

NEVADA ASSOCIATION OF COUNTIES (NACO)

Board of Directors' Meeting

April 25, 2025, 9:30am

NACO Conference Room

304 S. Minnesota Street

Carson City, NV 89703

ADOPTED MINUTES

Attendance: President Andreozzi, President Elect Gardner, Vice President Andriola, Clark County Commissioner Kirkpatrick, Douglas County Commissioner Tolbert, Esmeralda County Commissioner Perez, Lander County Commissioner Helming, Lincoln County Commissioner Poulsen, Lyon County Commissioner Keller, Storey County Commissioner Carmona, White Pine County Commissioner Carson, and NACO Staff (Vinson Guthreau, Jennifer Berthiaume, and Amanda Berg)

Affiliate Attendance: Carson City Treasurer Rasor, Nevada Association of County Treasurers.

The meeting was called to order at 9:33 a.m.

1. **Public Comment.** None was given.
2. **Approval of Agenda.** The agenda was approved on a motion by Commissioner Keller with second by Vice President Andriola.
3. **NACO President's Report.** President Andreozzi informed the Board that he had arrived in Carson City in advance of the meeting to participate in the legislative process, noting that he had met with Assemblymember Gurr and Senator Ellison and had attended several committee hearings. He also discussed meeting with Tim Robb, who is the Rural Liaison for Governor Lombardo and encouraged Board members to reach out to Mr. Robb regarding rural issues that the Governor should be aware of, or act on.
4. **NACO Executive Director's Report.** Vinson reminded the Board of the National Association of Counties (NACo) annual conference which will take place beginning July 11th in Philadelphia, reminding them that the Early Bird registration would end the following Monday. He encouraged the Board to attend as it is a highly informative event at which the NACo leadership elections also occur, noting that the profiles of the candidates for the NACo 2nd Vice President would be distributed with the meeting summary. Vinson also informed the Board that a dinner for Nevada attendees would also take place. He concluded his report by informing the Board that there would be new opportunities coming up in January 2026 with regards to Rural managed care.

5. **Approval of Minutes of March 28, 2025, NACO Board of Directors Meeting.** The minutes were approved as presented on a motion by Vice President Andriola with second by President Elect Gardner.
6. **Presentation and Overview Regarding the Nevada Division of Insurance, Including State and National Trends Regarding the Insurance Industry, Scott Kipper, Commissioner.** Mr. Kipper thanked the Board for the opportunity to address them and began his presentation with an overview of the Division's mission to provide consumer protections and ensure the solvency of providers, noting that the Division had helped recover over \$9 million for Nevada residents. Mr. Kipper informed the Board that the Division is responsible for the oversight of the over \$30 billion dollar industry in the state and that they oversee over 1,500 carriers and 275,000 licensed agents of which 140 carriers and 25,000 agents reside in Nevada. He also informed the Board that approximately \$600 million is added to the State's General Fund through the collection of taxes on insurance premiums. Mr. Kipper then gave the Board an overview of market trends, including increasing rates and claims due to natural disasters, rising repair costs and most recently tariffs, and the challenge the Division is facing to ensure that providers continue market participation in Nevada. He also discussed the fact that roughly 10% of coverage premiums go to pay fraudulent claims and homeowners insurance providers are increasingly pulling back due to concentration of risk factors, specifically wildfire in Nevada. Mr. Kipper informed the Board that while Nevada has historically had relatively low payout vs. Southern California and Hawaii the providers are moving from a 'repair and replace' to a 'predict and prevent' model with regards to wildfire coverage within the state. He also discussed the increasing costs for reinsurance obtained by providers being passed onto consumers in their premium costs. Commissioner Tolbert noted that construction costs have increased \$8 to 10 thousand dollars within the wildland interface he represents for code related items which are intended as fire mitigation or prevention measures, inquiring where the return is for consumers, do they receive premium credits for these measures or is it just that their homes do not burn. Mr. Kipper agreed that there have been rampant advancements in construction technology that help mitigate the risks associated with fire and that the Division allow providers to voluntarily provide discounts for these types of mitigation measures, but that the primary return is considered a lack of loss. He also informed the Board that there is a push for the industry to recognize Fire Wise Communities and include discounts to policy holders within those communities. Mr. Kipper discussed both federal and state efforts to help with market stability for both consumers and providers and informed the Board that other states have offered grant funding to homeowners to install mitigation measures on existing structures in order to assist with the continuation of existing policies. Mr. Kipper concluded his presentation by discussing Assembly Bill 376 which included provisions for flexible rate setting factors by the Division, access to coverage for HOA's, expanded access to captive coverage options and addressed wildfire risks. Vice President Andriola inquired how the Division would address the difference between free market and flexible rate conditions, specifically noting the potential propensity for creeping rate increases vs. market driven rates. Mr. Kipper acknowledged that the opportunity would be there under the proposal but the

