BEGINNING MARCH 5TH, AND RUNNING THROUGH MARCH 16th, Nevadans have the opportunity to file to run for political office. The formal qualifications to run for office in Nevada, for non-judicial races, are fairly straightforward: 1) you must be 21 years old; 2) you must have resided in the State for twelve months; and 3) you must have lived in the district you’re seeking to run from since February 14th, 2018. The informal qualifications are much harder to quantify.

While some lament the limitations of a citizen legislature, there is no denying that the collective perspective of lawmakers from many different backgrounds often yields the best policy results, and many times legislators who, themselves, have a wide experience to draw from find themselves leading those discussions.

Small business owners have that range and depth of experience. More often than not, small business owners wear multiple hats, from managing the books, taking inventory, interacting with customers, the public, government, sometimes the press, staying current on new technologies, markets, products and trends—all while running the HR department, striving to take the best care of their employees while recruiting the best talent. It’s a job that requires looking at problems and situations from multiple views and mirrors what makes a good legislator.

Serving in the State legislature is not without its sacrifices. Since Nevada’s legislature only meets for 120 days beginning in February of off-years (odd-numbered, non-election years), legislators do need to relocate, temporarily, to Carson City. And because Nevada is a part-time legislature, a very minimum salary is paid for the first 60 days of session, after which only the per-diem allowances are paid.

As a legislator, you would have the unique ability to affect meaningful change, protect employees while encouraging growth in business, and engage in problem solving debate over the future of Nevada. It’s a weighty decision but the Retail Association of Nevada would encourage our members to ask themselves if they are prepared and willing to serve in the Nevada Legislature.

If you think the answer may be yes, please email me at bryan@rannv.org or give me a call at 775-771-8969. We’ll talk you through the process and help you determine if running for office is something you’d like to explore. There is no reason small business can’t also be the backbone of the legislature.
With the passage of tax reform, many employees in Nevada saw increases in their paychecks at the end of January and through February 15th, the required deadline for instituting the tax changes. It was also interesting to note the various multi-state and multi-national companies that pledged bonuses to their employees amongst other benefits such as stock values and repatriation of monies invested overseas. One example of that would be the Blockchain investment in TRI property located in Northern Nevada. (See story on page 3).

While the tax reform package benefited many, the Nation also saw our Congress return to bi-partisanship in passing HR 1892. This bill acts as a continuing resolution with level funding until March 23rd but is also a top-line budget agreement to be appropriated following March 24th. Many citizens bemoan the partisan bickering and perceive it as a lack of leadership. This passage with a vote of 240 ayes (including 73 Democrats) to 186 nays in the House of Representatives, and a Senate vote of 71 yeas (including 36 Democrats) to 28 nays (with Senator McCain not voting) is a major win for all concerned.

As Senate Leaders McConnell and Schumer said during interviews, the bill does so much more than just increase defense spending but represents agreements made by all parties. There is never a deal until it is The Deal. At one time in politics when you had a deal, it stuck, now negotiations continue right up to the time the voting buttons are pushed.

Following is a summary of the highlights of HR 1982:

- **Increases budget caps by $296 billion (2018 and 2019)**
  - $80 billion FY 18 and $85 FY 19 for defense
  - $63 billion FY 18 and $68 billion for non-defense discretionary
- **Suspends debt ceiling until March 2019**
- **Non-defense discretionary provisions:**
  - $89 billion additional disaster relief for hurricane specific communities
  - $4.9 billion in Puerto Rico Medicaid
  - One-year extension for following tax provisions not dealt with on tax reform ($10 billion):
    - Tax credits for wind, solar, fuel cells, and geothermal. Deductions for mortgage debt forgiveness and mortgage insurance premiums. Excise tax payments to Puerto Rico ad US Virgin Islands for rum production. Credits for railroad maintenance, Native American employment. Fee on crude oil used to fund Coast Guard response to oil spills. Additional tuition deduction for broader higher education expense. Narrow racehorse provision, which allows owners to accelerate depreciation on their equine assets.
- **Permanent tax treatment changes:**
  - Fixes the endowment problem for Kentucky-based private schools caused by tax reform
  - Changes the wording of the tax law to exempt schools, which offer free tuition to their students using the endowment.
  - Health Care
    - $6 billion opioid crises ($5B increase)
    - $2 billion National Institute of Health
    - 10-year CHIP reauthorization (mandatory)
  - $3.8 billion FY 18 and $4 billion FY 19 for Community Health Centers ($800 million increase over FY 17)
  - Repeal of Independent Payment Advisory Board (IPAB)
  - Two-year extension of Special Diabetes Program
  - $20 Billion for Infrastructure
  - $4 billion to clear VA disability backlog
  - $4 billion for college increased funding for affordability programs

