

SENATE FINANCE COMMITTEE
MINUTES OF MEETINGS
MARCH 8, 1973

The meeting was called to order at 8:30 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

Earl Oliver, LCB Fiscal Analyst
Howard Barrett, Budget Director
Cy Ryan, UPI
Jean Ross, Budget Division Management Analyst
Clarence J. Cassady, Dairy Commission
James Freeland, Carson River Basin
John Hanifan, Chairman CRB COG " & Churchill County
Commissioner
Roy Godecke, CRB & Douglas County Commissioner
J. C. "Clint" Salmon, Storey County Commissioner
George Gottschalk, Carson City Supervisor & CRB
Senator Carl Dodge
Assemblyman Joe Dini
Assemblyman Virgil Getto
Roger Trounday, Director, Dept. of Health, Welfare
& Rehabilitation
Orville A. Wahrenbrock, "
John M. Aberasturi, Superintendent, Childrens Home

DAIRY COMMISSION - Pages 422-423:

Mr. Cassady said that while he draws travel funds he draws no per diem. He said the \$4,000 out of state travel is used for himself and the commission to attend two dairy conferences once a year. He also said they have occasional hearings with California and attend hearings about once a year in Salt Lake City or Denver. This budget operates entirely on dairy fees with no general funds contributed. If the money is not spent it is returned to the industry.

Mr. Cassady said that there are fewer producers of milk producing more milk, and that while there are less people in the industry they are producing more. Forecasts indicate that in the future years Nevada will be producing much more milk for California. California producers are in trouble because of the population explosion forcing out producers

Senate Finance Committee
March 8, 1973
Page Two

near urban areas. Also producers near urban areas often find their land to be extremely valuable and are wealthy enough due to this to stop production.

COMMITTEE TO HIRE THE HANDICAPPED - Page 358:

These funds would provide postage and minor expenses for the committee to promote hiring the handicapped. Mr. Barrett said they do not have any proposal to increase this budget much beyond this point in future years. Senator Gibson moved they approve the governor's recommendation. Senator Brown seconded the motion, and everyone voted yes except Senator Pozzi who voted no, and Senators Young and Raggio were absent.

CLEAR CREEK YOUTH CENTER - Page 356:

Senator Pozzi moved they approve the governor's recommendation. Senator Gibson seconded the motion, and it passed unanimously. Senators Young and Raggio were absent.

RACING COMMISSION - Page 433:

Mr. Barrett said there are no general fund monies in this budget, and the only racing in the state presently is during fairs in Elko and Ely which are regulated by this commission. Senator Monroe moved they approve the governor's recommendation. Senator Gibson seconded the motion, and it passed unanimously. Senators Young and Raggio were absent.

CARSON CITY TAXES - Page 542:

NRS 361 requires that each county maintain a separate tax list for real estate owned by the State of Nevada. When the value of the state owned property exceeds 17% of the total value of the county, that portion of the state value in excess of 17% may be taxed by the county at the same rate other property is taxed. State owned lands in Carson City exceed 17% of the total value and this budget provides funds for taxes to be paid. The amount is decreasing because of the Ormsby House paying taxes, and also the population growth is reducing the state's tax rate. Senator Monroe moved they approve the governor's recommendation. Senator Pozzi seconded the motion, and it passed unanimously. Senators Young and Raggio were absent.

PROFESSIONAL & VOCATIONAL BOARDS - Page 558:

These boards keep their funds in private bank accounts. Mr. Barrett said they were supposed to submit audit reports and budget requests to his office, and while some did other's didn't. Senator Pozzi moved that they approve the governor's budget. Senator Brown seconded the motion, and Senators Brown, Gibson, Pozzi, and Monroe voted yes. Senators Lamb, Young and

Senate Finance Committee
March 8, 1973
Page Three

Raggio were out of the room.

Senator Raggio arrived in the meeting at 9:00 a.m. and Senator Young arrived at 9:05. Senator Lamb also returned to the room at this time.

CARSON RIVER BASIN - Page 498:

During the last session of the legislature Churchill, Lyon, Douglas, Carson City and Storey Counties requested funds to form an organization to protect the Carson River Basin and to seek federal funding. Mr. Barrett said they authorized funds, but, "We didn't plan for the state to be involved beyond the prior biennium. The funds authorized by the last session of the legislature be used as seed money to get them started. However, we found that they were late in hiring a director, and had other difficulties and hadn't really gotten started, so we gave them half the funds they requested with the thinking the state would pull out in the next biennium (after 1975)." (The governor and budget division requested they be given half the funds the agency requested.)

Mr. Freeland said that they had expected and had been promised federal funds under the environmental protection agency, but due to a change in federal regulations this money will be going only to planning in metropolitan areas. These funds would have gone toward planning for the area, technical assistance to the agency, review of federal projections, and a sewage treatment plant.

MANPOWER TRAINING COUNCIL - Page 11-12:

The federal government allotted \$7 million to Nevada for manpower training programs and the agency provided service to 3,800 Nevadans. The grants all go to local agencies and are allocated by either the national or regional offices. This agency does not distribute funds, but does monitor programs in Nevada. Mr. Barrett said he didn't think this agency was required by federal regulations.

CHILDRENS HOME DIVISION - Page 348-349:

There are no new positions requested. The only capital improvement program requested is for the Boulder City Childrens Home. Federal grants within the social services fund cannot be used for this budget because of regulations stating that they cannot be used for board and room, etc. This division does not pay holiday or overtime pay, only compensatory time off is given.

