

MINUTES

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

March 27, 1975

The meeting was called to order by Chairman Mello at 7:00 A.M. in the Ways and Means Committee Room.

PRESENT: Chairman Mello, Mr. Bremner, Mr. Dreyer, Mr. Glover, Mr. Howard, Mr. Robinson, Mr. Weise, Mr. Wittenberg, and Mrs. Brookman arrived at 8:10 A.M.

ALSO PRESENT: John Dolan, Bill Bible, Vern Bennett, Carol Bailey, Robert Guernsey, Tom Ballow, Harry Galloway, John O'Hara, Fred Warren, J. Elrod Starley, Lyle McCartney, Dr. Baker, and Tom Cooke.

Vern Bennett explained the Public Employees Retirement System. This system is undergoing several conversions which will be completed in July 1975. The budget was projected on membership, but in the past few years, membership has not continued and they do not know whether revenues will continue. SB 335 is recommending that any person after July 1, 1975 who works 40 hours per month will be enrolled in the program. The Administration fee is 80¢ per month which is matched by the agency. Any member who works any day of the month still has to pay the fee. They are also requesting the right to make investments in real estate and mortgages. They are presently paying rent at \$48,000 per year in the Capital Plaza, but by purchasing this building for investment purposes, they can lower this to \$12,000 per year. An audit is being done of the members service records and upon completion five people will be terminated which result in a savings. They also have quite a large expense in postage as they mail 500 checks each month, publication is mailed to all members each month and each member receives a statement. They also mail a membership document that explains the system in layman's terms and they provide counseling two days per month in the Las Vegas office. SB 336 recommends that the employer/employee benefits increase 1/2% each. Also, state paid retirement would save \$6 million because of the people who terminate and return to the system, about 10% of them pay the retirement they have withdrawn back into the system. With state paid retirement, the employee will only be allowed to withdraw what he has paid in and not what the employer has paid in.

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Mr. Bible explained the Advisory Mining Board. This is a 7 member board appointed by the Governor for two years. Their purpose is to study ways and means of furthering the mining industry of the State. This budget provides travel, per diem, operating expenses, industrial insurance, office expenses needed, and the necessary secretarial services.

Mr. Guernsey explained the Racing Commission which is a 3 man board with the only position being a contract person. He does quite a bit of traveling and supervises parimutuel bets. This budget operates off the fees they generate.

Mr. Bremner made a motion to recommend a "Do-Pass" as recommended by the Governor. Mr. Howard seconded. Motion passed.

Athletic Commission - Mr. Wittenberg made a motion to amend the Amateur Program from \$10,000 per year to \$5,000 per year. Mr. Howard seconded. Motion passed. Mr. Robinson made a motion to recommend a "Do-Pass" as recommended by the Governor and as amended. Mr. Dreyer seconded. Motion passed.

Motor Pool - Mr. Dreyer made a motion to recommend a "Do-Pass" as recommended by the Governor. Mr. Wittenberg seconded. Motion passed. Mr. Glover is recorded as not voting.

Lost City Museum - Mr. Bremner made a motion to recommend a "Do-Pass" as recommended by the Governor. Mr. Wittenberg seconded. Motion passed. Mr. Glover is recorded as not voting.

General Services Working Capital Fund - Mr. Dreyer made a motion to recommend a "Do-Pass" as recommended by the Governor. Mr. Howard seconded. Motion passed. Mr. Glover is recorded as not voting.

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Marlette Lake - Mr. Howard made a motion to recommend a "Do-Pass" as recommended by the Governor. Mr. Wittenberg seconded. Motion passed. Mr. Glover is recorded as not voting.

Department of General Services - Director's Office. Mr. Dreyer made a motion to recommend a "Do-Pass" as recommended by the Governor. Mr. Howard seconded. Motion passed. Mr. Glover is recorded as not voting.

State Printing Office - Mr. Wittenberg made a motion to recommend a "Do-Pass" as recommended by the Governor. Mr. Robinson seconded. Motion passed. Mr. Glover is recorded as not voting.

Records Management Services - Mr. Dreyer made a motion to recommend a "Do-Pass" as recommended by the Governor. Mr. Howard seconded. Motion passed. Mr. Glover is recorded as not voting.

Commodity Food Program - Mr. Bible stated that the General Fund appropriation has been amended to recommend \$18,700 in the first year and \$9,350 in the second year as they now have to pay for the food being delivered to the Indian Reservations. Mr. Howard made a motion to accept this amendment. Mr. Dreyer seconded. Motion passed. Mr. Glover is recorded as not voting. Mr. Wittenberg made a motion to recommend a "Do-Pass" as recommended by the Governor and amended. Mr. Weise seconded. Motion passed. Mr. Glover is recorded as not voting.

Mr. Harry Galloway explained the Plant Industry Fund. This fund is the basic fund that supports 17 programs administered by the Department. He stated that there is an error in the listing of programs as the Licensing Farm Labor Contract has been eliminated. Revenue is derived from the General Fund and receipts from licensing and services rendered. This fund pays half of the director's salary, the salaries of the other employees including the seasonal part-time help and a senior clerk typist for the Las Vegas office. They had eleven people in Las Vegas and only one girl and this senior clerk typist requested would help in this area. They are also requesting a half-time clerk typist and four agricultural inspectors for the potato process in Winnemucca. He stated that these positions had been authorized in the past 18 months. The industry pays for these positions. The travel expenses reflect inflationary costs. Maintenance is the amount paid to Buildings and Grounds for **janitorial services in the leased buildings.**

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The Federal Agency expense is the 5% fee paid for shipping point inspection.

