

SENATE FINANCE COMMITTEE
MINUTES OF MEETINGS
APRIL 18, 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
David Hagen, Washoe County Bar Association
Flora Dungan, University of Nevada Regent
Robert T. Weise, Ponderosa Land Sales
James Oliver, Employment Security Division
Acel Martelle, "
R. Loule, "
Leonard Winkelman, Department of Motor Vehicles
Freddie Little, "
Howard Hill, "
Heber P. Hardy, Public Service Commission
Wallie Warren, Sierra Pacific Power Co.
Sue Bryant, State Mental Hygiene & Retardation
Jack Middleton, "
Glade Hall, Public Service Commission
Assemblyman Vergiles
Senator Echols
Assemblyman Tom Hickey

A.B. 580:

SUMMARY: Increases number of district judges in Washoe County.

Mr. David Hagen with the Washoe County Bar Association, testified, "Originally the request was for two judges, but the ways and means committee cut it to one. The Washoe County Commissioners and the bar association discussed whether they could afford a judge and where to put one if they got one, and Mr. Rusk committed himself formally that in the event the judge was given that the old department number one, presently the county commissioners chambers on the second floor of the old courthouse in Reno, would be available for that judge. The judges have also assured me that even if the county commissioners

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reniged on their promise that they would make available departments of those courts at times when the judges were not engaged in courts and were involved in research, etc. The commissioners considered the arguments of the bar association and felt they could afford it.

"If each judge were to have the same caseload as he did in 1961 we would need 19 district court judges. These men are overworked and getting tired. I don't think we can afford to wait a year and nine months before we put a judge on that bench. I think we need a July 1, 1974, but the ways and means committee has compromised and put it at January 1, 1974."

Senator Raggio said, "We recognize the need as well as anybody, but we are now six months to trial situation now in the Washoe courts which is pretty commendable and indicates that those justices are doing a pretty good job. Clark County even with ten judges is over a year to trial. We are eliminating the third judicial district by legislative action. By following our recommendation here there won't be any fiscal impact as far as the judges budgets. Balancing that fact with the fact that Washoe County has indicated a severe fiscal problem not only with courtroom space but overall fiscal problem, we felt this was meeting the need at a responsible time and doing it with some fiscal responsibility."

Mr. Hagen said, "I appreciate what you are doing but we are only talking about no state increases for the judge but we are talking about a \$24,000 salary for the judge and \$30,000 in 1975. Let me comment on the commendable state of our calendar, as you well know that is in most cases illusiory, because when an individual goes to the Washoe County calendar to have a case set for trial, he may be given a first, second or third setting. What happens with those particular settings is that it does not necessarily mean he goes to trial even if he has a first setting because he may be kicked off because of a criminal trial, etc."

Senator Raggio said it would be a disruption of moving out the county commissioners. Mr. Hagen said, "It would cost \$28,000 a year for a balif, secretary, and clerk. As to the inconvenience of the county commissioner's in moving out, is hardly to be taken to outweigh the need for a judge."

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Senator Raggio mentioned that the amendment they had proposed yesterday stated that the effective date would come out a little later than January, 1975, because they would have to wait for the election and appointment of the judge. Senator Lamb said, "I have heard that they ought to appoint somebody by 1974."

Senator Monroe moved they approve a date of January 1, 1974, and they recommend do pass. Senator Gibson seconded the motion, and it passed.

yes - Senators Lamb, Brown, Gibson, Monroe

A.B. 405:

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

Senator Pozzi moved they reconsider this bill. Senator Young seconded the motion, and it passed unanimously.

Assemblyman Vergiles said, "When I first came to Nevada I was on the governor's committee on children and youth. A.B. 405 came out as a result of the work of many different groups and they felt that this was needed for children who are in trouble, and hopefully to get more preventative ability.

