

Assembly

MINUTES OF MEETING - WAYS AND MEANS COMMITTEE - NEVADA STATE LEGISLATURE
54TH SESSION APRIL 11, 1967

Meeting was called to order by Chairman Glaser at 8:05 AM in the Ways and Means Room.

Present: Glaser, Mello, Harris, Bowler, Ashworth, Young, Tyson, Howard, Jacobsen
Absent: None

Also present: Howard Barrett and Bob Bruce

Mr. Barrett went over a letter distributed to the committee dated April 6, 1967, relative to specific items needing change in finalized budgets.

Environmental health: you left public engineer 3 in and deleted engineer 1. The health people feel very strongly that this position needs to be in the budget. Mr. Barrett recommended to the Governor and the Governor recommends that an air pollution control board be created under this department with \$3800 and \$4000 state money matched by federal money; State Prison: you gave them 5 additional correctional officers for the new tower. They are requesting 5 more for the third dorm at minimum which will be finished July 1. Warden Hocker put an extra 3 at the honor camp and 2 at the farm so doesn't have any officers for the dorm. You did not approve the fourth dorm but left in \$50,000 for the staffing of that dorm. Therefore, we recommend splitting the \$50,000 giving half both years for the additional correctional officers.

Unclassified salaries: You allowed \$11,500 for superintendent of buildings and grounds which is not a sufficient salary for this position. The purchasing agent gets \$13860 and the superintendent of buildings and grounds has an equal responsibility so should be paid more than the \$11,500. PSC branch manager has been taken care of. Vocational education in for discussion with Senate. Capital Improvement: Las Vegas office building - it would not have to be funded from this or next year's money, but could be from 68-69. Most of the office buildings in Las Vegas are now scattered all over the city which creates many problems. The spaces they are renting in various buildings are crowded and therefore substandard. Putting them all into one state building would be better business - ultimately save rent money. They would sell the old state building and build another large enough to house all the state departments and employees in Las Vegas. We are presently paying around \$75,000/year in rent. Bob Bruce said Senate Finance want to build the new building for the highway patrol in Las Vegas and delete the moving costs and rental from the budget as formerly agreed upon. This would be funded from the highway fund. Discussion on buildings and locations in Las Vegas relative to the proposed new state building and the highway patrol building. Mr. Ashworth and Mr. Jacobsen, the subcommittee, will get together with Mr. Hancock to set up some kind of funding schedule. Unclassified positions in Gaming Commission: the bill covering this creates a problem in one case. Almost all positions in Gaming Control Board and Gaming Commission are unclassified. They feel that with all the positions listed in there, they have no flexibility in hiring or transferring from one category to another. They would have no objection if you would set 3 control board members by statute and the secretary by statute and not set other salaries by statute but put amount in budget and allow the agency to set the salary.

Mr. Glaser brought up a problem area relative to the splitting of budgets for the University. The technical institute was separated from the Reno campus. Las Vegas wants to also separate their technical school from the campus because putting two different kinds of schools together creates an administration problem.

Another problem area exists relative to administration and statewide services. Ordinarily monies from administration are allocated to statewide services but with these separated into distinct budgets we will have to adjust the monies in each so that each gets its proper amount.

Assembly Committee on Ways and Means

written in authorizing sale of this for \$1.00.

Mr. Barrett said that after this the cost of water to the state would be set by the Public Service Commission. If after the 35 years, they do not take up the option to purchase, then the system will still be ours and we can re-negotiate.

Mr. McGowan said that we would be getting our money back by not having expenses created for us and the water being available to us at a reasonable cost. In the first part they are buying the easement on the pipelines and water system down to the 2 little reservoirs and then we are completely selling that out of town.

Mr. Howard said there is not a provision in this contract for subcontracting or resale.

Mr. McGowan requested 2 changes in the proposed contract: On page 1 in the first "WHEREAS" paragraph, 3rd line, after and - delete "the Nevada state children's home" and insert for certain state facilities; on the last page, section 7, line 4, between the words "County and that" insert which county is specifically authorized to purchase notwithstanding it lies without its boundaries.

Mr. Barrett said that the final contract would be substantially in this form but may not be exactly. Also, it will say the state convey as described in schedules A and B which are not drawn yet to show the committee. They are holding back the well at the children's home because the state should have a little reserve.

Mr. McGowan read the portion pertaining to useage of the land for recreational purposes under section 8 on page 7 having to do with anything consistent with standards of the Health Department. Also, even the water may be used possibly for fishing. The building are not included in the lease.

Mr. Jacobsen mentioned the state getting the portion by the prison - water out of sewer line.

