

## Assembly

## MINUTES

WAYS AND MEANS COMMITTEE - NEVADA STATE LEGISLATURE - 58th SESSION

March 12, 1975

The meeting was called to order by Chairman Mello at 8:30 A.M. in the Ways and Means Committee Room.

PRESENT: Chairman Mello, Mr. Bremner, Mrs. Brookman, Mr. Glover, Mr. Howard Mr. Robinson, Mr. Weise, Mr. Wittenberg and Mr. Dreyer arrived at 9:10 A.M.

ALSO PRESENT: John Dolan, Bill Bible, Noel Clark and Jim Wittenberg.

Chairman Mello stated that he would like to committee to introduce a bill that would state that the Parks and Land Acquisition program could not spend over 10% of any amount appropriated without going to the Interim Finance Committee for approval.

Mr. Robinson stated that he felt this should include the developmental program.

John Dolan stated that Mr. Cronkhite said that they were going to show individual parcels as the appraisals are done. They want the committee to establish priorities and then get appraisals in the priority order, then come back to the Legislative Commission for approval.

Mr. Weise stated he wanted them to present a complete set of appraisals before buying any land.

Chairman Mello felt that if they continue to operate the way they have been the people might not approve any more bond issues. He also stated that Mr. DeRicco said he had a \$30 million budget and 9 administrators and his department was too big for him to handle. Chairman Mello felt that perhaps he should also talk to the bill drafter regarding splitting this department in half so they can function properly.

Mr. Glover stated that if this was done, he would like to see that the parks and forest service are put by themselves.

over

Mr. Robinson felt that rather than splitting the department, it would be simpler to find someone who could handle the job.

Mr. Glover stated that this could not be done as he is appointed by the Governor and only the Governor can remove Mr. DeRicco.

Mr. Howard made a motion on the Parks and Land Acquisition of not spending anything without coming to the Interim Finance Committee. Mr. Weise seconded. Motion passed.

Chairman Mello asked for a motion directing him to talk to the bill drafter regarding splitting the department. Mr. Wittenberg made a motion that this be done. Mr. Glover seconded. Motion passed.

Mr. Noel Clark explained the PSC Regulatory Fund (page 491). He stated that they are requesting three new positions: An Administrative Assistant for the Commissioners as they have two assistants now and three Commissioners. Also, an Executive Director to relieve the Commissioners of the managerial work and a Deputy Attorney General, plus a principal clerk steno to support the two new professionals. The Contractual Services provide for them to go outside on a case to case basis and get the experts they need.

Chairman Mello stated that there is a One-Shot of \$49,511, page A-23, SB 163. Mr. Clark explained that this would reimburse the revolving fund for expenses that were not supplemented by the Federal Government. The Petroleum office operates from the regulatory revolving fund. The Federal Energy Office will provides some funds for this in the future, but they do not know how much. There is \$395,000 now in the revolving fund.

Mr. Clark explained the anticipated revenues from collections. The Highway appropriation operates the Motor Carrier section. There is a \$3 fee that is collected which would offset the appropriation.

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The Taxicab fees is a collection of \$35 per unit once a year. The Xerox Service fees are collections from people for copies of applications and certificates at 25¢ per copy.

The Dues and Registration allows them to participate in the National Association of Utility Regulatory Association which provides services to PSC and assistance. This also includes dues for meetings and educational training which is one class a year and they send one man if possible.

The transfers was explained as they were contemplating shifting the 7 man Motor Carrier Division. In the event that no one is shifted, the money will go into the Revolving Fund.

The Legal and Court expenses include the Attorney General's salary and transcripts of hearings.

Mr. Weise stated that a Senate bill is being introduced which would provide for an utility specialist to study the utility rates, there is also an Assembly bill being drafted to establish a study, and also this budget studies the increase in rates and develop a foundation as to what the needs are to protect the public.

Mr. Clark stated that they have an obligation to protect the public interest but they also have an obligation to keep the public utility companies in business at reasonable rates. They cannot lean one way or the other. The utility companies must have enough money to keep utilities alive at the lowest possible rate. He stated that the power companies must have a hearing and any rate must be approved by the PSC before a rate can be increased.

Jim Wittenberg then explained the Personnel Division. Chairman Mello stated there is a One-Shot for \$120,000 on page A-23 AB 251. Mr. J. Wittenberg stated that this would provide funding to complete the payroll and personnel information system. Presently this is being done by hand. They need to provide a streamline payroll system to do a better job. They also need statistics relating to composition of the work force. This would help eliminate and correct problems that might exist. They had received Federal funds to begin this program and they need this appropriation to complete the operation.

