

SENATE FINANCE COMMITTEE
MINUTES OF MEETING
APRIL 30, 1975

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The meeting was called to order at 8:00 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 Clifton Young
Senator Warren L. Monroe
Senator Lee E. Walker

OTHERS: Peter Simon, Jean, Nevada
William Hancock, Public Works Board
Virgil Getto, Assemblyman for AB 161
Howard Barrett, Budget Director
Ron Sparks, Fiscal Analyst

Mr. Peter Simon gave a graphic presentation of the benefits of having the new correctional center in Jean, Nevada. Mr. Simon said that Jean is 28 miles from Las Vegas, and the closest community is Goodsprings, which is seven miles away.

Senator Brown said that he is concerned about the accessibility of utilities. Mr. Simon said that the only difficulty the Warden could see was that food delivery would increase 5%, and propane would have to be substituted for oil. Mr. Simon said that the Governor has given his approval of the site.

Senator Lamb asked if there is an advantage to having the railroad available. Mr. Hancock said yes, but the contractors would still have to pay travel time for their employees.

Mr. Simon said that the water would have to be purified, but Jean will provide the sewer, water, power, roads, and fire protection, propane gas, and 96 acres.

Senator Brown asked what Mr. Hancock's evaluation is of the site. Mr. Hancock said that in his opinion, building on the Jean site will involve the same amount of money requested now, and this is a gift-deeded insured acreage. Mr. Hancock said that the Board has not acted on this but, technically the proposal makes sense. Mr. Hancock said that they will consider using oil as the basic fuel, and propane as the standby.

Senator Raggio asked how many people are in Jean now. Mr. Simon said 80. Mr. Hancock said that about 50 people may want to live there, and Mr. Simon said that he would not charge any more for power than they do in downtown Las Vegas. Senator Raggio asked if there was a self-contained water system. Mr. Simon said there would be a well on the site, but it would be connected to an outside well in case of an emergency.

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Senator Gibson asked what would be the guarantee on this. Mr. Hancock said a performance bond. Mr. Hancock said that they would also like a mechanism for an alternate site.

Capital Improvement Discussion with Mr. Hancock:

- 75-10: Mr. Hancock said that Dr. Max Milam said that there are safety hazards involved.
- 75-12: Senator Gibson said that he wanted to know if the estimates are accurate. Mr. Hancock said that the sub-committee for Ways and Means differ in the Board's unit costs on manholes, but the Board's bid is based on one received six months ago.
- 75-14: Mr. Hancock said that he felt this was justified by the testimony for safety given by the police force and General Services. Senator Gibson said that he can't believe that there is a major energy consumption with this type of lighting.
- 75-15: Senator Raggio said that if the piping is already there, and it saves one or two people from falling, it is worth it.
- 75-18: Mr. Hancock said that part of the Assembly's reduction is with the \$20,000 error made by the Board in design fees, and the cost now will be \$659,000. Senator Young asked Mr. Hancock to comment on the comments that the bids are excessive. Mr. Hancock said that the Board publishes their estimates, and there are too many bids received for all the contractors to be dishonest.
- 75-20: Senator Raggio asked what part of the total is actual construction cost. Mr. Hancock said that \$1,280,000 is the construction cost, and the remainder is construction contingency. Mr. Hancock said that with the recommendation of Ways and Means, they could only develop the existing building complex.
- 75-22: Mr. Hancock said that the \$5,000 reduction is a Board error.
- 75-27: Mr. Hancock said that this budget is already tight, and construction had to be cut, the Board would have gone with the tunnel first, so he would still like the original appropriation request.
- 75-32: Mr. Hancock said that in order to make joint use out of this building, they propose to cut the building in half, and the cost will be \$406,000 altogether. Mr. Hancock said that the only thing that might be considered excessive in expenditures is the insulation and hard-board surface on the walls.
- 75-36: Mr. Hancock said that he would prefer that instead of reducing each Caliente project by so much, that they take a total of \$60,000 out of the total appropriation request. Mr. Hancock commented on the Governor's 10% cut on all capital improvement and said that he feels that some of these projects couldn't even be cut that much, as the Board does not contract for more money than is available. Mr. Barrett said that Administration has cut the scope of projects before, but never the total amount. Mr. Hancock said that he would prefer having a total appropriation given for Capital Improvement, and this would allow more flexibility, as well as allowing the Budget Office to give approval.
- 75-39: Mr. Hancock said that this will involve some carpentry work before

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the carpet can be laid.

- 75-43: This bid, Mr. Hancock said, is based on high-bid costs.
75-45: Mr. Hancock said that Ways and Means deleted this laboratory because they thought that building could be leased for this use.
75-51: Mr. Hancock said that it was felt that there should be more parking to accomodate the seating capacity of the facilities in that area.