A revised budget for Marlette Lake was distributed to the committee. This budget is needed because we still have some responsibility in the area, taking care of the land itself. The first year we will be providing some advisory help - the man there now is the only one knowledgable about this area and would help the Carson Water Company the first year in the transfer. They will pay half his salary. The second year his salary would be paid entirely out of general fund although this salary will be cut back because of reduced responsibility.

Mr. McGowan and Senate Finance left the meeting.

Ways and Means Committee - 4PM

Page 121-A State School Construction Relief Fund

Senator Pozzi was present to speak on this subject. He read the justification in the book. He said Ormsby County has made formal application for these funds. He mentioned Public Laws 874 and 815 relating to the federal government aiding impacted areas with construction, etc. There is a need here for aid from the state because of this being a state impacted area.

At the presenttime there are absolutely no more classrooms available and for further expansion 6 months ago authorized 1.7 million dollars for school construction and on January 1 sold \$800,000 for the first increment. He pointed out that school enrollment has increased 82% between 1961 and 1966. This year there are 1,059 state impacted students.

4/10/67

Senator Pozzi compared the estimated assessed valuation per pupil in Ormsby at 92.36 with Mineral County at 45.47. We are fourth in the total tax rate in the state. We have not had the opportunity to move any higher because of city and county having bonds so the schools could not get any higher. The legal limit for school bonding is 60% (all located within the city). At the present time we have only one school construction site, but there are problems connected with that because of a proposed highway going through the property. Recent investigations have shown that land would be priced at \$3500 per acre meaning a total of \$134,000 to \$200,000 without improvements.

There is some confusion on SB 15. This is strictly for financing the ADA program and has nothing to do with this.

The assessed valuation is going up, but the opportunity for the county to raise this type of money is out of the question.

Senator Pozzi said this is needed only because of school construction so would not be an annual expenditure - would only arise periodically. The County can only apply after the sale of bonds. There is some money still in the fund as we were not eligible to use it - \$15,000 - so this was kept there.

Senator Pozzi left the meeting.

SB 482: TB Supplemental

Dr. Ravenholt said this dates back to a request of December or January. It was discussed with Senate Finance but did not get initiated. It is necessary because of the number of patients carried in TB care. This bill provides for \$60,000 up to July 1 with reversion of any monies not needed. The monies now provided are not sufficient to carry through the next biennium. However, there are changes being made in this TB program in reducing in-patient care costs so that the additional amount should not be needed for the following year. There are 45 patients in care facilities now. The out-patient program is being strengthened and in-patient lessened so that these additional monies will not be needed after the initial problem for this year is solved.

In answer to question, Dr. Ravenholt said that these people are mostly aged males - native people rather than transients. The mobile unit has been largely responsible for detecting people having TB.

Mr. Barrett said that this budget has been cut substantially. Dr. Ravenholt has the advantage of making knowledgeable analyses because of his background and can make accurate predictions in terms of dollars necessary for the programs.

SB 302: Interstate Health Compact

This allows transfer of patients to their state of origin. Article VII allows sending patients out of state and which would cost less than providing continual care. Because of our transients this would be to our advantage. Dr. Ravenholt could see no "sleepers" in this bill.

Dr. Ravenholt brought up the subject of the Girls' School at Caliente. He read a revision to his letter given to the committee on the education combined with the Lincoln County School District. He will have copies made of this revision and distribute it to the committee. This revision was brought about by the change from the Peabody Formula allowing approximately \$50,000 for the 50 girls under Special Education Students to the Nevada Plan. Lincoln County School District would be paid by contractual arrangement approximately \$1,090 per pupil per year for schooling 6 hours/day 5 days/week 12 months/year.

Dr. Ravenholt said we are currently paying some \$45,000 for education for these girls

which is not worth anything because it is not accredited. He also recommended the deletion of the Beautician Teacher and the position of Head Group Supervisor be reinstated. He is also asking authority to utilize any residual for a psychologist.

The money depends on the number of girls. However, we are asking for authority to utilize monies in the budget which may be residual and also authority to contract with the Lincoln County School District for this education.

Discussion by committee on need for Beautician Teacher. Dr. Ravenholt said this position was deleted by reason of economics. They would be delighted to have the position given to them. With the academic schedule, courses in this could be an extra curricula type program.

Mr. Glaser said the bill on the supplemental for ADC was based upon the caseload build-up and will take care of the situation - provided for up to July 1. Mr. Barrett said their budget is very tight in view of the added caseload, so it is better business to ask for the supplemental since the Legislature is in Session and it is probable that it would be needed rather than plan on getting it from the Board of Examiners emergency fund.

SB 27 Highway Safety Act

Mr. Jacobsen said that this bill would take care of a number of things. He is concerned with what would put us in a qualifying position so the Governor will have the power between Sessions. He realizes the amount of money necessary for this - possibly \$20,000.