Equipment is \$26,000 request in the first year for the replacement of trucks and \$5,000 in the second year for specialized equipment.

Training is a new program initiated in 1973 where they send people to specialized training programs or hold their own.

The Feed Labeling is a new program and the amount has increased in this biennium because when the program began they were establishing procedures and regulations and the work was limited.

Chairman Mello stated that there are two Capital Improvement Projects: 75-43 on page 657 for \$246,000 and 75-45 page 658 for \$136,000. Project 75-43 is a facility to be built for weights and measures. This building has been started but with inflationary costs they did not have enough money to complete it. This will allow all facilities, equipment, etc. to be housed and maintained in one facility. Project 75-45 was explained by Dr. O'Hara who stated this would provide an Animal Disease and Lab in Elko and they hope to house all of the laboratory in the same house. It is stated that this will be in Elko, but they are also looking into the possibility of it being located on the campus of the Community College.

Mr. Galloway explained the Apiary Inspection Fund which is a non-reverting General Fund budget. Revenue is derived from a colony stand tax on resident bees and registration fees on bees imported for pollination. Expenditures from this fund are used to support the field inspection programs on diseases of bees.

The Agricultural Registration and Enforcement Fund was explained by Mr.

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Galloway and this is a non-reverting General Fund budget which derives revenue from registration fees on pesticides and tonnage tax fees. These fees support the chemist, clerical staff and agriculturist.

Fred Warren explained the Livestock Inspector Fund. He stated that this was meant to be a self-supporting division. Revenues are derived from head tax on livestock and brand inspection fees, dealers license fees, etc. The Assistant to the Administrator was transferred to Veterinary Services on page 657. Chairman Mello stated that two Brand Inspector I's have been deleted from the budget. Mr. Bible stated that these reductions were made in order to live within their revenue and that these positions were vacant previously for quite some time. The proposed fee increase will not support these two positions.

Mr. Ballow stated that some of these funds have been used for brand inspections, vaccines, and the veterinarian.

Mr. J. Elrod Starley stated that the deleting of the brand inspectors would not help the economy. The cattle must be inspected. The cattle is presently being inspected by deputies at the same cost as the two brand inspectors were receiving. They helped raise funds, but did not realize that services would be cut. He stated that these deputies are not as effective as the inspectors and feels strongly that SB 111 would help their situation.

Lyle McCartney stated that they helped raise fees to keep the cattle inspections going. He stated that the brand inspectors are very important to them. They are not asking for more inspectors or more money, but just to keep the number of inspectors they have and need. A district inspector is needed to make sure the areas have coverage.

Mr. Weise stated that SB 111 would alleviate \$50,000 from this budget which would support the two inspectors and perhaps even lower the fees. Chairman Mello stated that the exact difference would be \$51,380 in the first year and \$51,443 in the second year.

Mr. Harry Galloway explained the Insect Abatement which works on insect problems. The Revolving Fund is used for insect abatement work. They have spent \$60,000 of this fund and every cent has been returned to the treasury. AB 202 (vertebrate pest control) if passed, they would hope to use this money without serving abatement by using a signed cooperative agreement and reimbursement of money.

Dr. John O'Hara explained the Veterinary Medical Services which is a General Fund budget. The livestock disease control use to be funded by the livestock industry but it has consumer significance and is now funded by the General Fund. They investigate and control livestock diseases in the state and diseases that are transmitted to man. The Federal Government pays about 60% of this fund and the state pays 40%.

He stated that they have a high risk lab and cannot use the labor maintenance services so they have hired a student to maintain this lab. The payroll shows an increase because one position which was vacant has now been filled with a veterinary special type diagnostician.

The Contractual Services are for contracting out for tissue sections with local laboratories.

Equipment for \$9,000 is to replace a fluorescent antibody microscope used for rabies and other determinations of diseases in livestock.

Dr. Baker explained the Mining Cooperative Fund. He stated this fund is used to finance special mineral, geological and topographic mapping projects in Nevada. The money put into this survey is matched dollar for dollar. The survey and bureau people meet each Spring to plan what will be done with the funds. The work is divided at 20% for topographic mapping and 80% for geological mapping. They provide detailed maps that will be useful to planners. They receive an income of about \$25,000 per year on the sale of these maps which is then used for the publication of more maps.

Tom Cooke then explained the Virginia City Historical District Commission. ³⁴⁴ They have had an operating budget of \$6,000 for many years. When the Commission meets they do not receive per diem and they buy their own stamps and stationary. They have been very careful in their spending. The salary of the building inspector comes out of these funds at \$370 per month.

Accounting Division - Mr. Dreyer made a motion to recommend a "Do-Pass" as recommended by the Governor. Mrs. Brookman seconded. Motion passed. Mr. Glover is recorded as not voting.

Surplus Administration - Mr. Howard made a motion to recommend a "Do-Pass" as recommended by the Governor. Mr. Weise seconded. Motion passed. Mr. Glover is recorded as not voting.

The Mining Cooperative Fund - Mr. Howard made a motion to recommend a "Do-Pass". Mr. Bremner seconded. Motion passed.

Virginia City Historical District Commission - Mr. Bremner made a motion to recommend a "Do-Pass" as recommended by the Governor. Mr. Glover seconded. Motion passed.

Public Employees Retirement System - Mr. Wittenberg made a motion to recommend a "Do-Pass" as Agency Requested. Mr. Weise seconded. Motion passed.

The meeting adjourned at 9:30 A.M.