

THE NEW BUDGET

By Bryan Wachter

THE DAY AFTER GOVERNOR STEVE SISOLAK DELIVERED

his first State of the State speech his office submitted to the legislature his line by line budget for fiscal years 2020 and 2021. The total general fund appropriations outlined in Governor Sisolak's 8.9-billion-dollar budget represents more than 898 million dollars than the legislature approved in 2017.

Nevada's Economic Forum forecasted an additional 760 million dollars due to increased economic activity for a total of \$8.8 billion. The vast majority of Nevada's revenue is found in 7 revenue streams including; the sales tax which is expected to bring in \$2.6 billion over the biennium which is a 10% increase from two years ago, the gaming tax: \$1.6 billion an increase of 3.2%, the modified business tax: \$1.37 billion an increase of 1.5%, the insurance premium tax: \$950 million an increase of 10.7%, the commerce tax: \$445 million an increase of 8%, the live entertainment tax: \$258 million an increase of 2.2%, and the real property transfer tax: \$227 million an increase of 2%.

Governor Sandoval used those numbers to compile the budget he passed along to Governor Sisolak in December. By law, the Governor must submit a balanced budget to the legislature for approval so to balance the difference,

Governor Sisolak is proposing increasing revenue to the state general fund with two mechanisms. The first would redirect a portion of the government services tax that was set to be transferred from the general fund to the highway fund. This would add \$40 million to the state's general fund over the next two years. The second would cancel a planned reduction in the modified business tax (current Nevada law says the modified business tax on most businesses will drop on July 1, 2019 from 1.475% to 1.378%) that would generate roughly 100 million dollars to bolster general fund spending.

Even given the additional \$138 million the Governor has identified, the spending proposals of Governor Sisolak and his predecessors differ very little. The largest line item difference came from the Governor's proposal to include a 3% cost of

living adjustment to all state employees including K-12 education. Former Governor Sandoval's budget recommended a 2% increase. The cost of the proposal is estimated at 240 million dollars over the biennium.

Other differences among those included in Governor Sisolak's budget but not included in Sandoval's recommendation include; 6 million more dollars for women's cancer screenings, \$800,000 to provide more support through Meals on Wheels, \$400,000 to establish the Governor's Office for New Americans, and \$200,000 to establish a small business advocate in the Lt. Governor's office. ■

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CEO's Corner

MEET THE NEW GOVERNOR

By Mary Lau, CEO/President RAN

O N JANUARY 16, 2019, NEWLY ELECTED

Governor for the State of Nevada, Steve Sisolak gave his State of the State address at the bar of the Nevada Assembly.

This was the first opportunity for all Nevadan's to hear Governor Sisolak's vision of our State's future and the presentation of his 2019 Bi-annual budget. Many of RAN's members already know that the first budget that a new governor receives is pretty much "baked" by the previous governor but that there are certain opportunities to add their stamp to the presentation.

Many people participate in the writing of these all-important addresses, and also help with the rehearsal of its presentation, but Governor Sisolak presented himself proudly, calmly and a tad-bit emotionally during this first public appearance.

A mantra in many life-coaching practices stress, "To remember who you are you need to forget who they told you to be". I couldn't find the original author of this quote but I did apply it to this Governor while attending the State of the State. There have been so many

opinions floated around about who Steve Sisolak is, was and/or will be that it was refreshing for all Nevadan's to see the man himself, including choking up a few times

Governor Sisolak discussed his plans for this upcoming 2019 Legislative Session, stressing cooperation and open-door positions. I was waiting for a mention of transparency but the Speaker of the Assembly, Jason Frierson had previously stressed this. The Governor's agenda is now in the hands of Democratic leadership to fulfill.

Many in the business community were gratified at the "no new taxes" pledge while being cognizant that the existing taxes, which were slated to sunset, weren't discussed. Neither were possible cuts to existing programs and at what levels. RAN will follow these issues closely because a change in rate will not be a "new" tax. Ah, the old devil in the details.

Minimum wage increases were highlighted, along with paid leave and health care issues.

The high cost of prescription drugs was forcefully highlighted when the Governor announced his formation of a Patient Protection Commission.

