

SENATE FINANCE COMMITTEE
MINUTES OF MEETING
MAY 14, 1975

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The meeting was called to order at 8:12 a.m.

Senator Floyd R. Lamb was in the Chair.

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

OTHERS: Mr. Knox Johnson, AB 600
Mr. Hans Jepsen, AB 600
Mrs. Lois Jones, AB 600
Assemblyman Lawrence Jacobsen, AB 600
Lincoln Liston, Department of Education
Bill Bible, Budget Office
Assemblyman Sue Wagner, AB 224
Jim Lien, Nevada Tax Commission
Assemblyman Bob Weise, AB 224
Doug Simeroth, Welfare Division
Howard Barrett, Budget Director
Ron Sparks, Fiscal Analyst

AB 600

Mr. Knox Johnson said that this is an appropriation request for the courthouse in Genoa, and that there is a copy of the old specifications for restoration still in existence. Mrs. Lois Jones said that the Carson Valley Historical Society is interested in acquiring a building to house Nevada artifacts, and this building has been declared structurally sound and worthy of restoration. Mrs. Jones said that the Society has received \$10,406 from Private funds; \$25,000 from the County Commission; \$5,000 from the Fleischmann grant; and \$12,000 from the Bi-Centennial Commission. Mr. Hans Jepsen said that the request from the State is in the amount of \$10,000. Assemblyman Jacobsen said that even with the State appropriation, the Society will still have to raise \$40,000. Assemblyman Jacobsen also said that Douglas County is 1.8 of the population in Nevada, and although the average per capita revenue in the State is \$216.72, Douglas County contributes \$832.00. Assemblyman Jacobsen said that this second phase will finish the interior.

Distributive School Fund (See attached insert)

Mr. Lincoln Liston distributed the second year "trigger" for the fund that he had constructed. Mr. Bill Bible said that any combination of the sales tax growth, enrollment less than projected, or a property tax increase could "trigger" up to the maximum amount of \$2,614,400.

Senator Raggio asked Mr. Bible to explain Section B of the Insert, (Enrollment less than projected). Mr. Bible said that if there are fewer enrollees in the first year, then the amount less is subtracted

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up to 400, and as it is assumed that these individuals will also not be there in 1976-77, then the amount for Basic Support in the second year increases.

Senator Walker asked if Section C, (Property Tax Increase) causes the "trigger" to go beyond \$2,614,400. Mr. Bible said no, all these facets are limited by that maximum amount.

The Committee agreed to have this "trigger" device drafted into a bill.

AB 161 (Amendment - See Reprint)

Senator Lamb read the Amendments to the Committee. Mr. Ron Sparks said that the wording "telephone industry" replaces the wording "private sector".

Senator Gibson - Concur with the amendments
Senator Walker - 2nd
Motion Carried.

SB 471 (Amendments - See Reprint)

First vote was to resolve a conflict with AB 443.

Senator Gibson - Concur with the amendments
Senator Brown - 2nd
Motion Carried.

Second vote was to resolve a conflict with AB 67.

Senator Gibson - Concur with the amendments
Senator Walker - 2nd
Motion Carried.

AB 224 (See attached bill)

Assemblyman Sue Wagner said that this classification on mobile homes will most closely show a level of depreciation for each home, as is done in conventional homes. Assemblyman Wagner showed a graph of mobile home depreciation which shows that currently all mobile homes are shown as depreciating on the same level, regardless of price, and this bill would allow the homes to be stratified in accord with service.

Mr. Jim Lien said that the life of a mobile home can range from 12 years to 33 years. Mr. Lien said that the stratification will be determined for sales and construction data that has been computerized. Senator Brown said that this bill passed by unanimous vote out of the Taxation Committee, and would make taxing more equitable. Assemblyman Bob Weise said that this will also guarantee a tax base for Washoe County. Mr. Lien said that in some cases now, the re-sale value is higher than the original price, and this stratification will be affected by sales.

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

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AB 148 (See attached bill)

Mr. Doug Simeroth said that this bill changes the terms in the law to read, "supplementary security income"; and Title XVI and the new Social Security Act have deleted several of the sections.

Senator Gibson asked why ADC is mentioned. Mr. Simeroth said that this is one of the areas covered by Title XIX.

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

Intercollegiate Athletics

Mr. Howard Barrett said that the Budget Office had an error in this part of the UNLV and UNR budgets. Mr. Barrett said that the Governor intended to recommend three new coaching positions for each campus. Mr. Barrett said that due to a vacant position at the UNR campus for the next biennium, \$30,000 could be eliminated from the budget. Mr. Barrett said that this would be a biennium request for the two campuses of \$90,000 for the first year, and \$98,000 for the second year (total).

Senator Gibson - Concur with the change
Senator Young - 2nd
Motion Carried.

AB 600 (See attached bill)

Senator Brown - Do Pass
Senator Young - 2nd
Senators Lamb and Monroe - "NO"
Motion Carried.

SB 151 -- Committee decision to hold with the Senate.

V & T Bill (No number assigned as of yet) *

Senator Gibson - Motion to introduce the bill
and Do Pass
Senator Walker - 2nd
Motion Carried.