"\$40,000 was added by the ways and means committee to put someone in probation subsidy. I still hope we can get this on the board in the senate. It cost \$8,500 a year to institutionalize delinquent children in Elko or Caliente and \$3,600 a year in homes such as the Home of the Good Shepherd, etc.

"There is no criticism by law enforcement on this. It would focalize attention on the delinquency problem."

Senator Young moved they do pass as amended. Senator Raggio said, "Are we setting up an agency called the youth services agency which nobody has any intention of funding. We are passing an empty act just to say we are talking about youth services. If we are going to do this shouldn't we fund it and have an administrator?"

Mr. Vergiles said, "In talking with Roger Troundy (the head of HWR) the original plan submitted to me was he planned to make adjustments within his bureauracy. He has \$60 million if I am not mistaken, and part of the

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staff within there gives him flexibility." Senator Raggio said, "I have no criticism of probation subsidy, my concern is that if we pass A.B. 405 we are approving a setup which is in name only under the title youth services but in fact we are not." Senator Young said it does seem idle to pass a law for a comprehensive program without funding a position.

Assemblyman Vergiles said it would cost maybe up to \$35,000 to fund this position with support services. Senator Raggio said, "I think we ought to amend it to provide funding for this. If it takes \$200,000 I am interested in youth and delinquency. I want to deal with all the matters of delinquency that you say this is going to solve and I move to amend our action so we are not telling the public we are going to do something and then not fund it."

Senator Young said, "I think it is worthwhile to fund this." Senator Monroe said, "What are we going to get out of this thing besides just another office. We've got all the facilities that you're talking about. All we are going to get out of this thing is somebody to sit at the top and tell somebody to be in Elko tomorrow and somebody to be in Lyon County the next day and those people have the brains to be there anyway. What are we going to get out of this besides that?"

Assemblyman Vergiles said, "We would get statewide coordination." Senator Monroe said, "That's a good term, but what's it mean in terms of practical application?"

Later Assemblyman Vergiles said, "I am not here after additional money. Mr. Trounday still feels he can make internal changes within his office to handle this. I don't think they should have additional money since they did not request it and at one time they had the option of seeking additional money."

Senator Raggio mentioned that he had amended the motion to fund this program. Senator Young seconded the motion. Senator Monroe said, "How do you expect us to vote a position for this when we don't know how much it will cost?" The motion failed with only Senators Raggio and Young voting yes.

Senator Raggio then seconded Senator Young's original motion that they amend this bill with the Clark County juvenile court's suggested amendment and recommend do pass. This passed.

yes - 6
no - Senator Raggio

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ATTORNEY GENERAL - Truckee River Litigation \$100,000 request:

Attorney General Robert List appeared and said, "September 22, 1972, the Department of Interior through the U.S. Solicitor General filed an original action in the supreme court of the united states in which they sought to sue the states of Nevada and California. The original complaint would reallocate the water rights in the Truckee River watershed. The first priority they say the supreme court should order on all that water in the watershed is to maintain Pyramid Lake as of the level of 1859 and to afford to the Indians all the water rights they had at that time. Secondly they say that sufficient water should come out to maintain the national forests. Thirdly, the public waterholes and hot springs, and fourthly the public lands where water is needed, and fifthly all runoff waters in the Newland Irrigation District should go to the Stillwater Wildlife Refuge, and the last if there is any water left, and there is a question as to whether there will be or not, they say that they ask to divide between the states of California and Nevada.

"What in effect that would do would be to completely rip up all of the water rights that Mr. Westergard (state water engineer) and his predecessors have granted on the Truckee River over these 115 years. That involves all the water rights for Reno and Sparks for domestic use, water used for irrigation purposes in the Truckee Meadows and Newlands. At first we were a little panicked when this lawsuit was filed. Mr. Westergard immediately suspended the issuance of approval for any plats for development in the Truckee Meadows area. We researched and before any water rights can be approved they have to have certification from the state water engineer. He went ahead and certified as to the quantity of water but made it subject to this lawsuit, so now every subdivider that is now approved in Washoe County has water subject to this lawsuit.