Many past governors have wrestled with health care and the rising costs. As an

association that also represents pharmacies, we know low cost drugs, with proper management and guidance is paramount to successful outcomes and patient health. The key to success of this Commission will be in who is appointed to serve.

Women's health; prison reform; First Step programs to assist those incarcerated to become productive members of society; access to health care (Sprinklecare?); and gun violence were all highlighted.

Governor Sisolak also included money for mental health needs and increases in those services. This spending is vital to our state and local communities. If you can solve some of the mental health issues then some of the other ones become less concerning as they aren't as prevalent. At least that is the hope.

Strong families are also paramount to that but not everything is a solvable issue for governments to tackle.

There were issues of concern, as some ideas, such as a three-percent pay raise for government employees and teachers, will elevate the cost of government. Nobody feels that they don't deserve a raise; however, devils and details again,

Under Nevada law, a raise means these increases drift from state to local and legislator



sections. With legislators they don't get the raise the session it's voted on. I'm sure that unfunded mandates will be a concern for elected officials in pushing "down" costs. That and the compounding of collective bargaining for state employees-- it hasn't worked well for other states. The rollback on prevailing wage for schools hopefully will not mean fewer schools while class sizes are problematic.

Having said all of the above, RAN wishes Governor Sisolak well in his tenure in office. One should compliment him on many of his appointments so far and also the secret weapon who is now our first lady. Kathy (Ong) Sisolak is highly-respected in her own right, sharp as can be, with intimate knowledge of government and economics, and a kind person to boot. Simply put – she rocks! ■

Mary Lau



RESTAURANT COUNCIL RIGHT TO BE WARY OF MINIMUM WAGE HIKE

By Andy Peterson

RAN'S RESTAURANT COUNCIL, WHICH recently met, is wary of potential minimum wage hikes in Nevada. Currently, the minimum wage stands at \$8.25 per hour and \$7.25 per hour if health insurance is offered. Last legislative session there were several proposals to raise the minimum wage. One would have raised wages gradually to \$15 by 2022 if an employer does not offer health insurance, or \$14 per hour if insurance is offered. Another would have raised wages by 75 cents per hour each year until it reaches \$11 per hour with insurance or \$12 without insurance.

Now newly inaugurated Governor Sisolak, in his State of the State address, has proposed raising the wage. However, he does not specify at this point what rate he might approve if the legislature passes a bill. The governor's support for raising wages based upon legislation verses market demands has some unintended consequences for both restaurants and employees.

But to fully appreciate the impacts of a minimum

wage – especially if the increase is significant - one must first understand restaurants will likely have to make adjustments in order to remain profitable.

One such restaurant owner put it very bluntly; "...consumers expect to get a great entre – meaning a sandwich, burrito, or burger - for under five bucks, and should substantial wage increases be implemented prices will have to go up, maybe as high as \$6.50 or more".

While many consumers may be willing to pay \$6.50 or more, it will be a test to those who run restaurants. Simply put, the greatest challenge any small business must grapple with is understanding what the consumer wants at any given time and what he or she will pay. Raising employee pay will surely test restaurateurs' ability to gage what consumers' want and at what price they will buy or walk away.

More commonly raising employee wages will also test restaurants'

EBTIDA, or earnings before interest, taxes, depreciation, and amortization schedule.

Labor costs generally represent one third of a restaurant's cost. The other major costs are divided equally between food and organizational expenses which include things like franchise fees, rent, taxes, insurance, and utilities that

Employees, too, are affected. Higher minimum wages mean some employees will definitely see pay increases. Raising one's wages from \$8.25 per hour to \$10, \$12, or \$15 means an employee will have more money in their pockets at the end of the day. It is hard to argue having more money will hurt anybody.

However, the jury is out on who benefits when pay is raised. A University of Washington study, Jardim, et al, October 14, 2018, Minimum Wage Increases and Individual Employment Trajectories, suggests both benefits and drawbacks for employees

Specifically, the study's abstract suggests those who were making \$9.47 per hour in Seattle and whose wages were raised to \$13 per hour made \$8.00 to \$12 more dollars per week. However, it should be noted the study's abstract also suggests less experienced workers saw no significant increase in pay. As well, the study also suggests those who made more, made it outside of Seattle city limits meaning they likely supplemented their incomes in areas not affected by the same

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BOARD OF PHARMACY UPDATE

By Liz MacMenamin

THE NEVADA BOARD OF PHARMACY KICKED OFF

the first meeting of 2019 by introducing new board members who were appointed by former Governor Sandoval before he left office. The new members are Jade Jacobo and Gener Tejero.