Mr. Hancock said that the Ways and Means have also added three projects; museum toilets, 2nd floor classroom improvement for Northern Nevada Community College, and reparation for the mansion steps.

- 75-32: Senator Gibson asked under the present plan, when will the maximum facility be abandoned. Mr. Hancock said that if the 1977 session makes this decision, they can be out of there in four years, but the closing depends on whether the population can be reduced to 150 or not.

Senator Monroe - Motion to approve the capital improvement project for a new correctional center.
Senator Young - 2nd
Senator Raggio - Absent
Motion Carried.

Senator Gibson asked how much more would the site north of North Las Vegas cost. Mr. Hancock said 17,000 lineal feet of utilities.

Senator Gibson - Motion to approve the Jean, Nevada site.
Senator Monroe - 2nd
Motion Carried.

Mr. Hancock said that the Board will come back to Interim with all the documents.

SB 584 (See attached bill)

Senator Young - Do Pass
Senator Raggio - 2nd
Motion Carried.

SB 577

Senator Walker suggested that an amendment be obtained to clarify that the student's practice will begin after he or she has completed the proper exam application and passage thereof.

SB 577 (See attached bill.)

Senator Gibson asked what this bill meant to the taxes. Mr. Barrett said that he would have to check on this. Senator Young suggested that the State parks should receive less, and the cities and counties more with

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SB 577 (Cont.)

the matching device. Senator Lamb said that Tule Springs should be developed. Senator Young felt that the bicycle paths and mountain trails were important. Senator Gibson said that he questioned the importance of the mountain trails.

Senator Young - Motion for Do Pass and Amend Line 9, page one; and Line 3, page two, to read \$10 million and \$500,000 respectively.

Senator Gibson - 2nd
Motion Carried.

SB 151 (See attached bill)

Mr. Barrett said that Administration would like to have this funding appropriated to the Department of Education, who will distribute it on the ratio of ADA in each county.

Senator Young - Amend and Do Pass
Senator Gibson - 2nd
No vote on the question.

Senator Gibson questioned the wording "educational projects" on Line 10 of the bill, and felt that this was too general.

Senator Monroe - Amend and Do Pass to delete Line 10 and change the summary to give the appropriation to the Department of Education.

Senator Raggio - 2nd
Senator Lamb - "NO"
Motion Carried.

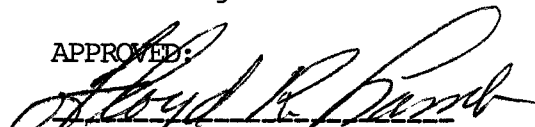
AB. 390

Assemblyman Virgil Getto suggested that this be amended to read that the funding could revert back to the General Fund if the University did not approve the Veterinarian School. Senator Lamb said that he was in favor of such an amendment.

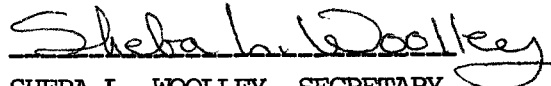
Senator Monroe - Motion to reconsider the bill
Senator Raggio - 2nd
Senators Gibson, Walker, Brown, Young - "NO"
Motion did not carry.

There being no further business, the meeting adjourned at 10:15.

APPROVED:


FLOYD R. LAMB, CHAIRMAN

RESPECTFULLY SUBMITTED:


SHEBA L. WOOLLEY, SECRETARY

S. B. 584**SENATE BILL NO. 584—COMMITTEE ON FINANCE**

APRIL 28, 1975

Referred to Committee on Finance

SUMMARY—Requires contracts from students certified under Western Regional Higher Education Compact. Fiscal Note: No. (BDR 34-1988)

EXPLANATION—Matter in *italics* is new; matter in brackets [] is material to be omitted.

AN ACT relating to the Western Regional Higher Education Compact; requiring contracts from certified students; establishing criteria for such contracts; and providing other matters properly relating thereto.

