

SENATE FINANCE COMMITTEE
MINUTES OF MEETINGS
APRIL 14, 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

Earl Oliver, LCB Fiscal Analyst
Bob Tripp, LCB Deputy Legislative Auditor
Howard Barrett, Budget Director
Cy Ryan, UPI

Sister Carole Hurray, Franciscan Center
Kate Butler, League of Women's Voters
Nancy Gomes, Welfare Rights Organization
Maya Miller, Coalition for Welfare
Terry Gomes, TGFH
Roger Trounday, Department of Health, Welfare, Rehab.
W. J. LaBodie, Welfare Division
Assemblyman Vergiles
Assemblyman Jack Schofield

A.B. 405:

SUMMARY: Creates youth services agency within department of health, welfare and rehabilitation.

Mr. Trounday testified that there are currently five or six people reporting to him such as the schools at Elko, Caliente, the children's home, Home of the Good Shepherd, Clear Creek Youth Center, Angels Peak Youth Camp, and the new position allotted yesterday of community services (which will be for probation subsidy, etc.). They report to him on many small problems they encounter, and he felt it would be beneficial to him to have an administrator to handle these things, screen them and report to him.

This bill would provide an administrator of youth services but would not fund him, so they could not fill the position. Senator Raggio wondered what the purpose of the bill would be in view of that and felt it was valueless.

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on a multi-county stream to take care of clearance." Senator Brown asked if it should be put on a matching fund basis, but they decided to leave the bill as is.

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

A.B. 360:

SUMMARY: Authorizes salaries for members of state board of agriculture.

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

A.B. 816:

SUMMARY: Creates child care services division in department of health, welfare and rehabilitation.

Mr. Trounday testified that, "This is a division not a department. It will be a policy board. (See attached for suggested funding.) This bill was not introduced by the department but was written by Nancy Gomes. The out of state travel is high in the suggested fiscal note because it is a new program and in the first year the administrator would have to travel to observe other operations that are now in existence in other states. Initially out of state travel will be necessary to begin with."

Senator Raggio asked, "Does this tie in with federal programs in this field?" Mr. LaBodie said, "We have money in our budget for day care--\$25,000. (This figure wasn't actually for day care itself but for some sort of programming.) The federal government is tightening down on day care as far as non-welfare recipients and use of federal funds for non-welfare recipients."

Nancy Gomes said, "The purpose of the bill is to create something like the aging services or alcoholism division. There is currently no comparable agency like this in Nevada. There were many who worked and tried to get federal funding for Nevada for day care and were told by federal personnel that they could not give Nevada federal funding at all because Nevada had no state plan and no such agency necessary by federal requirements to allow them to give Nevada federal funding. This is to create a vehicle through which federal funds may be channeled."

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Senator Monroe said, "I think the youth services division makes sense to put everything under one head."

Senator Pozzi moved that they reconsider this bill. They had killed it yesterday. Senator Monroe seconded the motion, and it passed.

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

Later in the meeting they took another vote and it failed.

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

Senator Pozzi changed his vote, and it requires five votes to reconsider a bill which has been killed.

INSURANCE DIVISION - No Fault

The insurance division submitted a budget necessary to administrate no fault insurance if passed. See attached. Senator Gibson said, "This bill would be required no matter what you felt we would have. (The insurance budget would require this money regardless of what type of no fault insurance is passed.) This is holding up bill drafting. We will have to put this in the budget, and if no fault doesn't pass we stipulate that we take it out."

Mr. Barrett stated that the attached proposed budget, "Didn't come through my office, but it looks like a reasonable amount."

Senator Monroe moved that they approve \$53,041 the first year and \$37,045 the second year as attached on the condition that these funds would not be given them if a no fault bill does not pass and that they be used only for administration of no fault insurance. Senator Brown seconded the motion, and it passed unanimously.

A.B. 341:

SUMMARY: Creates channel clearance fund to be administered by state engineer and used to clear navigable rivers.

Senator Monroe stated that this bill sets up funds to help local agencies on channel clearance. "There is no funding

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Mr. Trounday said his concern was that of having an entire division. He said that they would start getting federal dollars for which they would be responsible for and would have to monitor or check programs, etc. He said the bill doesn't seem that it would cost too much immediately but there was the likelihood that it would end up being expensive eventually. He also said he didn't appear before this in ways and means but was heard in the assembly health and welfare committee on this bill.