Ms. Jacobo is not only a pharmacist but also an attorney. She is a pharmacy manager at Walmart in Las Vegas and has worked for the company for 10 years. She brings a wealth of knowledge and an understanding of procedures within a chain pharmacy. Her experience and education will prove valuable to the Board.

Mr. Tejero is an owner and pharmacist at Las Vegas Infusion Pharmacy. He graduated with a major in Pharmacy in the Philippines and moved to the United States in

1994. He has worked as a pharmacist in a compounding pharmacy in Reno and in a hospital pharmacy in Las Vegas. He brings to the board an understanding of compounding and institutional



pharmacy practices. His experience is also valuable to the Board.

Leaving the Board after many years of service is Ray Siedlinger. Ray was a board member and after his tenure on the board accepted a position as an inspector for the Board. He will retire in March 2019. His replacement will be Leo Bausch who has served as a Board member and will now join the

Board as an inspector.

The Board opened up discussion on the expansion of the pharmacist technician ratio in Nevada. RAN members were present to discuss their experiences in other states that have already taken this step. There were also practicing pharmacists in attendance that were able to testify in support of this expansion.

The Board sent out a survey to pharmacists, currently practicing in Nevada, requesting their input on the change in technician ratio. The questions of the survey were directed to solicit opinions of pharmacists if the board moves forward with the changes. The majority of pharmacists working in a chain or independent pharmacy saw this as a

positive. The responses were based on feelings rather than facts since most have only worked in a pharmacy with the current ratio of 3:1, which is the current Nevada regulation. There appeared to be some concern with institutional pharmacists who responded to the survey but during discussion it became clear that a hospital setting is complex, and often times a pharmacist technician may hold a different title and the ratio would not apply to those technicians.

It's RAN's contention that pharmacists are professionals and should be provided with the flexibility to manage the pharmacy in a manner that will best serve the public's health care needs. RAN members and representatives will continue to engage in these discussions. ■

THE SENATE PERSPECTIVE

In the Nov/Dec, 2018, issue of Nevada News, Assembly leadership stated their intent to work with RAN on those issues affecting its members.

In January, 2019, just before the State of the State speech, Majority Leader Kelvin Atkinson stated his willingness to work with RAN.

"As a businessman, I understand the challenges small businesses face and look forward to working with RAN on minimum wage and other workplace issues."

Senate Majority Leader Atkinson also serves on the Senate Finance and Senate Commerce committees.



Senate Majority Leader Kelvin Atkinson



VALENTINE'S DAY IS AROUND THE CORNER

ONE OF RETAIL'S BIG HOLIDAYS IS VALENTINE'S DAY. EVEN AS

people flooded stores to pick up Christmas items at 50% off, empty shelves were being stocked with heart-shaped boxes of candy, "I love you" cards, and various items and stuffed animals decorated with red hearts.

Valentine's Day is so popular that candy isn't the only food celebrating the day.

Oreo produced the Love Oreo cookie featuring a pink tangy cream filling and the dark chocolate wafer carries embossed love messages. They hit the shelves January 2 and are only available for a limited time.

Not to be outdone, Hostess Cupcakes are featuring a limited-edition cupcake with dark chocolate cake with

raspberry filling and a pink frosting swirl. There are also Twinkies with a strawberry cream center.



But this is also the holiday for splurge-worthy gifts from silk pajamas to heart embossed gloves, hats,

coats, jeans and even sunglasses. Jewelry is also a big item with rubies

and diamonds taking center stage in the luxury category.

For those who live outside Nevada, one of the best gifts someone can give is to fly a loved one to Nevada ... and go shopping.

(Watch those shelves on Feb. 15th as they turn red/white and blue for President's Day, then soon to turn green for St. Patrick's Day in March.) ■

RETAIL GETS REAL

NRF

REPORTING ON RETAIL: ONE MIGHT THINK REPORTING

on retail is simple because "it's just about shopping," says Phil Wahba, senior writer covering retail at Fortune magazine, but the story of retail is dynamic, complex and exciting.