**Offsets:**
- $100 billion offset by selling of petroleum reserve (again), borrowing from mandatory spending for discretionary (CHIMPS) or converting discretionary spending into mandatory so it does not count.

Continued on page 3
O
VER THE 
LAST THREE 
DECADES, 
HUMANITY has experienced three distinct technological revolutions that have changed the way we conduct business and engage with each other: the personal computer in the 1980s, the internet in the 90’s, and the smart phone and mobile applications in the 2000’s.

While there are many new technologies on the verge of becoming mainstream and therefore disruptive (artificial intelligence, virtual and augmented reality, internet of things), the one with perhaps the most potential of all is one that most haven’t heard of: blockchain, the technology that underpins cryptocurrencies like Bitcoin. What gets lost when discussing blockchain in context of volatile digital currencies is its enormous potential to fundamentally change how we exchange value across the economy including the retail sector.

IMPACTS ON THE RETAIL INDUSTRY

Ok, but what exactly is blockchain? At its simplest, blockchain is a new form of data structure that is stored on not just one or a few locations – but across an entire network. It is a growing list of records secured by cryptography, and by its nature, is resistant to manipulation by involved parties or

Mary Lau

(Authors note: I would like to thank Representative Mark Amodei and his staff for providing a comprehensive yet understandable explanation regarding HR 1892. ML)
outside actors. Balancing a cryptocurrency ledger becomes essentially a math problem that is constantly trying to be solved by networks of computers (a process known as “mining”). Each time the ledger is solved (about every ten minutes for Bitcoin), a block is created that illustrates where every fraction of each bitcoin is at that point in time.

That time-stamped block becomes part of the chain to which all future ledgers are based off – creating an immutable record of transactions over time held by all parties on the network.

In the case of Bitcoin, this ledger is accessible to the public – whereas other blockchain ledgers are only viewable to those who have explicit permission to be a part of the network (i.e. all electric utilities that are part of a connected energy grid, or hospitals and clinics that are part of a health care record network).

Blockchain technology is particularly suited to significantly impact the retail industry. Blockchain has the potential to reinvent and transact across the extended value chain.

Blockchain’s applicability to businesses in general is incredibly broad, from reinvigorating supply chain management, audit and compliance, and customer interaction. Blockchain could improve supply chain visibility, enhancing product control, as well as allowing more accurate sales and cost projections.

Eliminating the need for redundant management systems and databases across organizations and business partners would increase operational efficiency and reduce costs.

Transaction settlement would also become faster and cheaper in many applications.

Blockchain’s strong built-in encryption could also improve data security and mitigate corruption. Taken altogether, blockchain and its potential to increase supply chain efficiency may prove vital for retailers in the ongoing competition with online stores.

**BLOCKCHAIN IN NEVADA**

The Silver State made a big splash in blockchain news with the passage of SB398 during the 2017 Legislature. In response to this new law that prohibits taxation from local governments on blockchain transactions, there has been significant local investment from blockchain companies around the world interested in taking advantage of it.

While Nevada is now on a path to become a blockchain haven and innovation hub for decades to come, it is imperative that policymakers, economic development officials, bureaucratic agency heads and the community remain proactive in keeping Nevada ahead of the curve.

To wit, since the passage of SB398 last summer, over a half-dozen state legislatures have introduced legislation seeking to catch up to Nevada. In response, over 200 of Nevada’s who’s who in business and political circles gathered at the Nevada Museum of Art on February 6 to discuss blockchain with a world-class group of blockchain speakers that traveled across the country to share their expertise. The event was sponsored in part by the Retail Association of Nevada.

During the breakout session of the conference, those in attendance discussed what the next steps should be in blockchain policy development including the proposal of a myriad of future policy measures to be considered during the 2019 session to reinforce Nevada’s early leader status. Also discussed were possible pilot projects between industry and local governments that would help pave a path forward for the transition of Nevada public services onto the blockchain.

