

MINUTES - WAYS AND MEANS COMMITTEE
NEVADA STATE LEGISLATURE - 56th SESSION - FEB. 18, 1971

Chairman Young called the meeting to order at 8:10 A.M.

Present: R. Young, Howard, Capurro, F. Young, Brookman, Mello, Swackhamer, Hilbrecht, Lingenfelter, Schofield

Absent: Hafen.

Guests: Earl Oliver, Fiscal Analyst; John Dolan, Dept. Admin.; George Frank, UPI; John Gamble, Dept. Education; Lou Paley, AFL-CIO; Assemblyman Getto

BILL HEARING

A.B. 92 - Subject: Authorizes work release program for state prisoners.

Lou Paley spoke on behalf of AFL-CIO who is in opposition to the Bill. Mr. Paley stated that if bill passed we would be competing with private employment. He stated that the bill doesn't state how the prisoners are going to get employment. Mr. Paley also pointed out the fact that the unemployment rate at present in Nevada is in excess of 7%. He asked the Committee if they wanted to do something for the prisoners in the way of rehabilitation that they should consider a furniture facility for the prisoners. This facility, he suggested, could be amortized over a few years.

Mr. Swackhamer asked Mr. Paley how much it would cost to set up his recommended furniture facility at the prison. Mr. Paley stated that he would get the Committee a rough estimate, and added that California has successfully set up furniture facilities and that products made in facility are only used in schools and State buildings. Mr. Paley felt that prisoners should be self sustaining in their own environment. Mr. Swackhamer referred to conversation with Warden Hocker as regards to the possibility of using LEAA funds in a rehabilitation program. Mr. Schofield felt this was a good idea, but he felt that we must prepare prisoners to return to society.

Mr. Hilbrecht suggested of placing work release prisoners in a remote area for employment. In this way, he stated, we could supply a labor force that would not be competitive with local labor. Mr. Hilbrecht reiterated that the idea of this program was to ease the prisoners back into society.

Feb. 18, 1971

Mr. Mello stated that some of the testimony the Committee has heard in favor of the work release program was to get certain prisoners away from the hard core prisoner.

Discussion on time limit that should be established as when prisoner would be released for work program.

HOLD (pending information)

A.B. 246 - Subject: Makes GF appropriation to higher education student loan fund account.

John Gamble was present to speak in favor of the bill. He stated that this program was started two years ago. The University did not want to administer the program because students involved in program would not necessarily be attending the University here. The administration of this program has been contracted through the United Student Aid Program in New York. Loans are only available for Nevada residents for higher education, and under this program, Nevada residents can attend any accredited school in the U.S.A. The program started with \$25,000 reserve money for loans. Interim Finance Committee added an additional \$10,000 to this amount. \$25,000 serves as a reserve and this can be matched up to \$25,000 with federal money. \$12,260 has been matched to date. Mr. Gamble stated that this amount is reinsured by federal government so that what is available for loan is actually 50 times what was appropriated. This money is loaned by banks using this appropriation as a reserve. He stated that at the present time, they are loaning \$741,000 using this as a reserve. With this money plus additional \$30,000 they could loan up to \$2,121,000. Mr. Gamble stated that approximately \$100,000 is received in loan repayments a year.

Mr. Swackhamer questioned Mr. Gamble about rate of defaults. Mr. Gamble stated that in October, 1970, there were 13,260 loans outstanding and there were only two defaults. Defaults are low because these are long time loans and this is a new program. Students pay 1/2 of 1% as a loan fee to the program when they get the loan. This fee covers administration of program and helps to cover defaults.

Mr. Gamble requested that the Committee consider raising the

Feb. 18, 1971

appropriation request from \$30,000 to \$40,000.

Mr. Hilbrecht moved the following amendment: Section 1 - ...the sum of \$40,000 to the higher education student loan fund..., and DO PASS as amended.

