SPEARMAN:

The biggest barrier that we have right now is making sure that we have a ready workforce. Curriculum for our K-12, college, technical schools and other institutions of higher learning could be teaching the things that our students need.

The other major barrier is the unknown. The State does not know what it does not know until it knows. The task force would be looking at the technological state of affairs or at innovation to predict what is going happen. Even if the

predictions are not totally accurate, they might be close enough so the State is ready for whatever comes.

SENATOR DALY:

I agree that workforce development is an issue across the board. I worry about the recommendations. It is not a barrier to pay people fair wages and benefits.

SENATOR SPEARMAN:

That is not a barrier, it is an incentive.

WILL ADLER (ACES Delta):

I want to thank Senator Spearman for bringing S.B. 165 forward. Nevada is one of the few states that is a designated drone testing site. With the Ukraine War, we are seeing new investment from the Pentagon, automated vehicle technologies and artificial intelligence. The State could even expand it into other fields such as technology regarding energy expansion and new age energy. Nevada should be looking toward innovative tech instead of stagnating in the technologies it has because it is not only a gaming and tourism State anymore.

SCOTT LEE (Southwest Gas):

I support S.B. 165. Southwest Gas is heavily invested in clean fuel technologies like hydrogen and renewable natural gas. The task force can help us move some of those projects forward and develop a future workforce for those types of technologies and projects.

NICK SCHNEIDER (Vegas Chamber):

Vegas Chamber is in support of S.B. 165. Strengthening and diversifying our economy is a priority for the Chamber, and this bill seeks to do both. The emerging technologies task force support of bringing emerging tech businesses to the State and fostering their growth will bring higher paying jobs to our workforce. It will also keep more of our talent pool in Nevada by providing more jobs that match their qualifications and provide more stability for our economy by increasing the number of industry sectors that do business in our State. We also support the creation of the opportunity center for emerging technology businesses as outlined in section 10 of the bill. Such a center would provide support and opportunities for companies we attract to the State and our local startups.

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TRAY ABNEY (National Federation of Independent Businesses):

We support S.B. 165. Most emerging technology starts out of small businesses, and anything we can do to increase the support for small businesses in Nevada is welcome.

ALFREDO ALONSO (Alliance of Automobile Manufacturers):

We strongly support S.B. 165. We are looking at technologies besides electric vehicles. We are looking at fuel cells and other technologies to make it cheaper, easier and safer to transport people from one place to another. These emerging technologies will mean new jobs.

JOHN SANDE IV (Halo Car):

Halo Car is one of these emerging technology companies that chose Nevada its home. It is developing remotely operated motor vehicles, and the company chose Nevada because it had favorable laws for testing. Policy makers worked with the company to get it started. Halo Car is growing and flourishing in downtown Las Vegas. The founder and his team hope other companies will join them and create a community of innovators, entrepreneurs and incubators for these amazing technologies. We support S.B. 165.

SENA LLOYD:

I support S.B. 165 as someone who works in technology and as a former library director here in the State. This bill emphasizes the educational needs of the State. For example, Project Sandy is training individuals to do dialysis via virtual reality. This is important for us to be able to do in rural areas.

WISELET ROUZARD (Americans for Prosperity):

We are proud to support S.B. 165. If we want to make Nevada a model state for economic opportunity, we must create a policy environment that welcomes ideas. We will be happy to continue this work by introducing more ideas to ensure that Nevada is the place most individuals with amazing ideas and job creation come to.

MORGAN ROSS (Motional):

Motional is one of the leading autonomous vehicle companies in the Country, and we have a huge stake in Nevada. I would like to echo the supportive comments made by others about how critical this bill is for emerging technologies. We support S.B. 165.