To learn more about blockchain efforts in Nevada and a recap of the conference including presentations given at the conference, please visit [www.buildnewnv.com](http://www.buildnewnv.com).

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*Editor’s note: Tyson Falk is a policy analyst at McDonald Carano Law Firm and works with Josh Hicks, a McDonald Carano partner and RAN’s General Counsel.*

Tyson K. Falk
Ballot Questions
By Mary Lau, President/CEO RAN

AS OF THE MIDDLE OF FEBRUARY, NEVADA’S Secretary of State Barbara Cegavske posted the following ballot initiatives, which will appear on the 2018 General Election ballot. She also sent out a press release for asking volunteers to help write the pro and con arguments of the Ballot Question 5 initiative. As of this printing, we don’t know who volunteered to write these arguments.

QUESTION 1 – MARSY’S LAW (SJR 17, 2017) – Proposes to amend the Nevada Constitution to include certain rights for victims of crime (arguments written by the Legislative Counsel Bureau);

QUESTION 2 – SALES TAX EXEMPTION FOR FEMININE HYGIENE PRODUCTS (SB 415, 2017) – Proposes to amend NRS to exempt certain feminine hygiene products from being taxed under the Sales and Use Tax Act of 1955 (arguments written by the Legislative Counsel Bureau);

QUESTION 3 – THE ENERGY CHOICE INITIATIVE (Q3, 2016) – Proposes to amend the Nevada Constitution to require an open, competitive retail electric energy market (arguments the same as on the 2016 ballot);

QUESTION 4 – MEDICAL PATIENT TAX RELIEF ACT (Q4, 2016) – Proposes to amend the Nevada Constitution to exempt certain durable medical equipment and mobility enhancing devices from any tax upon the sale, storage, use, or consumption of tangible personal property (arguments the same as on the 2016 ballot); and

QUESTION 5 – THE AUTOMATIC VOTER REGISTRATION INITIATIVE (IP1, 2017) – Proposes to amend NRS to provide for the automatic voter registration of citizens qualified to vote when they obtain certain services from the Nevada Department of Motor Vehicles (DMV) (requires the appointment of ballot question committees).

RAN does know that there is another initiative being circulated at this time, which is an initiative petition to require a multi-year step-up to reach a 50% renewable energy portfolio requirement for Nevada’s energy company. This initiative is being funded by out of state money from Tom Steyer of San Francisco, CA. who is in the energy business. He’s also funding opposition to Nevada’s Attorney General Adam Laxalt who is running for Governor on the 2018 ballot. (Guess the old adage “all politics are local” doesn’t hold water anymore.)

RAN will continue to keep its members informed on all federal, state and local races as well as ballot initiatives and referendums that affect our state.

Nevada Taking Positive Action Regarding SNAP Benefits
By Liz MacMenamin

NEVADA IS ONE OF SEVEN STATES THAT STILL ISSUES Supplemental Nutrition Assistance Program (SNAP) benefits on only one day each month. This process puts an overwhelming burden on all involved: the recipient, the grocer and employees, and others that choose to shop on those days. Some grocers see an increase of product sales as high as 140% of normal volume and customer count increase as high as 40%. This makes keeping products stocked and on the shelves during this high volume very difficult.

In a recent meeting with Division of Welfare and Supportive Services Administrator Steve Fisher to discuss the challenges involved, he said that the state is working on this issue and understands the problems that this “one day distribution” has created for all involved.

The good news is that the department is changing vendors and is currently in negotiations with the new vendor on providing software to implement ‘rolling distribution’ of SNAP benefits.

The current vendor contract ends on June 30th and the new vendor will start the transition to a new program on July 1st, 2018. While RAN members may not see the changes implemented on that date, they will occur at some point before the year is out and will move Nevada forward technologically.

Updates will be provided to members as they occur.
VOLUNTEER REAPS BENEFITS FOR NV STATE MUSEUM

Kathy Pierson, manager of a Carson City CVS, presented a $1,500 donation to the Friends of the Nevada State Museum. The donation is in recognition by CVS of Pierson’s significant volunteer hours committed to the Friends group.