Mr. Lingenfelter Seconded the motion.
PASSED UNANIMOUSLY

A. B. 212 - Subject: Makes general fund supplemental appropriations for certain state officers, departments, agencies and public assistance programs.

Mr. Lingenfelter moved the following amendment: Section 1 - Delete #3.; Section 1 - #7 - Delete \$87,412 and add \$8,500 for State hospital mini buses, and DO PASS as amended.
Mr. F. Young Seconded the motion.
PASSED UNANIMOUSLY.

A. B. 157 - Subject: Makes appropriation to University of Nevada to make study of application, use of irrigation water in Newlands Project.

Assemblyman Gill Getto was present to speak in favor of the bill. He stated that the university will need an appropriation of \$20,000 to buy equipment needed and to complete the study of irrigation water within the Newlands Project.

Mr. Hilbrecht moved a DO PASS.
Mrs. Brookman Seconded the motion.
PASSED UNANIMOUSLY.

A. B. 324 - Subject: Requires approval by state board of finance of certain leases of offices outside state buildings.

Mr. Hilbrecht moved the following amendment: Section 1, line 7, be changed to read ..members of the Board of Examiners, and DO PASS as amended.

Mrs. Brookman Seconded the motion.
PASSED UNANIMOUSLY.

A. B. 286 - Subject: Authorizes Governor to institute, continue comprehensive state planning and to accept grants therefor; empowers Governor to stop governmental projects having environmental impact.

Feb. 18, 1971

Mr. F. Young moved the following amendment: Delete the last sentence in Section 1, and DO PASS as amended.
Mr. Capurro Seconded the motion.
PASSED UNANIMOUSLY.

PAGE 6 - COMPREHENSIVE STATEWIDE PLANNING

Mr. F. Young moved to approve the budget as recommended by the Governor.
Mr. Hilbrecht Seconded the motion.
PASSED UNANIMOUSLY.

A. B. 274 - Subject: Creates Nevada commission on the status of women.

Mrs. Brookman explained some of the purposes of the Commission to the Committee. In addition she stated that every state has a commission of this type, and the establishment of this commission is per the Governor's request. Mr. Hilbrecht suggested that the name of the commission be changed to, "Nevada Commission on the Status of People.

HOLD

A. B. 319 - Subject: Limits annual average grants for eligible individuals under certain public assistance programs.

Mr. Howard moved a DO PASS
Mr. Capurro Seconded the motion.
PASSED UNANIMOUSLY.

Being no further business, the meeting was adjourned at 9:20 A.M.

Chairman Young called the meeting to order at 3:00 P.M.

Present: R. Young, Howard, Capurro, F. Young, Brookman, Mello, Schofield, Swackhamer, Hilbrecht, Lingenfelter

Absent: Hafen (Excused)

Guests: Earl Oliver, Fiscal Analyst; George Frank, UPI, John Dolan, Dudget Div.; A. McLeod, Budget Div.; Roger Trounday, Dir., HWR; John McGlade, Comp. Health Planning; O. Wahrenbrock, HWR; Russ McDonald, Legislative Counsel; Dr. McAllister, Supt. Nev. State Hospital; Ted Reynolds, Nevada State Hospital; Ron Sparks, Budget, Dr. Carr.

Mr. Russ McDonald was present to speak to the Committee about fiscal notes.

Chairman Young asked for approval of the minutes of the Feb. 16th meeting.

Mr. Howard moved approval of the minutes.

Mr. Mello Seconded the motion.

Motion carried.

PAGE 172 - DIRECTOR, HEALTH, WELFARE AND REHABILITATION

Mr. Trounday stated that this is now shown as a separate budget. No additional positions are requested.