Mrs. Gomes said, "Before we can work toward setting up day care centers there needs to be a state plan by federal requirement. As it is now welfare mothers want to work but there are no day care centers at this time. The federal funding level is 10% state matched by 90% federal dollars for all welfare mothers who are currently in a training program or who are working. The matching funds are 25%/75% state/federal for those mothers who are not in training programs. It used to be that the federal funding match allowed in-kind grants but now they require that the state contribution be in hard dollars or cash. An important aspect of this is the local dollars to qualify for matching federal funds can come from private agencies now. The federal government now has a ceiling (funds could be given up to) of \$6,300,000 for this purpose in Nevada alone." Mr. Trounday stated that the \$6,300,000 wasn't available for day care facilities alone.

Nancy Gomes said, "Under federal regulations the day care centers which could be established by this bill should include all kinds of people." The federal government feels that you cannot have all welfare recipient children in a day care because it would limit their experience. You must have a certain percentage of other children in them as well. The other children would pay for the day care, but like low income housing, it would be based upon a sliding scale of the parent's ability to pay.

Mrs. Gomes said, "Welfare mothers can't afford to put their children into present day care facilities. In Clark County at the present time it costs \$100 per month per child for day care, or a total of \$260 for three children, and with working welfare mother's their average income now is \$243 per month. Also, you have to have a certain percentage of poor children in a day care center created by this bill in order to qualify for federal funds, but you can't have just welfare kids alone. It wouldn't give them a broad enough background. You can't have one day care center for poor children and another across town for rich kids."

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Ms. Butler of the League of Women Voters stated, "A very high percentage of women work in Nevada. There were 71.5% of the women working in Storey County alone." Senator Raggio said, "I have an answer for that." In addition, when so many women work there are fewer women at home who wish to babysit, so this reduces the labor market of available people to watch children of working mothers.

Ms. Gomes said, "Money can come from several sources. All of these other sources can be brought into the agency to qualify for federal funds."

Senator Raggio said they should be careful on section two which states, "The legislature finds and declares that children of our state in need of day care services are entitled to receive adequate and safe care outside of their own homes, and it is the joint and several duty and responsibility of the state and local governments to provide such care with the following objectives:" Senator Raggio said, "You are stating a purpose here which will get you back into the same situation you got into with special education (S.B. 451) or welfare a few years ago. To declare policy that all children are entitled to this is establishing the same trouble we experienced before. We would be giving ourselves the basis for litigation."

Senator Gibson said, "I have quite a bit of sympathy for this concern. I visited the day care center in Henderson which they are operating. They have quite an operation they have on a shoestring. There are 65 children there and it is operated entirely on mothers who volunteer. I think if we could see our way clear to set up enabling legislation here it would be good."

Ms. Gomes said in reference to Mr. Raggio's previous statements that she took the language for this bill out of suggested federal regulations for such legislation.

S.B. 363:

SUMMARY: Limits credit allowed for retiring legislators for nonlegislative service.

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

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S.B. 402:

SUMMARY: Provides actuarial valuations of legislators' retirement fund and funding thereof according to accepted actuarial methods.

don't
Senator Lamb said, "I think you need this bill." Senator Young moved they kill this bill. Senator Brown seconded the motion, and it passed unanimously.

S.C.R. 25:

SUMMARY: Authorizes expenditure from legislative fund for purpose of conducting study of mental health care facilities and programs by legislative commission which is to report results to next regular session of legislature.

Senator Young moved they amend this bill to strike out "private consultants" and remove the funding for this bill so that the legislators will do the study. He also moved they recommend do pass as amended. He said he felt the legislators themselves should be involved with the study and could do it themselves. Senator Raggio seconded the motion, and it passed. The only no vote was Senator Monroe's who said, "I don't want the study. I still think Roger Trounday could make the study."

S.B. 443:

SUMMARY: Provides food stamp program.

Mr. Barrett said Mr. Tomlinson of the welfare division said this bill wasn't needed. Senator Gibson moved to kill this bill. Senator Raggio seconded the motion, and it passed, unanimously.

A.B. 798:

SUMMARY: Permits early retirement of public employees generally.

Senator Lamb said, "I don't think we want to pass any of this stuff if we are going to follow the program suggested by Mr. Hurtado and Mr. Kaufmann (who did the retirement study and the actuarial study)." Senator Lamb said he had a bill being drawn up which followed their recommendations. Senator Brown moved they kill this bill. Senator Gibson seconded the motion, and it passed unanimously.

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A.B. 597:

SUMMARY: Appropriates funds for acquisition of equipment for Elko Community College.