"[Retail] just connects to everything," he says — from real estate, economics and social justice to marketing, products and supply chain. "Everything is connected to retail."

Wahba started at Reuters during the

financial crisis and began reporting on retail before joining Fortune. Over the years, retail has always adapted to consumer needs; as Wahba sees it, that starts with company culture: "It's that understanding that you cannot force the consumer to shop and behave in a way that works for how you used to run your business," he says.

As for the media's reports on the imminent death of retail over the last couple of years, Wahba says that is inaccurate. "I never have espoused the idea of a retail apocalypse,"

he says. "I call it a culling."

Every industry evolves and adapts; he says journalists must avoid easy narratives.

Wahba foresees a future of fewer but better retail locations, with better presentation of products and more adequate staffing.

"People want convenience, and they want good prices," he says. There are more cuts coming to department stores, but Wahba sees more unconventional



partnerships and trends in the future like more dollar stores moving to city centers. ■

(Subscribe to Retail Gets Real to continue hearing about the people behind the industry that impacts everyone, everywhere, every day. **NRF.com**)



Nevada Notes

NEW NEVADA LAW 'PINK TAX'

Tax-free feminine hygiene products is one change Nevada will see in 2019 as new laws take effect.

Senate Bill 415 passed unanimously in the state Senate and passed by a 39-2 vote in the Assembly. The measure then passed with 56% of the public vote during November's election.

The new law amends the Sales and Use Tax Act of 1955, which already exempts certain items from tax like food, gas, electricity and water.

Some people think the removal of the tax may have unforeseen consequences such as less tax revenue.

The new tax exemption will run through 2028 before it needs to be voted on again.

RGJ

LOWE'S LOOKING TO HIRE

Lowe's looks to hire 65,000 new employees in tightest labor market in decades.

Lowe's says it plans to hire more than 65,000 people this year — some permanently and others on a seasonal basis.

It also is planning to ditch some existing roles, which the company says will help it "simplify operations" in stores. Many retailers are dealing with a tight labor market in the U.S. that's making it harder to find talent.

RGJ

80TH NEVADA LEGISLATURE OPENED FOR BUSINESS FEB. 4

Incoming lawmakers have been busy since the election. The Legislative Counsel Bureau has received 246 requests for legislation, bringing the total number of bills in the hopper to 968 as of year's end.

While a number of the new bill drafts being sought are fairly well fleshed out proposals presented by interim study committees, many are for legislation sought by the newly elected members of the Senate and Assembly.

With strong majorities in both houses, Democrats are looking to a variety of proposals including ways to implement the voter-approved gun background checks law and to ban bump stocks that caused so much carnage at the Oct. 1 massacre in Las Vegas. There are several other measures dealing with firearms as well.

Frierson said that includes Assemblyman Mike Sprinkle's bill in 2017 that would have created a Medicaid option for all.

Both expressed interest in the vetoed measure that would seal the records of people convicted of certain marijuana crimes that they say prevents people from getting jobs for crimes that are no longer crimes in Nevada.

Tick Segerblom has a bill that would restore home rule to Nevada's large counties but he is no longer in the Senate,

having won a seat on the Clark County Commission, so it's future is unclear.

Sen. Joe Hardy has a bill that would make Nevada's brothels illegal and shut them down. Sen. James Ohrenschall has one to abolish the death penalty in Nevada.

There are two major changes in the makeup of the Legislature. For the first time in state history, women hold a majority in the Assembly with 23 of the 42 districts. They also hold nine of the 21 Senate seats.

LAS VEGAS

RETAILERS SAY SALES WILL CONTINUE TO BE STRONG IN 2019

Southern Nevada retail sales remain strong and show no sign of slowing in 2019, according to retailers and analysts.

The holiday shopping season in Las Vegas has turned out to be a good one for retailers as many predicted prior to Thanksgiving, setting a Black Friday record, and it hasn't slowed.

In early January, the Nevada Department of Taxation released its numbers through the end of September (the latest month available) that showed taxable sales for the state up 5 percent compared to a year ago for the first quarter of the fiscal year. Clark County was even higher at 6.5 percent. In September alone, statewide retail sales were up 56 percent

compared to September 2010 when the region was reeling from the Great Recession.

