

**MINUTES OF THE
SENATE COMMITTEE ON REVENUE AND ECONOMIC DEVELOPMENT**

**Eighty-second Session
May 9, 2023**

The Senate Committee on Revenue and Economic Development was called to order by Chair Dina Neal at 1:06 p.m. on Tuesday, May 9, 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 Dina Neal, Chair
Senator Fabian Doñate, Vice Chair
Senator Pat Spearman
Senator Heidi Seevers Gansert
Senator Carrie A. Buck

GUEST LEGISLATORS PRESENT:

Assemblyman Duy Nguyen, Assembly District No. 8

STAFF MEMBERS PRESENT:

Michael Nakamoto, Chief Principal Deputy Fiscal Analyst
Christian Thauer, Deputy Fiscal Analyst
Connie Summers, Committee Secretary

OTHERS PRESENT:

Michael K. Morton, Office of the Attorney General
Stacey Williams, Office of the Attorney General
Peter Krueger, Nevada Petroleum Marketers & Convenience Store Association
Tommy Ferraro, Nevada Resort Association
Tom McCoy, Nevada Tobacco Control & Smoke-Free Coalition
Caitlin Gatchalian, American Heart Association
JoAnna Strother, American Lung Association in Nevada
Cari Herington, Nevada Cancer Coalition

Senate Committee on Revenue and Economic Development
May 9, 2023
Page 2

Megan Boelter, Preventing Tobacco Addiction Foundation
Bryan Wachter, Retail Association of Nevada
Irene Bustamante Adams, Workforce Connections
Dylan Keith, Vegas Chamber
Anthony Ruiz, Nevada State College
Ashley Cruz, Las Vegas Global Economic Alliance
Jack Giese, Regional Transportation Commission of Southern Nevada
Katie Gilbertson, Governor's Office of Workforce Innovation; Governor's
Workforce Development Board

CHAIR NEAL:

We will open the hearing for Assembly Bill (A.B.) 53.

ASSEMBLY BILL 53 (1st Reprint): Revises provisions relating to sales of tobacco products. (BDR 32-421)

MICHAEL K. MORTON (Office of the Attorney General):

The Office of the Attorney General consists of nearly 350 dedicated, hardworking individuals committed to enforcing Nevada law and upholding justice for the protection and benefit of the residents of the State. As the State's chief law enforcement officer, the Attorney General represents the people of Nevada. In doing that, the office has aggressively defended tort claims saving the State more than \$1.3 billion in taxpayer dollars; processed over 18,000 constituent complaints and over 39,000 constituent inquiries for information and services; prosecuted elder abuse and provided support for law enforcement agencies across the State to do the same while also attending nearly 500 guardianship hearings for elder and vulnerable Nevadans; and obtained \$330 million in funding to combat the opioid epidemic.

Another large part of ensuring justice for Nevadans is this office's role in consumer protection, which is why we brought A.B. 53 before you today. This bill seeks to protect the State's youth while ensuring the State's laws related to tobacco sales are strictly enforced. My colleague, Ms. Williams, will take the Committee through the proposed changes in A.B. 53.

STACEY WILLIAMS (Office of the Attorney General):

I am here to give a presentation (Exhibit C) for your consideration of A.B. 53 which proposes changes to *Nevada Revised Statutes* (NRS) 370.521 with

respect to the prohibited sale and distribution of tobacco products to persons under 21 years of age.

It is NRS 370.530 that vests the Attorney General with the authority to investigate and prosecute any civil or criminal violation of NRS 370. The Tobacco Enforcement Unit within the Taxation Division of the Nevada Attorney General's Office enforces the State law, NRS 370.521, subsection 1, prohibiting the sale of tobacco and vapor products to anyone under the age of 21, [Exhibit C](#), page 2.

Our office has two law enforcement officers and six underage inspectors who are responsible for conducting youth compliance inspections across the State. There are over 3,200 licensed tobacco retailers throughout our State, and our officers and inspectors are responsible for inspecting every tobacco retailer at least once every 36 months.

As it exists now, NRS 370.521 only imposes civil penalties for first-time violations on the salesclerks who make the tobacco product sale to anyone under the age of 21 with increasing penalties for every subsequent sale within a 24-month period. Subsection 7 only issues warnings to licensees for the first and second violations. Civil penalties are not imposed until the third violation within a 24-month period at the same premises, [Exhibit C](#), page 3.

Included with the investigators' inspections is an obligation to conduct Synar inspections, [Exhibit C](#), page 5. Our team averages about 100 completed inspections each month with a focus on Synar inspections from October until about June of each year. Each state must maintain a Synar inspection retail violation rate (RVR) of 20 percent or less. If the Synar RVR exceeds 20 percent, Nevada could face a penalty of 10 percent to 40 percent of our Block Grant.

Assembly Bill 53 has three main areas of focus. The paramount focus is to keep tobacco and tobacco-related products from being sold to youths or persons under the age of 21. The second area of focus is to strengthen the accountability of licensees and to encourage them to take stronger measures to ensure the cessation of the sale of tobacco or tobacco-related products to youths. The third area of focus is to lower the youth sales violation rate, our Synar violation rate, to below 20 percent.

Assembly Bill 53, section 1, subsection 7, paragraphs (a) through (d), add civil penalties for licensees who violate this section. Paragraph (a) imposes a civil penalty on the licensee of \$2,500 for the first violation of NRS 370.521, subsection 1, within a 24-month period at the same premises. Paragraph (b) imposes a civil penalty of \$5,000 for a second violation within a 24-month period at the same premises. Paragraph (c) imposes a civil penalty of \$7,500 for the third violation within a 24-month period at the same premises. Paragraph (d) imposes a civil penalty of \$10,000 for a fourth and any subsequent violations within a 24-month period at the same premises. The proposed effective date for the new law is January 1, 2024.

These proposed changes are particularly important because the overall health of the State's youth and Nevadans, in general, is at stake. Tobacco is a product that kills when used as directed, and youth vaping has become a nationwide epidemic. The impact on tobacco-related disease and deaths is an ever-increasing financial burden on our Country as well as our State. Statistics show the instance of high school students in Nevada who report they smoke or use e-cigarettes is much higher than the national average of all high school students, [Exhibit C](#), page 4. We have strict laws already in place in the State to prohibit the sale of tobacco and tobacco-related products to persons under the age of 21. Despite the passing of the national Tobacco 21 law, the State's youth tobacco sales violation rate is consistently high which puts the health of our youth in jeopardy.

The next important focus is the State's need to lower our youth sales violation rate, in particular our Synar violation rate, to well below the 20 percent threshold.

