

MINUTES

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

April 17, 1975

The meeting was called to order by Chairman Mello at 7:30 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 and Bill Bible

Social Services - Vocational Rehabilitation - Mr. Bremner made a motion to close the budget as recommended by the Governor. Mrs. Brookman seconded. Motion passed.

Social Services for the Blind - Mr. Dreyer made a motion to recommend a "Do-Pass" as recommended by the Governor. Mr. Weise seconded. Motion passed.

The committee prepared their proposals on the budgets that were to be considered in the joint meeting with Senate Finance and then moved to the Senate Finance Committee Room at 8:30 A.M.

PRESENT: Chairman Mello, Mr. Bremner, Mrs. Brookman, Mr. Dreyer, Mr. Glover, Mr. Howard, Mr. Robinson, Mr. Weise, Mr. Wittenberg, John Dolan, Bill Bible, Chairman Lamb, Senator Brown, Senator Gibson, Senator Monroe, Senator Raggio, Senator Walker, Senator Young, Ron Sparks and Howard Barrett.

AB 211 "Provides increases in salaries for state classified personnel effective January 1, 1975; makes appropriation for such increases and for certain salary adjustments in classified service." BDR S-862.

The Ways and Means Committee previously passed this bill with an eight to one vote and Senate Finance amended this bill to 15% increase in the first year with 0% increase in the second.

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Senator Young stated that his position was a 12% and 4% with a trigger. He was concerned about the state being able to afford the 15% and 7% and felt it would be unfair to the school teachers. He had strong opposition to the bill because of what it would do to the Distributive School Fund.

Chairman Mello stated that Senate Finance killed the \$3.5 million for the Arden complex.

Senator Lamb stated that the Arden Complex is a One-Shot.

Senator Gibson stated that the operating budget allocates all revenues anticipated. He stated that they could not increase any operating accounts unless they could take the money from another operating account. He felt that they could not go out of the operating budget without increases taxes and this should not be done.

Chairman Mello stated that it is listed as a One-Shot but it is a One-Shot every session.

Senator Raggio would like to have enough money to give the teachers a 9%-10% raise.

Mr. Barrett stated that money is appropriated for 17% and 7% for the Distributive School Fund. He stated that it would take 27% to give the teachers a 7% raise and the rest of the fund does not need 27%.

Mr. Weise stated that he was told that 17% and 7% would allow for a 5% to 7% pay raise. He stated there was no justification to compare the two.

Mr. Wittenberg stated that the argument should be built on the fact that state employees are behind in comparison with other governmental agencies, particularly in the northern area. A 22% raise over a two year period

would put them 3% ahead of Sparks provided their employees did not receive a raise for two years. But Sparks, along with other cities and counties will continue to give raises. Morale of state employees has to be built up in order to keep and retain employees by paying them enough to keep up with the cost of living. It can be safely assumed that the CPI will go up 7% in the second year. He stated that the 15% and 0% might be all that could be received out of Senate Finance but it will not go through the Assembly.

Mr. Robinson stated that school teachers do not work a full year as the state employees do which is an advantage and should be considered in teacher's salaries.

Mr. Wittenberg stated that the 11-12 major cities are paying their government employees more.

Senator Gibson stated that Henderson has only 80 employees and should not set the pace for 7200 employees. He is concerned about what is happening in private employment. The average wage for private employees is considerably less. No. Las Vegas gave their employees a 10% raise but they are laying off 27 employees because of a lack of funds. There is a serious recession in the state with a 10% unemployment rate.

Mr. Wittenberg stated that if the three government entities are added together the total would be close to the number of state employees: Washoe County pays 11.3% more, City of Reno pays 12% and Sparks pays 19.9%.

Senator Monroe stated that the cities and counties also have trouble raising taxes for these raises.

Mr. Glover stated that in his mail from teachers requesting a raise they have made it clear that they are not against the state employees receiving their raise.

Mr. Weise stated that it is unfortunate that the increase is predicated upon what others are doing. The argument is getting away from the reason for the raise. It is called an inflationary catch up but Mr. Jim Wittenberg testified that it was an inflationary catch up for the higher paid employees who are receiving less than the private sector. Two-thirds of the employees receive less than \$15,000 per year and an across the board raise should not be given to catch up the small portion of higher paid employees.

Oyer

Chairman Mello stated that other states' economy are low, but not ours, and the revenue is going up.

Senator Brown stated that he has received correspondence from public employees who are worried about their jobs. He felt that Senator Young's presentation was excellent on the 12% and 4% but knew the Senate would not have any appetite for it. The majority of the Senate went with the 15% and 0% and will not give an inch.