Mr. Harris questioned the 5 and 10 million quoted previously in connection with this safety program.

Mr. Ashworth said this represents the cost to the state if we fully comply with the 13 standards recommended. He pointed out the comprehensive nature of the areas concerned. Some of the points were starting inspections of vehicles, highway patrolmen, driver's training education for everyone, medical examinations, etc. This bill allows the Governor to contract to avail the state of all benefits of the program available. Mr. Ashworth said that our state is far ahead of other states in many of these standards. We comply with perhaps 50% of their programs. He thinks this is 2 years in advance of things to come and we should wait on this.

Mr. Ashworth said that these 5 and 10 million figures came from Mr. Ottini and Mr. Guinn. He went on to point out that if the State of Nevada does nothing and receives the penalty which would amount to a reduction in highway funds of 3½ million we would be ahead based upon the cost of 5 million to implement the program to avoid the penalty. There is a Resolution requesting Congress to delay the 1969 date for final compliance. Dr. Haden said in all probability there would be no penalties imposed for a few years.

He said that if we take \$10,000 general fund money with \$10,000 highway fund money and get federal money the Governor and Motor Vehicle Department could make a study on the requirements as related to the State of Nevada. We already know this.

Mr. Jacobsen thinks this would be a safeguard. Mr. Glaser said this might save us money so in the next 2 years we would know just where we stand.

Mr. Howard said this bill shows legislative intent and will hold this thing off that much longer without affecting federal funds.

Mr. Young moved that SB 27 be amended to include \$20,000 general fund money and \$20,000 highway fund money.

Mr. Harris seconded the motion.

Assembly Committee on Ways and Means

353

Mr. Howard moved that the motion be amended to include only \$10,000 general fund money and \$10,000 highway fund money.

Mr. Jacobsen seconded the motion.

Mr. Ashworth voted no.

Motion passed.

Mr. Young moved that SB 27 as amended be reported out with a DO PASS.

Mr. Howard seconded the motion.

Mr. Ashworth voted no.

Motion carried.

SB104 Creates Council on the Arts

Mr. Glaser read the amendments limiting the Board to not more than 21 members; deletes the portion where there would be reimbursements for expenditures (section 9, page 2) and takes out on page 3, line 4, after make any agreement necessary "any other action".

Mrs. Tyson questioned whether these people need this to receive funds, etc. She pointed out the probable situation 2 years from now when they would come back with requests, etc

Mr. Barrett said that this group is now receiving federal monies through the University. They have received about \$50,000 through the University organization of this group. Mr. Barrett said he is not aware of this being discontinued although it is possible that after a certain date they could not be part of the University. Since this is being done on the outside, it would make sense to have it done directly as a state agency.

Mr. Harris moved that SB 104 be reported out with a do pass.

Mr. Mello seconded the motion.

Mr. Glaser voted aye.

Mr. Young, Ashworth, Howard, Jacobsen and Mrs. Tyson voted no.

Motion lost.

Archives

Mr. Jacobsen reported that after a discussion on this with some members of the Senate Finance, they agreed to go along with the position of the Ways and Means Committee.

Page 121 A State School Construction Relief Fund

Mr. Jacobsen moved that this be approved.

Mr. Harris seconded the motion.

Motion passed unanimously.

Mr. Harris questioned whether we could do anything about opening the budget pertaining to trainable children such as mongoloids to give more money. Mr. Barrett said you would have to change SB 15 to increase it or pass a special bill.

Discussion on the property by orphans home which is on fifth street - point of disagreement at previous joint meeting. Capitol improvements budget. Decision to hold.

Marlette Lake

Mr. Howard moved we go with the Senate.

Mr. Harris seconded the motion.

Mr. Jacobsen acting on this without assurance we won't be charged excessively for water and that they will make the necessary improvements, etc.

Assembly Committee on Ways and Means

Mr. Glaser questioned whether this could be held over for Special Session. Mr. Jacobsen this is urgently needed because of the condition of Hobart. Discussion on the lease and purchase figures.

Mr. Barrett said that the rate we pay for the water would be up to the Public Service Commission.

The figure for lease was one worked out by the Controller before any negotiations had been started. We purchased the area for \$1,650,000. The land around there was appraised at around \$100 - \$120 per acre. They took that figure to determine the worth of the land involved and subtracted it from the purchase price plus improvements for the price of the water rights.

Question on the exclusion of line improvements included from Duck Hill to Virginia City. Mr. Barrett said this was one of the points they could not resolve on so went along with this. Mr. Young said we would be paying more for the water than what we would be getting.

