

SENATE FINANCE COMMITTEE  
 MINUTES OF MEETING  
 MARCH 18, 1975

The meeting was called to order at 8:30 a.m.

Senator Floyd R. Lamb was in the Chair.

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

OTHERS: John Carre, Regional Plumbers Board  
 Jame Slattery, Regional Plumbers Board  
 Mr. DePoali, Regional Plumbers Board  
 William Douglas Miller  
 Tom Tucker, WICHE  
 Dr. Pat Guider, WICHE  
 Dr. Fred Anderson, WICHE  
 Mr. Neil Humphrey, University of Nevada System  
 Grant Bastian, Highway Department  
 Gene Phelps, Highway Department  
 Howard Barrett, Budget Division  
 Cy Ryan, UPI  
 Ron Sparks, Fiscal Analyst

REGIONAL PLUMBERS BOARD

Senator Gibson asked if the Board would have any fees. Mr. Slattery said this will happen if AB 255 is passed.

Mr. John Darre and Mr. DePoali said there is some difficulty in getting the counties to accept the uniform code, mainly in the home building industry.

Senator Gibson asked if anyone can take the National Plumber's Exam. Mr. DePoali said that in Reno, in order to take the exam one must have five years as an apprentice, and five years as a journeyman.

ADVISORY MINING BOARD

Senator Lamb asked how often the Board met. Mr. Wm. Douglas Miller said the Board held quarterly meetings in various locations throughout the State.

Senator Lamb read the list of Board members.

Mr. Miller said that the Board proposes to have six meetings per year, at \$1,000 expenses per meeting.

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Senator Lamb stated that the NIC Inspector of Mines position had been abolished, however, the Senator wondered if the Board had worked with this individual. Mr. Miller said that the mining industry had held meetings to determine if this individual's capability was acceptable, and concurred that it was. Mr. Howard Barrett said that when the position was abolished, the General Fund money was reverted.

WICHE

Mr. Tom Tucker said that the Commission approved the following seven academic areas: Dental Hygiene, Dentistry, Medicine, Occupational Therapy, Optometry, Physical Therapy, Veterinary Medicine. Mr. Tucker said that some of the member states feel that the State ought to underwrite the costs.

Senator Brown asked about the tuition cost for a law program. Mr. Tucker said it is \$2,500, however, if this area were approved, then the Commission may be responsible for picking up the second year and third year student. Senator Brown asked if there was any criteria based on need. Mr. Tucker said no.

Mr. Tucker said that the tuition for the Veterinary Medicine might be as high as \$7,500, as there is currently a type of bidding war in process. Senator Lamb noted that it is extremely difficult to get placed in a veterinary school. Mr. Tucker said that it has been suggested that Nevada contract for so many placements, however, this might mean that contracts would be obligatory for other schools.

Senator Brown asked if it was required that the graduates of this program return to Nevada. Mr. Tucker said that this is considered servitude. Senator Gibson asked if Mr. Tucker could identify the program's graduates by name. Mr. Tucker said he could get their name and last known address for the Senator.

Senator Raggio, Senator Brown, and Senator Young thought that this program should have some need criteria. Dr. Fred Anderson said that this is not a loan program, and is established just to aid all students in getting placement. Senator Lamb said it would be possible to ask parents to pay a percentage. Dr. Fred Anderson said that it has been suggested that students pay out-of-state tuition, instead of in-state.

Senator Lamb asked about having a Veterinary school in Nevada. Dr. Anderson said that we could contract with a Veterinary School, or UNR could have a one year beginning program, but the University

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doesn't have enough money for accreditation. Dr. Anderson said it would cost about \$100,000 for the first year for ten or twelve students, and about \$200,000 to continue the program. Senator Lamb and Senator Brown noted that it is less expensive to contract than to have our own. Mr. Neil Humphrey said that the University is at least two years away from considering a Veterinary School.

HIGHWAY DEPARTMENT ADMINISTRATION

Mr. Grant Bastian said that the Department has had many new programs to administer, such as Beautification, Outdoor Advertising, OSHA, Archeological surveys, and Environmental Impact studies. Mr. Bastian said that the Environmental Impact studies cost over \$2 million in consultant contracts to complete.

Mr. Gene Phelps made the following presentation:

Sources of Revenue

State Users: \$63.81 million (1975-76)...\$66.94 million (1976-77)  
Shared Revenue: (Bulk is Gas Tax)  
\$27.40 million (1975-76)...\$28.72 million (1976-77)  
Appropriation for other users (DMV):  
\$10.28 million (1975-76)...\$10.18 million (1976-77)  
Federal Aid Revenue:  
\$29.75 million (1975-76)...\$30.55 million (1976-77)

Senator Walker asked why the Federal funding fluctuates so much. Mr. Phelps said this depends on how the work progresses.

Senator Brown asked if Reno and Las Vegas are trying to obtain some form of mass transit transportation. Mr. Bastian said that Las Vegas is considering a bus system which will qualify them for Federal funding. Mr. Bastian said if .02¢ went into the General Fund, the cost would be more around \$40 million, rather than \$70 million.

Mr. Phelps continued:

Gas Tax

By 1976-77, the State will receive 54.1% of this tax. Ninety per cent of the counties are convinced to take the .02¢ instead of the .08¢ tax.

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D.M.V. (Expenditures)

1965 . . . DMV received 26.9%  
 1977 . . . DMV will receive 40.6%

Senator Monroe said that the problem is getting DMV to raise their fees. Senator Lamb said that the problem is getting DMV to stay within their budget. Senator Brown said that an alternative to the DMV increasing expenditures is to increase the Gas Tax. Mr. Bastian said this will be a decision of the next Biennium. Mr. Phelps said that the users are spending faster than their revenues will allow, and this will become very critical next Biennium.

Mr. Phelps explained the following areas:

Expenditures By Object, Expenditures By Program, Construction and Engineering, Construction Contracts, Inventory of Major Maintenance Units, Summary of Material Used on Maintenance, Maintenance by Function, Maintenance by Road System, Maintenance Cost per Maintained Lane Mile, Additions Requiring Maintenance, Executive and Support Services, Full-time Employees on Board as of January 1st (1,284 is current permanent employment number), Projection of Highway Fund Balance (June 30, 1977 - \$790,000).

Senator Raggio asked if this fund balance includes the proposed salary increases. Mr. Phelps said yes, and the Department's cost for the increases would be approximately \$3 million per year.

Senator Monroe asked about Highway 50 becoming part of the Interstate. Mr. Phelps said that this is possible, but the Federal Administration is very negative toward adding to the Interstate.

There being no further business, the meeting adjourned at 10:35 a.m.

RESPECTFULLY SUBMITTED:

  
 SHEBA L. WOOLLEY, SECRETARY

APPROVED:

  
 FLOYD R. LAMB, CHAIRMAN