Each year, CVS employees volunteer thousands of hours to nonprofit organizations in their communities. Joanne Dwyer, director of the CVS Health Foundation, said the CVS Health Foundation awards grants which supports these efforts and provides additional financial support to the causes supported by CVS employees.

Grants, which range from $500 to $5,000, are awarded directly to the organization on the CVS employee’s behalf.

Kathy Pierson, manager of the CVS on Highway 50, invested more than 130 volunteer hours with the Friends of the Nevada State Museum from January to October of this past year.

Her efforts resulted in the organization being awarded a $1,500 grant from the CVS Health Foundation.

8 WAYS TO DE-STRESS DURING WORK

You can’t be in control of all variables at work, but here are eight ways you can help combat stress during the workday.

1. Take a walk.
2. Keep your desk clean.
3. Make a playlist: A UNR Counseling Services report suggests upbeat music can be energizing, while mellow music can be calming.
4. Remind yourself why and remind yourself of your goals.
5. Buy a plant.
7. Drink plenty of water and stock up on healthy snacks.
8. Track your stressors by writing down what stresses you.

SEARS TO SHRINK AS SPACE WILL HOST ARCADE, EATERY

A planning application submitted to the city of Reno shows the Sears store at Meadowood Mall being split into three separate tenants from its current one.

A commercial real estate sales flyer shows the Sears shrinking to accommodate a new entertainment venue, called Round1.

A portion of the Sears Auto Center in the Meadowood Mall parking lot is also listed in the sales flyer as seeking a tenant, preferably a 17,800 square-foot restaurant tenant.

The Sears is currently opened and operating. It has a “Now Hiring” sign on the front door and regular sales with no signs of going out of business.

NEVADA TAXABLE SALES UP 5.2 PERCENT IN OCTOBER

Taxable sales in Nevada, one indicator of the economy, rose by 5.2 percent in October, with strong sales of durable goods and cars.

The Nevada Department of Taxation reported that sales reached $4.6 billion, and the state received $93.4 million in sales and use taxes.

State collections for the fiscal year through October were down $6.4 million from the forecast made by the Economic Forum.

Thirteen of Nevada’s 17 counties reported sales increases compared to October 2016. Clark County posted $3.3 billion in sales, up 25 percent.

Lincoln County had the largest decline, 20.1 percent.

TAXABLE SALES FUELED BY DOUBLE-DIGIT GROWTH IN BUILDING MATERIALS SALES AND A 7 PERCENT INCREASE FROM GENERAL MERCHANDISE STORES

Carson City reported $92.8 million in taxable sales during November. That’s a 5.4 percent more than the same month of 2016.

Churchill County reported a 15.5 percent increase to $29.8 million in November. That increase came despite a 22 percent decrease in auto sales there to just $3.4 million and a 24 percent decline in the Utilities category to $795,791.

Douglas County had a 10.6 percent increase to $59.33 million. Much of that increase came from the 9.8 percent growth in Douglas’s largest taxable sales generator, Food Services and Drinking Places — the south shore casinos at Lake Tahoe.

Washoe County saw 7.7 percent growth in November to $676.8 million. Auto Sales grew by 17.1 percent to $95.44 million and Building Materials Sales by 22 percent to $42.5 million.

Food Services and

Continued on page 11
WALMART UNVEILS NEW APPAREL BRANDS
Walmart Inc. is introducing low-cost clothing brands for women, kids and plus-size customers, aiming to lure shoppers.

The moves are part of Walmart’s push to make its apparel business more streamlined and stylish -- a response to consumers shifting more of their budgets to experiences such as travel and eating out, rather than clothing.

Walmart's new items, such as leggings for $9.96, could also offset the pinch of rising clothing prices, which jumped the most since 1990 last month.

If the brands catch on, they could check the encroachment on-line sellers.

Bloomberg

JANUARY RETAIL SALES CONTINUE STRONG
An improving economy kept January retail sales nearly as good as the holiday season’s strong showing -- dropping only 0.26 percent seasonally adjusted from December -- and fueled a healthy 5.4 percent increase year-over-year, the National Retail Federation said today. The numbers exclude automobiles, gasoline stations and restaurants.

The January numbers follow 5.1 percent unadjusted year-over-year growth in holiday sales during November and December, which was revised down slightly from the 5.5 percent initially reported. December was down 0.1 percent from November seasonally adjusted but up 3.8 percent year-over-year. The three-month year-over-year moving average is at 5.2 percent.