To give you some background on the Synar violation rate and why it is important, in July 1992, the U.S. Congress enacted the Alcohol, Drug Abuse, and Mental Health Administration Reorganization Act which included the Synar Amendment named after the bill's sponsor, U.S. Congressman Mike Synar of Oklahoma. It was specifically aimed at decreasing youth access to tobacco.

The Synar Amendment requires every state to enact and enforce laws prohibiting the sale and distribution of tobacco products to youths. The enforcement is tied to the Tobacco Regulation for Substance Abuse Prevention and Treatment Block Grant. The State receives over \$18.5 million in funding

from the Block Grant each year. To receive the full award, the State must comply with the Synar Amendment and show an RVR of under 20 percent. Failure to maintain an RVR below 20 percent can result in the State being penalized from 10 percent to 40 percent of the Block Grant funding, [Exhibit C](#), page 5. What that means for the State is a loss of \$1.8 million to \$7.4 million in federal funding.

As of the 2020 Synar reporting period, the State's violation rate was above 25 percent. The 2022 Synar reporting showed the State at a violation rate that remained above 25 percent, [Exhibit C](#), page 6. To make matters worse, Nevada was the only state above the 20 percent threshold for the 2020 annual Synar reporting period, [Exhibit C](#), page 7. That put the State on a national platform for noncompliance.

Considering the proposed modifications in [A.B. 53](#), we reviewed tobacco-related statutes in several other states with consistently lower Synar RVRs than our State. Research revealed similar, and in some cases more stringent, practices than those we have proposed with respect to penalties issued to retailers for violations of statutes prohibiting the sale of tobacco products to minors.

Washington State, [Exhibit C](#), page 8, issues escalating civil penalties to the licensee on the first and second violations as well as escalating tobacco license suspensions for the third and fourth violations within a 36-month period. For a fifth violation, the tobacco license is revoked with no possibility of reinstatement for five years.

In Wyoming, [Exhibit C](#), page 9, escalating civil penalties are imposed on both the clerk and the retailer for the first and second violations. For the third and subsequent violations within a 24-month period, the retailer is issued a civil penalty of \$750 and up to a 180-day injunction prohibiting the sale of nicotine products. Wyoming allows waiver of the retailer's fine for the first offense only if that retailer can show it has an established training program and disciplinary sanctions for its employees.

In Arkansas, [Exhibit C](#), page 10, the clerks and owners can receive fines up to \$100 per violation. In addition, the state created the Arkansas Tobacco Control Board in July 2019. That board can assess penalties up to \$250 for the first violation. For licensees who are subsequently found in violation, the fines escalate to \$2,000 on a fourth violation within 48 months of the first violation.

Delaware, [Exhibit C](#), page 11, assesses a penalty against the licensee for the first violation and shortens the window for subsequent violations within 12 months of the first violation for escalating fines. They add the component of license suspension up to six months on the second violation.

To compare a similar state with comparable geography, we also looked at New Mexico, [Exhibit C](#), page 12. That state is consistently below 11 percent; but as the Synar numbers started to trend upward, it passed stricter laws with respect to retail violations. As of January 1, 2021, New Mexico not only assesses penalties against the licensees for violations at a higher threshold than any of the previous states mentioned, it also introduced license suspension on the first violation. The state has a stricter fining structure as well. It goes upward to \$10,000 with ultimate permanent revocation of a license at four violations within three years.

Utah also assesses penalties for the first violation with stricter penalties in place, [Exhibit C](#), page 13. If the actual violator is a store owner, the state has a graduated scale for subsequent offenses. If the retail employer sells a tobacco product to a minor, the retailer is subject to escalating fines for the first and second offenses within a one-year period. For a third offense within two years of the first offense, the retailer is subject to a fine of \$2,000 or a 30-day permit suspension. A fourth violation within two years of the first violation carries that \$2,000 fine and permit revocation.

Utah distinguishes its penalty structure. If it is the actual store owner who sells to the minor, there is a \$2,000 fine assessed to the retailer for the first offense. If the store owner is found in violation a second time within one year of the first violation, the retailer is subject to a \$5,000 fine and permit license revocation, [Exhibit C](#), page 13.

Utah also has a Tobacco Specialty Business distinction for retailers if tobacco products constitute 35 percent of the business's gross receipts, if tobacco-related products take up 20 percent of the retail floor space, or if that business engages in the sale of any flavored e-cigarettes. The special distinction carries escalating fines. For those types of businesses, the first violation has a \$5,000 fine and a 30-day permit suspension. If there is a second violation within two years of the first violation for Tobacco Specialty Business distinction, the fine is \$10,000, and the licensee's permit is revoked, [Exhibit C](#), page 13.

Other states have stricter measures in place and are trending below the 10 percent rate when it comes to their RVR as compared to our 25 percent rate. The commonality among these states is the issuance of penalties against the retailer for first offenses and Synar violation rates that are consistently below 20 percent.

As you consider A.B. 53, you may wonder how the State's new tobacco age verification law, effective January 1, 2022, is impacting the State's Synar rate and if that alone lessens the necessity to make the statutory modifications proposed in A.B. 53.

On December 20, 2019, President Donald Trump signed legislation raising the federal minimum age for the sale of tobacco products from 18 years of age to 21 years of age. At that time, our Synar rate was above 22 percent. As a result of the heightened sensitivity to the new federal law, the State experienced a decrease in our Synar violation rate. However, within one month of that drastic decline, the State's violation rate began to trend upward. Within two months, the State's Synar violation rate was again approaching 18 percent. Looking at the State's violation rate for the latter months of 2021, the State's Synar rate remained consistently above 20 percent, reaching thresholds as high as 32 percent, [Exhibit C](#), pages 14 and 15.

Prior to the new age verification law, the State's Synar violation rate was over 22 percent. If you look at the end of 2022, [Exhibit C](#), page 16, we were above the 20 percent threshold which puts us in jeopardy of losing a percentage of our Block Grant. When the new law went into effect on January 1, 2022, the State's Synar rate plunged to 7 percent, [Exhibit C](#), page 16. However, our inspection rates have slowly started to increase. Our RVR in February and March 2023 was 8.9 percent, [Exhibit C](#), pages 16 and 17. If history repeats itself as focus on the new age verification law wanes, the State's violation rate will continue to trend upward.

The State cannot wait beyond this Legislative Session to take measures to ensure our retailers hold themselves and their employees accountable and responsible for preventing tobacco sales to the State's youth. Nevada must act now. To lower the State's instances of youth tobacco sales, decrease our Synar violation rate and hold retailers accountable in those efforts, we propose the modification of NRS 370.521 to reflect the issuance of civil penalties against

the retailers beginning with the first violation and escalating through the fourth and subsequent violations at the same premises within 24 months.