Division's setting the threshold for rates would address the issue, giving the example of inflation being at 3% but lumber costs having increased by 5%, noting that the Division closely monitors those trends and would include those types of factors in their analyzation of industry requests for flexibility in rate increases. Commissioner Kirkpatrick used a personal example of her own recent significant auto rate increase, inquiring why Nevada is being included in issues from neighboring states and noting that the current increases are unsustainable, especially when there are no credits being given for lack of claims or safe driving records. She also commented on the insurance premium tax being the only item identified during the recent Economic Forum meeting as having increased within the State's income markers. Mr. Kipper explained that the proposed flexible rates would only apply to homeowners coverage and that auto coverage is all combined under the umbrella that it is for the 'general good' with regards to payment of claims. Commissioner Kirkpatrick then addressed increased homeowners' coverage premiums with reduced coverages, noting that her policy now excludes previously commonly covered items like trees, shower valves, water damage etc., inquiring as to what benefit the flexible rate option would have to consumers with severely reduced coverage included within policies. Mr. Kipper stated that the option would keep producers within the market and provide regulatory positivity to ensure that what happened in California with massive non-renewal and policy cancellations does not happen in Nevada. Commissioner Keller noted that in his experience, policy discounts are only received with the consumers acceptance of risk and that once costs are increased, they rarely come down. He then inquired as to how the Division was addressing the use of A.I. technology in rate setting, utilizing his own example of having his auto policy rate increased because his granddaughter who had been diagnosed with Epilepsy received mail at his residence, even though she was not listed as a driver on his policy, nor did she reside with him. Mr. Kipper explained that the emerging technology is being closely watched at a national level and is a primary concern, informing the Board that a new committee has been created to deal with the issue by the National Association of Insurance Commissioners that he is a member of. He encouraged Commissioner Keller to contact the Division for assistance with the issue and the Commissioner informed him that he had already addressed the situation but that it was not an easy issue to have rectified. Commissioner Carmona discussed issues that the HOA he is a board member of had recently experienced, specifically noting that he had been told that the 100% increase was instituted to raise profits and that he was glad to see the State is addressing those issues. Mr. Kipper was asked if there was any talk of the State offering coverage to citizens who had their policies canceled or not renewed. He stated that there was a bill that was introduced but it did not pass the recent deadline. He informed the Board that the Division is studying the costs associated with providing coverage at the State level and that the Governor's office prefers a market solution prior to the State becoming a provider of last resort. Additional concerns voiced by the Board included the adoption of Wildland Urban Interface building codes increasing construction costs for citizens without the benefit of reduced premiums, the possibility of increases in uninsured & unregistered vehicles on the roads because drivers cannot afford coverage. Mr. Kipper noted that AB376 would drop some statutory requirements for HOA insurance and expand the ability for them to enter into captive insurance situations. The use of actuarial data from

other jurisdictions being used by providers in determining risks and rates being set using information that isn't specific to the true risks in Nevada was questioned by Vice President Andriola and Mr. Kipper stated that while simulation and modeling is allowable the Division is skeptical of the practice and has the authority to examine the data and disallow its use by the providers. President Andreoizzi thanked the Commissioner for his presentation and suggested a work study to produce potential solutions to an issue that will have a significant impact across Nevada.

Commissioner Kirkpatrick requested a one-page flyer type document that could be distributed to constituents that includes information on questions they should be asking when shopping for coverage. Mr. Kipper stated that he would have the Divisions Public Information Officer reach out to staff. He concluded the item by informing the Board that the Division is working on a Summer Preparedness program with Emergency Managers and Fire Chiefs across the State.

7. **Update on Planning Activities for the 2025 NACO Annual Conference, hosted by Clark County.** Amanda directed the Board's attention to the Save the Date flyer included in the agenda packet reminding them that the event would take place September 23-25 and would be held at the South Point Convention Center in Clark County. She informed them that she had been working with the venue on initial details and that the theme and logo were being fine-tuned in conjunction with Clark County. She concluded her remarks by noting that sponsorship details are being finalized, and that registration should open soon with the target for opening attendee registration being in late May or early June. Commissioner Kirkpatrick inquired as to whether it would be ok for her to provide most of the silent auction items, so the counties do not have to worry about the transportation of large baskets to Clark County. Amanda stated that she did not see that as being an issue and Vice President Andriola offered to assist Commissioner Kirkpatrick if needed.
8. **Update on Highlighting of Nevada's Counties Regarding the 2025 Capitol Christmas Tree, Selected from Nevada to be Displayed in Washington, D.C.** Amanda reminded the Board the Tree will be selected by the National Architect from a list of trees identified by the Humboldt Toiyabe National Forest. She thanked the Board for their willingness to participate in the tree skirt requested by the Forest Service and announced that the pattern pieces were complete and ready for distribution, noting that a memo with details was included with each pattern piece. She concluded the item by reminding the Board that the completed pieces must be returned no later than the August Board meeting to ensure enough time to complete the final assembly of the skirt by the Forest Service deadline.
9. **NACO Legislative Committee Update Regarding the 83rd Session of the Nevada Legislature and Discussion of Bills Affecting Nevada's Counties.** Jennifer drew the Board's attention to the legislative tracker included in the agenda packet and began the discussion by giving the Board a status update of the session. Of the 1,094 currently introduced bills, 418 are being tracked as having potential impacts to counties. 281 bills failed to pass the first house committee passage deadline on April 11th (shaded in grey on the tracker) and an additional 8 failed the first house passage deadline on April 22nd of which AB64, AB318, AB362, AB437 and AJR12

