

Assembly

MINUTES - WAYS AND MEANS COMMITTEE
NEVADA STATE LEGISLATURE - 56th SESSION - MARCH 30, 1971

Chairman Young called the meeting to order at 3:30 P. M.

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

Absent: None

Guests: Earl Oliver, Fiscal Analyst; John Dolan, Budget Div.; Assemblyman Getto, Jack Norris, Bob Call, Mr. Jenkins, Mr. Trodman, A. B. 155; Assemblyman Homer, Mr. Davis, and Mrs. Lowell, Wally Carson, A.B. 636.

A.B. 155 - Requires basic support guarantee to public schools to include pupil transportation costs.

Assemblyman Getto, Jack Norris, Bob Call, Mr. Jenkins and Mr. Trodman were present to ask the Committee to consider the rural factor as regards to the distributive school fund.

Refer to handout on basic support guarantee, ADA and transportation.

Assemblyman Getto remarked that the rural counties have been short changed and have not been able to keep up with services to students. Rural counties feel that the urban factor is a deterrent to the rural counties. They feel that the \$1,000,000 is going to come from the rural counties. Assemblyman Getto stated that if the urban factor is going to be considered then the rural factor should also be considered.

Assemblyman Getto stated that there is a tendency for people to be moving out of urban areas. Presently, rural counties are spending 7% for transportation and will be spending 10% in the future.

Mr. Trodman remarked that it costs more to educate students in rural areas than in an urban area. He stated that the proposed increase as regards to the distributive school fund was not on an equitable basis. Mr. Trodman testified that a small county could not provide the same educational services for the dollar that the large county provides. He pointed out to Committee members the transportation problem as regards to field trips and in addition remarked that additional buses needed to be purchased. He remarked that rural counties in percent of basic support guarantee must stay above Clark

County in order to provide the same level of services. Cost of educating the rural student is higher.

Mr. Trodman remarked that a high percentage of the budget is going into transportation. They are spending an additional 3-4% of budget on transportation. The transportation bill would cost approximately \$541,000.

Mr. Trodman remarked that if \$22.00 was added to the basic support money per student, whatever was raised by local taxes would be removed from the total amount. This transportation number would then be added to the top (refer to page 3 of handout).

Mr. Trodman remarked that the rural counties realize that Clark County and Washoe County have serious problems which are unique to their school districts and should be funded to handle their problems. However, the rural factor should be funded by passage of S. B. 77.

Mr. Hilbrecht remarked that the urban areas have just as many vo-tech problems as the rural areas. Mr. Norris remarked that the rural areas conceded that the urban areas have a need for the urban factor, but rural counties are asking consideration of their special needs, namely the transportation cost.

In answer to Mr. Lingenfelter's question whether the small rural districts were still putting money aside for capital improvements, Mr. Norris replied that this was stopped since the Dodge Act.

HOLD

S. B. 411 - Makes appropriation for acquisition, installation of new holdup and burglar alarm equipment in state treasurer's office.

Mr. F. Young moved DO PASS
Mr. Howard Seconded the motion
PASSED

Nays: Mr. Capurro

S. B. 82 - Increases number of district judges in first, second and eighth judicial districts.

Bill is in bill books but not in the amended form.
Three additional judges in Clark County for a total of 9 and one additional judge in Washoe county for a total of 6.

HOLD

PAGE 151 - UNIV CLASS AND TECH SALARY ADJUSTMENT

Mr. F. Young moved we take no action on budget and use S. B. 72 for funding
Mr. Mello Seconded the motion
PASSED UNANIMOUSLY

PAGE 454 - SALARY INCREASES STATE EMPLOYEES

S. B. 72 - Provides increases in salaries for state classified personnel effective January 1, 1971; makes appropriations.

Bill should be amended so that state employees that have terminated would not be entitled to retroactive pay increase.

Discussion on pay increase retroactive to January 1, 1971.
Mr. Dolan remarked that the bill has the language tied down for interpretation.

HOLD

PAGE 440 - PUBLIC EMPLOYEES RETIREMENT ADMIN FUND

Mr. F. Young moved to amend the budget and appropriate \$25,000 in the second year of the biennium and close budget as recommended by the Governor.
Mr. Howard Seconded the motion
PASSED UNANIMOUSLY

A. B. 691 - Increases employer and employee contributions to public employee's retirement system

HOLD

PAGE 138 - UNR - INSTRUCTION

Discussion on library books. Mr. Dolan remarked that money would have to be put in a bill.

Mr. Hilbrecht stated that the Governor is willing to go with this as a one shot item (increasing appropriation for book appropriation). This is based on 49 volumes per student. Appropriation will be put in a bill. Twenty-one faculty members will be transferred to community colleges and will be changed from A contract status to B contracts.