Motion withdrawn for more discussions and information.

SB ~~42~~⁶⁴: Fireman's Heart Bill

Mr. Young moved that SB ~~32~~⁶⁴ be indefinitely postponed.

Mr. Jacobsen seconded the motion.

Mr. Howard voted no.

Mr. Bowler voted no.

Motion carried.

SB 482: TB Supplemental

Mr. Jacobsen moved that SB 482 be reported out with a DO PASS.

Mr. Howard seconded the motion.

Motion passed unanimously.

AB 302: ADC caseload increase

Mr. Young moved that AB 302 be reported out with a DO PASS.

Mr. Jacobsen seconded the motion.

Motion passed unanimously.

SB 302: Interstate Health Compact

Mr. Glaser said that at the present time everyone is trying to pass these people on to other states.

Mr. Young moved that SB 302 be temporarily tabled (for Special Session).

Mr. Howard seconded the motion.

Mr. Ashworth voted no.

Motion carried.

SB 489 relating to bonded indebtedness

A letter of April 8 on proposed amendments to this was distributed to committee. Mr. Barrett requested that no action be taken on this until after a discussion with Mr. Newton and Mr. McDonald.

SB 380: Makes state fire marshal and his deputies peace officers

This is a question of retirement.

Mr. Howard moved that SB 380 be indefinitely postponed.

Mrs. Tyson seconded the motion.

Mr. Glaser pointed out that there may be some justification for the bill so that peace officers could arrest arsonists. Now as fire marshal he cannot.

Mrs. Tyson expressed her opposition to the retirement included in this bill.

Mr. Jacobsen will find out what authority they now have for making arrests.

Motion held.

Meeting adjourned at 5:20 PM.



PAUL LAXALT
GOVERNOR

OTTO H. RAVENHOLT, M.D.
DEPARTMENT DIRECTOR

STATE OF NEVADA
DEPARTMENT OF HEALTH AND WELFARE
CARSON CITY, NEVADA 89701

April 11, 1967

DEPARTMENTAL DIVISIONS
ALCOHOLISM
CHILDREN'S HOME
HEALTH
MENTAL HYGIENE
NEVADA GIRLS TRAINING CENTER
NEVADA STATE HOSPITAL
NEVADA YOUTH TRAINING CENTER
SERVICES TO THE BLIND
WELFARE

35

TO: ASSEMBLYMAN NORMAN D. GLASER, CHAIRMAN
ASSEMBLY WAYS AND MEANS COMMITTEE

FROM: OTTO RAVENHOLT, M.D., DIRECTOR
HEALTH AND WELFARE

SUBJECT: NEVADA GIRLS TRAINING CENTER, CALIENTE

I would, as Director of the Department of Health and Welfare, like to plan the following activities which influence the budget for the next biennium:

1. Combine the education program with that of the County School District through a contract agreement.

Since the monies available to the Lincoln County schools are partially State monies and partially local monies, I would like permission to supplement the monies available to the School District from a contractual arrangement with the Girls School. These monies to be supplied from the Girls School would, in effect, be in lieu of local funds so that the educating of the girls did not become a burden on the Lincoln County School District. The total State monies spent (direct reimbursement from the Distributive School Fund and contract monies from the Nevada Girls Training Center) would be limited to approximately \$1,090.00 per pupil.

2. The Assistant Superintendent and Head Group Supervisor positions were deleted in the biennium budget as it now stands. I should like to reestablish the Head Group Supervisor position. This will require \$7,416 in 1968 and \$8,160 in 1969.

Mr. Howard Barrett suggests that the one position and the contract education funds could be covered from the presently earmarked monies for the four teachers and principal.

Additional funds are not needed to implement the recommendations suggested above. This memorandum is merely to advise you of how we would plan to reallocate the funds if the budget is approved as recommended by the Governor.

This memo supersedes that of March 31, 1967.

O. H. R.

OHR:jhc

cc - Howard E. Barrett

WAYS AND MEANS COMMITTEE - NEVADA STATE LEGISLATURE - 54TH SESSION

AGENDA MONDAY APRIL 10, 1967

BUDGETS

Page 9	Archives
Page 121	Distributive School Fund
Page 121 A	State School Construction Relief Fund ----- Senator Pozzi
Page 442	Bonded Indebtedness

BILLS

SB 362	Gaming - Budget Control	
SB 489	Bond Commission -----	Ernest Newton
3:30 -- SB 482	TB Supplemental -----	Dr. Ravenholt
SB 27	Highway Safety Act	
SB 104	Council of Arts - Amended	
SB 302	Interstate Compact on Mental Health	
SB 380	Fire Marshal and Deputy as Peace Office (Amend ??)	