The gains in retail are valley-wide and all market segments.

Las Vegas Business Press

NEVADA REPUBLICANS CLAIM LEVERAGE

While pledging no new taxes in his State of the State address, Governor Sisolak proposed retention of two taxes that were scheduled to be reduced or phased out at the end of fiscal year June 30. Keeping them would generate \$138 million over the two-year budget period that will start July 1.

But Republican lawmakers said that such an extension is a new tax in everything but name and would require a two-thirds majority vote of the Legislature. Democrats hold that supermajority in the 42-seat Assembly but are one vote short of it in the 21-member Senate.

The state's modified business tax was slated for a reduction June 30. Retaining it through June 2021 would generate \$48 million a year. Similarly, Sisolak wants to keep a portion of the governmental services tax that was scheduled to sunset in June. The tax, paid by vehicle registration, is based on the vehicle's value. Keeping the tax as is would generate an additional \$21 million annually

LVRJ



National Notes

NEW PSA WARNS CONSUMERS OF GIFT CARD FRAUD

Everyone loves gift cards — even scammers.

That's why Best Buy is teaming with AARP and the National Association of Attorneys General (NAAG) to launch a campaign aimed at raising public awareness around gift card fraud.

Fraud prevention tips Here are some tips to prevent gift card fraud:

● If you receive a call or email asking for payment by gift card, know that it's a scam. Report it to your local authorities and the Federal Trade Commission right away.

Never provide your gift card number and pin to anyone you don't know. Once those numbers are gone, so is your money.

● Limit sharing your personal information. Be thoughtful when you get email or phone requests for this information.

If you're pressured to act quickly, odds are it's a scam.

● Don't open email attachments or click on links unless you're certain they're from legitimate sources. Search business records and reviews online to check them out.

Press Release

EXECS FROM WALMART, KROGER, TARGET SHARE THEIR EXPERIENCES

Brick-and-mortar retailers

are headlong into the digital transformations necessary for what's shaping up to be an omnichannel future, top industry executives said at the National Retail Federation's 2019 Big Show in New York.

Among big retailers leading the charge, he said, are Doug McMillon, president and CEO of Walmart; John Furner, president and CEO of Walmart subsidiary Sam's Club; and Brian Cornell, chairman and CEO of Target.

Baldwin cited Walmart's strategic acquisitions, "tremendous" investment in technology, increased automation throughout the company and aggressive rollout of grocery pickup and delivery in the United States.

"It's so hard to think of a better example of how retail is being reimagined than Walmart and Sam's Club," he said.

"Not long ago, Walmart was known as a brick-and-mortar powerhouse. Today, it is very frequently mentioned as one of the most innovative companies in the world."

Meanwhile, Target "sets the standard for being an inspiring place to shop," according to Baldwin. The retailer has done that by elevating the shopping experience with a next-generation store design, store remodeling and investment in store associates to boost customer service.

"It's using stores as hubs to more conveniently fulfill all of the options consumers have at

Target, making our 'Target runs' even more easy every single day," he explained. "And Target continues to create exclusive brands that offer incredible value and drive excitement across its assortment."

Since 2016, retail has grown faster than U.S. gross domestic product, and for 2018 retail sales are projected to have grown by about 4.5%, Baldwin said. What's more, 2018 saw about 2,000 net new store openings.

Kroger going from grocery to 'growth company'

Few retailers understand that better than The Kroger Co. Kroger Chairman and CEO Rodney McMullen shed more light on Restock Kroger, the supermarket giant's plan to reshape the company by redefining the customer experience.

"There's so much change going on in retail, and it's so exciting," McMullen said. "Restock Kroger is really our commitment to our customers and associates to change who the company is. Our vision is to serve America through food inspiration and uplift.

And we're really transforming the company from a grocery company to a growth company.

Then in August, Kroger launched its own online grocery delivery service, dubbed Kroger Ship, and kicked off a pilot of driverless delivery vehicles in Arizona with technology partner Nuro. The retailer, too, has greatly expanded online grocery

fulfillment, with most of its stores now offering pickup and delivery. *NRF*

TARGET NAMED RETAILER OF YEAR BY MMR

Target Corp. is hitting the bull's-eye.