VIRGINIA STARRETT (Protect Nevada Children):

We are neutral on S.B. 165. The bill establishes a task force to attract technology businesses investment in Nevada. No one would see bringing more businesses revenue and investment as a bad outcome. However, technology itself has both good and bad outcomes. Some technology is harming our children and families. In classrooms, the privacy of children, students and their families across the State is being abused through unregulated third-party vendor data collection. Curriculum has become so politicized that it is impossible to screen out all propaganda and political dogma. The government needs to intervene. Much of society is ignoring the need for children to be protected from exploitation through devices and the Internet. It is extremely convenient to adults in this pressurized age to have children engaged or entertained so they do not need parental attention. Protecting children is a priority.

JOHN EPPOLITO (Protect Nevada Children):

We are neutral on S.B. 165. But we would like it on the record that we would be against student data being placed on blockchain digital identification systems. Blockchain systems do not allow for data on individuals to ever be deleted. Every kid in this State has a record on the Infinite Campus database, the largest database ever created on children in the United States. We adamantly oppose student data and information being placed on blockchain.

DONALD GALLIMORE SR. (Protect Nevada Children; Reno/Sparks NAACP):

I am neutral on S.B. 165 and echo the concerns of my colleagues.

TERRY REYNOLDS (Director, Nevada Department of Business and Industry):

The Nevada Department of Business and Industry (DBI) promotes business within Nevada and serves as a regulator. In the Office of Business Finance and Planning, we connect with all the business groups and chambers within the State. The Department holds a small business roundtable with roughly 100 people and every chamber of commerce. Staff works with and educates entrepreneurs on how to get started, what funding is available and what technology base there is to support their business. The Department brings in small business development centers to work with entrepreneurial organizations and fund resources to assist small business. Business programming is conducted throughout the year with everything from Small Business Saturday to technical programs on labor, finance and entrepreneurial issues. We oversee 16 policy boards and 9 advisory committees for a total of 25 boards and commissions that we work with. When we consolidated our agencies within the Nevada

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State Business Center at 3300 West Sahara, Las Vegas, we created a broadcast system. We can livestream from the DBI offices and hold virtual meetings. The Department has a small fiscal note on this bill regarding the task force. We could cover it with existing staff that handles our business programming and development. The Department is neutral on S.B. 165.

SENATOR SPEARMAN:

The task force is not about data collection for children at all. It will be on the lookout for emerging technology. For example, during the pandemic, we realized we have technology that will allow people testify and even vote remotely. And so that is what it is tasked to do. With respect to data collection on children, the task force can rein that in. Looking at those things is intermittent at best. We are looking at technology that is and might come. The task force will be making recommendations on cybersecurity as well to make sure everyone's data is safe.

Last month, the U.S. Department of Veterans Affairs was talking about how officials were working with the hospitals in Reno using virtual technology to help with knee replacements for veterans. This is the type of thing the task force could do. Having a task force that looks at emerging technologies and industry also creates for us an ecosystem of economic development because emerging technology is accompanied by technicians, suppliers and other supporting jobs.

CHAIR FLORES:

We will close the hearing on S.B. 165 and open the hearing on S.B. 143.

SENATE BILL 143: Revises provisions relating to discrimination in housing.
(BDR 18-1)

SENATOR DINA NEAL (Senatorial District No. 4):

The Fair Housing Act was passed in April 1968. There has been an ongoing effort since then to ameliorate the housing inequities caused by discrimination based on criminal history. It is important to help formerly incarcerated people reenter society. Those who have been freed, exonerated or pardoned are part of society and they need to find a home. Housing is a great stabilizer for communities. We want to make sure that a person who has a criminal history can find a home, so the person does not recidivate. Legislative approval is required by NRS 233.153 for the Nevada Equal Rights Commission (NERC) to

enter into a contract with the U.S. Department of Housing and Urban Development (HUD) as a certified agency. Since 2019, HUD has wanted NERC to become a certified agency, but the Legislature must approve that.

The changes in S.B. 143, sections 1 through 31, are conforming language changes requested by HUD so NERC can become a certified agency and handle HUD complaints. The second part of the bill deals with ban the box and the criminal history related to individuals who have been charged with a criminal offense. That language pretty much starts from section 32 and goes through the rest of the bill.