were being tracked by NACO. She then updated the Board on the status of the four bills sponsored by NACO. AB14, which would require county elected officials to be registered voters in addition to being qualified electors and AB70 which would require additional county input, as well as provide for cost recovery, on renewable energy projects within their jurisdictions both passed unanimously in their respective Committee work sessions, and both passed unanimously in the Assembly. A hearing in the Senate Committee on Government Affairs will be held on AB14 the following Wednesday. Both Senate Bills SB65, which would have clarified which records of a coroner were considered public records and SB73 which would have addressed the inspection of voter signatures both failed to meet the first deadline. Jennifer reminded the Board that the Economic Forum report was due on May 1st and the deadlines for second house committee passage and second house passage are May 16th and May 23rd. Vinson informed the Board that SB116, which addresses pay for local elected officials passed the Senate 19-2 and informed them that additional elections bills recently introduced by the Speaker (AB 491, AB496 and AB499) are being monitored, noting that the sponsor is open to amendments and the Clerks have held discussions with the Governor's office on concerns with the proposed legislation. He informed the Board that SB69 sponsored by Storey County had advanced and AB363 regarding ground water boards and AB416 regarding the towing of abandoned and junk vehicles had also moved forward. Commissioner Kirkpatrick stated that the Economic Forum's Technical Committee had recently projected that income was down significantly from their November projections and stated that the goal going forward is to ensure that service delivery is not passed down to counties in the form of unfunded mandates. She also noted that she expects there to be at least one special session to address budget shortfalls and possibly a second when fiscal upheaval in Washington DC is addressed. Vinson concluded the discussion by noting that there is a meeting of the Legislative Committee following the release of the Economic Forum report where concerns can be better addressed with the additional information. No action was taken.

- 10. Discussion and Update Regarding the July 2025 NACO Board of Directors Meeting, to be held in Elko County, Nevada, Including Rescheduling the Meeting to be held in Elko County to June 2025 and Proposed Cancellation of the July 2025 Meeting of the NACO Board of Directors.** Vinson reminded the Board that traditionally, the meeting held in July has low attendance and that it occurs just following the NACo Annual Conference which many Board members also travel to attend. He also reminded the Board that two meetings are held each year outside of Carson City, one in a rural county and one in Clark County. He noted that the agenda for the June meeting would include a wrap up of the Legislative Session as it would conclude earlier in the month and that Elko County staff had been consulted on the proposed change and was able to accommodate the request. Vinson also noted that a room block would be secured and a dinner for the Board would be planned for those that came in on Thursday evening. The cancellation of the July Board meeting and the rescheduling of the June meeting of the Board to Elko County was approved on a motion by President Elect Gardner with second by Vice President Andriola.

11. Update from NACO's Health and Human Services Manager. Vinson informed the Board that Amy was not in attendance at the meeting due to her graduation from the Washoe County Leadership Academy. He informed the Board that she had recently presented SB423 alongside Senator Donate. The bill would provide sustainable and flexibly funding for local boards of health and public health infrastructure, directing their attention to the presentation included in the packet. Vinson also informed the Board that Amy's presentation had received positive feedback within the Legislature. He then gave an overview of the proposed legislation which includes base funding for (health) infrastructure, flexible decision making at the local level, and includes guard rails set in place by SB118 passed during the 2023 legislative session and that a permanent foundational public health services account would be established in 2027 which would be funded by the insurance premium tax. Vice President Andriola informed the Board that she Chairs the Northern Nevada Public Health Board and that NACO was highlighted during a recent meeting for the work being done in support of public health throughout the State.

12. Update and Possible Action. Regarding Public Lands and Natural Resources Issues Affecting Counties Including:

a. Updates from the NACO Public Lands and Natural Resources

Subcommittee. Vinson informed the Board that a meeting was not held the previous day due to conflicts at the Legislature and personal commitments of the Chair. He informed the Board that the previously discussed letter to the BLM from the Governor's office regarding landscape level solar projects was being reworked because strategy adjustments needed to be made due to recent changes at the federal level, specifically the withdrawal of the nominee for BLM Director. He informed the Board that comments had been submitted on the Waters of the US (WOTUS) issue and that a NEPA training would be held for county officials and staff later in the year. Commissioner Keller inquired as to who the new nominee might be, and it was noted that former Nevada State BLM Director Jon Ruse had been discussed but that it was only conjecture at that point. No action was taken.

13. Updates from Members of the National Association of Counties Board.

President Elect Gardner informed the Board that the next meeting would take place during the upcoming WIR Conference.

14. Updates from Members of the Western Interstate Region (W.I.R.) Board. No WIR Board members were present, however, President Andreozzi reiterated that the Board that the WIR Conference would be held in Rapid City South Dakota in May.

15. NACO Board Member Updates. Members of the Board gave updates on activities within their counties.

16. Public Comment. None was given.

The meeting was adjourned at 12:24 p.m.