The results come as NRF is forecasting that 2018 retail sales will grow between 3.8 percent and 4.4 percent over 2017.

NRF’s numbers are based on data from the U.S. Census Bureau, which reported that overall January sales – including automobiles, gasoline and restaurants – were down 0.3 percent seasonally adjusted from December but up 5 percent year-over-year.

Retail is the nation’s largest private-sector employer, supporting one in four U.S. jobs – 42 million working Americans. Contributing $2.6 trillion to annual GDP, retail is a daily barometer for the nation’s economy.

NRF

HOME DEPOT, LOWE’S EMBARK ON SPRING HIRING SPREES
Home improvement retailers are hanging out the “Help Wanted” signs.

Home Depot announced plans to hire more than 80,000 seasonal workers this spring, in line with last year, to meet peak demand.

Rival Lowe’s revealed its hiring plans last month, but hosted its first national hiring day on Feb. 21. The North Carolina-based home improvement chain is planning to hire more than 53,000 temporary workers for the busy spring season, hoping to fill 8,000 more roles this year than it did in 2017.

The labor market is tightening and motivated candidates are harder to find.

Retail CEOs are cognizant of the issue and in turn are sweetening benefits, such as by adding better paid parental leave and raising wages. New U.S. tax legislation, which is expected to put money back into many companies’ pockets, has also prompted some retailers including Home Depot and Lowe’s to disburse one-time bonuses.

Home Depot is hoping a new tool that allows job applicants to self-schedule in-person interviews will lure more people.

USA TODAY

PHARMACISTS CAN ASSIST IN MANAGING HEART HEALTH
Cardiovascular disease causes one in every four deaths in America, but pharmacists can help patients manage their risk factors, according to CVS Health.

Pharmacists can help patients by creating medication adherence plans, answering questions regarding heart conditions and tracking progress.

Additionally, pharmacists are among the most accessible healthcare providers.

CVS Health

IF YOU SHOP ONLINE, YOU PROBABLY EVADE THIS TAX
The use tax applies to purchases made outside a shopper’s state of residence, but most states agree it is virtually impossible to enforce.

The issue of taxes paid on online purchases is set to come before the U.S. Supreme Court.

If you shop online, there’s a good chance you have evaded taxes that perhaps you didn’t even know were due. Thanks to a U.S. Supreme Court decision that predates the boom in e-commerce, retailers with no physical presence in a state aren’t required to collect its sales tax.

Last month, the court agreed to hear South Dakota’s argument to
Got drugs?

Turn in unused or expired medication for safe disposal

In conjunction with the DEA’s National Take Back Day

Prescription Drug Round Up
Saturday, April 28
10:00 AM - 2:00 PM

Drop Off Locations

Reno: Raley’s - 18144 Wedge Parkway
SaveMart - 10500 N. McCarran Blvd.
Scolari’s - 4788 Caughlin Parkway
Smith’s - 175 Lemmon Drive
UNR Lawlor Events Center - 15th St. and Virginia St.

Sparks: CVS - 680 N. McCarran Blvd.
Walgreens - 3000 Vista Blvd.

Acceptable Items:
- unneeded prescription drugs (in original containers with patient name marked out)
- prescription liquids
- pet medications

OTHER OPTIONS FOR DISPOSAL
- Dispose in permanent drop boxes located in the lobbies of the Reno Police Department, Sparks Police Department, Washoe County Sheriff’s Office, and UNR Police Services.
- Crush prescription drugs in a seal-tight plastic bag. Add kitty litter or wet coffee grounds. Seal the bag and dispose in the trash.

Sponsors
Credit Card Payments

The Retail Associations of Nevada is happy to announce that you can now pay your annual membership dues by credit card on the new website: www.rannv.org.

Please contact Piper Brown if you have any questions, 775-882-1700.

Nevada Notes Continued from page 7

Drinking Places increased by 5.1 percent to $90.4 million.

In Lyon County, building Materials Sales rose 28.5 percent to $4.1 million and auto sales by 38.5 percent to $5.7 million.

SALES OF OUTDOOR GEAR HURT BY CONSUMER SHIFT

One factor in the decline is changing consumer preferences, driven by millennials.