SENATOR DOÑATE:

We are facing the public health challenge of youth vaping and the consequences of what we are seeing in our schools. When I was in high school, vaping had just started to become popular. Now vaping is not allowed for anyone under 21 years of age. In your presentation, you highlighted various state fines, penalties, and corrective actions where there is a suspension or revocation of the permitting process. I looked at the amendment introducing A.B. 53. Can you walk us through what was changed and why?

Ms. WILLIAMS:

The first iteration of the bill instituted a lower fining structure and had revocation periods, but the revocation periods were at 30 days and 180 days. As we talked to the industry and the sides of the legislation, it became apparent we needed something that would have a larger impact. One of the things the retailers talked about is the fiscal impact for them when it comes to paying a fine for tobacco versus when it comes to being suspended and the length of time it would take for the suspension period to go into effect—six months to potentially eight months or a year later. We wanted something of impact faster that would make affect the retailers themselves. That is where the escalated fining structure came from.

SENATOR DOÑATE:

It is important for us to understand the context because from my personal viewpoint, if a retailer has been caught four times within the 24-month period, that is an egregious case of violating the law that can jeopardize public health. It is feeding into the problem we have with the youth vaping. I would like to see the revocation at least with the third or fourth occurrence. Does the State conduct annual inspections or are inspections segmented every other year? Regarding online, what is the case for that? I was trying to check the process to buy a vape online, and the only question was if I was 21 years of age or older. Please address online retailers and the perspective of the inspections.

Ms. WILLIAMS:

In terms of the inspections, we have an obligation to inspect every retailer once every three years. Approximately 3,200 retailers sell tobacco in this State. The likelihood of getting to a third or fourth touch point for an individual retailer is

less than 10 percent because of the obligation to see each one. If they are conducting 100 inspections on average each month to get through over 3,000 retailers, that would take about three years. A third or fourth opportunity for the retailer to be in violation is slim. That is why the escalated fines are on the front end. What was happening before in the law is the retailer did not receive anything other than a warning on the first or second violation. It was not until the third violation that the retailer was brought into the loop. Bringing retailers into the loop on the first violation—it has an immediate impact on them and not just the clerk. The clerk, typically a minimum wage worker, was receiving a fine that definitely impacted him or her but did not necessarily impact the retailer. We want to impact the retailer right away.

Regarding online sales, to sell tobacco in the State, a retailer is supposed to have a retailer license and a physical presence in the State, not only online.

SENATOR SEEVERS GANSERT:

If you sell a tobacco product to someone under age, the penalties are not substantial. A person who violates section 1, subsection 6, is liable for civil penalties of \$100, \$250 or \$500. If you are an employee or an agent, not the owner, the penalty is \$2,500, \$5,000, \$7,500 or \$10,000. In your examples, if you were the owner or operator of the business, the penalty was higher. In this case, you may be employing someone who breaks the law. I was one of the individuals who supported the taxation of vaping products because I did not want the products to reach youths. I also know small business employers will hire people who may incur an infraction. It seems like these penalties are lopsided. Can you explain why the penalty could be five times more than an individual penalty if you are an employer or an agent?

Ms. WILLIAMS:

The structure as it exists now only impacts the seller who might be an employee who is a clerk, but it also could be the owner. That is the structure starting with the \$100 fine. The person who sells the tobacco product to a person under the age of 21 is subject to civil penalties beginning at \$100 for the first violation, \$250 for the second violation. The fines with the higher escalation are for the licensee. The person who holds the license for the business is where the fine structure increases.

SENATOR SEEVERS GANSERT:

But when you hire employees, sometimes minimum wage employees, it is not possible to always control their actions. They should be cautious. I understand the intent. I am concerned about the small business owner who faces severe penalties when the owner is not the bad actor. We want to make sure there are substantial penalties, but we also do not want to put people out of business.

Ms. WILLIAMS:

We do not want to put anyone out of business because of the acts of employees, but a subset of business owners are telling their employees to make the sale to whoever is coming in and encouraging their employees to not abide by the law. We want to make sure the retailers are educating their employees and have the proper measures in place.

Coupled with NRS 370.521, subsection 3 where it is mandatory that every business has scanners or automated technology to age verify, the automated technology and scanners should not allow an employee to make an illegal sale and should show the buyer is not of age to purchase a tobacco product. If employees are making the sale anyway, stronger measures need to be in place. It is the employer who is responsible.

SENATOR SEEVERS GANSERT:

You mentioned they have electronic age verification scanners, yet our RVR is still over 25 percent. Is that correct?

Ms. WILLIAMS:

They are supposed to have the technology, but many retailers do not. The law went into effect on January 1, 2022. The expectation is the employers have had more than a year to put those measures in place. Our inspections have shown many retailers have not yet secured the automated scanning technology. As they are getting the technology and following the law in that respect, the two laws coupled together will help us keep our rates low.

SENATOR SEEVERS GANSERT:

Perhaps retailers cannot afford to obtain the equipment, so we need to be thoughtful regarding the high employer penalties.

Ms. WILLIAMS:

The law is designed for the retailers to have scanners or automated technology. There are free technologies the retailers can use allowing them to be in compliance with the law. Free technology is provided by the U.S. Food and Drug Administration. Other free automated functions or applications can be used on a cell phone for those retailers that do not want scanners which is why the law says scanning technology or automated technology is required.

SENATOR SPEARMAN:

In 2019, President Donald Trump signed legislation raising the federal legal age from 18 years of age to 21 years of age. What about service members? The law should be the same on and off base, but there is always the question if someone is old enough to go to war, why would they not be able to purchase tobacco products if they are under the age of 21. I am not advocating for or against, I am just trying to get clarification on that.

Ms. WILLIAMS:

The federal law is 21 years of age. Some states have elected on their own how to implement the law. A few states have not implemented the federal law. It used to be 21 years of age for anyone who was not service-related; and for the military, the law was 18 years of age. Across the board now, the law is 21 years of age, and that is the law in our State.

SENATOR BUCK:

Is there a whistleblower platform for those employers who are encouraging their employees to sell to minors?

Ms. WILLIAMS:

There is not a formal whistleblower platform, but we do have a tobacco enforcement email where we receive messages from the public who have experienced vaping products being sold for use by minors. Our investigation team will inspect those specific retailers that have had an allegation of a violation. We also had employees who said this is what they were told to do, and they will anonymously submit to that tobacco enforcement email.

CHAIR NEAL:

I want to go back to the data in [Exhibit C](#), pages 15 through 17. It was interesting to me that in July and August 2021 and November 2022, there were

lower numbers of inspections. How was this information averaged because there are months where the percentage is higher because you did not inspect and then when you get to December 2022, you have 126 total inspections and 22.8 percent. Can you tell me how you averaged this data?

