

SENATE FINANCE COMMITTEE

MINUTES OF MEETING

JANUARY 23, 1975

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The meeting was called to order at 8:35 a.m. Senator Lamb was in the Chair.

PRESENT: Floyd R. Lamb, Chairman  
James I. Gibson, Vice-Chairman  
B. Mahlon Brown  
Warren L. Monroe  
L. E. Walker  
William J. Raggio  
Clifton Young

OTHERS: Howard Barrett, State Budget Director  
G. L. Harding, Central Data Processing  
Cy Ryan, UPI  
Janice Ayres, Nevada Association for Retarded Citizens  
Senator Carl Dodge  
Ron Sparks, Chief Deputy Fiscal Analyst

Howard Barrett, State Budget Director, presented the following requests for appropriations from the 1974-75 General Fund Surplus:

COMMITTEE ON GROUP INSURANCE

An appropriation of \$10,000 was requested. Mr. Barrett stated the fund was necessary for a consultant to be hired in order to evaluate the present policy. Senator Monroe asked if the individual was to pay for the policy. Mr. Barrett said that this was an issue to be decided by the consultant and the Committee on Group Insurance when renegotiating the new premium, and bidding on a new policy.

PUBLIC SERVICE COMMISSION

An appropriation of \$49,551 was requested. Mr. Barrett said the fund was needed to reimburse the Public Service Commission for the State Petroleum Allocation Set-Aside Program for their labor, travel, and operating costs. Mr. Barrett stated that Petroleum Allocation is a new problem which might in the future require a separate agency.

STATE COMMUNICATIONS BOARD

An appropriation of \$119,249 was requested. Mr. Barrett said this amount was needed to complete the statewide microwave system. Senator Gibson wished clarification as to the functions of the State Communications Board. Mr. Barrett said the Commission oversaw common radio and microwave systems throughout the State. Senator Monroe commented that there have been previous attempts to unify the radio systems in Nevada. Mr. Barrett said that the funding, along with additional Civil Defense funds, would ensure the system's completion.

Senate

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PAYROLL/PERSONNEL DATA PROCESSING APPLICATION

Mr. G. L. Harding of Central Data Processing made the presentation for this item. Mr. Harding stated that since the current mode of personnel processing was extremely out-dated, the State wished to adopt the system of Data Processing currently used by the State of Washington. The costs involved would be \$70,000 for the transfer of the system, and \$50,000 for the running of the system until the next Biennial Session. Senator Brown asked for the elements of the proposed system. Mr. Harding stated they are: Applicant information, certification information, complete employee history, position control and labor distribution. Senator Brown asked if there is a consensus attempt to include the counties and cities within this system. Mr. Barrett stated that in the future such a statewide adoption may be possible. Senator Gibson inquired is the \$50,000 an additional running operation cost to the current operating expense? Mr. Barrett answered that it isn't possible for him to know the exact date the old system will be phased out and until then the systems will run parallel expenses. Senator Walker asked if this Data Processing will develop all types of personal information. Mr. Barrett assured the Senators that the information collected will be only dealing with "personnel", not "personal" matters. Senator Raggio asked if this system would cause an increase in the personnel assessment. Mr. Barrett said that the increase may be from .9 to .93 in order to accommodate the change. Senator Lamb and Senator Brown indicated that for true efficiency within the State Agencies, it would be appropriate to centralize Data Processing. It was remarked by Mr. Barrett and Mr. Harding that such an effort would be doubtful as it would be almost impossible to administer. However, both gentlemen agreed that such centralization would decrease the operating costs from \$4,000,000 to \$3.5 million. Senator Lamb interjected that First National Bank used a statewide processing system. Mr. Harding felt that FNB could not be compared to the State, as the bank has only one business, but the State businesses were extremely diversified. Senator Lamb and Senator Brown concluded the discussion by remarking that the guests (Mr. Barrett and Mr. Harding) had previously stated that the State of Washington was centralized, so if it was their system we were adopting, it must be possible.

SECRETARY OF STATE

An appropriation of \$63,000 was requested. Mr. Barrett

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SECRETARY OF STATE (Cont.)

said this appropriation would mainly be used for a computerized filing system in order to improve filing and reduce office space. Senator Raggio asked if the read-out terminal would be located at the Secretary of State's office, and how long would it take to implement this system. Mr. Harding verified the Secretary's office would be the location for the terminal and implementation would take six (6) calendar months.