"We determined we had to use the very best legal council and decided on Barrett Perdiman, who is probably one of the most distinguished attorney who practices before the supreme court. He was the one who successfully defended the Hughes Tool Company and argued more cases in the supreme court last year than anyone else.

"When we hired this law firm in Washington, D.C., it was with the condition that payment was subject to the decision of the legislature. Over the past few months there has been a tremendous amount of work done on this, and we have already incurred \$50,000 in bills. However, we had no other way to handle this than to commit ourselves to defending it because the case is extremely important. It is to Northern Nevada what the Colorado River case was

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to Southern Nevada. They seek to take away all of our water rights in Northern Nevada. This is a landmark case on Indian water rights. At the present time they are now waiting to see if the supreme court will hear the case. If they do approve this it would go on for years and years and the \$100,000 to defend this case would be a very small amount in view of the total costs it will require to defend this."

The committee said they had thought the \$75,000 appropriated to conservation department covered the Truckee River litigation. Mr. Westergard said, "The \$75,000 was to get legal advice and consultation on several cases which are pending now such as the pupfish case, the Pyramid Lake Indians against Morton, the Salmon River case, and \$13,500 has been spent to date on these cases."

Senator Monroe said, "I appreciate the overall significance of the Truckee River litigation, but why did you spend the \$50,000 and not go to the board of examiners to get their approval or have it reviewed by the interim finance committee?" Mr. List said that the board of examiners would have no authority in this matter, but that he would have gone to the interim finance committee had the legislature not been in session when the expenses began occurring in January.

Mr. List stated that early in the session he requested \$40,000 for the DeGeorgio case, \$100,000 for Tahoe Regional Planning litigation, and \$100,000 for the Truckee River litigation. He said he no longer needs the \$40,000, so Senator Lamb said he would send the bill to the bill drafter, striking out the \$40,000 inasmuch as Mr. List said this case had been settled and he didn't need that amount, and Senator Lamb said he would put the funding in the water resources division's budget.

A.B. 687:

SUMMARY: Abolishes employment security fund and creates employment security revolving fund.

Mr. Robert Archie, head of ESD, testified as attachment. Senator Pozzi said, "What have you used this fund for? I can remember 10-12 years ago you used it pretty loosely as I remember."

Mr. Archie said that the assembly approved of their amendments and John Dolan took the amendments to Assemblyman Capurro, but there was some confusion on the redrafting of the bill and these amendments were left off. He felt this was not an intentional mistake.

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A.B. 438:

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

This is located near the Union Pacific Railroad in the city in North Las Vegas. Assemblyman Hickey said, "The Kyle family were woodcutters and miners, and Mt. Charleston was named for a member of this family. This particular property is owned by Mr. Becker. The land is 19 acres with some buildings on the property. The value of that land runs from \$3-5 thousand per acre which comes up to about \$70,000. There is a group on the ownership of the land which is holding the note and because of tax shelters we are trying to get this donated. The funding is for a study because some of the adobe bricks aren't even made any more, and the study would be to see how you can go about restoring this. The problems of renovation comes from a lack of material."

Senator Lamb said, "Some of these old vineyards are still growing." Assemblyman Hickey said, "Its awfully run down now. There is a spring on the property still." Senator Lamb said, "They used to have a whiskey still there and we kids found it. After we got through bailing hay we went swimming in the river and went through the mesquite and found the still."

Later in the meeting Senator Lamb said, "Would there be any appetite for this bill if we only appropriated \$5,000?" The committee felt there wasn't and wondered if \$1,000 could do it. Senator Gibson said, "This is in the middle of the City in North Las Vegas." Senator Brown said, "This is a lot of money." Senator Gibson said, "I was thinking about \$1,000." Senator Raggio said, "I would be willing to go for it if we put an administrator in it and didn't fund the position." Senator Brown moved they reconsider this bill.

