

SENATE FINANCE COMMITTEE  
COMMITTEE MEETING  
MINUTES  
March 6, 1973

The meeting convened at 8:30 a.m.. Senator Floyd Lamb in the Chair.

Present: Floyd R. Lamb  
Warren L. Monroe  
B. Mahlon Brown  
James I. Gibson  
William J. Raggio  
Clifton Young  
Archie Pozzi

Also Present: Mr. Ken Smith - Regional Plumbing Board  
Mr. Charlie Schields - Reno employer  
Mr. Jim Slattery - Former Senator  
Mr. John Meter - Executive Secretary of the County Commissioners  
Mr. Bob Warren - Nevada Fiscal Association  
Dr. Baker - Nevada Bureau of Mines and Geology  
Dr. Bagler - Nevada Bureau of Mines and Geology  
Mr. Frank Matthews - Office of Economic Opportunity  
Attorney General List  
Mr. Grant Bastian - Department of Highways  
Mr. Gene Phelps - Business Manager - Highway Department

The Committee's attention was called to Pg. 437 of their Budget Books. Mr. Ken Smith spoke in favor of starting a program whereby one State person would police the work of the plumbing and building inspectors to see that they enforce the uniform plumbing and building codes. He felt that the main jurisdiction of this program should be at the State level, rather than left with the counties and cities. Mr. Charlie Schields felt that licensing and testing of plumbing and building inspectors should be done State-wide. Their main concern was that of citizens purchasing houses which have been poorly constructed and passed through inspection by inspectors who are not all conforming to the same code. The States of Iowa and Oregon presently have Uniform Plumbing Codes. They also felt that apprentices should all go through the State Apprenticeship Council. The gentlemen related that there is presently no protection afforded to the home buyer and that it costs them \$14.00 per hour to have the shoddy work redone. Senator Jim Slattery spoke in agreement, stating that there should be some kind of board with strength to oversee this process. Mr. Smith pointed out that the inspectors in Washoe County stated that they were going by the Code, but after a thorough check by the Plumbing Board it was found that they are not.

Mr. John Meter rebutted the previous statements saying that the County Commissioners are very interested in S.B. 233 and that the building and plumbing codes are being enforced at the local level of government. They do not wish a hierarchy at the State level to handle this program. Mr. Bob Warren stated this his Association represents 16 cities in Nevada and agreed with Mr. Meter that this program could cost several hundreds of thousands of dollars unnecessarily.

Page 530 of the Budget Books. Mr. Grant Bastian stated that previously the revenues from the highway funds had been invested in the interest accrued in the general fund. Senator Monroe asked Mr. Bastian if he really expected to get \$42,000,000 in federal aid. Mr. Bastian replied that he did. Mr. Bastian stated that he felt that the Highway Department would get at least \$25 - \$30,000,00 in federal aid. We also take into consideration highway revenues and revenues at hand. We have reviewed this budget and cut back. We cut out all of our capital improvement contracts and have reduced our forces by 130 people as of the first of May. The Highway Department does not any federal aid until the money is actually spent.

Mr. Bastian introduced Mr. Gene Phelps who passed out revised pages to their budget. Mr. Phelps indicated that he would break his remarks down into three sections: construction, maintenance and administration. Mr. Phelps pointed out that the Highway Department receives federal aid differently than most state agencies do. They get federal aid from the federal trust fund (4¢ federal gas tax on the basis of a formula which takes into consideration both mileage and compilations). Congress appropriates this and then it becomes available to us for obligations. The federal monies that will be shown on these charts reflect obligations from as far back as 1968. The \$25,000,000 grant is what we are anticipating for our apportionment for the year beginning July 1, 1973. Currently we have \$236.8 million in backlog needs for construction. \$110 million of this is what is needed currently to bring some of our substandard roads up to meet regulations. In 1980 we will have \$901.8 million in needs and the amount available will be \$522. million. Inflation is already taken into consideration. Mr. Phelps told the Committee that he would make the "Need Study" booklet available to them.

Mr. Phelps then presented the charts which he brought to accompany his testimony. (attached) The following is a brief summary of the explanation given on each of these charts.

Sources of Revenue - to cities and counties - these figures represent the 3 1/2¢ that go to the cities and counties on the basis of assessed valuation. The amounts to state agencies include the fuel tax split between parks and fish and game. The miscellaneous collection costs are the small amount that goes to the tax commission and other collection costs. The total amounts are actual federal aid earnings for obligations made as far back as 1968. All figures in these charts include the reductions in the budget mentioned earlier.

Work Plan By Function - The decreases in administration are caused by changes in accounting. Maintenance will continue to go up because they are now completing sections of the interstate in the urban areas that are considerably more costly to maintain than the areas they are replacing.

Work Plan by Object - self explanatory.

Construction and Engineering - Construction and engineering category is for supervision of construction jobs. Right of way category includes federal funds. Additions and betterments concerns maintenance contracts.

S.B. 295 - makes general fund appropriations for protection and propagation of native fauna and flora. This bill was killed because the Governor already has a recommendation for a position in his budget.

S.B. 209 - relating to education; providing for participation by the State of Nevada in the Compact for Education; creating a Nevada education council; and providing other matters properly relating thereto. Senator Gibson made the motion to Kill this bill. Seconded by Senator Pozzi and carried.

S.B. 211 - relating to handicapped persons; prescribing conditions for availability of educational benefits to persons over 21 years of age; and providing other matters properly relating thereto. Senator Lamb stated that he would get someone in to testify on this bill.

S.B. 321 - makes appropriation to division of state parks of the department of conservation and natural resources for the construction of bicycle paths. Bill postponed.