Section 14 of the bill identifies what NERC shall do in order to create a settlement agreement, which in this case is called the conciliation agreement. It lays out what the settlement agreement should entail in section 14, subsection 4, subparagraph (a) and how the attorney general may take up the issue or the aggrieved party may place it in a court of competent jurisdiction. In subsections 6 and 7, the bill expands on how a hearing may be held and the process.

In section 15, the bill discusses the probable cause standard regarding the occurrence of discriminatory housing practices. Section 16 details petition for judicial review when an aggrieved party claims that housing discrimination has occurred. And then it continues to talk about the judicial review. Section 16, subsection 17, discusses a court's ability to affirm or remand a NERC ruling. In section 20 is conforming language that adds in familial status, national origin and religion, which is all language HUD asked for.

In section 22, the bill allows NERC to contract with HUD without legislative approval. Section 23 lays out that NERC shall accept any complaint presented to the Commission. If the complaint alleges an unlawful discriminatory practice, then the agency must attempt to investigate and settle the complaint. Sections 25 and 26 discuss the notification process, explain the rights to the individuals and the time in which these processes must occur.

From section 32 onward is the meat of the bill and the core of the opposition. Section 32 lays out who is an aggrieved person and whether that person believes to have been unlawfully discriminated against. I want to give some parity between citizens with a criminal history and enable them to get housing. My amendment ([Exhibit E](#)) would change section 34 of the bill to insert

language that prevents inquiry into the conduct or background of a person who has served a criminal sentence or been acquitted, pardoned or exonerated of a crime. There is no reason to deny a person a home if the person has served the required time. We must ensure those individuals can get roofs over their heads to stabilize themselves and prevent recidivation.

Some people are concerned about living next to a criminal. To that I reply, why do we free persons from prison if you did not feel that they were rehabilitated in the first place? If they were released from jail and their convictions did not stand, then why are we attempting to prevent these individuals from having roofs over their heads?

For example, I had worked with social services to help a young pregnant woman who already had two kids and could not find any housing. When we finally found her an apartment, her lease was denied because she had a prior solicitation charge. I called the apartment to explain to the apartment manager that we had been working for months to stabilize this person and denying her lease on a solicitation charge from several years ago would worsen the situation because she had no place to live. That is when I realized there is a whole population of people being denied access to housing.

Before I brought the bill forward, I spoke with formerly incarcerated women and mothers. They told me how they were being discriminated against, that weeklies would demand double and triple deposits, run background checks and evict them within 24 hours without refunding the deposit. That is a significant issue that the bill attempts to deal with.

Section 35 prevents a requiring a guarantor have proof of income greater than three times the monthly rent or the lease. I added section 35 because over the Interim, I found out that apartments were asking cosigners to come up with five times the amount of the rent and not just for an offender but for a regular person. That makes no sense. The point of cosigners is for them to be able to pay the rent in the event applicants lose their jobs, correct? In a housing crisis, you will never get even a middle-income family to come up with five times the rent. I want to deal with that inequity between the cosigner and the applicant and have both pay three times the monthly rent because any more is excessive and almost predatory. If you are trying to stabilize a family member who just got out of prison or jail, how are you supposed to come up with that money? We need to allow folks to cosign for someone else, so the person can live in an

apartment and move forward with life. The amendment allows landlords to ask applicants about sexual and violent offenses. Owners of single-family dwellings are also allowed to ask for criminal background checks on lease applications provided the owner has less than four such units.

SENATOR DALY:

Section 34, subsection 4, paragraph (a) of the bill says it only applies to dwellings owned by a "natural person." Who does that narrow it down to? Is a dwelling is owned by a corporation not covered?

SENATOR NEAL:

A natural person is already defined in law, and I used that language because I did not want prohibit criminal background checks to single family residence owners. The proposed amendment, [Exhibit E](#), changes single-family residence from a person who owns "three or more" single family units to "four or less."