PAGE 174 - AGING SERVICES

Mr. Wahrenbrock stated that this budget was not funded two years ago. Legislation will be introduced to make this a division and it will become a separate agency from Welfare. Agency 75% federally funded and 25% funded by state. Mr. Wahrenbrock stated that over \$93,000 will be available for project funding. He also stated that this is not a welfare program but rather an advocate agency for senior citizens. Mr. Hilbrecht was concerned about the administrative necessity for handling these problems. Mr. Wahrenbrock responded that the needs of senior citizens need to be coordinated.

PAGE 176 - COMPREHENSIVE HEALTH PLANNING

Funding is 75% federal money and 25% State money.

New Positions - Governor recommends 3 additional positions in first half of biennium and 1 additional position (for a total of 4) in second half of biennium.

PAGE 178 - OFFICE OF STATE HEALTH OFFICER

Dr. Carr stated that there are no changes in this budget. The position of nutritionist has been removed from this agency and has been transferred into community health services.

Mr. Capurro questioned Dr. Carr as to why the Governor did not recommend \$16,000 for legal and court expenses. Mr. Dolan explained that the attorney in the Director's office who would handle problems if they occurred.

Mr. Capurro asked Mr. Dolan why the agency's request for EDP was not recommended by the Governor. Mr. Dolan stated they had anticipated a program utilizing EDP but it has

not been developed yet.

PAGE 180 - DENTAL HEALTH

No change.

PAGE 182 - MED LAB CERTIFICATION AND IMPROVEMENT

No change

PAGE 183 - SILICOSIS PROGRAM

No change

PAGE 184 - VITAL STATISTICS

No change

PAGE 186 - BUREAU OF HEALTH FACILITIES

Dr. Carr stated that they are trying to get all of the licensing within one division. Increase in budget is reflected by three new positions which are actually just a transfer from Welfare. More travel funds (in-state) requested. Mr. Dolan stated that the increase in rent was due to the additional space needed for the three additional positions.

PAGE 188 - MEAT INSPECTION SERVICE HEALTH DIV

New Positions - Agency requesting 3½ new positions to comply with federal government statute. Before budget was prepared agency was advised they needed one additional Veterinarian II inspector. Since the budget has been prepared, the agency has been advised that they need in addition to this position, 2 ½ more inspectors. Discussion on federal meat inspection. Mr. Dolan stated that if request for 3½ inspectors was approved, \$30,000 would have to be added to budget to cover additional salaries. Mr. Dolan stated that the Committee would have to decide if they wanted the State to continue meat inspection or if they wanted the Federal government to take it over. Committee requested Mr. Dolan to supply them with a breakdown of the \$30,000 for the additional positions.

Discussion on S.B. 215 (Mello, F. Young).

PAGE 190 - BUREAU OF LABORATORY AND RESEARCH

No change. Dr. Carr stated that they had not consolidated yet and budget had been prepared the way they existed at present.

PAGE 192 - MATERNAL CHILD, SCHOOL AND SPECIAL CHILDREN

Essentially no change. Position of physical therapist has been transferred to another bureau.

Medical Care - This concerns heart surgery, orthopedic surgery and other congenital defects. Dr. Carr stated that this is not a welfare program. Any child in the State can visit the clinic for evaluation. Dr. Carr stated that in 1969-70, the \$429,119 was a misconception and that medical care was closer to \$500,000. He stated that in the current work program they are running about \$65,000 behind and that with rising hospital costs they might be in trouble.

PAGE 195 - HEALTH AID TO COUNTIES

Funding of this agency has in past been shown in the Office of the State Health Officer. It is now shown as a separate budget for better visability.

PAGE 196 - ENVIRONMENTAL HEALTH

New positions - Seven new positions were approved by governor.

In-State Travel - Increase in this line item due to additional new positions.

PAGE 200 - BUREAU OF COMMUNITY HEALTH SERVICES

New Positions - Three new positions were approved by Governor.

Regular appropriation - In next biennium they are consolidating Tuberculosis Care and Bureau of Community Health Services funding. One regular appropriation has been requested and recommended by Governor for both agencies: \$326,922 in 1971-72 and \$333,666 in 1972-73.