Target headed into the 2018 holiday season bolstered by a strong third quarter performance that included a 5.1% increase in comparable sales, a 49% gain in digital channel sales and a 5.3% increase in customer traffic.

Total revenue for the three months ended November 3 was \$17.8 billion, an increase of 5.6% over the comparable prior-year period. Net earnings for the quarter were \$622 million, up 30.2%.

The company is in the midst of a multiyear, multibillion-dollar investment agenda to grow sales faster, gain market share, and adapt to changing consumer tastes and shopping preferences.

"We have so much confidence in our strategy because no single element alone is driving our success," says Target chairman and chief executive officer Brian Cornell. "It's the sum of the parts. And what we've seen, quarter after quarter, is that each part is working and all the parts are working together."

For Target's success in developing that winning strategy, and delivering on it, the

Continued on page 11



SISOLAK APPOINTMENTS

By Josh Hicks*, Partner McDonald Carano Law Firm



Government Affairs & Advocacy Group

SOME NEW NAMES, SOME OLD NAMES IN THE SISOLAK ADMINISTRATION

After eight years of the Sandoval administration, Governor Sisolak was sworn in as Nevada's 30th Governor on January 7, 2019. The heads of most government agencies are at-will state employees and serve at the pleasure of the Governor. It is common for a new Governor to keep some agency heads and replace others at the beginning of an administration, and the Sisolak administration to date has maintained that tradition.

As of January 20, 2019, the new appointees and the holdovers are as follows:

NEW APPOINTEES:

● **SUSAN BROWN** – *Budget Director*

Brown was promoted from the deputy budget director to budget director. She has been in the budget office since 2009.

● **DAVID BOBZIEN** – *Director of the Governor's Office of Energy*

Bobzien has served on the Reno City Council since 2014 and previously served four terms in the Nevada Assembly.

● **GEORGE TOGLIATTI** – *Director of the Department of Public Safety*

Togliatti is a former agent with the FBI and has been a Security Vice President at MGM Resorts International since 2007. He has served in this position before, appointed by then-Governor Kenny Guinn to serve from January 2004 to January 2007.

● **MELANIE YOUNG** – *Director of the Department of Taxation*

Young previously served in the Department of Public Safety and the Department of Health and Human Services, and most recently served in the Department of Taxation managing operations, maintenance, tax distributions, budget, processing, accounting, fiscal services, personnel and payroll.

● **JULIE BUTLER** – *Director of the Department of Motor Vehicles*

Butler has previously served as the division administrator in the Records, Communications and Compliance Division of the Nevada Department of Public Safety.

● **SANDRA DOUGLASS MORGAN** – *Chair of the Nevada Gaming Control Board*

A lobbyist for AT&T and the former City Attorney for North Las Vegas, Morgan takes over for Becky Harris, who gave up her Senate seat to be appointed to the post just a year ago.

● **MICHAEL BROWN** – *Executive Director of the Department of Business and Industry*

Brown spent 24 years with Barrick Gold Corporations where he served as President from 2015 until his retirement on December 31, 2018.

● **DR. TIFFANY TYLER** – *Director of the Department of Employment, Training and Rehabilitation*

Since 2016, she has served as the CEO of Communities in Schools of Nevada, a national dropout prevention and intervention program aimed at keeping students in school through graduation.

● **TIM WILSON** – *Nevada's Interim State Water Engineer for the Department of Conservation and Natural Resources*

Wilson was a deputy administrator previously and has worked for the Nevada Division of Water Resources since 1995.



SISOLAK APPOINTMENTS

Continued from page 8

GOVERNOR'S STAFF APPOINTEES:

● **MICHELLE WHITE** – *Chief of Staff*

White was the Executive Director of Sisolak's transition team, and previously served as the Nevada State Director of For Our Future during the 2018 election, Deputy State Director for Hillary for Nevada, and as Executive Director to the State Senate Democratic Caucus.

● **BRIN GIBSON** – *General Counsel*

Gibson is the outgoing First Assistant Attorney General of Nevada and chief of the Gaming Division for the Office of the Attorney General.