Ms. WILLIAMS:

Looking at our Synar rates for 2021 and 2022, we are consistently above 20 percent whether we have the lower or higher threshold of inspections done. There are months where we have lower inspections. We have two investigators, and they go out in pairs. We lost an investigator in one of those years, so the numbers dropped. We also have the Synar time frame; when you are talking about Synar, 800 randomly selected locations must be visited in the Synar period. There is an extreme focus between the months of October and June to get those Synar inspections done. A larger threshold of inspections are done when our investigators can be in the south because there are more retailers and the geography is more concentrated. When the investigators travel to the north, they concentrate on inspections for two weeks to a month. If they are in an area not as populated, the number of inspections will go down. For example, in April 2023, there were 70 inspections compared to January 2023 when there were 143 inspections. January and February inspections were in the south, and April inspections were in the north.

CHAIR NEAL:

When I looked at 2021 and 2022 data, [Exhibit C](#), pages 15 and 16, we were still experiencing the COVID-19 pandemic. Was anything revised at the congressional level dealing with the inspections on how to examine this data in the absence of people moving around and physically going places?

Ms. WILLIAMS:

Because of the pandemic, there was a hiatus for three years when it came to penalty structure. None of the states were subject to a penalty for that three-year period because in many instances, states were not conducting any inspections during 2020 because everything shut down. They ramped back up in 2021. For 2020 through 2022, we were in hiatus. Although we were above 20 percent, we were not subject to the penalty structure. The hiatus ended in 2023. It is imperative we make sure we are below the 20 percent threshold so the State is not impacted with a penalty of \$1.8 million.

CHAIR NEAL:

Looking at all the data blocks as a representation of how this problem is growing, you are substantiating the problem.

Although existing law, section 1 of the bill matters because of the heightened fines. Section 1 includes vapor and alternative nicotine products made or derived from tobacco. Section 1, subsection 7 addresses the licensee changes pertaining to an employee or an agent and heightened fines. Who is classified as an agent of the licensee because line 3 on page 3 of A.B. 53 states "[I]f an employee or agent of a licensee has violated subsection 1" which is part of section 1, subsection 7? I am trying to determine who is an agent of the licensee for any derivative of a tobacco product who may not be in control where increased penalties may be applied upon a series of violations. Who is this agent responsible for derivatives of nicotine or vapor because section 1 says any product all the way through?

Ms. WILLIAMS:

Subsection 7 says "[I]f an employee or agent of a licensee has violated subsection 1." This refers to the person who made the tobacco-related sale. That could be the clerks who are the employees, but sometimes someone will have a friend come in and be his or her clerk for the day. That is who we are talking about with respect to the agent. Whoever the licensee has vested with the responsibility of selling tobacco in the establishment, the licensee is responsible for that person.

CHAIR NEAL:

In my world, an agent does not always have certain legal responsibilities. If you are an agent of a licensee, there is a different legal definition of an agent. What are the characteristics of the agent in the NRS for subsection 7?

Ms. WILLIAMS:

In the licensee's establishment, it is an individual making a sale who is a nonemployee.

CHAIR NEAL:

So they are now vicariously liable or jointly liable, or it is just the individual, not the licensee and the agent?

MS. WILLIAMS:

This pertains to the individual who made the violation. The person receiving the fine is the licensee. It says to the licensee that someone they have employed or someone they have vested with the responsibility of selling tobacco to someone in the licensee's establishment who is a nonemployee; if they violate section 1, then the licensee is subject to the penalty. The penalty only goes to the licensee.

CHAIR NEAL:

I do not read it that way because it says "if an employee or agent of a licensee has violated subsection 1." I would be trying to figure out how my employee or agent is going to pay half of the fine.

MS. WILLIAMS:

If an employee or agent of a licensee has violated subsection 1 for the first violation within a 24-month period at the same premises, the licensee is liable for civil penalty.

CHAIR NEAL:

What is the rationale for moving from \$1,200 to \$5,000 or \$2,500 to \$7,500 and then to \$10,000? I am asking because the data blocks in [Exhibit C](#) do not necessarily support the fines.

MS. WILLIAMS:

The numbers from the fining structure came from collaboration with industry itself.

CHAIR NEAL:

It is interesting the industry suggested the fine amounts.

SENATOR DOÑATE:

If alcohol is provided to a minor, it is a misdemeanor offense. There are statutes in place similar to what we are discussing today. We have discussed civil penalties and escalating fines. Have there been conversations within your office or with public health officials about mimicking legislation in place for the illegal sale of alcohol?

Ms. WILLIAMS:

We keep alcohol and tobacco separate. Before 2019, it used to be a criminal offense to sell tobacco to a minor. We were finding some clerks were putting their citizenship in jeopardy, and that was changed from a criminal structure to a civil structure. It is recent in our history that tobacco violations for a clerk went from criminal to civil penalties.

SENATOR DOÑATE:

What session was that and what was the bill number?

Ms. WILLIAMS:

It predates me, but we can get the information for you.

SENATOR SPEARMAN:

Whenever money comes from the federal government, there are certain requirements to get funding. Are funds available to the State perhaps because of tobacco settlements? You mentioned \$1.8 million to \$7.4 million. Is the money tied to what we do with respect to enforcement?

Ms. WILLIAMS:

The Block Grant says we must conduct random Synar inspections of businesses. They take the geography of our State and randomly make a selection of businesses. That is where we arrive at approximately 800 inspections that must be completed for Synar for us to receive the Synar Block Grant funding which constitutes about \$18.5 million for the State. To keep all the \$18.5 million, we must maintain an RVR below 20 percent. If we are above 20 percent, we face a 40 percent penalty of the \$18.5 million which constitutes about \$7.4 million in lost funds to the State. We must conduct and complete all the Synar inspections and maintain an RVR of 20 percent or below.

CHAIR NEAL:

The Synar inspection guidelines said to issue the fines and prevent the selling of tobacco products to anyone under 21 years of age. It also said consideration should be given to changing or revising the sampling methodology and inspection protocols. Will that be done?

Ms. WILLIAMS:

When we submit our Synar report each year, we must also submit our protocols, and they must be approved, including our youth inspectors. We must have a certain mix of genders and ages for our youth inspectors because if we get a bunch of 16-year-old youth inspectors, people are less likely to sell to someone who presents younger. All of this is reviewed on an annual basis. We also are not the only entity in the Synar guidelines. The education guidelines are handled by the health industry. While we have many partners, we are responsible for enforcement.

SENATOR DOÑATE:

When I think about public health surveillance and making sure our enforcement is there for the laws we pass, it is important to also ensure we are routinely inspecting and monitoring what is on the ground. If a bill passed in a previous session that said we are doing something for various reasons, we can reconsider that bill because obviously it is not working if we are seeing the increase of youth vaping. You noted the structure we have for conducting inspections within the three-year period. What infrastructure do you need to get to annual inspections? Have you had a conversation as to how many people you need to hire? From my perspective, conducting more inspections could lead to more fines to cover the costs of hiring more people. What infrastructure do we need to get to the annual inspections so we can comply with what is being done federally?