SENATOR DALY:

Understood. There are other provisions that would prevent them from doing some of these discriminatory practices. As I understand what the law is, you still cannot discriminate for a variety of other reasons. I assume the same limitations apply in [S.B. 143](#), section 35 regarding cosigners?

SENATOR NEAL:

Correct.

SENATOR DALY:

I do not understand [S.B. 143](#), section 30, where it adds judicial review of decisions of NERC to the list of exclusions from the regulatory process in NRS 233B.039. You said that was language from HUD to be in compliance with what they wanted. But I hate to exclude anyone from regulations and that change baffles me.

SENATOR NEAL:

I do not have an answer for that. As I understand it, NERC has a firewall period in looking into a charge trying to impede or tamper with current NERC cases. I thought [S.B. 143](#), section 30, subsection 3, paragraph (c) rolled the preexisting firewall into the bill.

SENATOR DALY:

We need to look at it more because I understand the firewall, but I cannot imagine how regarding judicial review decisions tie in. Judicial review decisions are made by the court. Why would they ever have a regulation regarding that anyway?

SENATOR NEAL:

I will find out the answer for the judicial review part. I assumed it was an extension of the firewall.

SENATOR KRASNER:

Section 34, subsection 2, paragraph (a) states,

A person may inquire into or conduct a background check to determine whether an applicant for the rental or lease of a dwelling has a conviction record or record of criminal history that includes:
(a) A violent or sexual offense as defined in NRS 202.876, or the equivalent offense in another jurisdiction.

This includes murder, rape, human trafficking, lewdness with the child, false imprisonment, battery and pornography with a minor. When I read the amendment, it says that if somebody has completed time in prison or jail, then you cannot check the person's criminal history. So it seems like the amendment takes that protection away. Is that the intent?

SENATOR NEAL:

People should have the right to housing. If they have a criminal history, and have already served their time in prison, been released from jail not convicted, been pardoned or been exonerated, why deny them housing? The amendment adds a five-year period where a landlord can look into their criminal record if they committed a violent offense because people do not want to live next to murderers. At the same time, the people least likely to recidivate are those who finished serving a 30-year prison sentence for murder. There is no limit on how far you look back into someone's criminal history right now. A landlord could deny someone a lease based on a crime that happened in 1977; that is happening. Some will not lease to person even for misdemeanors from decades ago. The purpose of the amendment is to prevent discrimination against those who have been freed. There is no reason to continue to discriminate against people who already served their time. Supposedly, they have already been

rehabilitated, and that is why we released them. Why are we still discriminating against them? This does not apply to sex offenders, though. You are completely eligible to be discriminated against on those grounds.

SENATOR KRASNER:

The amendment feels inconsistent with S.B. 143. If a landlord looks up someone's criminal history and finds the individual committed murder or sexual assault or lewdness with a child but have been released from prison, can the landlord refuse to rent the apartment to that person?

SENATOR NEAL:

If S.B. 143 passes, landlords would then change their application form to ask about those violent and sexual offenses instead of asking for a general criminal history. The application would list out the exempted offenses, and applicants would check any boxes which apply to them, then the landlord could inquire into those particular offenses. Ideally, the application would also include a box asking if the person had completed the sentence or was exonerated and the inquiry would stop there. This bill would limit what landlords are going to ask about on their applications.

Other cities have passed ban the box policy or fair chance housing policy and limited the inquiry into the criminal history of the individuals. For example, Montgomery County, Maryland, has fair chance housing. They changed the application process to ensure landlords make a conditional offer to those with a criminal history. In Newark, New Jersey, rental applications can only inquire about certain arrests. Whatever is exempted in this bill, that is what landlords would ask about.

SENATOR GOICOCHEA:

The bill technically allows landlords to inquire about an applicant's criminal record if one of the boxes for exempted offenses or exoneration is checked. But landlords still have to check to make sure the applicant is not lying. Is that a violation? How do you substantiate the application?

