

SENATE FINANCE COMMITTEE  
MINUTES OF MEETINGS  
MARCH 26, 1973

The meeting was called to order at 8:00 a.m. Senator Lamb was in the chair.

PRESENT: Floyd R. Lamb, Chairman  
Warren L. Monroe  
B. Mahlon Brown  
James I. Gibson  
William J. Raggio  
Clifton Young  
Archie Pozzi  
Senator Spike Wilson  
Earl Oliver, LCB Fiscal Analyst  
Bob Tripp, LCB Deputy Legislative Auditor  
Howard Barrett, Budget Director  
William Bible, Chief Assistant, Budget Division  
Cy Ryan, UPI

Bob Davenport, Supreme Court  
Eric Cronkhite, Parks Division  
Gordon Harding, Central Data Processing  
Wilson McGowan, State Controller

S.B. 107:

SUMMARY: Increases the purchase price limit for certain state automobiles.

Senator Pozzi moved they recommended do pass as amended. Senator Young seconded the motion, and it passed unanimously.

S.B. 326:

SUMMARY: Makes appropriation from general fund to state board of examiners for settlement of claim.  
(For judgment against the state for Wilma Webster.)

Senator Raggio said, "They have a right to be paid on this judgment. I don't think we have any choice but to appropriate the amount of this judgment. The attorney general says that we needn't pay any interest on this, but I think he is wrong. This is not a claim against the state, it is a judgment."

Senator Monroe said that the judgments in the state were increasing and that perhaps the state should repeal their sovereign immunity or have the insurance companies handle such claims and pay them \$250,000 for full coverage. He asked how come all these years went by without any claims and suddenly they have several claims. Senator Young said this was due to the fact that a few years ago the legislature passed a bill allowing up to \$25,000 each in claims of this sort. Senator Monroe said, "Well, lets repeal that law then real quick. Claims or judgments, they are still

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money." Senator Raggio said, "Then you have to set up a fund to pay judgments out of." Senator Monroe noted that they have to approve the appropriation for this judgment, and Senator Brown noted they are not settling a claim, they are settling a judgment.

Senator Monroe said, "We should give some thought to the cost of \$250,000 to cover everything on this and turn it over to the insurance company." Senator Young said, "This could have been settled for \$5,000 at one time, and later it could have been settled on appeal but the state wouldn't settle."

Senator Raggio said, "The state has the best of both worlds. Sovereign immunity is really a carry over from where kings couldn't be sued. I frankly think the state is pretty well protected by sovereign immunity."

Senator Young said, "From what I have seen in the past the insurance companies will do a better job of settling these claims. In the interests of the state this should be explored. In the present instance some of Dick Miller's horses escaped onto the highway and killed Mrs. Webster's husband. Dick Miller settled for \$75,000 and Mrs. Webster would have settled with the state for \$5,000 plus the state insurance. However, the attorney general refused to consider settlement. Better machinery should be established and the state could save money if they had the ability to do so."

Senator Monroe moved they recommend do pass as amended. Senator Raggio seconded the motion and it passed.

for - 6  
abstaining - 1 - Senator Young

S.B. 195:

SUMMARY: Requires labeling of commercial livestock feed supplements to show net weight and ingredients by percentage.

Senator Pozzi moved they recommend do pass as amended by the Ecology & Public Resources Committee. Senator Monroe seconded the motion, and it passed unanimously.

S.B. 327:

SUMMARY: Makes appropriation to division of state parks of the department of conservation and natural resources for the construction of bicycle paths.

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Senator Gibson moved they amend the second proposal into the first part of this bill and recommend do pass. Senator Pozzi seconded the motion, and it passed. Senator Raggio left at 8:25 a.m.

yes - 6  
absent - Senator Raggio

S.B. 338:

SUMMARY: Establishes municipal disaster fund in state treasury.

Senator Gibson mentioned that Mr. Bob Warren stated that in a poll of municipalities they felt that this amount of money would not be sufficient in the event of a disaster so they did not support this bill and wished to withdraw it. Senator Gibson moved they kill this bill. Senator Pozzi seconded the motion, and it passed.

yes - 6  
absent - 1 - Senator Raggio

S.B. 398:

SUMMARY: Extends scope of reduced hunting and fishing license fees for elderly persons.