Ms. WILLIAMS:

We have two POST-certified police officers who conduct the inspections together. We also have a youth inspector. We would need six officers and roughly 18 youths to be able to get to an annual inspection structure. We are not the only entity conducting inspections. Our health partners do a Standardized Tobacco Assessment for Retail Settings survey where they look at where the tobacco placing is, whether scanners are being used and whether sales are being made to youths. They do not have enforcement capabilities. They educate on the law and the impact of violating the law. There are more boots on the ground than just our enforcement staff.

PETER KRUEGER (Nevada Petroleum Marketers & Convenience Store Association):
Of the roughly 3,200 licensed tobacco retailers, about 1,280 are designated as convenience stores. Even with the line of questioning, our support for A.B. 53 remains firm as the bill is written. I learned from the testimony there allegedly

are employers who are encouraging their employees to sell tobacco to underage individuals. This is news to me, and I want to get to the bottom of that allegation because I do not believe it.

What you have before you, from the bill as introduced to the first reprint, is highly negotiated language between industries. Our support encourages higher employer fines, not employee fines. We need to make that clear based on some of the questioning. This language addresses the employer. The references to agents is news to me because in the retail world, I know of no one who wanders in and starts selling tobacco products in somebody's store unless we are talking about contract employees; among our members, I find that not to be factual. I do not know what the term "agent" represents.

The electronic age verification in place for five months is helping. It is true not every employer or every business has the technology. You can pay for it or get a free product called TruAge which is an open-source code. If you take a credit card in your business, you already have the scanning technology and the back room that supports the credit card. Of the 34 bits of code on a driver's license, there are only four pieces of information used when it is swiped. There is no excuse for a business that does not have an electronic age verification device. Our association supported these increased fines to get the attention of retailers.

I would suggest most retail business owners are trying to do the right thing. Do clerks make mistakes? Sure. That is why the electronic system is helping. It is no different when a clerk needs to make change. It used to be cash registers did not indicate the amount of change due to a customer. New registers have similar technology helping clerks. We have some problems. We are struggling with scanning foreign driver's licenses and passports, but technology is advancing every month.

We want to continue to work with the Attorney General and the health agencies. Every age-restricted product in the State, including alcohol, tobacco and marijuana, should be subject to electronic age verification. The bill that passed last Session only addresses tobacco.

TOMMY FERRARO (Nevada Resort Association):

We would like to thank the Office of the Attorney General for working closely with us on A.B. 53, and we fully support the Office's efforts in reducing underage smoking in the State.

TOM MCCOY (Nevada Tobacco Control & Smoke-Free Coalition):

We are in opposition to A.B. 53. The Nevada Tobacco Control & Smoke-Free Coalition (NTCSC), formerly known as the Nevada Tobacco Prevention Coalition, is comprised of collaborating public health, health care and community-based organizations; local and national nonprofits; professional and medical associations; and higher education and governmental entities.

The NTCSC is concerned the current version of A.B. 53 fails to adequately address the troubling issues of tobacco retailer sales to minors in the State. The State's youth can and will continue to access tobacco products illegally until the Legislature supports a more effective version of a tobacco retailer bill.

There is an immediate need for increased penalties for repeat retailer violations to include increased fines for the retail licensees, not the salesclerk. There should be a mechanism to suspend and/or revoke tobacco retail licenses for multiple violations. The State should require no less than annual compliance for tobacco retailers rather than once every 3 years and an alignment of reinspection penalties to 36 months rather than a do-over period of 24 months.

Enforcement policy can be enhanced by mandatory tobacco retail training and a continuation of youth prevention education. Youth prevention funding ends with this biennium, and there is none proposed for the next two budgetary years.

The NTCSC is in opposition of the amended version of A.B. 53 and looks for an opportunity to strengthen the bill's language. More can and should be done to significantly decrease illegal tobacco sales to our youth and prevent addiction and health risks.

CAITLIN GATCHALIAN (American Heart Association):

The American Heart Association opposes A.B. 53. Although we appreciate the improvement to our current tobacco retail licensing policy, the policy overall does not reflect best practices to reduce the RVR. Therefore, the State could lose funding through Synar. We want to decrease the number of kids getting access to tobacco products from retailers. We need annual compliance checks, license suspension and license revocation for repeat offenders. Based on the presentation by the Attorney General's Office today in comparison with other states, we should include suspension and revocation. The American Heart Association opposes A.B. 53.

JOANNA STROTHER (American Lung Association in Nevada):

The American Lung Association (ALA) is respectfully opposed to A.B. 53. Selling tobacco products to minors is a public health issue. According to the ALA State of Tobacco Control report, Nevada fails when it comes to passing policies to protect our youth. Approximately 21.4 percent of our youth in the State are using tobacco products. Kids can access tobacco products more easily in states that do not have a comprehensive license and compliance check program because retailers know there is no risk of a license suspension or revocation. Therefore, with no meaningful repercussion, the State's tobacco retailer noncompliance rate exceeds 20 percent.

The language in A.B. 53 does not go far enough to protect youth. A comprehensive retail license, which includes annual compliance checks and a penalty structure that includes suspension and revocation of the license, is needed to keep kids healthy and safe. This was also stated in the presentation. Measures that work in other states with lower violation rates include these components. The ALA would like to see the language improved and reflect changes to keep retailers accountable.

CARI HERINGTON (Nevada Cancer Coalition):

We are a partnership of public and private health researchers and advocates across the State working together to reduce the burden of cancer. Tobacco control, specifically for our youth, is a huge issue for us. We respectfully oppose A.B. 53 and echo the comments of our colleagues who have also spoken in opposition.

MEGAN BOELTER (Preventing Tobacco Addiction Foundation):

We are in opposition to A.B. 53. For more than two decades, the Preventing Tobacco Addiction Foundation, also known as Tobacco 21, has worked to raise the minimum legal sales age for all tobacco and nicotine to 21 years of age and has developed model policies in conjunction with our national health partners to help states navigate best practices when complying with and enforcing federal, state and local tobacco retail license programs.

We appreciate the opportunity to provide our support and comments on revising the penalty structure for retail violations in the State. Along with every other public health, medical and youth advocacy group, we strongly oppose revised regulatory provisions written by the tobacco industry and some retailers which

simply create high fees for those retailers that choose to sell tobacco and nicotine products to kids in violation of federal and state law.