● **SCOTT GILLES** – *Senior Advisor*

Gilles was the former Deputy Secretary of State for Elections and most recently managed Government Affairs and Legislative Relations for the City of Reno.

● **ALLISON COMBS** – *Policy Director*

Combs has served as the Assistant Vice Chancellor for Academic Affairs and Director of Public Policy at NSHA for the past six years. She previously served in the Research Division of the Nevada Legislative Counsel Bureau for 18 years.

● **FRANCISCO MORALES** – *Director of Public Affairs and Community Relations*

Morales was the Deputy Transition Director for Sisolak's transition team and Political Director for the gubernatorial campaign. He also previously served as a Senior Representative for Congresswoman Dina Titus and as Deputy Political Director for the Culinary Union.

● **KEITH J.D. HIGHTOWER** – *Legislative and Intergovernmental Affairs Director*

Hightower served as the Legislative Director under Governor Sandoval.

HOLDOVER APPOINTEES:

● **PATRICK CATES** – *Director of the Department of Administration*

Cates is the current Director of the department and will continue to hold the position that he was appointed to in September 2015.

● **KATHERINE MILLER** – *Director of the Department of Veterans Services*

Miller is the current Director of the department and will continue to hold the position that she was appointed to in 2013.

● **TONY WASLEY** – *Director of the Nevada Department of Wildlife*

Wasley is the current Director of the department and will continue to hold the position that he was appointed to in April 2013.

● **BRADLEY CROWELL** – *Director of the Nevada Department of Conservation and Natural Resources*

Crowell is the current Director of the department and will continue to hold the position that he was appointed to in December 2016.

● **RICHARD WHITLEY** – *Director of the Nevada Department of Health and Human Services*

He has served in this position since June of 2015.

***Information for these lists was gathered and produced by Lauren Parobek Warden, Policy Coordinator with the McDonald Carano Law Firm.**

**Josh Hicks is
General
Counsel
for the
Retail
Association
of Nevada**





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.

- A Metal Worx LLC dba American Metal Worx**
- Beverly Realty Inc**
- Green 320 LLC dba Pro Gun Vegas**
- Imagination Station Early Learning Center LLC Boulder Station**
- Imagination Station Early Learning Center LLC Palace Station**
- Imagination Station Early Learning Center LLC Sunset Station**
- McClaskey Gaming RLC, LLC**
- Nevada Care Services LLC**
- S&P Palms Vegas LLC dba Mabels BBQ**
- Sierra Nevada Realtors**
- Snyder's Pinenut Livestock Supply**
- Step by Step Behavioral Health Clinic LLC**
- Steven Gene Larson**
- Two Twenty-One Inc**

CREDIT CARD PAYMENTS

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

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



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.



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MEMBERSHIP INFORMATION: Find out more about RAN's self insured group. Call Pro Group, **800-859-3177**,



RESTAURANT COUNCIL *Continued from page 3*

minimum wage increases. Significantly raising wage standards, then, raises some pay while diminishing pay or even eliminating opportunities for others.

Of concern are tipped employees. According to the U.S. Department of Labor’s Wage & Hourly Division Nevada is amongst only six states that require employers to pay the full minimum wage before tips. Raising the minimum wage for tipped employees might be helpful for gaming employees themselves which rely upon outside tourism to fuel their businesses, but more rural

and non-gaming areas which are more reliant upon local residents for business traffic may suffer.

Raising minimum wages may also hurt youth employment. A recent study published in March of 2018 in IZA Journal of Labor Policy, Marimpi, et al, Youth Minimum Wages and Youth Employment, suggests young people are affected by rising minimum wages. These effects include both increased incomes and decreased employment opportunities as employers seek more experienced workers rather than hiring

inexperienced workers. The journal article further suggests policy makers consider separate minimum wages to offset the consequences.

To be sure, raising the minimum wage is popular. PEW, a respected research firm, polled Americans in 2016. Fifty-eight percent of those polled favored a \$15 minimum wage. What wasn’t polled was how much more a consumer was willing to pay for the same items – think food and drink at fast food, and dine in establishments - if the national minimum wage was raised from \$7.25 to \$15

per hour. It is enlightening to understand, then, when passing new minimum wage laws, it is always easier to spend somebody else’s money.