Senator Young said, "We ought to kill S.B. 398. We are already the most generous state in areas of licensing. It costs \$1.25 per pound to plant these fish. I talked with one retired man in Elko who said by June he had already caught 200 fish up there. With the difficulties Fish and Game has now I don't think this is wise. If you want to expend money from the general fund for this purpose this would be better."

Senator Young moved they kill this bill. Senator Monroe seconded the motion, and it passed.

yes - 5  
absent - 2 - Senator Raggio, Senator Pozzi

Senator Pozzi left the room at 8:30 a.m.

S.J.R. 4:

SUMMARY: Proposes to amend Nevada constitution by removing fish and game fines from state permanent school fund.

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Senator Young moved they recommend a do pass. Senator Monroe seconded the motion, and it failed. The bill was killed.

yes - 3 - Senators Lamb, Monroe, Young  
no - 2 - Senators Brown, Gibson  
absent - Senators Raggio, Pozzi

S.B. 520:

SUMMARY: Abolishes Nevada heritage association.

Mr. Barrett said, "Here you say 'providing for the return to the general fund of legislative appropriations to the association' but you only appropriated \$1. There is \$40,000 left which you appropriated to the museum for the purchase of stock, but the bill as written would not affect that money." Senator Gibson said the \$40,000 should go to the state parks if they give them authority in this area.

Senator Brown made a motion to recommend do pass of this bill.

Senator Young said, "I don't think the heritage association has done a good job, but I think we should put money in the parks division if we give them authority." Senator Lamb said, "Mr. Barrett, take this bill and rewrite it outlining that the state parks division have authority to acquire stock and maintain it in Carson City." Senator Brown mentioned that it should state Carson City rather than scattering stock throughout the state in the various state parks.

S.B. 371:

SUMMARY: Provides reimbursement of district judges for participation in statewide association of district judges.

Mr. Davenport said that this bill was presented by Grant Davis, the former court administrator and the district judges. Last year it cost \$16,430 for travel costs to a district judge conference. He said he didn't think it would cost more than \$1,600 a year for the 23 judges and that this would never involve out-of-state travel, but would be funded as in-state travel.

Senator Young said, "I think if we are ever going to get judges together we will have to encourage some sort of meeting."

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Senator Gibson said, "I think Judge Mendoza said this would cost \$2,500 a year." Senator Pozzi said he felt it would be around \$2,500 a year for an annual meeting.

Senator Young moved they recommend a do pass. Senator Gibson moved they hold this until Wednesday when the judges could appear, and this was accepted. Senator Pozzi returned at 8:50.

S.B. 246:

Senator Gibson moved they recommend do pass. Senator Young seconded the motion, and it passed.

yes - 6  
absent - 1 - Senator Raggio

SUMMARY: Makes appropriation to division of water resources of the department of conservation and natural resources for consultants, environmental and wildlife impact study and Gleason Creek flood control project.

S.B. 320:

SUMMARY: Relieves Overton water district and Moapa valley water company from duty to repay money borrowed from the state.

Senator Gibson said, "Last year they lost \$2,200. They charge \$11 for a minimum monthly rate of 20,000 gallons, so their rate is about three times that of Las Vegas, Henderson, etc." Senator Monroe moved they recommend do pass. Senator Gibson seconded the motion, and it passed.

yes - 6  
absent - Senator Raggio

S.B. 119:

SUMMARY: Creates health facilities specialist in state fire marshal's office and provides for fire safety training of health care facilities personnel.

Senator Pozzi moved they kill this bill. He said if they passed this they would have to put money back into the state fire marshal's budget for a secretary, travel, office equipment, etc. Senator Lamb said, "I agree that if you pass this bill you will have to pump money back into his budget for this."

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Senator Gibson seconded the motion to kill this bill, and it passed.

yes - 5  
no - 1 - Senator Lamb  
absent - 1 - Senator Raggio

CLOUD SEEDING:

Senator Wilson said that the federal government had funded 100% federally a cloud seeding program in the Sierras. In the first year they increased precipitation 14% and scientists agree that cloud seeding does have a definite impact and is not speculative. He said for fiscal year 1974, the congress had cut funds back to \$40,000 from \$285,000. Senator Bible got the funds back to \$185,000 but the program needs another \$80,000, which he feels should be appropriated from the general fund.

He said that California has recently started a cloud seeding program on the western slope of the Sierras and this will affect Nevada's precipitation, so he felt Nevada should do something now.

S.B. 520:

SUMMARY: Abolishes Nevada heritage association.