Senator Monroe said there was no money appropriated to provide for furnishings of the two new buildings at the Elko Community College. This bill would appropriate those funds and Senator Monroe said without this they couldn't move into the buildings. Senator Lamb said, "I think they already have the money. We have been pouring money into the community college system." Senator Monroe said, "There isn't any money in the budget for this. If you don't pass this they will sit and for two more years nobody could use them (the buildings)."

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

A.B. 801:

SUMMARY: Provides for the use of state funds to enable local programs for the aging to obtain federal matching grants.

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

A.C.R. 56:

SUMMARY: Memorializes board of regents of University of Nevada System to establish doctoral program in education.

Assemblyman Schofield testified that this bill would cost no additional dollars and did not have a fiscal note. He said 100 people graduated in social studies in Las Vegas who couldn't find a position. He said he talked with Dr. Sevielle who said that they had sent out a questionnaire which found that 400 graduates expressed an interest in studying for their doctorate degree in education but who must now go out of state to do so.

Senator Brown said, "You say this would cost no additional dollars, but I always see money coming later for that."

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Senator Raggio said, "I talked with Dr. Tucker who said they have a number of doctorate programs, four or five of which they don't even use. It would be a matter of just re-establishing or rearranging their priorities so they can do this."

Delia Martinez, the student intern from the university, said that they would also have to provide books which would cost the university more. In order to meet accreditation standards they must have certain library books for doctoral programs and the formula for determining the number of library books is determined by this.

Senator Gibson said, "At least it would be doing something for Nevada. A lot of what we do such as the schools of nuclear sciences or architecture and junk like that we educate them then they go elsewhere. This would be doing something for Nevada."

Senator Lamb said, "Two years from now they will come back and ask for money." Senator Monroe said, "Why don't we change that word "That the board of regents of the University of Nevada System are hereby requested to establish a doctoral program in education at the University of Nevada, Las Vegas, and the University of Nevada, Reno" from requested to urge. Senator Gibson suggested they use the word consider rather than requested.

Senator Raggio moved they recommend do pass as amended and amend the word requested to consider. Senator Brown seconded the motion, and it passed unanimously.

S.B. 630:

SUMMARY: Provides for submission to people of state bond issue for park purposes.

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

A.B. 438:

SUMMARY: Designates Kyle Ranch in Clark County as an historical monument under the state park system.

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Senator Brown said, "Why don't they do this out of their own appropriation? They have nothing but money in Parks. How come they want money from us?" Mr. Barrett said, "This bill doesn't come from the department of parks."

Senator Pozzi moved they kill this bill. Senator Young seconded it, and it passed.

yes - 5
no - Senators Raggio and Monroe

A.B. 272:

SUMMARY: Deletes limitations on number of Nevada highway patrolmen.

Mr. Barrett said, "This bill is not necessary. The other one, (S.B. 271, we needed, but we don't need this one." Senator Young moved to kill this bill. Senator Raggio seconded the motion, and it passed unanimously.

A.C.R. 17:

SUMMARY: Authorizes an immediate legislative feasibility study of public ski operation in Lee Canyon.

Senator Lamb said, "The snow falls on Lee Canyon about once every ten years." Senator Young moved to kill this bill. Senator Pozzi seconded the motion, and it passed unanimously.

A.J.R. 10: (56th Session)

SUMMARY: Proposes to amend the Nevada constitution by declaring moneys paid into public employees' retirement fund are trust funds.

Senator Monroe said, "The implications of this bill are you won't be able to use it for anything but retirement." Senator Gibson said, "Other states, I think among them Michigan and California, got into trouble by borrowing from it (their retirement fund) for operating." Senator Young said, "Wouldn't this be in conflict with the prudent man rule, S.B. 140?" The committee agreed that they didn't intend it to be in conflict with S.B. 140.

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

A.B. 636:

SUMMARY: Requires refund of contributions to public employees retirement system if employee fails to become eligible.

Senator Lamb said, "I don't think this is the time for this. I would like to leave things status quo until we come back in two years."

Earl Oliver said that, "This bill would give the employer's contribution back to the employer." Senator Brown said, "You would need more money to make the fund solvent if you pass this." Senator Lamb said, "If you start giving the employer's contribution back to him you are really going to wreck the system."

A.B. 863:

SUMMARY: Liberalizes provision for recovery of prior service toward public employees' retirement.