As written, with no mandatory compliance checks or any risk of potential suspension or revocation of a tobacco retail license, this bill does little to impact retail sales of tobacco products to youth in the State. The Attorney General's Office provided evidence of the correlation of penalties to the Synar RVR. The states with the lowest violation rates correlate to penalties which have license suspension and revocation on the table. This bill does not.

The State's public health partners and my colleagues have addressed the State's high RVR of 30.4 percent in 2022 and 28 percent in 2023 putting the State at risk of losing critical substance abuse Block Grant treatment dollars. Even more critical is the loss of health and productivity for the generation of youths primed for a lifetime of addiction.

Please note those in support of this bill and those in opposition. There is a discrepancy in those whose sole purpose is to improve the health and welfare of youth in the State versus an industry which does not include responsible retailers. Those that make a profit from the sale of addictive products and create lifelong customers should give the State pause in passing this bill.

We support responsible business owners. A comprehensive penalty structure would ensure bad actors are held accountable so a retailer that continuously sells to kids with three or more violations should no longer have the privilege of holding a license.

The Tobacco Retail Licensing annual fee in the State is \$50, one of the lowest in the Nation. Increasing the license fee to at least \$100 to help fund better inspection protocols is less attractive than raising the first penalty fine by 500 percent from \$500 to \$2,500. The same goes for the second, third and fourth violations. In other states, high fines are budgeted into the cost of doing business. A license to sell an addictive and harmful product is a privilege, not an entitlement. With that privilege comes a responsibility to act in accordance with protections which preclude the sale of harmful addictive products to those under the age of 21. When you talk about costs, ask the schools in the State with over \$1 billion in annual healthcare costs due to the burden for tobacco and nicotine use what this State is willing to pay.

I would appreciate being at the stakeholder table when you are developing further amendments to A.B. 53.

BRYAN WACHTER (Retail Association of Nevada):

The Retail Association of Nevada is neutral on A.B. 53. Mr. Krueger was not wrong when he talked about how negotiated this piece of legislation was.

We have some trouble coming out of neutral on A.B. 53 for many reasons. While the rate seems high, you must remember that in our State, it is not a crime for anyone under the age of 21 to seek out, purchase or proposition a store owner to purchase these kinds of products. When you look at other states highlighted in the Attorney General's presentation, Exhibit C, most if not all of those states with low thresholds have a prohibition against minors purchasing these types of products. We do not have that in our State.

State policy needs to have a number of tools in place before deciding to close a business which will have an economic effect on a neighborhood and a retailer's employees, especially on employees who were not the clerks who made a sales mistake. We, too, would find it troubling if there was a business owner whose business model would include instructing employees to make or encourage illegal purchases. The Attorney General's Office indicated it can resend an inspector, especially based on a complaint. It is possible to get beyond those regular inspection time frames in place.

Those are compelling reasons why we feel it is difficult for us to support this legislation. We do not want to oppose the legislation because we need to tackle this as a State. We are prepared to do our part. You saw from the statistics most Nevada retailers are complying with this law. Under the revised version of the bill, a retailer never having a violation could have an employee who made a mistake one day, and now the retailer is suddenly faced with a fine on the first instance. That is a lot to give up, but we do recognize the Attorney General's Office may be right in that the initial fine immediately after might be enough to bring our violation rate down.

When you look at the last data block, Exhibit C, page 17, there appears to be a large difference between the Attorney General's inspection rate and the Synar inspection rate. That does not occur in any of the other data blocks.

We agree there should be more review on the data. This is why the Retail Association of Nevada is neutral on A.B. 53.

CHAIR NEAL:

We will close the hearing on A.B. 53 and open the hearing on A.B. 98.

ASSEMBLY BILL 98: Revises provisions governing economic development.
(BDR 18-760)

ASSEMBLYMAN DUY NGUYEN (Assembly District No. 8):

Assembly Bill 98 is set to strengthen the State's workforce development system so all Nevadans have the skills they need to succeed as a top priority for all of us. We often hear from employers and businesses, large and small, rural and urban, that they are facing a workforce shortage. Our constituents say they want to enter or re-enter the labor force, but there are barriers of entry for them to do so. Additionally, when employers are looking at the State as a location for their company, they ask about three things: water, land and a ready and available workforce. Increasing the State's labor force participation rate is a bipartisan issue that we must fix to avoid will impeding access to career pathways, prospering businesses and economic development efforts.

We have heard many ideas this Session on how to strengthen the State's workforce development system, such as streamlining services and increasing access. One way to do this is through A.B. 98 to make sure information flows from the local regional workforce development boards to the Statewide Governor's Workforce Development Board (GWDB).

The regional workforce development boards have effective and active industry sector councils which elevate business voices from key industry areas aligned with the State's economic diversification objectives. This includes health care, manufacturing, technology, transportation, construction and other key areas on which the State's resiliency relies. Hearing from these business leaders helps policymakers like us understand the workforce issues they are experiencing so we can respond through sound public policy.

Nevada Revised Statutes prescribes the Governor's Office of Workforce Innovation (GOWI) to have its own competing Statewide sector councils, which are redundant. A better approach is to streamline efforts so the local sector councils have a channel to flow information up to the GWDB. This will reduce

government redundancy while strengthening the State's workforce development system.

Assembly Bill 98 contains proposed clean-up language for the NRS pertaining to the GWDB and Industry Sector Councils, which are managed under the GOWI. The objective is to streamline workforce development efforts so there is more alignment and regional focus.

Assembly Bill 98 contains suggested language to revise NRS 232.935. This serves to clean up and update this section in NRS because the Board is no longer titled the Governor's Workforce Investment Board but instead is the Governor's Workforce Development Board. Additionally, this section revises the direction for the GWDB to have industry sector councils.

There are competing and duplicative industry sector councils because of both regional sector councils and partnerships and the GOWI's Statewide sector councils. In southern Nevada, Workforce Connections has seven efficient and effective industry sector councils established pursuant to the regions' Comprehensive Economic Development Strategy (CEDS).

The sector partnerships elevate relevant and timely discussions on in-demand industries and occupations as it pertains to strengthening Nevada's workforce development system. In northern Nevada, Nevadaworks was awarded a Good Jobs Challenge grant to establish regional industry sector councils and partnerships.

Nevadaworks and Workforce Connections are working together to bring this regional industry sector council model that has been proven effective to both regions of the State. These regional sector partnerships allow for a bottom-up approach for information sharing regarding workforce development issues and opportunities to flow up government channels.

The GOWI no longer should be required to have competing Statewide industry sector councils. Instead, these sector councils should be replaced by the regional sector councils. This will increase collaboration and cooperation between the State and regional workforce development organizations, strengthen alignment between workforce development agencies and reduce duplication.

I would like to introduce former Assemblywoman Irene Bustamante Adams who, as the Chief Strategy Officer for Workforce Connections, will complete the presentation.