Millennials — sometimes defined as people born between 1982 and 2004 — are less likely than the previous generation to demand outdoor gear that stands up to extreme conditions.

Millennials want outdoor products that are less specialized and have more uses.

Millennials are outdoorsy and support environmental preservation and sustainability, but they have a different take on health and fitness than their predecessors. They have a more lighthearted approach that involves their friends.

Some individual retailers and manufacturers have adapted, such as Adidas Outdoors, which is focusing on the 20-something demographic and younger. RGJ

NATIONAL NOTES Continued from page 8

overturn that rule. But, for now, another tax is due, and consumers are supposed to pay it.

It’s called a use tax, and it’s applied to purchases made outside a shopper’s state of residence on taxable merchandise that will be used, stored or consumed in the state of residence and on which no tax was collected at the point of sale.

Use taxes, applied at the same rate as sales tax, are due on both business-to-business transactions, which account for roughly 85% of e-commerce sales, and business-to-consumer sales, which account for the remaining 15%.

In 2012, an estimated $11.4 billion in e-commerce use taxes went uncollected, according to William F. Fox, director of the Boyd Center for Business and Economic Research at the University of Tennessee, Knoxville.

In 2015, the estimate increased to $17.4 billion.

In 2015, Supreme Court Justice Anthony Kennedy invited states to craft legal challenges that would allow the high court to re-examine the Quill decision. South Dakota was the first to oblige.

States worry about revenue lost to unpaid use taxes because it means they have less to spend on services and infrastructure and, they argue, waiving the tax for remote sellers gives them an unfair advantage over bricks-and-mortar stores. WSJ
Important Information for SIG Members
NRS requires all existing members of a self-insured group to be notified of all new members.
NRNSIG new members are listed below.

Best Hardwood Flooring & Design Inc
Covert Tax Services Inc
Karans LLC dba Happy Dayze Cigar & Smoke
Kiran’s LLC dba Happy Dayze Vape & Cigar
Mitchell Chiropractic LTD dba Meadows Chiropractic
REACH
Tahoe Hydroponics Company LLC

NRNSIG members who wish to register a negative vote on a new group member, please write NRNSIG at 575 S. Saliman Road, Carson City, NV 89701, indicating which member and the reason(s) for the negative vote.
Delivering Dairy
A positive impact on our economy

Dairy products contributed to the Nevada economy by bringing in a total of $3.78 billion in 2017.

Local dairy companies contribute 1.02% to Nevada’s GDP, providing 7,472 jobs within the state.

Dairy sales account for $181.23 million in Nevada State Tax revenue.

With the global demand for nutrient-rich dairy products on the rise, our local farmers and companies contribute to the supply. This lifts the state’s economy and creates a demand for more jobs.

**NEVADA DAIRY EXPORT NUMBERS**

- **20** Dairy Farms
- **4** Dairy Plants
- **207** Local jobs created by dairy exports
- **$15 million** In dairy exports
- **$24 million** Nevada economic impact from dairy exports

www.dairywest.com
WASHINGTON: NATIONAL RETAIL FEDERATION (NRF) President and CEO Matthew Shay today issued the following statement on President Trump's infrastructure plan: “We appreciate the President’s attention to the urgent need to rebuild America’s outdated infrastructure, which has long been a priority for NRF and our members.

For decades, we’ve seen a lack of investment in infrastructure, and American companies, workers and consumers have paid the price.

From congested ports to deteriorating railways, roads and bridges, there is no shortage of pressing issues that must be addressed.

“As major shippers, retailers face challenges every day as they work to move freight quickly, efficiently and safely to deliver products and meet consumer demand amid a rapid rise in ecommerce. Through the framework released today, we hope bipartisan discussions will advance meaningful solutions to our infrastructure needs, including a long-term sustainable funding source that treats all transportation system users fairly.”

NRF is the world’s largest retail trade association, representing discount and department stores, home goods and specialty stores, Main Street merchants, grocers, wholesalers, chain restaurants and Internet retailers from the United States and more than 45 countries. Retail is the nation’s largest private-sector employer, supporting one in four U.S. jobs – 42 million working Americans. Contributing $2.6 trillion to annual GDP, retail is a daily barometer for the nation’s economy.”