Senator Gibson said, "I would like to hear someone on this. I think what we are going to do by ten year vesting is if we adopt ten year vesting, the way this bill is written now we don't need it. As it is now if an employee has been in the system for ten years and leaves for five years he can come back in and pick up those ten years. They want to change it so they can come back in five years. If they are in the system five years and say they leave for three years they could come back in and pick up those five years. Also, if you come back into the system you have to pay back the employee retirement contribution if you had drawn it out, and pay it back with interest to make up for the money it would have been drawing if you had left it there. I don't think we need this bill if we go to ten year vesting."

Mr. Barrett said this bill would lower the years at which an employee could come back into service and get credit for those years, from ten to five, if this bill were passed.

Senator Gibson moved they kill this bill. Senator Pozzi seconded the motion, and it passed unanimously. Senator Gibson said, "They are going to have a lot of adjustments probably next time, too."

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S.B. 142:

SUMMARY: Directs legislative commission to continue study of public employees' retirement system.

Senator Lamb said, "I think you need this bill. We have a lot of things passed this year that we don't know what they will do." Senator Raggio said, "This bill talks about a moratorium and yet we are giving some benefits." Senator Gibson said, "We aren't going to eliminate the unfunded liability as in this bill, we are going to stabilize it. The committee decided to strike out subsection 2 under section two which read, "The accomplishment of fiscal integrity as the primary funding policy for the public employees' retirement fund, calculated to eliminate the unfunded liability of the system over a 60 year period." This section was amended out when the committee voted on this bill.

The committee also amended out section two subsection three. They amended out section 5, line 40, after the statement The public employees' retirement board is directed, notwithstanding the provisions of any other law, to expend such moneys as may be necessary to have such a study made from the public employees' retirement fund. (The part deleted was after that, fund, or the public employees' retirement administrative fund, or from both such funds as the board may determine.) Senator Gibson had suggested they do this, "Because of our past experience."

Senator Gibson moved they amend this bill as stated above and recommend do pass as amended. Senator Brown seconded the motion, and it passed unanimously.

S.B. 303:

SUMMARY: Includes employees of Nevada Municipal Association in public employees' retirement system.

Senator Gibson moved they kill this bill. Senator Brown seconded the motion, and it passed unanimously.

S.B. 321:

SUMMARY: Exempts firemen from certain requirements for disability retirement allowances.

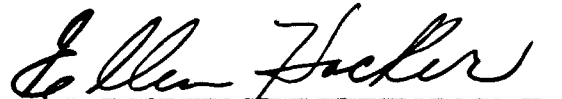
Senator Pozzi moved they kill this bill. Senator Gibson seconded the motion, and it passed unanimously.

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Mr. Barrett mentioned that both the assembly ways and means committee and the senate finance committee were in agreement on everything in the appropriations bill except the predator control budget and the senior citizens tax rebate.

The meeting adjourned at 10:00 a.m.

Respectfully submitted,


Ellen Hocker, Secretary

APPROVED:


Floyd R. Lamb, Chairman

AB-816

CHILD CARE SERVICES

		<u>UNIT OR SALARY</u>	<u>OVERHEAD</u>	<u>TOTAL</u>
Payroll:				
Administrator	1	\$14,637.00	\$1,464.00	\$16,101.00
Grade 40				
Principal Clerk	1	6,772.00	677.00	7,449.00
Grade 23				
		\$21,409.00	\$2,141.00	\$23,550.00
In-State Travel:				
Administrator	1	\$ 798.00		\$ 798.00
Out-of-State Travel:				
Administrator	1	\$ 2,000.00		\$ 2,000.00
Operating:				
Office Supplies	2	\$ 144.00		\$ 288.00
Post & Freight	2	139.00		278.00
Tel. & Tel.	2	187.00		374.00
Office Space	2	705.00		1,410.00
Building Maint.	2	177.00		354.00
Other		2,000.00		2,000.00
		\$ 3,352.00		\$ 4,704.00
Equipment:				
Administrator	1	\$ 431.00		\$ 431.00
Clerical	1	968.00		968.00
		\$ 1,399.00		\$ 1,399.00

CHILD CARE BOARD

10 Members
4 Meetings Annually
Travel and Per Diem Only

Per Diem = 10 members x \$25/day x 4 meetings =	\$1,000.00
Travel = 10 members x \$40 x 4 meetings =	\$1,600.00
	<u>\$2,600.00</u>

SUMMARY

Payroll	\$23,550.00
In-State Travel	798.00
Out-of-State Travel	2,000.00
Operating	4,704.00
Equipment	1,399.00
Board Expense	2,600.00
	<u>\$35,051.00</u>