

MINUTES

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

March 5, 1975

The 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: John Dolan, Bill Bible, Elmo DeRicco, Ted Bendure, John Meder, Roland Westergard, and Don Pfaff.

Elmo DeRicco explained the budget for the Department of Conservation (page 499). He stated the budget only reflects the additional costs for the continuation of the program. They are requesting no new positions. The transportation costs are used to reimburse personnel traveling while they are on business for the department.

Chairman Mello read AB 160 "Provides daily compensation for persons serving on certain committees, commissions and board in state department of conservation and natural resources." BDR 18-223.

Mr. DeRicco stated that this was submitted but not in the Governor's Recommendation and was not put in their budget. They felt they should be compensated for their effort and no funding was provided in either budget. They presently have 67 board members but funds have not been asked for all commissions, only the key ones. This would provide \$25 per day for roughly 40 people. Some meet at least six times a year, some meet quarterly, and some meet monthly.

The Out of State travel shown in the Actual is \$658 and they are requesting \$2000 because last year it was necessary to move Out of State travel funds into In-State travel funds in order to continue the In-State travel program. They do not travel out of state unless it is necessary. They often have to travel to and from Washington, DC.

The In-State travel is necessary due to an increase in force and they anticipate a heavier increase. Only two operating staff members on the department level use these funds. They also have had permission to travel the Division Personnel when they can adequately represent them Out of State. Also, audits are done in the field. The burden on legal staffs have increased, their need to travel has increased, travel costs have increased, and they need the funds.

The Insurance Expense agency request of \$10,000 is to provide insurance against personal suits. This is not a unique problem. Bill Bible stated that there is proposed Legislation to prevent suits against state employees and this is why this was not recommended.

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The Contractual Services of \$8200 would provide an MTST system along with a tele-communication system. The new positions were not recommended so there is no need for this. The \$1000 would meet the demand of other contract costs. The Other Contractual Services are for maintenance of typewriters.

The Legal and Court Expenses provide for the Deputy Attorney General and associated costs.

Dues and Registration are for fees for the National Association of Environmental Protection officers at \$1000, but this has recently been eliminated because they did not feel it was needed. They also provide for periodicals and newspapers and organizations that they belong to.

The Office Furniture and Equipment was for the new employees they did not receive.

The Cooperative Snow Survey Expense of \$2500 per year is for soil conservation surveys and snow surveys in many areas of the state. They receive predictions of potential flood hazards.

Nevada TRPA Support reflects the cost of the Governor's appointee to TRPA and only covers per diem.

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State Environmental Commission Division (page 501) was explained. The operational costs have increased and the budget provides only for this and not any new positions. The Research Analyst is the only employee in this budget. They make rules and regulations and set programs on the Nevada Environmental Agency. Bill Bible stated that this would be combined with the other budget and will have to make the necessary adjustments in both In-State travel and Out-of-State travel. Mr. DeRicco stated that the Committee must have the freedom to meet when they have to because the entire industry of the state of Nevada is at stake.

The Division of Soil Conservation Districts (page 507) was explained by Mr. Ted Bendure, Administrator. The Districts are responsible for conservation and natural resources within their districts. The Board of Supervisors develop districtwide plans of action and arrange the cost from public or private sources to put their program into effect. They also direct the use of assistance to help land owners and operators.

The Out of State travel will allow the Administrator, members of the State Conservation Committee to attend appropriate conservation meetings. The In-State travel is due to the increase of transportation costs and provides per diem for administrator.

The Operation expenses provide for the continuation of division activities. The Equipment (\$100) is for a small tape recorder for small slide shows.

Division of State Lands (page 509) was explained by John Meder. He stated that administration activities were expended as a result of Legislation. This budget allows for the continuation of functions. They are requesting the reclassification of the secretary's position in an effort to increase capability and make maximum use of their staff. Two existing planning positions will be financed through federal funds. The one New Position requested is an Administrative Secretary I. Along with her normal duties, she will assist in setting up and administering Land use information filing reference systems.

The Out of State travel includes funds to allow State Land Register to attend the annual meeting of the Western State Land Commission and participate in seminars and to meet with State officials to coordinate the land use program. The In-State travel is for the anticipated travel for staff to continue a state wide title search. The Office Supplies would provide for the lamination of maps which are decaying.

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The Contractual Services would provide the expertise needed in many fields. This request included the personnel that were not recommended.

The Tahoe Regional Planning (page 512) was explained by Mr. DeRicco. The \$50,000 is the standard allocation for the Bi-state agency needs on a 1-2 basis with California.

The Division of Water Resources (page 513) was explained by Mr. Roland Westergard. There is a One Shot appropriation of \$500,000 on page A-22 and SB 206. The original request of \$250,000 for each year is for legal consultants to defend the state's position. More money is being requested than what is needed in this One-Shot because it would be impossible to determine how much would be needed for the three suits that are pending. The first suit is the Pup Fish suit, the second one is the Salmon Falls suit, and the third is the Truckee River Law Suit. There may be more in the future and funds are needed to protect the limited water resources.

This budget includes the funding necessary to continue with the basic functions of the Division. They are requesting two New Positions: a clerical position for the Elko office and an Account clerk.

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The Water Planning funds would augment state finance water planning efforts. For the last seven years, they have received a grant from the Water Resource Council but this is due to expire next year.

The Equipment expense is to provide the office furniture necessary for the two new positions.