SENATOR NEAL:

That would not be a hard process. Someone submitting an application for a lease provides income, potentially prior residences, utilities and so on and must turn over bank statements. Why would this not be an additional step? If an applicant checks one of the boxes, the applicant needs to supply proof of

exoneration. A person who has been pardoned, freed or exonerated would be continually challenged on that. It would be an additional piece of paperwork to establish that the application is true and correct. We all sign documents that say everything that you put down is true and correct. In other cities, they make a conditional offer for the lease and then complete or rescind the offer after checking the application's veracity.

SENATOR GOICOECHEA:

I want to make sure your intent is that it would not be a violation for the landlord to do a background check to verify an application the landlord has received. Landlords need to be able confirm what applicants are telling them is true.

SENATOR NEAL:

That is my intent. When I looked at other cities that have implemented ban the box and how the process worked, the cities required landlords make a conditional offer which could be affirmed or rescinded after a landlord reviewed of all the materials turned in and made sure that what the applicant attested to was true. I anticipate that our process will work the same way, but applicants need to be allowed to check the box instead of turning in your entire criminal history. Applicants need the option to say they have been convicted but have also been freed. One could state, "Here are my papers and I am adding this in with my application to prove that I am actually this person. I am saying that this happened and I am saying that I have actually been freed from NDOC."

If a person has served time and is now free, then why are we treating the person differently than a regular citizen? At this point, applicants have reentered society. I do not want them to be homeless and never become sustainable individuals where they can take care of themselves. Having a roof over your head and having some dignity about your life is one the best things to keep from reoffending.

SENATOR GOICOECHEA:

I agree. I want to make sure we are not going to make criminals out of landlords doing their due diligence. And I hear you. If a person has been charged with a sexual offense it is difficult to escape. I had an 85-year-old constituent that was charged 70 years ago and he still had to report every 30 days.

SENATOR NEAL:

That is a difficult issue to tackle. In 2015, the State automatically changed the tiers of sex offenders, regardless of how old the offender is and how long ago the offense was committed. The State decided that this particular group are pariahs. There should be some change for the 70-year-old or someone who has not reoffended since 1983. Nevadans are not ready for that conversation.

CHAIR FLORES:

The Legislature has tried to tackle the question on what punishment and rehabilitation looks like. Individuals who were incarcerated struggle to find places to live, work and find opportunity. As a society, we have a responsibility to consider how to rehabilitate these individuals. Can you walk us through what is happening right now? What is the likelihood of people with criminal records finding housing? What is the likelihood of them being able to reincorporate into society? But what can they do if they do not have family to take them in?

SENATOR NEAL:

More often than not these people end up homeless. They have a sense of depression and feel they cannot get away from their past. For mothers who are leaving prison and seeking to reenter society, we have to consider their children who likely will not have a home. The young woman who had the solicitation charge that I mentioned earlier—I asked how she got it. Her boyfriend was pimping her out. She could not go home to her father or mother, so she relied on her boyfriend to put a roof over her head, and in exchange she was taken advantage of.

When people are desperate and cannot find somewhere to live, they will do whatever they must to stay in someone else's home. They will stay in an abusive relationship or with parents who can barely afford to help them because they cannot get an apartment due to their conviction records. I have spoken with people in those situations, and they have lost hope about their life. The State puts them in a workforce program to find them a job so they can take care of themselves. However, the State is not fixing the housing issue. We need to have a conversation about that because the government is paying to put them in the reentry program and for the Medicaid that helps them get care. This goes to waste if they cannot find a place to live. Once they are released, we need to treat them like regular citizens again.

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SARAH ADLER (National Alliance on Mental Illness Nevada):

National Alliance on Mental Illness Nevada supports S.B. 143. We are bringing forward related legislation, S.B. 68, to create funding for housing stability. Many people who suffer from mental illness have been incarcerated, and often the stability of incarceration gives them opportunity to understand their conditions and find medication they are willing to retain. When these people leave prison, they need access to housing.

