

MINUTES

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

March 4, 1975

Meeting was called to order by Chairman Mello at 8:00 A.M. in the Ways and Means Committee Room.

PRESENT: Chairman Mello, Mr. Bremner, Mrs. Brookman, Mr. Dreyer, Mr. Glover, Mr. Howard, Mr. Robinson, Mr. Weise and Mr. Wittenberg.

ALSO PRESENT: Bill Bible, John Dolan, Frank Young, Noel Clark, Dr. Al Whatley, Frank Matthews, Barbara Smith, Raybon Davis, Joe Braswell, Jim Carmany, Ken Miller, David Hoggart, Dr. Neil Humphrey, George Miller and John Duarte.

Motion was made by Mr. Glover to approve the minutes of February 24 and 25. Seconded by Mr. Weise. Motion passed.

Frank Young explained the West Interstate Nuclear Compact and stated there was a need to have a Nevada representative on the Board. The Atomic Energy was started under Federal action during the war and is now becoming more broadly used. Because of this broad use, the State and local Governments should have a say as to how it is used. The budget request has increased from \$10,000 to \$15,000. He then gave a slide presentation on energy and stated that the net energy balance shows Nevada as the most energy poor and produces only 10% of fuel that is used.

Noel Clark stated that the Committee is also concerned with the transportation of radioactive materials. They have produced a book that brings all the transportation and staff together under one cover.

Dr. Al Whatley stated that \$10,000 has been appropriated each year since 1969. This increase to \$15,000 is being requested with the understanding that another increase will not be asked for for another 3-5 years and do not anticipate coming back before then. It is also the intention of the Board that this money will not be used for salaries, but for the continuation of the functions. This would include travel and living expense for trips and also for printing. They print enough copies of the book to be sent throughout the Western States. The money for salaries comes from the total contributions by 12 states of \$10,000 each.

Frank Matthews explained the New Careers Plan (page A22) and the One Shot appropriation of \$268,100. This program would provide a New Careers Plan in the private sector for 300 Nevadans from ages 17-26. No money is paid to an employer until a commitment is received. This plan will also reduce unemployment benefit costs and Welfare costs.

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Barbara Smith is employed with the Economic Opportunity Board as a clerk typist. She stated she has one small child and was on Welfare for three years until she received help from the Economic Opportunity Board and is now receiving more money than most girls her age. Without this program, she stated, she would not be where she is today.

Raybon Davis is a Social Worker with Clark County Social Services. He was receiving unemployment benefits until those funds were exhausted. He had skills, but there were no jobs. Through the New Careers program, he stated, he was taught a salable profession and is now employed. Many people in his age group are unemployed and unskilled and the New Careers program would benefit them.

Joe Braswell, Native American Elders United, is concerned about the youth of today. He stated that Elderly American Indians no more about the lack of employment for youths. He stated that it was very difficult for him to find jobs, and when he did they had no advancement opportunities. Under the GI bill he was finally trained and employed in a position with the chance for advancement. He felt that the young people need an opportunity such as he had. He also stated that the state would be paid in the long run if they invest in the kids today.

Jim Carmany, Director of Clark County Juvenile Court, stated that they have been approached by numerous employers who are willing to provide jobs. Most employers provide only dead-end jobs and this would be an opportunity for jobs with the possibility of promotion. He felt that this was an excellent program and stated that this amount of money would otherwise be

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used for unemployment for these 300 people. He stated that 20,000 youths are out of work and this would be one solution to the problem.

Ken Muller, Photo-kinetics Manager and Owner, stated that he has a difficult time getting properly trained help. This would allow him to train new people who can afford to work at minimum wage. Under this program he could put three to four people to work immediately. The money would be given to the employer and eventually he could pay a higher wage or offset some of the waste. The answer for him to give some young people a chance is through this program.

David Hoggart Director of the Board of Economic Opportunity, and stated that they are the only agency in the state who have had experience in operating a New Careers Program. These people are placed in public agencies, but they would like to place them in the private sector. With this program, this could be done.

Mr. Matthews then explained the Office of Economic Opportunity. The total funds available are \$257,000 of which \$143,000 are grants that came through the office and are not spent directly by this office. The Agency Request is \$20,000 and the Governor's Recommendation is \$15,000. This is short \$2,000 that they would like to have but are content to live with it.

Roy A. Sebbas, explained the Office of Volunteer Action and stated this program is funded by Federal agency action. They set up volunteer programs. The money is used for program development and to pay two staff members. They are waiting to see if the program should become a permanent state program. This is subject to Federal appropriations, but it is possible that this could be phased out or seek state appropriations.

Mr. Matthews stated that in the Office of Economic Opportunity, the Governor is recommending \$200 for office supplies and he feels that this amount will not cover the supplies needed. But, he stated, they are stuck with this amount and will try to live with it.

The In-State travel is to provide the monitoring and approval of programs throughout the State. One trip for one person costs \$100 and there are 3-5 people traveling and felt that with the amount recommended they would have to be more discriminative in their travel. The Out of State travel expenses are to cover the four meetings per year required by law to San Francisco and one to Washington. He stated that if they are short travel funds, they have the option to transfer from other categories if the funds are available.