Mr. Cronkhite said, "We think the railroad has a place here. This would be a brand new field for the parks division. My knowledge of railroads is I road on a train once." Senator Lamb said, "The museum won't do anything. We've had a test run with them and Mr. Calhoun doesn't want it, so we feel we should give it to a young, energetic guy like you. We want you to bring it back to Carson City and put the stock in a place where people can see them."

The committee was in favor of putting \$100,000 into this project (including the present \$40,000) with a reversion clause. Senator Lamb and the committee felt that the \$100,000 should cover the costs of someone going to make the deal and view the stock before purchase, etc. Senator Monroe said, "We didn't do that with the museum. Tom Wilson spent a lot of money out of his own pocket for that." Senator Lamb said, "We didn't have any faith in them. I have a brother-in-law on that board."

Senator Lamb said, "Why can't we just have a bill drawn which would allow the \$40,000 in the museum to revert to parks earmarked for the V & T." Mr. Barrett said he preferred any additional money given to state parks for

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the V & T be given as a one-shot item.

S.B. 389:

SUMMARY: Removes authority for sale or lease of Marlette Lake water system.

Mr. Barrett said the planning board had stated that it would cost from \$135,000 to \$180,000 for the necessary engineering studies.

S.B. 252:

SUMMARY: Provides increases in salaries for state classified personnel effective January 1, 1973; and makes appropriations for such increases and for certain salary adjustments in the classified and unclassified service.

Senator Pozzi pointed out that a few days ago the committee voted and approved a 5% increase the first year and a 5% increase the second year of the biennium, although this bill reads that the second year's raise would be determined by the increase in the National Consumer Price Index, which would not exceed 5%. He brought out that this index may not reflect a need for a raise to 5%--it may only be for 4% or 4.5% for instance. Therefore, the committee's previous action is in conflict with this bill, and they would have to change their motion to conform with the bill.

Senator Raggio returned at 9:25 a.m.

Mr. Barrett said that the university professional staff is in the budget for a 9% raise in the total compensation factor, but the rest of the staff (clerical, janitors, etc.) would receive whatever other state employees received in raises.

Senator Raggio said, "In view of the action on the 1 and 1 retirement contribution, I am inclined to go for a 6% raise. My vote on this was in view of the fact that I thought the state was going to pick up the retirement contribution increase. I want to put this in focus because my believe is I voted a 5% salary increase and that the state would pay the retirement increase." (However, the committee voted to require state employees to pay an additional 1% to retirement fund with no additional benefits. The committee discussed the fact that they are receiving mail stating that the people feel it is unfair to pay more into retirement with no additional benefits.)

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Senator Gibson took the chair temporarily in this vote. Senator Lamb moved to give a 6% raise in salary for the first year, and the second year's raise would be based upon the National Consumer Price Index not to exceed 5% in the second year. Senator Pozzi seconded the motion and it passed.

yes - 4 - Senators Lamb, Monroe, Pozzi, Raggio  
no - 3 - Senators Brown, Gibson, Young

(Senators Lamb, Monroe, Pozzi, Raggio, and Young had moved to reconsider this bill.)

S.B. 317:

SUMMARY: Removes certain restrictions on salaries of certain employees in classified service.

This bill would remove the ceiling whereby employees may only earn 95% of what unclassified employees earn. Senator Pozzi said, "In areas where we give increases to state classified employees and we do little or nothing for unclassified employees then the raises we give mean little or nothing to classified employees who receive 95% of the classified employee. For instance, when we gave this \$50 across the board raise a few years ago, many people didn't receive it because they were within the salary of their bosses."

Mr. Barrett said he had done a compaxion study for Ways and Means and if they gave a 6% increase for classified personnel and a 10% raise for unclassified there would be about five or six persons that would be affected by this because they would have to go more than a 10% raise for unclassified personnel to effect an increase for these classified employees.

The committee questioned whether a 10% raise for unclassified employees and the 6% for classified would bring them into trouble with the president's price/wage controls. Mr. Barrett said they would not because the average of all wages would be only a 5.4% increase which is within the controls.

Senator Raggio moved they recommend a do pass, and Senator Pozzi seconded this, but no action was taken.

Senator Gibson said, "If we hadn't had this the state salaries would have been completely out of sight. The classified personnel would have made more than unclassified positions, and this would have presented a strong argument for raising unclassified positions."