IRENE BUSTAMANTE ADAMS (Workforce Connections):

Workforce Connections serves the Clark, Lincoln, Nye and Esmeralda Counties. Our counterpart, Nevadaworks, serves the other 13 counties. I will provide a brief background and highlight successful milestones regarding the industry sector councils.

Last year, we aligned our regional economic development with the Las Vegas Global Economic Alliance, chambers of commerce, school districts and our higher education partners to convene these industries and sector partners. We follow the CEDS identified in these sectors. It was a heavy lift to launch all seven industry sectors of health care, general and advanced manufacturing, information and communication technologies, transportation and logistics, clean technologies, business and financial services, and creative industries here in the southern Nevada region.

The model is being validated by the U.S. Economic Development Administration because it just granted our northern Nevada counterparts approximately \$4 million to set up this model in the north. This effort is based on a nationally recognized model called the Next Generation Sector Partnerships that includes the following factors: first, it must be employee-led, not the other way around; and second, it must be the employers leading from the front so when we convene as the employers, we are there to listen and to identify short-, mid- and long-term goals they have for their talent needs. This includes small, medium and large businesses that have a common thread with providing more opportunity for collective impact when we are designing the talent pipeline. We—the local workforce board, grades K-12 and higher education—are called acquisition partners in the model; and our role is to listen and customize training for the industries collectively for more impact. For a long time, it was the other way around. We told the employers, here is a training model you need for your talent pipeline. Pick the one you want. That was frustrating and not productive.

Employers in the manufacturing sector said they wanted to concentrate on K-12 as one of their talent pipeline strategies. In high school, we heard they wanted critical-thinking and problem-solving skills and teamwork from their young adults. One solution was to have a reverse job fair for these employers

through a student showcase we conducted in March this year. The pilot convened the students who acquired manufacturing, automation and robotic skills during their high school years, and it was wildly successful. We had 20 employers and more than 35 students participate. The students came prepared with their résumés. They were able to meet with employers that offered jobs and internships. The goal is to keep our talent locally. We plan to replicate that model in other high schools.

In middle school, the employers wanted a strategy to connect to middle school students and let them know the main occupations for their industry in manufacturing. We partnered with the Nevada Department of Education that selected a virtual platform to get teachers access to industry professionals and have kids learn about the different industries. Through this virtual platform, a student can learn about the day in the life of a certain manufacturing career. Employers participated by giving a virtual tour of the workplace and discussing career pathways. This was an interactive experience for the students, the teachers and the employers.

In elementary school, the employers highlighted in-demand occupations through a coloring book teaching about those occupations. That effort starts to plant the seed in the elementary school of what the future jobs will be when students prepare to graduate. We have done pilots in a few schools, and they were well received.

These are examples of how the regional sector partnerships have evolved and are working better than the Statewide sectors we created when we formed the Governor's Office of Economic Development (GOED) in 2010. The intent during the Great Recession was a good idea, but we realized a different need within the regions; the more localized and regionalized we can make it, the better.

SENATOR SPEARMAN:

Do the sectors include energy since that sector is starting to shape the economic development, not just nationwide but specifically here in our State?

MS. BUSTAMANTE ADAMS:

The CEDS report is classified under clean technology so it is broader than clean energy. So yes, energy is included.

SENATOR SPEARMAN:

The Regional Transportation Commission of Southern Nevada received \$3.8 million to look at how it employs hydrogen fuel cells in the buses, and \$8 billion has been allocated from the Biden Administration for which several organizations here in the State have applied. As the energy sector develops and bifurcates, not just in electrification, are we looking at what is now and also what is next? How might we leverage existing dollars for the future, especially when we start talking about advanced manufacturing and how that relates to the development of our diversified economy?

MS. BUSTAMANTE ADAMS:

Because it is employer led, they know their industry and where it is headed. I would say you are spot-on in that it is not just existing talent pipeline needs but what is coming. For example, in the clean technologies arena, we were part of that application for the hydrogen grant from a regional standpoint because one of the members of clean technologies is Air Liquide that brought to our attention the opportunity to partner with the University of Nevada, Las Vegas, to submit the application. It is futuristic and for all sectors, including manufacturing and health care, not just clean technology.

CHAIR NEAL:

In section 3, subsection 1 you add the members of the local workforce development boards and other business representatives from industry sectors and then in section 3, subsection 2, you have collaboration with the local workforce development boards. Is there increased participation now, or are you using this language to make the collaboration stronger? There was a bottleneck where the locals were doing one thing but not necessarily increased coordination between all groups to align efforts.

MS. BUSTAMANTE ADAMS:

Increased participation and coordination were part of the existing barrier. Not only do the employers lead the conversations and we circle around them to understand their needs, but there is also coordination with the GWDB so we are in alignment for what we need from a regional standpoint. The intention is to increase participation and coordination.

CHAIR NEAL:

I understand adding the business representatives to drive the narrative, at least in terms of the need; but even with this collaborative piece, how will this help a

college or community college with a workforce program ramp up? Even if you have multiple pieces of collaboration, there is a need for flexible dollars. In the Interim with the Student Annual Needs Determination Inventory (SANDI) Grant, we saw an ability to take SANDI dollars which were more flexible than Workforce Innovation and Opportunity Act (WIOA) dollars to ramp up new programs. The colleges had more opportunities to engage and create more flexible training programs so students or community members could participate. We know the SANDI dollars are expiring if not expired. How does this help a college or community college that is running a workforce program ramp up because it has barriers with federal money just as everyone else has barriers with WIOA money? If you are not extremely poor, sometimes federal money misses the mark in terms of helping to train people who fall into different categories of need.

MS. BUSTAMANTE ADAMS:

The collaboration is because the community colleges and other higher serving institutions are at the table. We are listening to employers at the same time to understand their needs. They let us know what they need, and an appropriate skill acquisition partner like the community college develops the training employers need, and they are asking for shorter-term certifications.

With the SANDI grant dollars, if we have training the community college has developed for the employer, but the cost is \$10,000 for the individual, typically, WIOA dollars pay up to \$8,000 and then the individual would be out of pocket for the remaining amount. Because of this coordination, we can cover the remaining cost so the individual does not have to produce the funds. The community college is mindful of the training needed. It is not a cookie-cutter approach but customized for the industry. We are collaborating regionally to make sure we are covering the training for constituents so they do not have to pay the remaining balance.

Finally, because of the collaboration, we may give the individual a stipend while in training. Before our coordination efforts, that was not happening. Because we have regular communication due to this regional approach, we have a stronger strategy to address the talent pipeline needs.