Senator Young said, "Why do they need money at all? Can't the state parks find a way to do this?" Senator Lamb said, "Senator Gibson's point is well taken. Why doesn't the city have any responsibility?" Senator Raggio said, "Can't the state parks go into that?" Senator Gibson said, "When my father moved to Las Vegas in 1935, we rented that house (the Kyle house), and they had a bunch of chimpanzees running around there. I just have a hard time considering this. I don't want to reopen it."

No one would second Senator Brown's motion to reconsider, so Senator Lamb said he would wait until tomorrow on this.

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A.B. 924:

SUMMARY: Enables director of department of health, welfare and rehabilitation to accept grant funds for purchase of mental retardation facility in Las Vegas known as Torrey Pines Complex.

Jack Middleton of the division of mental hygiene and retardation said, "There are currently 57 children in the state hospital in Sparks from Las Vegas who could be nearer their homes if this bill were passed. We have a waiting list of 40 additional people from Las Vegas. The facility proposed in A.B. 924 will house approximately 60 people.

"Operating is a problem. It would take a certain amount of time to purchase the facility and after that we would have to staff it." Senator Lamb said, "Is there money forthcoming from the federal government in grants which if they don't come in would cost the state \$200,000?" Sue Bennett of that agency said, "No, this proposal to purchase this was submitted to the Fleischman Foundation for funding." Mr. Middleton said, "It would cost \$600,000 to \$700,000 to operate this two years from now. This would provide for 60 in-patients, 50 staff, a full range of services such as in and out patient, occupational therapy, etc. We could perhaps do this with existing funds coming to the state from various sources and existing staff, but it would be difficult. Right now the mental health institute which is a quarter of a mile away from the proposed Torrey Pines facility must cater their meals and it costs \$7.50 per day per patient for this. This facility (Torrey Pines 9 has a kitchen and we could provide meals for \$2.50 to \$3 per day.

"The operation of taking a child from his family and sending him 480 miles away to Sparks is just not the way to go. We should maintain that individual within the community. There is a new thrust toward deinstitutionalized care and this is a number one priority in this group. There are tremendous things happening across the country. The things Nevada has done in mental retardation so far is very outstanding. We are the only one with residential placement money. We have started placing these children in foster homes."

A mother of a retarded child who is placed in Sparks said, "Torrey pines is terribly important to me. I have my daughter home five to six times a year, and a ten-year-old who is 470 miles away is too far from home. I am sure some of you have ridden on the return trip from Las Vegas with me and have heard her crying. I would really like to be involved with her care. If she could live near Las Vegas she could come home every weekend. Then I could be involved in her toilet training, schooling, etc., to make

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her life a little more normal and make her a more normal human being. She has definitely made progress at the state hospital, but as a loving mother I want to be involved. I haven't talked to a mother yet who hasn't said, "I would love to help." They would probably have many volunteers. Even the most crippled crib case knows when his mother is there. One such boy you wouldn't think would understand, but when his mother is near he just beams and is full of joy. My daughter knows when she has been home. Perhaps the state costs would go down if you had Torrey Pines."

Senator Lamb said, "Don't kid yourself that we aren't concerned with this, we are."

Mr. Middleton said, "If we get this we will come back in two years and ask for \$600,000." Another man from that agency said, "The federal government under developmental disabilities has a \$15,000 planned for institutional level and deinstitutionalization. One of the items is to look at this kind of thing and as Jack Middleton has mentioned they are very aware of this 480 mile trip from Las Vegas to Sparks."

Senator Lamb said, "What we have done is good, but we still haven't done enough." Mr. Middleton said, "It is a question of timing. If we don't get this facility we will have to come back with a request to build a facility, two years from now."