Mr. Hilbrecht remarked that Chancellor Humphrey stated that the Board of Regents wanted some programs that had been transferred into the community college system to be transferred back into UNR instruction budget. UNR instruction budget would have to be increased: Increase general fund appropriation \$35,747 in 71-72 and \$45,071 in 72-73. Increase fees by \$32,240 in 71-72 and \$38,100 in 72-73.

Mr. F. Young moved to amend budget with increases as stated above and approve as Governor recommends.

Mr. Hilbrecht Seconded the motion
PASSED UNANIMOUSLY

Mr. Hilbrecht moved that we approve University's recommendation for a 6.5% increase for personnel system wide and that augmentation (above Governor's recommendation) come from increased fees and that Board of Regents act appropriately and review their fee waivers.

Mr. Capurro Seconded the motion
PASSED UNANIMOUSLY

PAGE 144 - WESTERN NEVADA COMMUNITY COLLEGE

Mr. F. Young moved to reopen budget and decrease the general fund appropriation by \$35,747 in 71-72 and by \$45,071 in 72-73 and decrease fees by \$32,240 in 71-72 and \$38,100 respectively in 72-73.

Mr. Hilbrecht Seconded the motion
PASSED UNANIMOUSLY

PAGE 140 - UNLV - INSTRUCTION

Mr. Hilbrecht moved to increase plant operation in budget to \$900,000 in 71-72 and to \$980,000 in 72-73 and to close budget as Governor recommends and amended.

Mr. Schofield Seconded the motion
PASSED UNANIMOUSLY

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A. B. 636 - Authorizes Nevada heritage association to borrow money to purchase V & T rolling stock.

Dr. Homer, Mrs. Lowell, Mr. Davis, Mr. Wally Carson and Mr. Rader were present to testify in favor of this bill. The bill asks the State to co-sign the banknote for the purchase of the V & T.

Dr. Homer presented Committee members with handouts regarding information as to the costs involved and a master plan. He testified that a volunteer railroad crew would install the first 4½ miles of rails without cost.

Dr. Homer remarked that this would be a great tourist attraction and it could lead to a national monument being established here as well as a national park.

Mr. Davis from Hollywood, California (motion picture industry) testified that the motion picture industry is considering moving into the Carson City area for filming as they are experiencing difficulty with unions and labor in Hollywood. Labor in Hollywood is very expensive. If the motion picture industry moved into the Carson City area to film westerns, etc., it would be beneficial having the V & T here.

Mr. Davis remarked that perhaps the Committee could consider using Class A bonds to appropriate the money.

In answer to Mr. F. Young's question whether the motion picture industry would only move up into this area pending passage of bill, Mr. Davis stated no, but passage of this bill would be beneficial to them.

Mr. Rader pointed out to Committee members the success of steam railroads as tourist attractions in other states. He cited Colorado and New Mexico. He testified that \$2,000,000 has been realized in Strassburg, Pa., train similar to the V & T. The train in Strassburg carries 5,000 passengers on Saturdays and Sunday. In referring to the train in Strassburg, he stated that a museum (railroad) is right across from the train station and this museum had some 275,000 visitors last year.

Mr. Radar pointed out that one out of four steam railroads fail and do not "get off the ground."

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Mr. Radar mentioned that last year West Virginia purchased \$350,000 worth of engines and this is the biggest tourist attraction in the State.

Mr. Wally Carson, Economic Development, remarked on the economic impact of proposed train. He stated that 16 million visitors were in this area last year. He stated that if only 1% of this factor was drawn to the railroad it would be paid for. He referred to the Skunk Railroad in Northern California and remarked that they are 80% booked in advance.

Mr. Davis hoped that the V & T could be routed so that it would go through the back lot of Paramount's proposed site in the area. If the movie industry moved into area they would pay for use of train when making movies. He remarked that tourists could view the movie sets when the train moved through the lot.

Appropriation of \$150,000 would be needed to purchase two engines and 30 cars. A management corporation would operate the railroad.

Mr. Smith of the First National Bank stated that he would loan the money providing the state would underwrite the loan. Loan would not have to be repaid for a period of five years.

Mrs. Lowell remarked that a special appearance of Eddy Arnold at the Nuggett in Sparks would raise \$10,000 towards a total of \$12,000 on the first years interest on loan.

Mr. Lingenfelter remarked that attorneys in Reno would volunteer to come up with \$150,000 for purchase of train.

Mrs. Lowell remarked that many people would donate money. Chambers of Commerce are lending their support to purchase. Nevada Heritage Association presently has two miles of track in their possession. Ties have been delivered and crews will come in this Saturday to start laying the rail. Four miles of rail are on the way. Mrs. Lowell remarked that the rail and line would be State properties.

Mr. Hilbrecht moved DO PASS on A. B. 636
Mr. Mello Seconded the motion
HOLD

Being no further business, the meeting was adjourned at 5:00 P.M.