CHAIR NEAL:

How will this bill help remedy the barriers with the dual enrollment challenges in the workforce? Community colleges can go after certain students in the

Clark County School District population, but that school district does not want to share that student because it is getting points for the numbers. If community colleges cannot pluck from younger individuals, they may want to get into the pipeline. How do we deal with the barrier where a college will say we do not want to let our student enroll in your program because we need the numbers on this side of the equation? There is no cross-populating. When we say we want to customize and ramp up at the college level, the K-12 school will not allow its students to be in the program because that school is running its own workforce program. Duplication does not allow students to take advantage of who can customize and ramp them up because one of the weaknesses on the K-12 side is they do not have the capacity to do that yet. They are tying the hands of other groups because they do not want to share students, and that is a problem. You can collaborate, but that is a key barrier when each entity is counting numbers to turn back to the federal government.

MS. BUSTAMANTE ADAMS:

Because of the collaboration between the Economic Development Authority, ourselves and the other groups mentioned, the Las Vegas Global Economic Alliance (LVGEA) is taking the lead on this. It is developing the talent pipeline council to include the K-12 leader plus the president of Nevada State College to make sure dual credit is a top priority because we have not yet solved the problem. Conversations and strategy sessions will start this summer. Is everything fixed? No, but that is the alignment and strategy we are moving toward.

CHAIR NEAL:

I hope one of the strategies is that someone will stand down to allow the customization for the actual constituency to get it in the pipeline. Although K-12 is at the table, K-12 may not be the party to hold the line on cross population to allow someone to take advantage of a program because they do not want to reduce their numbers. There needs to be a conversation about if the K-12 system is getting federal allocation, it might need to reduce interaction to allow the colleges to collaborate with the workforce boards.

SENATOR SPEARMAN:

The Chair addressed the K-12 system. As to the evolving workforce needs relating to current jobs and those jobs going away within the next decade, has there been any thought given to working specifically with labor organizations given the jobs that will disappear by 2030? For people in their late thirties or

mid-forties, are we doing anything to help them identify how they might leverage their skill sets toward their next jobs?

Ms. BUSTAMANTE ADAMS:

Labor is part of the conversations. We are waiting for the end of Session to take a deeper dive, but transition needs to happen. It is part of the comprehensive strategy we are addressing.

SENATOR SPEARMAN:

The community colleges should be an active partner in this because people will be looking to the community colleges when their current work goes away. In my District 1, many people are part of the service and servicing industry—retail clerks, warehouse workers and people in the hospitality industry. As those jobs become more automated, those jobs will be going away. I do not know if we have time to wait to make sure those people know the community colleges have a place for them. We could leverage federal dollars from the U.S. Department of Labor to help start the training while individuals are still in an active work environment.

Ms. BUSTAMANTE ADAMS:

I can assure you they are at the table with us. Sometimes, the conversations are daily on how to leverage available dollars to tackle the fact that artificial intelligence will automate many jobs and how a community college could be the solution. For example, we partnered regionally to apply for grants to build the training centers. We supported the College of Southern Nevada to get the funding for the first training center in Henderson. That is the collaboration about which I am talking. We are looking at who best should take the leadership role in the grant process so we can build regional collaboration. The Henderson Center of Excellence is one of three training centers opening in the southern Nevada region. The community college is the lead in each one. We are involved together in that strategy. There is no infighting on the distribution of dollars because it benefits the region. The College is participating is the conversation not just as a participant but as a leader.

DYLAN KEITH (Vegas Chamber):

We do support this legislation and are pleased with the collaboration.

ANTHONY RUIZ (Nevada State College):

We are happy to support A.B. 98. The section of particular help is the push to regionalize some of the boards. We have participated with industry sectors in partnership under this bill. Our approach to economic development is regional in nature. The comprehensive economic development strategy was mentioned. As we continue to make the process more efficient, it allows us to come together with more streamlined requests in better order. Nevada State College hopes to continue to be a part of the process. Coordination pushed down to the regional level would help us apply for grants through the CEDS for grants and economic development. The bill makes a lot of sense, and we are appreciative of the sponsor for bringing it forward.

ASHLEY CRUZ (Las Vegas Global Economic Alliance):

When working together with business and industry, we strongly urge and encourage thoughtful measures like Assemblyman Nguyen's bill reducing governmental hurdles and creating efficiency so the needs of our communities are better addressed, including workforce challenges as they directly impact our economy and overall quality of life.

The LVGEA is part of taking the reins on the task force and establishing that network of councils. We will continue those conversations during the Interim.

JACK GIESEA (Regional Transportation Commission of Southern Nevada):

We are a member of the transportation and logistics industry sector partnership through Workforce Connections and would be thrilled to see those perspectives included as part of the GOED. That is an integral part of a strong workforce development pipeline.

KATIE GILBERTSON (Governor's Office of Workforce Innovation; Governor's Workforce Development Board):

We are testifying in neutral for A.B. 98. We see this bill as having a positive impact on strengthening and aligning Nevada's workforce development system. The bill is proposed cleanup language for the NRS pertaining to the GWDB and industry sector partnerships which are both managed under the GOWI. The objective is to streamline workforce development efforts so there is more alignment and regional focus allowing for a structure that ensures information flows from the local regional workforce development boards to the Statewide GWDB.

Workforce Connections and Nevadaworks have elevated business voices through these industry sector partnerships in key areas aligned with the State's economic diversification efforts. This includes health care, manufacturing, technology, transportation, construction and other key areas on which the resiliency of the State relies. Hearing from these business leaders helps us understand workforce issues they are experiencing. This will reduce government redundancy which will strengthen the State's workforce development system.

SENATOR SPEARMAN:

As you move through the training and reskilling of the workforce, is it possible to include childcare? Those types of services will be important for individuals who are developing new skill sets or bettering the skills they already have. Making sure there are folks on board to look at that is a good idea.

ASSEMBLYMAN DUY NGUYEN:

That suggestion has been noted.

You have heard from business associations and the regional one-stops that are the experts on the ground in our local neighborhoods and communities. They are the closest and best aligned to understand the workforce needs of the businesses in their regions.

Streamlining industry sector councils so information can move up the chain to State Legislators to reduce redundancy, increase career pathways for Nevadans and strengthen Nevada's workforce and economic development goals is why I am before you today. I am asking for your support of A.B. 98 and thank you for your consideration.

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Senate Committee on Revenue and Economic Development
May 9, 2023
Page 32

CHAIR NEAL:
The meeting is adjourned at 2:59 p.m.

RESPECTFULLY SUBMITTED:

Connie Summers,
Committee Secretary

APPROVED BY:

Senator Dina Neal, Chair

DATE: _____

EXHIBIT SUMMARY				
Bill	Exhibit Letter	Introduced on Minute Report Page No.	Witness / Entity	Description
	A	1		Agenda
	B	1		Attendance Roster
A.B. 53	C	2	Stacey Williams / Office of the Attorney General	Presentation