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The Office of Volunteer Services is a good concept and Mr. Sebbas stated that people are just waiting to do something and this would bolster the efforts by using older and younger people. Mr. Bible stated that the grant money became available after the budget was prepared and therefore, it is not shown. Mr. Matthews stated that the Contractural Services in the Office of Economic Opportunity was to provide technical expertise and assistance.

Regarding the New Careers Plan (page A22) Mr. Weise asked if the two people who testified (Barbara Smith and Raybon Davis) believed strongly enough in the program to pay their own way. Mr. Braswell stated that their travel expenses were paid with Agency funds from private resources. Mr. Matthews stated that of the \$300,000, \$150,000 will be used for stipends to pay the portion of the minimum wage that is not paid by the employers. Mr. Wittenberg asked how they determined how much an employer paid of the employee's wage. Mr. Matthews stated that they can only hope the employer is honest and would pay the maximum that he could. He stated that this is only a One-Shot. Mr. Dreyer felt that \$81,000 was quite high for administering this program and requested a breakdown and Mr. Matthews stated he would supply the committee with the information. Mr. Dreyer also stated that when Mr. Muller stated he could use this money to offset waste, he felt that the state would be subsidizing employers to do business. Mr. Muller stated that the problem is in administration to see that the money is being spent correctly. Chairman Mello stated that since the committee seemed to be confused on this new program he would appoint a sub-committee to review this program as soon as possible. Mr. Dreyer, Mr. Wittenberg, Mr. Howard and Mr.

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Weise were appointed to the sub-committee.

Dr. Neil Humphrey then explained the University of Nevada bill regarding bond issue.

Chairman Mello read the bill "Authorizes University of Nevada Board of Regents to acquire facilities on Las Vegas campus and lease them to the Federal Government." BDR S-1100*

Dr. Humphrey stated that a \$2 million bond was issued for ten years to construct radiological facilities and leased them to the Federal Government. They would now like to add additional buildings.

Motion was made by Mr. Bremner for Committee Introduction. Seconded by Mr. Howard. Motion passed.

Mr. John Duarte explained the Food Stamp program. George Miller stated that the Department of Agriculture because they have such a high eligibility rate, and Senator McGovern, have a possible solution. They are recommending that in order to apply for Food Stamps, a person must sign a declaration at the Post Office. He felt that this might help eliminate some of the problems they have in Food Stamps.

Mr. Duarte stated that in December, 1974 they had 32,503 recipients of Food Stamps and in January, they had 35,434. This was a 9% increase which meant 6.1% of the population are receiving Food Stamps. They have quite a bit of mail-outs and stated that the postage rate might be raised to 13¢. If this happens, they will need more money which is not in the budget.

Chairman Mello stated that the Transfer from Welfare Administration was shown on Page 347.

Mr. Glover stated when the sub-committee visited the Food Stamp program in Las Vegas he was shocked at the lack of guidelines and follow-up on the Federal level. George Miller stated it provides for absolute abuse of taxpayer's money. Mr. Weise stated that the program invites abuse by the public and stated that University students who are eligible for Food Stamps sell them to their teachers. He also stated that the people who drove up to the Food Stamp office had fancy and expensive cars.

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Mr. Duarte then explained the Work Incentive program. These recipients are under the Aid to Dependent Children who have been selected for participation by the Employment Security Department. They provide immediate employment for participants and provide training to Welfare recipients for jobs. They must be 16 years or older and must register under Manpower Services program. They offer child care services while the people are participating in the program. This is 90% Federally funded and 10% state funded and the money goes through Employment Security to handle training and staff.

Mr. Duarte explained the Home Making Services program. They maintain Welfare recipients within the home rather than putting them in institutions. They also provide child care services while a mother is ill or in the hospital. George Miller stated that many recipients are Home-makers. Mr. Robinson asked how much money would be needed to capture all of the Social Services money. Mr. Duarte replied that \$6.5 million could be captured now and \$2,250,000 would be required to capture that full amount.

The Federal Cuban Refugee program was explained which is a 100% Federally funded program. They help Cuban Refugee's until they become self-supporting but stated that most of the people are elderly and never get off the rolls. There are 95 Cuban Refugees on the program right now who receive assistance and medical care. Mr. Miller stated that the Federal Government dropped this program at one time, but picked it up again.

The U S Indian Service program was explained. The administration of this

program is under the Bureau of Indian Affairs to care for foster children. The individual must have reservation status and have 25% Indian blood. There are 35 in the program.

The Child Protection program is a new budget to be administered by State Welfare and serves abused children and neglected children throughout the state. There have been 500 cases of child neglect and an undetermined number of abused children reported in the 15 rural counties. They also provide emergency foster care, day care, and transportation for these children.

Mr. John Duarte explained that there is a possibility that their partnership with the Federal Government may be in jeopardy to a certain degree because there are proposals that the Federal matching for the Title XIX may be dropped from 50% to 40%. They do not know how this will reflect into the Aid to Dependent Children program as yet.

Also, since the Welfare budget (page 347) was prepared it has come to their attention they have to do a quality control review for people who are not in payment system categories and are requesting that two positions be added to the budget for two quality control reviewers and the related costs. This is estimated to be at \$27,152 for the first year and \$27,413 the second year and would be matchable by 50%.

The meeting adjourned at 10:40 A.M.