The Restaurant Council understands and appreciates the need for people to make a decent living but suggests there may be other ways for people to move up the wage scale rather than by simply mandating employers pay more. The Council stressed this is a complicated issue and one which needs careful consideration. They appreciate the opportunity to tell the other side of the story. ■

NATIONAL NOTES *Continued from page 9*

editors of Mass Market Retailers have named the company the publication’s Retailer of the Year. *MMR Press Release*

A LOOK INTO THE FUTURE ● Big thing: How vanity will save retail

Nail and waxing salons — in addition to pet grooming shops, cosmetics stores, tattoo parlors and gyms — stand out as improbable avatars of the future of retail, surviving and thriving amid the decades-long annihilation of mom-and-pop apparel, book and hardware stores.

They are aggressively curating inventory, meticulously upgrading existing shops, adding entertainment features like trampoline parks, free food and drink and, of course, providing hair, nail and cosmetic

services.

“The stores that will do well are the ones that know how to get you to leave your house.”

● Retail inequality: Tribal shopping

In a poll by Axios/SurveyMonkey, 71% of respondents with a household income of less than \$50,000 a year said they preferred shopping in a store over shopping online, compared to 54% of those in households with income over \$100,000.

The bottom line: Online shopping will continue to grow in popularity with higher and middle-income shoppers, but won’t compete with the flexibility and rock bottom prices of dollar stores.

● Retail’s risky obsession with wealthy millennials

Millennials, now firmly in

their adult years, have been blamed for “killing” everything from mayonnaise to fabric softener to department stores. Why it matters: Wealthy millennials’ exaggerated, idiosyncratic shopping habits fuel trends like meal-kits and grocery delivery. But in reality, these consumers represent a relatively small, yet powerful piece of the market.

According to a recent Deloitte study, high-income millennials were 24% less likely than other shoppers to shop in a store, but low and middle-income millennials behave like consumers of any other generation.

● The store of the future is a supermarket

With their high volume of foot traffic, grocery stores are ideal labs to test bold ideas

meant to save brick and mortar retail,

Kroger has partnered with Microsoft to roll out grocery stores with LED shelves that reflect sale prices in real time and sensors that track which shelves need to be restocked.

The Kroger-Microsoft prototype also allows the stores to accept and quickly fulfill online orders. The partners plan to monetize by selling the tech to other retailers.

● Generics are the new brands

Generic products used to be priced low and no-frills. But fancier “generic” companies — Brandless, Italic, Hims — are selling consumers a new definition: affordable prices with better quality and a fun experience.



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RETAIL IMPORTS LEVEL OFF

WASHINGTON: IMPORTS AT THE NATION'S MAJOR

retail container ports have slowed down after a months-long rush to beat increased tariffs on goods from China, according to the monthly Global Port Tracker report released today by the National Retail Federation and Hackett Associates.

"With the holiday season behind us, the immediate pressure to stock up on merchandise has passed." NRF Vice President for Supply

Chain and Customs Policy Jonathan Gold said. "Retailers have also brought in much of their spring merchandise early to protect consumers against higher prices that will eventually come with tariffs. Our industry is hoping the talks currently under way will bring an end and result in a more appropriate way of responding to China's trade abuses that won't force American consumers, workers and businesses to pay the price."

U.S. ports covered by Global Port Tracker

handled 1.81 million Twenty-Foot Equivalent Units in November, the latest month for which after-the-fact numbers are available. That was up 2.5 percent year-over-year but down 11.4 percent from the record of 2.04 million TEU set in October. A TEU is one 20-foot-long cargo container or its equivalent.

December was estimated at 1.79 million TEU, a 3.7 percent year-over-year increase. That would bring 2018 to a total of 21.6 million TEU, an increase of 5.3 percent over 2017's record 20.5

million TEU. January is forecast at 1.75 million TEU, down 0.9 percent from January 2018; February at 1.67 million TEU, also down 0.9 percent year-over-year; March at 1.55 million TEU, up 0.6 percent; April at 1.69 million TEU, up 3.7 percent, and May at 1.8 million TEU, down 1.3 percent. February and March are typically two of the slowest months of the year for imports, both because of the post-holiday drop in demand and because of Lunar New Year factory shutdowns in Asia. ■