The Out-of-State travel expenses would cover the expenses of traveling to conferences and meetings. The In-State travel reflects inflationary increases.

The Printing expenses has decreased because in the last two years they have published water planning reports and do not anticipate as many publications in the next two years.

The Contractural Services are to defray costs now covered in the One-Shot. The Other Contractural Services are for maintenance contracts.

The Special Reports would provide for legal services of smaller appeals and this would be covered in Legal and Court Services.

Columbia Interest involves discussion with other columbia river states about a compact. There has been an increase in concern and the North-western states have asked for the expedition of this compact.

The US Geological Survey would defray costs of inflation.

The Western States Water Council considers collectively problems with planning and water resources.

The California Nevada Compact Commission (page 516) was explained by Mr. DeRicco. Legislators of both California and Nevada ratified a compact to allocate the division of waters of Truckee Carson Walker Rivers in Lake Tahoe between the state of California and Nevada. It was introduced in the United States Congress twice, but was never considered. They have asked for the reintroduction and these funds will pay the staff to help secure consideration at least.

Division of Colorado River Resources (page 517) was explained by Don Pfaff, Administrator. No General Fund appropriations are being requested in the programs and they are funded by the administrative charge on sales of electric power, energy and water. No New Positions are being requested. One new program that is being contemplated during the biennium is the preconstruction of planning activities for the second stage of the So. Nevada Water System which has already been initiated. A separate bill for financing the planning and construction phases of the second stage have been submitted for consideration before this session of the Legislature. No general fund monies are required for this activity.

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The Contractural Services are services of a special nature for consultants on a limited basis for activities dealing with the Colorado River. The Other Contractural Services are for the rental of terminal computer facility.

Mr. DeRicco stated that the Out of State travel throughout the department would provide for going out of state if they have to because they deal with programs with other states. They do not travel unless they have to.

Al Wittenberg, Chairman of the sub-committee on Salary and Benefits gave a report to the Committee regarding the 15% pay increase for State employees, AB 211. He stated that it was a unanimous recommendation of the sub-committee to recommend a "Do-Pass." Mr. Glover and Mr. Howard are members of this sub-committee. The sub-committee held a discussion with Jim Wittenberg, State Personnel, Bob Gagnier, Executive Director, SNEA, and Dale Lockard, State President. It was the committee's feeling that this should not be called a pay-raise, but a catch-up. State employees have lost 15.21% purchasing power but rounded it to 15%. As of July 1974, state employees are behind other governmental employees roughly 12% excluding fringes and roughly 8% behind all other employees

throughout the State. He stated that current salaries in both the public and private sector are being negotiated for increases over what state employees are now behind. They pointed out to the sub-committee that the second section of the bill is up to 7% and does not mean that they will receive 7%, but only what the cost of living goes up to with 7% as a ceiling. The average wage of other employees is roughly \$924 and the average wage for state employees is \$901. The gaming average wage is listed at 736, however, they must realize that tips and fringes of tips are 30-50% of the income. The fringes are not out of line with the state average of compensation is about 26%, the Federal is 28% and other Nevada employers is 24.3%. The 13 largest employers in the state, excluding utility companies, have a total for fringes of 29% compared to the state's 26%. In the nation for all employers in 1972 this represented 29.3% and in 1973 this was 32.7% and in 1974 it should show 35%. For California State employees the salaries and fringes are 29.4%.

Mr. Weise stated it does not seem right that someone getting \$20-\$25,000 should get a 15% as the employees making \$10,000 would be getting less. He felt they should not receive an across the board raise when they all buy the same food. He stated he cannot buy an across the board raise as a solution.

Chairman Mello agreed and stated he was against the 95% factor. The people that need the salary increase are getting smaller increases and those at the top are getting larger increases. He stated he realized the problem, but did not know what could be done about it.

Mr. Howard stated he also agreed and stated the bill relative to the 95% should be rectified. Until the lid is lifted they are locked in and are hurting many employees. When the cost of living goes up, they hit a peak and do not receive a raise.

Bill Bible stated that the primary purpose of the 95% is due to the fact that Legislators set the salaries of Unclassified employees and a mechanism is needed for controlling the state personnel system. He stated that there are several ways to increase pay: (1) is if Legislators approve a raise or (2) a reclassification is done. A classified employee cannot make over 95% of his unclassified supervisor's salary and stated that there are inequities in the system.

Chairman Mello stated that there is a pretty wide gap and it is getting wider.

Mr. Al Wittenberg stated there were at least 90 employees affected by this 95% who were not getting raises and now there are 26. He felt that if there was just one, the bill should be introduced.

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Mr. Glover stated he felt it would be hard to retain people when this happens.

Mr. Weise stated that he could appreciate the 95% but could not accept the justification for a cost of living increase. He does not feel that this kind of disparity should exist on this bill. Half of the employees get paid less than \$10,000, 6340 make less than \$15,000 and 900 make more than that. He was sure that if this was broken down that state employees would not even agree with it.

Mr. Glover stated that this cost of living does not change anything. They are being kept in the same relative position as last time.

Mr. Al Wittenberg pointed out that food costs the same. People live in the style that they are accustomed to. It costs the man making \$30,000 the same to keep up as it does the one making \$10,000.

Mr. Robinson made a motion to accept the report of the sub-committee and recommend a "Do-Pass" on AB 211. Mr. Dreyer seconded. Motion passed with one vote descenting vote by Mr. Weise.

The meeting adjourned at 10:25 A.M.