Senate Finance Committee
March 8, 1973
Page Four

Mr. Aberasturi stated that they are required to receive children only upon court order. He said they get a group of children with a number of problems, and usually they have a background of delinquency or have gone through a number of foster homes without adjusting to them. He said a number of them do not relate in foster homes to the parents but that in group settings such as the childrens home they communicate with their peers and eventually get comfortable in a relationship with the cottage parents.

SB 31:

This bill relates to page 547 of the budget. Senator Brown said, "Two years ago this need was brought before the legislature, and the legislature appointed an interim subcommittee to study the matter. We drew this bill to provide tax relief for the senior citizens on limited budgets. The formula was worked out with the assistance of county assessors and federal experts.

"The tax relief will be handled in much the same way as the veterans and widows tax exemptions. The county assessors will compute the amount needed for their reimbursement and will send this figure to the tax commission. The tax commission will then reimburse the counties.

"The proposed funding for this bill is based upon the 1970 census figures. There are 4,400 owners of fixed homes which it is estimated would cost \$500,000; 3,600 renters of mobile homes which would cost about \$265,000; 4,500 home renters which would cost \$209,000; and 2,574 renters of mobile homes costing \$21,000 or approximately one million dollars."

Senator Brown said it would cost approximately \$70,000 for administrative costs for the tax commission. The small county assessors had some reluctance to enter into the program until they agreed to provide \$2 for each recipient they handled to defray administrative costs. There would be 13,000 people involved in the small counties. There would be a total of about thirty-five to thirty-eight thousand dollars toward administrative costs.

Senator Pozzi pointed out that the supreme court has made several rulings concerning discrimination of persons renting homes, and providing exemptions for non-property owners would be more in line with court rulings. Senator Lamb agreed that people who rent are probably in worse shape than those who own their own homes.

Senator Brown said after the Taxation Committee passed the bill they had second thoughts about indicating in the

Senate Finance Committee
March 8, 1973
Page Five

bill itself the type of forms to be used by the tax commission. They were concerned about keeping the forms simple and uncomplicated. The committee agreed that the forms should be uncomplicated but felt they should leave it up to the tax commission because they might have other forms they could conform them with.

Senator Monroe moved they recommend a do pass on this bill. Senator Raggio seconded the motion, and they approved it unanimously. Senator Young had left the room.

Senator Gibson moved they approve the governor's recommendation on page 547 of the budget. Senator Pozzi seconded the motion, and it passed unanimously. (This would amount to approximately \$1,045,000 each year of the biennium.)

MANPOWER TRAINING COUNCIL - Pages 11-12:

Senator Gibson moved they approve the governor's recommendation. Senator Pozzi seconded the motion, and it passed unanimously.

CHILDRENS HOME DIVISION - Page 348:

Senator Pozzi moved they approve this budget. Senator Monroe seconded the motion, and it passed unanimously.

CHILDRENS HOME CLARK COUNTY - Page 350:

Senator Pozzi moved they approve the governor's recommendation. Senator Raggio seconded the motion, and it passed unanimously.

GIRLS TRAINING CENTER COUNSELING - Page 347:

Senator Pozzi moved they approve the governor's recommendation. Senator Raggio seconded the motion, and it passed unanimously.

GOOD SHEPHERD - Page 352:

Senator Pozzi moved they approve this budget. Senator Brown seconded the motion, and it passed unanimously.

SPRING MOUNTAIN YOUTH CAMP - Page 353:

Senator Pozzi moved they approve the governor's recommendation. Senator Raggio seconded the motion, and it passed unanimously.

RED ROCK PARK:

Mr. Charles S. Watson, Jr., of the Public Lands Task Force, testified to the committee that there were 77,000 acres of

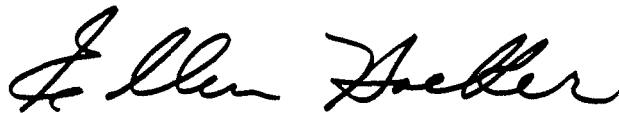
Senate Finance Committee
March 8, 1973
Page Six

federally-owned land against 19,000 state-owned acres in the Red Rock area. Mr. Watson restated what he had said yesterday (see March 7 minutes on page 10-11). He said that the BLM development in the Red Rock area would help foster this type of development in other states. He said the BLM has recommended spending over \$500,000 in this area in 1974. During the fiscal year 1972-73 they spent \$10,000 for road maintenance, \$465,000 for road construction, \$29,000 for recreational maintenance, and \$30,000 and \$55,000 for other recreational management projects. They have spent \$700,000 in that fiscal year. He said this kind of money would be cut off if the state took over the park. Mr. Watson also said that some attempt should be made to purchase the Krupp ranch which had been purchased by Howard Hughes. Mr. Hughes is now attempting to sell the ranch which would cause massive development on the edge of the park. He said the land is valued at \$700,000 not the \$1,500,000 as rumored.

Mr. Watson also said that the state received 2,000 acres right in Clark County south of Davis Dam from the federal government ten years ago under the Fort Mohave Act Tract.

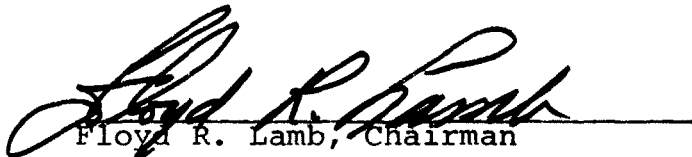
The meeting adjourned at 10:20 a.m.

Respectfully submitted,



Ellen Hocker - Secretary

APPROVED:



Floyd R. Lamb, Chairman