SENATE BILL 68: Establishes programs to provide certain assistance relating to housing. (BDR 25-303)

ADRIAN PATTERSON:

I am a former incarcerated person. Shelter is a basic human need and right. When you have a roof over your head, you can be productive within the community, look for work and such. Banning housing based upon prior criminal records after release is not only unnecessary, but it only increases the likelihood of relapse back to crime and reincarceration. It is a form of discrimination because it renders our fellow citizens the status of third-class citizenship. Black and brown people get locked up more disproportionately. It appears to be an attack on minorities by a power structure whose members do not look like them. Probation officers have checks and balances to review the citizens released from prison. I moved to Nevada recently. I have a prior criminal record from 27 years ago but not in this State. Yet, I am affected by housing discrimination. I just got hit by a car in September; I cannot leave. Why should I not be allowed the basic decency of paying my bills and putting a roof over my head without having to be discriminated against? I support this bill.

THERESA ARMOOGAN:

I was released from prison two weeks ago. I work every day, have money saved up and I cannot find anywhere to go. I have applied in many places, and they have all rejected me. I will pay the deposits. They are not even willing to do that for me. I have nowhere to call home, and it is a nightmare. I am a single woman and a mother. I thought getting out of prison would be easy because I had money saved up. But I need some help finding housing. I have asked my parole officer, and he said it is an issue everywhere. I am the person that picks up your tables and shows you to your tables. So do not quite give up on me yet. I have done my time and I am ready to return to society. I support S.B. 143.

ASHLEY GADDIS:

As an ex-felon I have been denied housing two times in the last three to four months. Luckily, I was able to find a roommate and rent a room. However, S.B. 143 is definitely needed in Nevada. It is a step in the right direction on many levels. However, when I read S.B. 143, section 34, subsection 1, paragraph (b), it makes it unlawful to refuse a rent, based on a record of any arrest record, conviction record and a record of criminal history. But subsection 2, subparagraph (a) exempts certain offenders of violence and sexual offenses. That is confusing. The hearing has mainly discussed people who were pardoned. I did not hear anything about people on probation or parole with existing records. So I am confused with the bill as it is written and hope it is revisited.

I support S.B. 143, but only on the condition it does not allow for discrimination of people with criminal records. That is unfair and discriminatory, because if a person with a criminal history is making efforts to better his or her life, the person deserves the opportunity to have a place to call home. I have personally experienced how homelessness incentives recidivation. Right now, almost every apartment management is rejecting people on parole and that has larger negative effects.

ANITA STRAIN:

I was formerly incarcerated. A couple years ago, I was getting out of prison and my family and friends had secured an apartment for when I got out and was ready to move in. When they were getting ready to move my stuff in and pay for the apartment, the manager has asked where I was and my family told him that I was getting out of prison and would be on parole. Then the application was rejected and I no longer had a place to go. I had to sit in prison for another four to six months waiting for some apartment to approve the application. I was able to get a place for four months, and once that ran out I had nowhere to go and got locked back up. I have been out since December 20 and I cannot get a place anywhere. I have a job; I have the means to get a place. But because of my background, nobody will accept me. I am a mother and grandmother. I support S.B. 143.

JANIS TALAVERA:

I was formerly incarcerated. I got out two months ago and I am in the same position. I work, I do everything I am supposed to do. I am trying to fix my life and every time I look for a place, I get denied. My parents were willing to be

cosigners, but it is so expensive now, they do not want to help me. I support S.B. 143 but only on the condition people with criminal records are not discriminated against because I am always going to get denied due to my criminal history. I want to have a place to call home.