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Senator Raggio said, "I don't see why they should penalize him (the classified employee) just because they don't raise the unclassified salary. When I was Washoe County District Attorney I had people working under me who made more than I did, but I felt he shouldn't be penalized just because they failed to raise my salary. Why do you want to light on some people and not others--people who because of merit and experience have good jobs?"

Senator Young said, "Do you have this sort of thing in the bank?" Senator Lamb said, "You don't have tenure increases in banks, you have a merit system and pay a man what you think he's worth."

Senator Monroe moved to kill this bill. Senator Gibson seconded the motion, and it passed.

yes - 5 - Senators Lamb, Brown, Gibson, Monroe,  
Young  
no - 2 - Senators Pozzi, Raggio

S.B. 353:

SUMMARY: Revises provisions relating to data processing and computer facility.

Mr. Barrett said that the employment security department was reluctant to come into central data processing but said they would if the governor said they should, and the governor had said he would say that. He said it wouldn't reduce computer costs for employment security, but it would reduce them for other agencies because of increased volume in central data processing.

Senator Pozzi left at 9:55 a.m.

Senator Raggio moved they amend this bill to take out lines 6-8 on page 1. Senator Monroe seconded the motion, and it passed unanimously with Senator Pozzi absent.

With regard to the first paragraph on page two, Senator Lamb asked Mr. Barrett if he were going to start a civil war here. Mr. Barrett said, "No, it was agreed upon." This paragraph would allow the commission to approve plans but not supervise those plans. It is necessary to provide and insure that adequate planning is done on large jobs before they are initiated and to insure that it would not waste money.

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Mr. Oliver noted that the commission consisted of the five major users and felt that a representative from the University of Nevada for instance should sit on the board so that there would be an independent point of view.

Mr. Gordon Harding of CDP felt this bill should be passed and felt this would develop financial responsibility.

Senator Raggio left at 10:05 a.m. and Senator Pozzi returned at that time. Senator Young left at 10:10 a.m.

Wilson McGowan said that the commission had met a few days ago and everyone was in agreement to this bill.

Senator Gibson moved they recommend do pass on this bill. Senator Brown seconded the motion, and it passed.

yes - Senators Lamb, Brown, Gibson, Raggio  
(It should be noted that Senator Raggio was absent, but Senator Lamb said he had his absentee vote in favor.)

no - 2 - Senators Monroe, Pozzi  
absent - 1 - Senator Young

S.B. 354:

SUMMARY: Provides method for repayment of purchase cost of state computer.

Senator Gibson moved they recommend do pass. Senator Pozzi seconded the motion, and it passed.

yes - 5  
absent - 2 - Senators Raggio, Young

S.B. 356:

SUMMARY: Establishes computer acquisition sinking fund in state treasury for acquisition of computer replacement equipment.

Senator Gibson moved they recommend do pass. Senator Pozzi seconded the motion, and it passed.

yes - 5  
absent - 2 - Senators Raggio, Young

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S.B. 355:

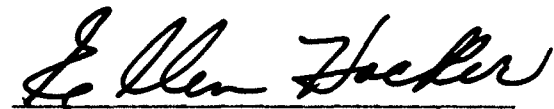
SUMMARY: Makes appropriation to the division of central data processing of the department of administration for purchase of computer main frame plus disk drives.

Senator Monroe moved they recommend do pass as amended.  
(See attached amendment.) Senator Gibson seconded the motion, and it passed.

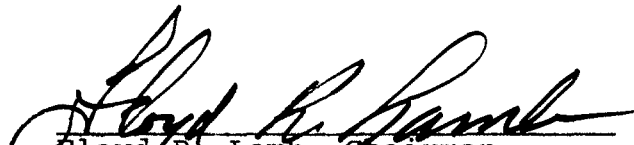
yes - 5  
no - 0  
absent - 2 - Senators Raggio, Young

The meeting adjourned at 10:45 a.m.

Respectfully submitted,

  
Ellen Hocker, Secretary

APPROVED:

  
Floyd R. Lamb, Chairman

S.B. 355

AN ACT making an appropriation from the general fund in the state treasury to the data processing commission for the purpose of purchasing data processing equipment.

The People of the State of Nevada, represented in Senate and Assembly,  
do enact as follows:

SECTION 1. There is hereby appropriated from the general fund in the state treasury to the data processing commission the sum of \$2,263,000 for the purpose of purchasing, or lease purchase, of such computer facility data processing equipment as best meets the needs of the State of Nevada as determined by the data processing commission.

SEC. 2. This act shall become effective upon passage and approval.