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Mr. Wittenberg stated that there are three reasons for the increases in staff and other areas that they are requesting. First, they have had a volume increase in activity. They now receive from 60,000 to 80,000 applications per year because of the high unemployment rate, which is approximately 150 applications per job. They would also like to provide a decent service to the applicants. Second, they have new and more complex involvement in personnel. Federal Law changes, the Supreme Court decision, and State Laws have had a great effect on this department. They deal with the ethnic groups separately and the Fair Labor Standards Act has caused them more work. Employer/Employee relations and training are also a very important part of the Personnel system. Mr. J. Wittenberg explained the Occupational Assistance Program which is concerned about employee's problems that affect their work. They have had 170 people referred to the program and have had a 75% success rate. They would also like to better measure productivity. Thirdly, they would like to provide adequate service to the agencies. The \$10,000 CETA Administration is requested funds for training to augment the training resources they now have.

Mr. Bible stated that the 15% increase is built into the budget on existing positions, but not on the new positions being requested until they are approved.

Mr. Weise asked if the new positions would receive the 15% increase if it is passed.

Mr. Wittenberg replied that they had discussed a 5-10% increase on the entry rate. They are now thinking of increasing the entry rate only 5% and possibly go up to 10%.

Mr. Weise felt that this would create a morale problem if people get a 10%

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increase for a job they never had. He also questioned the OAP program, which is requesting two counselors that are presently funded by a grant to be taken over by the State, and could not understand why they would rehabilitate an employee whose productivity has fallen rather than firing him.

Mr. Wittenberg stated that in the past two years they have discharged 300-400 employees for poor performance. They would like to be able to solve an employee's problem, but if this cannot be done then he is fired. This program has been 75% successful and the other 25% have resulted probably in termination or resignation. He stated that they are not asking for resources to treat drug abusers, but just to help those people who were productive before.

Mr. Glover stated that he has received several calls from employees who have been fired due to these kinds of problems and stated that he feels there is a need to make these employees more productive.

The In-State travel is necessary for activities in Reno and outlying areas of the State where there is no office. This also provides travel for the oral boards.

Under Contractual Services, the hearings officer is paid \$25 per hour as he is an attorney. There has been an increase in the number of hearings and this also provides for the court reporter.

Mr. Howard questioned the hiring of employees after a budget has been approved. Mr. Wittenberg stated that these employees are hired in the interim when Federal Funds are available. They apply for grants because they are concerned whether the program has merit or not. These programs will be eliminated if the Legislature does not find any merit in them.

Chairman Mello stated that the OPA program is a pilot program funded by a Federal grant and they are now trying to make it an on-going program by having it funded by the State. He asked how many employees had drinking problems.

Mr. Wittenberg replied that 50% of the 170 in the program have alcohol problems, but under this program they work with all problems.

Dyer

Chairman Mello asked how many other positions in the budget were funded by grants or were in pilot programs. Mr. J. Wittenberg stated that in IPA there might be one as these funds are decreasing.

Chairman Mello asked that the Committee be furnished with a list of how many of the people they are working with are still on probation. Mr. Wittenberg stated he would supply a copy of the list to the Committee.

Mr. Robinson stated that there is an Alcohol and Drug Abuse program with a \$1 million budget and wondered why these positions were not placed in that budget.

Mr. Bible stated that this budget made the grant available to OAP and the dollars flowed through this account to Personnel.

Mr. Wittenberg stated he felt it was more effective for the purpose that it be placed in Personnel and would be better accepted by the State employees.

The Equipment and Furniture coincides with the New Positions.

Mr. J. Wittenberg then explained the Inter-Governmental Personnel Grant. They helped develop the Work Performance Standard Program.

Chairman Mello stated that there was no evidence in the budget that IPA funds might be decreased. Mr. Wittenberg stated that when the budget was prepared they did not know what was going to happen, but they now have word that it might be cut. Mr. Wittenberg also stated that when these positions are established, they must realize that the program will end sometime.

Mr. Weise stated that he was concerned about the Federal Government beginning all these programs and then moving to new ones, leaving them with the State. He stated that the State keeps expanding into these new programs, but the

Federal Government just keeps moving their share of the money.

Mr. Wittenberg stated that that is the reason they have shyed away from Federal programs. Regarding this program though, the funds were made available to all the States.

Mr. Howard stated that the Legislature appropriates money for a certain number of positions, then the Federal funds provide for new positions which, two years later, are asked to be picked up by the State.

Mr. Weise stated that he felt that the programs sought during the interim should be brought to the Interim Finance Committee for approval.

Chairman Mello stated that they had tried to do this once before, but it was killed in the Senate.

Mr. Howard felt that it should be tried again.

The meeting adjourned at 11:00 A.M.