Senator Gibson stated that Henderson has a 14% unemployment rate.

Mr. Robinson stated that this has no direct relation on the people out of work as 90% of the people are employed. State employees have to compete for livable incomes. Mistreating state employees is not going to solve the problem of unemployment unless the money goes to the unemployed. The problem for state employees should be considered and is not related to unemployment.

Senator Gibson stated that economists define depression as a 10% unemployment rate. The average salary of state employees is \$940 which is \$1400-\$1500 per year increase. That is not treating them badly by giving them 15% raise.

Mrs. Brookman stated that doctor's fees, attorney's fees, insurance costs, etc. are all going up.

Mr. Wittenberg stated that the average state employee salary is \$901 and the average salary in the private sector, excluding utilities, is \$924. The average gaming industry wage is \$725 but does not include tips. The releases show that the number of people employed in the state has risen over the last four months and jobs are always increasing and open.

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The unemployment rate has only increased 1-2% according to the report.

Senator Young stated that the state might have to come up with more money for unemployment. The merit increase is decided on increase of productivity. But if the state employees are paid a fair amount the state would be facing an increase in taxes.

Advisory Council on Children - (Page 5) Chairman Mello stated that perhaps this Council has not had enough money to function properly. Senator Raggio stated that this council may not be worthwhile but questioned whether it was being given a fair try. Mr. Weise stated that if the program was going to be kept at all it should have enough money to function properly.

Senator Brown made a motion to concur with the Assembly at Governor's Recommendation. Senator Young seconded. Motion passed with Senator Gibson voting no.

Commission on Status of Women - (Page 6) Mrs. Brookman stated that the women should have a voice in Nevada and show the inequities. When the Commission reports more justification will be given to give women more rights. Chairman Mello stated Nevada has gone many years without this and without justification. ERA did not pass, therefore, the women should be shown that Nevada does have an interest in them.

Senator Young made a motion to concur with the Assembly at Governor's Recommendation. Senator Walker seconded. Motion failed with Senators Gibson, Lamb and Monroe voting no. Senator Brown was absent.

Comprehensive Statewide Planning - (Page 7) Mr. Wittenberg stated that the \$1500 was deleted because of the State Goals Report which is unnecessary and a waste of money.

Senator Gibson made a motion to concur with the Assembly in the reduction of \$1500. Senator Raggio seconded. Motion passed with Senator Brown absent.

Secretary of State Archives - (Page 27) Mr. Bremner stated that the committee toured this office and found it to be overcrowded, many storage problems, and they were having trouble keeping a catalogue. Mr. Weise stated that they could rent another building for less than what they were paying Buildings and Grounds and when they move they will be using the shelving in the new building.

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Senator Young made a motion to concur with the Assembly in the addition of a Storekeeper, Shelving, Records Storage Containers, Typewriter and Communications. Senator Raggio seconded. Motion failed with Senators Monroe, Gibson and Lamb voting no. Senator Brown was absent.

Economic Development - (Page 83) Mr. Robinson made a motion to concur with the Senate on deleting the Visitor's Survey. Mr. Howard seconded. Motion passed.

Equal Rights Commission - (Page 99) Mr. Robinson stated that he did not feel the Hearings Officer should be locked in as it would not be as serviceable as if he were contracted. This would allow them to hire a hearings office in whatever city they were in. Chairman Mello stated that the problems of the minority people are growing and more are moving into the state, particularly in the southern part. Senator Raggio stated that the workload has increased and a Hearings Officer is needed but he would not like to see him locked into a steady position.

Senator Young made a motion to concur with the Assembly in keeping the Hearings Officer in Contractual Services. Senator Raggio concurred. Motion passed with Senators Lamb and Gibson voting no. Senator Brown was absent.

District Judges Travel - (Page 113) Chairman Mello stated that with \$3748 reduced from the travel expenses they are still left with the current work program. Senator Gibson stated that the District Judge's will still travel as they receive money from the counties.

Senator Gibson made a motion to concur with the Assembly in reducing Out of State travel \$3,748. Senator Monroe seconded. Motion passed with Senators Young and Raggio voting no. Senator Brown was absent.

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Education Commission of the States - (Page 159) Chairman Mello stated that this is to inform Legislators about education and not on the side of the teachers.

The Senate made no motion and both committees stand pat on their individual recommendations.

Nevada State Museum - (Page 210) Senator Gibson made a motion to concur with the Assembly in the Security Monitoring System. Senator Young seconded. Motion passed. Mr. Weise made a motion to concur with the Senate on the two half-time positions (both committees recommend the curator.) Mr. Bremner seconded. Motion passed.