CENTRAL DATA PROCESSING

An appropriation of \$50,000 was requested. Mr. Barrett said this would be the Data Processing allocation for the Department of Human Resources. In this case, Mr. Barrett remarked, individual monies of \$25,000 each would go to Human Resources and Youth Services. Senator Lamb stated that he feels the separate agencies fear consolidation because there will be one key administrator. Mr. Barrett said that single domination of one individual over a centralized Data Processing System would cause negative reactions by the agencies, primarily because different agencies work under different rules; the University being completely autonomous. Senator Young wished to know how much it would cost to make a study on Data Processing consolidation. Mr. Harding said the cost would be from \$100,000 to \$150,000. Senator Carl Dodge from the audience, asked how much time would be involved in such a unifying effort. Mr. Harding replied that it took ten (10) years to have Data Processing at all, and he had no idea how long it would take to get everybody to use the same "hardware".

DEPARTMENT OF ADMINISTRATION

An appropriation of \$100,000 was requested. This fund is requested to provide specialized equipment, office equipment and supplies for positions funded by the Comprehensive Employment and Training Act (CETA), the Emergency Employment Act (EEA), and the Emergency Jobs Program (CETA VI). Currently it was estimated by Mr. Barrett that eighty (80) people who are employees for State Agencies are being paid by one of the Department of Labor programs. And it is expected that federally funded public service jobs programs will expand during the biennium.

CLASSIFIED SALARIES, UNCLASSIFIED SALARIES, AND UNIVERSITY CLASSIFIED SALARIES

The above headings were not covered in the meeting.

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BOARD OF EXAMINERS

An appropriation of \$8,000 was requested. This amount is to be a "one-time" expense to cover costs connected with the proposed issuance of \$1.2 million State park bonds.

CHARLES KNIGHT

An appropriation of \$10,000 was requested. This amount would be used to settle the tort claim #102 filed against the State of Nevada and claims that "the State and the construction company were guilty of acts of negligence and carelessness at the time and place alleged in that, among other things, they failed and neglected after having undertaken to do so, to exercise due care to keep and maintain said roadway in reasonably safe condition."<sup>1</sup>

STATUTORY CONTINGENCY FUND - NRS 353.264

An appropriation of \$100,000 was requested. Mr. Barrett said this amount is necessary to allow the State Board of Examiners to approve the payment of accumulated sick leave over thirty days to employees upon death or retirement when agency funds are not available.

STATUTORY CONTINGENCY FUND

An appropriation of \$103,442 was requested. Mr. Barrett explained that this fund is used to cover specific claims against the State. Detailed listings of "Eligible Expenses" can be found on Page A25 of, The Executive Budget - Fiscal Years 1975-76 and 1976-77, upper left-hand corner. "Eligible Expenses" that have already been paid out are listed in the same manual, same page, lower left-hand corner. Senator Raggio, in reference to Eligible Expense, NRS 7.260, "Attorney Fees for Indigent Prisoners" requested that a breakdown be given on the attorney's fees, and presented to the Finance Committee. Mr. Barrett agreed to comply.

INTERIM FINANCE COMMITTEE

Originally this State Committee requested \$1,702,130.64 in appropriations. At this meeting of January 23, 1975, Senate Finance Committee, Ron Sparks, Chief Deputy Fiscal Analyst, stated that the amount requested was now \$1,702,311.00. Senator Lamb asked if the "Chinese Medicine (Loan)" of \$8,300.00 was going to be repaid. Mr. Barrett answered that this loan will be requested as cancelled, and listed as a gift.

1 -- Page A24 of, The Executive Budget - Fiscal Years 1975-76 and 1976-77.

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BOARD OF EXAMINERS' EMERGENCY FUND - NRS 353.263

An appropriation of \$39,999 was requested. This amount is stated as being needed in order to bring the fund back to a balance of \$100,000. The fund which is provided to meet emergencies defined as: invasion, insurrection, riot, epidemic, or national disaster. The balance now stands at \$60,000.51.

HIGHWAY DEPARTMENT

An appropriation of \$3,500,000 was requested. This amount would be used to build a highway maintenance and equipment complex at Arden Interchange, Las Vegas. Senator Lamb asked if this was the first request by the Highway Department for use of the General Fund. Mr. Barrett answered that this was the first request. Senator Walker asked if this was for new Administrative offices as well. Mr. Barrett answered that the fund was only for maintenance, and that the present administrative offices would remain as they currently are.

HIGHWAY DEPARTMENT COUNTY COOPERATIVE PROGRAM

An appropriation of \$600,000 was requested. This amount is an increase of \$300,000. Mr. Barrett explained that this fund is to be used as an expanded road improvement program, especially in the rural counties. Senator Lamb asked if this figure will increase again. Mr. Barrett answered that another increase will depend on the state of the General Fund at the next Biennial.

There being no further business, the meeting was adjourned at 10:00 o'clock in the morning.

RESPECTFULLY SUBMITTED,

  
Sheba L. Woolley, Secretary

APPROVED:

  
Floyd R. Lamb, Chairman