MISHON HURST (Nevada Rural Housing Authority):

The intent of S.B. 143 aligns directly with our mission to provide access to affordable housing to Nevadans. However, we oppose the bill in its current state and stand ready to discuss our concerns with the sponsor. Our concerns pertain to section 34, subsection 1, subparagraph (a), which makes it unlawful to inquire into or conduct a background check. However, in section 34, subsection 2, a person may inquire into or conduct a background check to determine whether a person has convictions of a violent or sexual offense. These sections contradict each other. We want clarity on that language. In section 34, subsection 5, subparagraph (e), the definition of dwelling units is limited to public housing, units owned by a public housing authority and units that accept vouchers. By limiting the language for dwelling units, S.B. 143 contradicts federal requirements and will hinder voucher holders from accessing housing because landlords will be less likely to participate with the program. Section 39 also has a different definition of dwelling units. So we want clarity on that.

JOHN SANDE IV (Nevada State Apartment Association):

We understand the reasoning for the bill, and we empathize with the plight of the rehabilitated individuals trying to find housing in our State. However, we oppose this bill because it upsets the balance of good policy by precluding housing providers from using background checks for any part of the tenant screening process. Housing providers have legitimate obligations to the tenants to provide a safe and welcoming environment to all residents, and background can serve as a piece of information for housing providers to consider in the ultimate decision of welcoming individuals to a housing community. Unfortunately, the Apartment Association believes S.B. 143 only focuses on the needs of the individuals reentering our society and ignores or diminishes the needs of the housing providers and their residents. Good policy attempts to balance the needs of everyone. I want to echo the language clarity issues raised by other testifiers.

Regarding cosigners, they have different screening criteria and require a little bit extra income to qualify as cosigners because in most instances cosigners also

have their own housing they have to pay for. If cosigners are already paying for their own housing, to serve as guarantors for someone else's housing, it makes sense their requirements would be higher. Limiting how much a landlord can charge a guarantor could be problematic and difficult for a landlord to qualify anybody as a cosigner, further constricting the housing options potentially available to the population in question.

MR. GALLIMORE:

Senate Bill 143 is an important bill that we hope to support. However, there are portions of the bill we want cleaned up so we must oppose it for now. I do not understand why NERC does not conform to HUD policies. I would like to know if any court can adjudicate a NERC decision. Reentry into society should mean former inmates are eligible for housing after getting off parole regardless of their background checks. Why does S.B. 143 not include properties smaller than a fourplex? Lastly, mandatory deposits over three times the amount should be banned or disallowed.

TIFFANY BANK (Nevada Realtors Association):

We are neutral on S.B. 143. We want to thank Senator Neal for working with us on our concerns with the bill. Our understanding is that sections 34 and 41 of this bill do not apply to a single-family home owner. As defined in this bill, a single-family homeowner is a person who owns four or less separate single family units. There was a question earlier asking for clarification on the definition of a natural person. The intended definition is included in statute and section 40 of this bill and includes corporations, partnerships and trustees.

CHAIR FLORES:

I close the hearing on S.B. 143. We have a Committee bill draft request (BDR) introduction.

BILL DRAFT REQUEST 22-684: Revises provisions relating to regional planning. (Later introduced as [Senate Bill 247](#).)

SENATOR GOICOECHEA MOVED TO INTRODUCE BDR 22-684.

SENATOR OHRENSCHALL SECONDED THE MOTION.

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THE MOTION CARRIED UNANIMOUSLY.

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Senate Committee on Government Affairs
March 8, 2023
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CHAIR FLORES:

Having no further business, the Senate Committee on Government Affairs is adjourned at 6:57 p.m.

RESPECTFULLY SUBMITTED:

Spencer Jones,
Committee Secretary

APPROVED BY:

Senator Edgar Flores, Chair

DATE: _____

EXHIBIT SUMMARY				
Bill	Exhibit Letter	Introduced on Minute Report Page No.	Witness / Entity	Description
	A	1		Agenda
	B	1		Attendance Roster
	C	2	Ryan June / North Las Vegas	North Las Vegas Presentation
S.B. 115	D	13	Warren Hardy	Proposed Conceptual Amendment
S.B. 143	E	23	Senator Dina Neal	Amendment