Nevada State Library - (Page 218) Mr. Howard made a motion to concur with the Senate on the removal of non-structural alterations. Mr. Dreyer seconded. Motion passed.

Aging Services - (Page 229) Mr. Glover felt that this position should be kept because it is an outreach position. The Federal Government almost mandates that they have this position. Mr. Barrett stated that it is a requirement of the Federal Government and there is a position now filled but it will not be funded with Federal funds any longer. Senator Gibson stated that he does not like the Federal Government adding positions and telling the State that they have to pick them up. Senator Gibson stated that the biggest problem the elderly have is idleness and hope that some of these duties could be handled by the people themselves.

The Senate made no motion and both committees stand pat on their individual recommendations.

Child Care Services - (Page 232) Senator Lamb explained that when they deleted the position he felt the in-state travel would be reduced also.

Senator Gibson made a motion to concur with the Assembly in reducing the in-state travel \$1000. Senator Raggio seconded. Motion passed.

Family Planning Project - (Page 270) Senator Gibson stated that this would allow the use of general fund money to fulfill a Federal Government mandate and that Federal money is available.

Over

Mr. Howard made a motion to concur with the Senate in reducing the General Fund appropriation by \$9,080. Mr. Wittenberg seconded. Motion passed.

Division of Mental Hygiene and Mental Retardation - (Page 299) Mr. Weise made a motion to concur with the Senate in the deletion of People magazine. Mr. Dreyer seconded. Motion passed with Mrs. Brookman, Mr. Wittenberg and Mr. Glover voting no.

Henderson Mental Health Center - (Page 322) Senator Walker stated that there would be no increase in the General Fund for this.

Mr. Weise made a motion to concur with the Senate in decreasing the General Fund only \$4,251. Mr. Glover seconded. Motion passed.

Rehabilitation Division Administration - (Page 371) Mr. Weise made a motion to concur with the Senate. Mr. Dreyer seconded. Motion passed. Senator Gibson made a motion to concur with the Assembly in the deletion of the positions. Senator Monroe seconded. Motion passed.

Identification and Communications - (Page 435) Chairman Mello stated that this new position is needed because there is a lot of money that has to be accounted for.

Senator Young made a motion to concur with the Assembly in recommending Governor's recommends. Senator Gibson seconded. Motion passed.

Investigations and Narcotics Division - (Page 441) Mr. Dreyer stressed the need for more narcotics agents especially in the southern part of the state and explained that the same amount of positions were being added this year as requested for both years.

Senator Monroe made a motion to concur with the Assembly. Senator Raggio

seconded. Motion passed with Senators Lamb and Gibson voting no.

Gaming Control Board - (Page 449) Senator Young made a motion to concur with the Assembly. Senator Raggio seconded. Motion passed.

Real Estate Division - (Page 475) Mr. Dreyer stated that they now have a new direction and the division is being operated properly. Mr. Barrett stated that 14 positions would have to be deleted in order for this division to live within their budget and they can get along without these positions.

Mr. Robinson made a motion to concur with the Senate in the deletion of five existing positions. Mr. Howard seconded. Motion passed.

Athletic Commission - (Page 489) Chairman Mello explained that testimony showed that this commission thought they only had \$5000 and this would give them what they think they have.

Senator Gibson made a motion to concur with the Assembly in the reduction of \$5,000. Senator Walker seconded. Motion passed.

Environmental Commission Division - (Page 501) Senator Gibson made a motion to concur with the Assembly in increasing the In-state travel only \$2000. Senator Monroe seconded. Motion passed.

Division of State Lands - (Page 509) Senator Young stated that he felt this was the most neglected budget and the environment problems stem from this neglect. Mr. Weise stated that he felt the state should not be involved in land planning.

Senator Monroe made a motion to concur with the Assembly to delete the Administrative Secretary. Senator Gibson seconded. Motion passed with Senators Young and Raggio voting no.

Division of Forestry - (Page 533) Senator Gibson made a motion to concur with the Assembly. Senator Monroe seconded. Motion passed.

Forestry Nurseries - (Page 539) Senator Brown made a motion to concur with the Assembly in the Governor's recommends. Senator Walker seconded. Motion passed with Senators Young, Raggio and Lamb voting no.

Highway Safety Program - (Page 620) Chairman Mello stated that the state was only saving \$898 in the first year and \$886 in the second. Mr. Glover stated that this is a good program and only a few dollars of general fund money is being spent.

Senator Monroe made a motion to concur with the Assembly in Governor's recommends. Senator Gibson seconded. Motion passed with Senators Brown and Lamb voting no.

The meeting adjourned at 11:00 A.M.