Feb. 18, 1971

PAGE 203 - TUBERCULOSIS CARE

Agency Balance - Agency balance was \$188,516 in 69-70; due to a new treatment program and a drop off in TB cases, Dr. Carr stated that there would be a greater reversion of funds.

PAGE 204 - STATE HOSPITAL

Budget has increased due to salary increases, medical and dental supplies and also due to the cost of living. Also have two additional services: Two ward adolescent unit and a day care senter.

New Positions - Agency requested 44 additional positions and Governor did not approve. Dr. McAllister stated that they have a therapy program in which patients help with housekeeping tasks, but need additional help.

PAGE 209 - FEDERAL GRANTS HOSPITAL

Budget is fully funded by federal money; there is no state matching.

PAGE 211 - COMMUNITY TRAINING CENTER FUND

No change

PAGE 212 - MENTAL HYGIENE

Division of Mental Hygiene's budget has been changed. Two budgets replace this budget: Out Patient Clinic and Southern Nevada Comprehensive Mental Health Center.

PAGE 214 - OUT PATIENT CLINICS

New Positions - Governor deleted agency's request from budget. Mr. Swackhamer asked Dr. McAllister how many additional personnel would be needed to enable them to make 1-2 visits per week in rural areas. Dr. Carr stated that they would need the position of Sr. Psychiatrist (full time) at \$26,000; two Psychiatric Social Worker II, and one Senior Clerk Steno.

In-State Travel - If the above positions were approved, Dr. McAllister stated that they would need an additional \$9,000 in in-state travel money.

Feb. 18, 1971

Mr. F. Young asked Dr. McAllister if he saw a cost savings to the hospital by the addition of out patient clinics. Dr. McAllister replied that this would reduce costs if we could put these clinics in local communities.

PAGE 216 - SOUTHERN NEVADA COMPREHENSIVE MENTAL HEALTH CENTER

No change.

PAGE 219 - MENTAL RETARDATION

This budget has been combined and consists of Sparks and Las Vegas Mental Retard Cottages.

Being no further business, the meeting was adjourned at 4:45 P.M.

WAYS AND MEANS COMMITTEE - NEVADA STATE LEGISLATURE-56th SESSION
AGENDA - FEBRUARY 18, 1971 - THURSDAY

MORNING - BILL HEARINGS

<u>TIME</u>	<u>BILL/RESOLUTION</u>	<u>SUBJECT</u>
8:00	S.C.R. 7.....	Authorizes expenditure from legislative fund for postage expense of 2 senate standing committees.
<i>Hold</i>	A.B. 92.....	Authorizes work release program for state prisoners.
<i>Passed</i>	A.B. 157.....	Appropriation to U. of N. to make study of water useage in Newlands Project
<i>Passed</i>	A.B. 212.....	Makes GF appropriations for certain state officers, agencies, programs.
<i>Passed</i>	A.B. 246.....	Makes GF appropriation to higher education student loan fund account.
	A.B. 260.....	Makes appropriation to Dept. of Admin., to conduct study of Nev. pub. school system.
<i>Hold</i>	A.B. 274.....	Creates Nev. Comm. on status of women.
<i>Passed</i>	A.B. 286.....	Comprehensive state planning; empowers Gov., to stop gov't., projects having environmental impact.
<i>Passed</i>	A.B. 319.....	Limits annual average grants to individuals under public assistance programs.
	A.B. 320.....	Provides formula for computing taxes paid on motor vehicle fuel used in watercraft.
<i>Passed</i>	A.B. 324.....	Approval of state board of finance for leases of offices outside state buildings.

AFTERNOON - BUDGET HEARING

<u>TIME</u>	<u>AGENCY</u>	<u>PAGE</u>	<u>REPRESENTATIVE</u>
2:00	Dept. of Health, Welfare and Rehabilitation	172- 257	Roger Trounday