A.B. 59 - to amend NRS 209.196, relating to the honor camp fund, by abolishing the fund; transferring the honor camp fund to the division of forestry account in the general fund in the state treasury; and providing other matters properly relating thereto. This bill is a housekeeping bill brought about as a result of an audit. Senator Young moved - do pass. Seconded by Senator Pozzi and carried.

A.B. 60 - consolidates certain funds into division of forestry account in general fund in state treasury. Motion - do pass by Senator Pozzi. Seconded by Senator Young and carried.

A.B. 293 - making appropriations from the general fund in the state treasury to the travel revolving fund account. Senator Lamb called for a motion - do pass. Senator Gibson seconded and it carried.

S.B. 134 - creates Nevada National Guard educational encouragement fund to help defray students' costs. Senator Pozzi made the motion do pass. Seconded by Senator Monroe and carried.

S.B. 251 - makes general fund appropriation to the Attorney General for certain legal fees and court costs. Attorney General List appeared to testify on this bill. He stated that they do have one suit pending and anticipate many more. There have been over 200,000, 000 in claims. The word "pending" in Line 4 should be removed because most of the people have not yet filed suit. The same should be revised to read "in defending any suits against the State of Nevada arising out of the actions of the Tahoe Regional Planning Agency". Senator Pozzi moved - do pass. Seconded by Senator Young and carried.

Page 437 of the Budget Books - Postponed any action on this temporarily.

Mr. Warren felt that the services which would be provided by this proposed bill would be duplicative.

Page 449 in the Budget Books was taken up next by the Committee. Dr. Baker informed the Committee that the Nevada Bureau of Mines and Geology is responsible for providing information on geographic matters to all who would care to benefit from the service. The topographic maps that they make are used by water resources agencies, engineers laying out subdivisions, municipal planners and 30 or 40 other companies that they are aware of. They are starting work in urban areas to provide the basic geology for planning processes. Within the last three years, their work has been mainly centered around Las Vegas. Salaries and maintenance monies are handled by the U.S. Geological Service. Dr. Baker noted that there is no way to measure the effect of the work that they have done. Dr. Bagler stated that the Bureau of Land Management Planning is very interested in their work. Their information is in the collective stage now and will be put to use as soon as it is available. Topographical maps show the contour of the land. These maps were previously not available for the Las Vegas area and they serve as a base for geographical information. These maps also help to show companies where to locate to spend their organization monies. Their maps show flood potential areas and they are doing work for the U.S. Geological Survey.

Page 359 - Mr. Frank Matthews of the Office of Economic Opportunity stated that in view of recent discussions at the National level within the OEO, he has been told that we can expect six months funding and possibly twelve months which would carry them through until 1974. He requested that the Committee approve the budget as submitted. He pointed out that since they have come so far in the last two years that they would rather get State money than go from agency to agency for non-federal shares. Senator Lamb asked about the new position of Rural Development Coordinator. Mr. Matthews answered that this position was brought about when the Congress passed the Rural Development Act of 1972. The Congress appropriated \$500,000,000 and the President cut that money to \$333,000,000. Mr. Matthews pointed out that Community Development Agencies would be able to go to December but that Human Resources would be handled differently. The money for the new position was appropriated by the Federal Government and does not apply to State monies. The only State monies in this budget would be \$10,000. Senator Pozzi complimented Mr. Matthews on the fine job he has done within the office of OEO. Mr. Matthews asked the Committee if he could assume that if they are dismantled by June of 1974 that this legislation would be passed. Chairman Lamb replied that it most probably would be.

S.B. 107 - to amend NRS 334.010, relating to state automobiles, by increasing the purchase price limit for which certain automobiles may be purchased. Senator Brown acknowledged the conflict with Mr. Clinton Wooster's office on this bill. He stated that another bill amends the last portion of this bill on undercover vehicles with reference to narcotics. It was provided for the Narcotics Division to have undercover vehicles. The Committee decided to revise the language in this bill to conform with what has already been passed. In Section 6 it excludes those people who do not have to label the side of their cars. The Governor will be named as one of those persons. This bill covers both owned and leased cars

Construction Contracts by System - Primary category includes big primary job on the west leg of the expressway in Las Vegas.  
State Matching Dollars - overall for all programs the matching runs 13% State and 87% federal. This chart reflects third party work.

Inventory of Major Maintenance Units - Maintenance stations also have residences which have to be maintained.

Maintenance - Totals by Year - self explanatory

Asset Acquisition Costs - reflects right-of-way acquisitions in excess of the capital outlay.

Program Support Costs - administrative support activities, legal division, reproduction, central records and systems analysis. In the planning category, they are also involved in the construction of an action plan required by the Federal Government for us to continue to get federal aid. They estimate that this will cost the Department 1/2 million dollars. Plan has to be submitted by July 1.

Page 530 of the Budget Books. Mr. Bastian pointed out that capital outlay includes payments to independent contractors. He also stated that regarding control of equipment and parts there has been an internal audit twice within the last year and that it is in good condition.

Page 2 of the revised budget. Regarding NIC leave. This is different from the normal sick leave in that it is used for accidents.

Page 4 of the revised budget. Operation includes advertising fees and binding and printing of magazines.

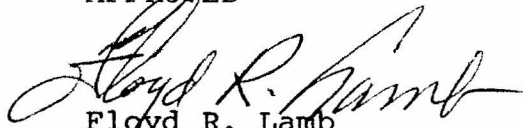
Page 529 - Mr. Bastian pointed out that they have entered an agreement with the various counties where they will assist the counties in hard surfacing some lower priority roads. We can do that for between \$5 and \$10,000 a mile. At the same time the county keeps the maintenance. This is a self help program.

The meeting adjourned at 10:45 a.m.

Respectfully submitted,

  
Secretary

APPROVED

  
Floyd R. Lamb  
Chairman