Senator Lamb said, "Mr. Barrett, someone really close to you said this would cost an immediate cost of \$200,000." Mr. Barrett said, "No, there would be no immediate cost. If they are able to acquire this building through a grant from the Fleischman Foundation then they would definitely come back next session and ask you to staff it. However, they can't accept this building without this law. They could put it in trust for them, but they can't accept title without this law. We felt that we had done a lot this time in requesting the mental offender unit, the mental health clinic, etc. But two years from now whether you accept this building or not, you will have to provide for services to Clark County for retardation. There is a growing need here."

Assemblyman Hickey said, "It is my concern that without this bill perhaps the Fleischman Foundation will not approve a grant."

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Later in the meeting Mr. Barrett said the appraisal was for \$810,000 but that the asking price was \$915,000. The man who owns it wants \$915,000, but the Fleischman Foundation would have to determine a price, not the legislature. He said, "If you grant the bill it would give them permission to accept the building, but if you kill the bill the Fleischman Foundation might think you are not at all interested in it. Whether you acquire this facility or not probably the next move in mental retardation is to provide more services to patients in southern Nevada. Roger Trounday of HWR has looked at this facility a number of times. It was built for this type purpose as a nursing home and is acceptable for this."

Senator Monroe moved that they reconsider, but the motion died for lack of a second.

A.B. 816:

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

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

A.B. 39:

SUMMARY: Enables issuance of instant drivers' licenses and increases license fee.

Mr. Howard Hill, Director of DMV, said, "We only have one comment in the proposed amendment in that it will be written so that a person wanting a duplicate license would now have to pay \$6.50 which we feel is pretty high. The average cost of licenses in states is \$1.50 to \$2.50 with one figure at \$3. When there is no testing involved as when they have lost a license, it is just a matter of having a clerk handle it,

Senator Pozzi said, "These people appeared before the transportation committee eight or ten times. Finally the chairman got disgusted and shoved it out with a recommendation do pass. It got to finance and I discussed it with you here and by your own testimony in both committees you indicated that if they were to use colored photo licenses that if all 450,000 licensed drivers in this state were to appear to get a

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license on the basis they had lost it, the state would be obligated to issue one for a dollar. It is going to cost 95¢ for the photo to the state. Frankly, gentlemen, I spoke to you yesterday, and I'm telling you in front of this committee that God dammit you've nitpicked this thing to death for 90 days around here, and I'm fed up with you, Howard. Everything Goddam thing we've tried to do for you, you come in and put something else on it. I don't care if the bill gets passed or not. That's just how I feel right now because that's all you've done is nitpicking."

Mr. Howard said, "Our concern is that if we charge \$6.50 for duplicate licenses there will be a lot of people who will lose their licenses and will not come in to get one." Senator Monroe said, "If they do that you can throw them in jail. That's what you ought to do. I don't see any reason to be giving these licenses away. I said it at the start of the session, and I'm saying it now, that I think you're giving them away. I can't understand why the state has to give anybody a license and take a half a million dollar loss on it."

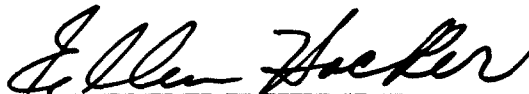
Senator Raggio said, "I am a little bit confused, I'm at the same point Archie is. I thought you wanted the fee raised on duplicate licenses so if people came in they could pay for these things. Everybody has been concerned that if we had colored photo licenses everyone could come and say they had lost theirs. So we felt we would charge them for it. I am like Archie. I've heard so much about this damn bill I don't care if I never see it again."

Senator Pozzi said, "I was instructed by the senate finance committee to go raise that fee and to see that if they wanted the photo they could pay for it just like everyone else. That's what I've done. Dammit, I've had three sets of amendments drawn on this and there is a fourth set being drawn right now. Because, again, as soon as I get the bill drawn with those amendments they start thinking of something else and nitpicking someplace else."

Mr. Hill said, "We haven't picked it apart, we just wanted to make this one point."

The meeting adjourned at 10:20 a.m.

Respectfully submitted,


Ellen Hocker, Secretary

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APPROVED:



Floyd R. Lamb, Chairman