The People of the State of Nevada, represented in Senate and Assembly, do enact as follows:

- 1 SECTION 1. NRS 397.060 is hereby amended to read as follows:
 2 397.060 1. The commissioners shall:
 3 [1.] (a) Choose from among Nevada residents who apply those most
 4 qualified for contract places; and
 5 [2.] (b) Certify them to receiving institutions.
 6 2. *Before certifying a student the commissioners shall, on behalf of*
 7 *the state, enter into a written contract with the student. The contract shall:*
 8 (a) *Set forth the methods and terms of repayment by the student to the*
 9 *state and shall be on terms and conditions and in a form provided by the*
 10 *commissioners.*
 11 (b) *Provide that the student shall, within 1 year after completing his*
 12 *professional education and internship, begin the practice of his profession*
 13 *within Nevada.*
 14 (c) *Provide that if the student engages in the practice of his profession*
 15 *within the state his indebtedness to the state may be discharged:*
 16 (1) *If he practices his profession in a city or town of 7,500 population*
 17 *or less, at the rate of 1 year of practice for each 1 year of study for which*
 18 *a portion of the cost was paid by the state; or*
 19 (2) *By payment to the state of all sums owed by the student within 6*
 20 *years after the completion of his professional education and internship*
 21 *together with interest at the rate of 4 percent per annum from the date or*
 22 *dates of disbursement by the state.*
 23 3. *No student shall be required to repay to the state more than an*
 24 *amount equal to the tuition he would have been required to pay as an*
 25 *out-of-state student for the period of his attendance at the university he*
 26 *attends, even if the state has expended a larger amount on his behalf.*

(REPRINTED WITH ADOPTED AMENDMENTS)

FIRST REPRINT

S. B. 577

SENATE BILL NO. 577—SENATORS YOUNG, RAGGIO, GOJACK,
SHEERIN, BRYAN, NEAL, WILSON AND HILBRECHT

APRIL 24, 1975

Referred to Committee on Finance

SUMMARY—Provides for submission to people of state bond issue for park purposes and acquisition of fish and game habitat. Fiscal Note: No. (BDR S-1964)

EXPLANATION—Matter in *italics* is new; matter in brackets [] is material to be omitted.

AN ACT relating to natural resources; directing the submission of a proposal to issue state general obligation bonds for park purposes and fish and game habitat acquisition to a vote of the people; providing for the use of the proceeds if such issue is approved; and providing other matters properly relating thereto.

The People of the State of Nevada, represented in Senate and Assembly, do enact as follows:

- 1 SECTION 1. At the general election to be held in the State of Nevada
2 in 1976, there shall be submitted to the voters of the state in the manner
3 prescribed by chapter 349 of NRS a proposal to issue general obligation
4 bonds of the State of Nevada for the purposes of protecting, preserving
5 and obtaining the benefits of natural resources in an amount of not more
6 than \$10,000,000. If the proposal is carried, the bonds may be issued
7 at one time or from time to time.
- 8 SEC. 2. Of the total bond issue:
- 9 1. An amount of \$9,000,000 shall be for park purposes, identified as
10 follows:
- 11 (a) An amount of \$3,000,000 for real or personal property acquisition
12 for the state park system.
- 13 (b) An amount of \$5,000,000 for real or personal property acquisition
14 for cities and counties under the statewide outdoor recreation plan, on a
15 matching fund basis with cities and counties in the state.
- 16 (c) An amount of \$500,000 for acquisition and development of bicycle
17 paths for cities and counties under the Bicycle Pathways Act, on a match-
18 ing fund basis with cities and counties in the state.
- 19 (d) An amount of \$250,000 for historic preservation purposes under
20 the statewide historic preservation plan.
- 21 (e) An amount of \$250,000 for historic preservation purposes for

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(REPRINTED WITH ADOPTED AMENDMENTS)

FIRST REPRINT

S. B. 151

SENATE BILL NO. 151—SENATOR BRYAN

FEBRUARY 4, 1975

Referred to Committee on Finance

SUMMARY—Makes appropriation to state distributive school fund.
Fiscal Note: No. (BDR S-775)

EXPLANATION—Matter in *italics* is new; matter in brackets [] is material to be omitted.

AN ACT making an appropriation to the state department of education for the purpose of nonrecurring capital outlays, lease or purchase of school buses, acquisition of library books, minor construction projects and other necessary items by recipient school district.

The People of the State of Nevada, represented in Senate and Assembly, do enact as follows:

- 1 SECTION 1. 1. There is hereby appropriated from the general fund
2 in the state treasury to the state department of education the sum of
3 \$1,000,000.
- 4 2. The funds appropriated by subsection 1 shall be:
- 5 (a) Distributed by the state department of education to the county
6 school districts on the basis of the ratio that each county school district's
7 1974-75 enrollment bears to the total statewide 1974-75 enrollment;
8 and
- 9 (b) Expended by the recipient school district for nonrecurring capital
10 outlays, lease or purchase of school buses, acquisition of library books,
11 minor construction projects and other necessary items.
- 12 3. After June 30, 1976, any unexpended balance of the appropriation
13 made by subsection 1 shall not be encumbered or committed for expendi-
14 ture and shall revert to the general fund in the state treasury.
- 15 SEC. 2. This act shall become effective upon passage and approval.