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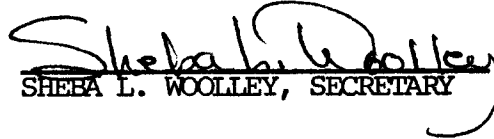
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There being no further business, the meeting adjourned at 9:20 a.m. 721

RESPECTFULLY SUBMITTED:

APPROVED:


FLOYD R. LAMB, CHAIRMAN


SHEBA L. WOOLLEY, SECRETARY

(Insert after NRS 387.122, Subsection 2)

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3. Notwithstanding the provision of subsection 1, if the dollar amount accrued to the credit of local school districts pursuant to the Sales and Use Tax Act in the calendar quarters extending from April 1 to December 31, 1975, exceeds 107.5 percent of the three calendar quarters extending from April 1, to December 31, 1974, the Interim Finance Committee, upon the recommendation of the State Board of Examiners, may direct the State Board of Education to make additional distributions from the Distributive School Fund to school districts during fiscal year 1976-77. Such total distributions shall not exceed \$2,614,400, or \$19.00 times the total estimated enrollment of the 1976-77 school year. Such additional distributions shall be determined by any combination of the following factors:

A. Sales Tax Growth:

<u>Percent Increase</u>	<u>Total Distribution</u>	<u>Average Base Support Dollars Per Enrollee</u>
7.5%	\$1,169,600	\$ 8.50
8.0%	\$1,458,560	\$10.60
8.5%	\$1,747,520	\$12.70
9.0%	\$2,036,480	\$14.80
9.5%	\$2,325,440	\$16.90
10.0%	\$2,614,400	\$19.00

B. Enrollment Less than Projected:

If the enrollment for apportionment purposes plus any enrollment counted for apportionments made under NRS 387.124, paragraph E, for the 1975-76 school year is less than 136,000, additional distributions from the Distributive School Fund to school districts during fiscal year 1976-77 may be made. Such additional distributions shall not exceed \$361,200, or \$2.63 times the total estimated enrollment of the 1976-77 school year. The amount of such additional distributions shall be determined by subtracting the enrollment for apportionment purposes plus any enrollment counted for apportionments under NRS 387.124, paragraph E, for the 1976-77 school year from 136,000 and multiplying the resulting number times \$903.

C. Property Tax Increase:

If the assessed valuation as established by the Nevada Tax Commission for collection during fiscal year 1976-77 exceeds that established for collection during fiscal year 1975-76 by 13 percent, additional distributions from the Distributive School Fund to school districts during fiscal year 1976-77 may be made. Such additional distributions shall not exceed \$230,431, or \$1.67 times the total estimated enrollment of the 1976-77 school year.

4. In permitting such additional allocations as described in subsection 3, the Interim Finance Committee shall determine that there are sufficient monies in the Distributive School Fund to permit such additional allocations. Such a review shall include 1975-76 enrollment data, 1976-77 estimated enrollments, preliminary assessment data for the 1975-76 tax year, and the anticipated level of receipts in the Distributive School Fund from revenue sharing and the slot tax credit.

5. Any additional distributions made pursuant to subsection 3 shall be apportioned on a per-pupil basis in the same proportions per pupil as exist among the basic support guarantees per pupil expressed in subsection 1 of NRS 387.122 for 1976-77.
6. Any money received by a school district pursuant to subsection 3 shall be deposited and used in accordance with the provisions of NRS 387.205.

(REPRINTED WITH ADOPTED AMENDMENTS)

THIRD REPRINT

A. B. 161

ASSEMBLY BILL NO. 161—COMMITTEE ON
WAYS AND MEANS

JANUARY 30, 1975

Referred to Committee on Ways and Means

SUMMARY—Establishes state communications system. Fiscal Note:
No. (BDR 18-336)

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

AN ACT relating to communications; establishing a state communications system;
creating the state communications board and its technical advisory committee;
providing for a state communications director; providing for a state commu-
nications fund; 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. Title 18 of NRS is hereby amended by adding thereto a
- 2 new chapter to consist of the provisions set forth as sections 2 to 17,
- 3 inclusive, of this act.
- 4 SEC. 2. As used in this chapter, the terms defined in sections 3 to 7,
- 5 inclusive, of this act have the meanings ascribed to them in such sections.
- 6 SEC. 3. "Agency" means an officer, board, commission, council,
- 7 department, division, bureau or any other unit of government except the
- 8 political subdivisions of this state.
- 9 SEC. 4. "Board" means the state communications board.
- 10 SEC. 5. "Communication" means any transmission, emission or recep-
- 11 tion of signs, signals, writings, images or sounds which convey intelligence
- 12 of any nature by wire, radio, optical or other electromagnetic systems.
- 13 SEC. 6. "Director" means the state communications director.
- 14 SEC. 7. "State communications system" means communication equip-
- 15 ment and associated facilities owned, leased or used by state agencies.
- 16 SEC. 7.5. "Telephone industry" means telephone companies oper-
- 17 ating in the State of Nevada under the jurisdiction of the public service
- 18 commission of Nevada.
- 19 SEC. 8. 1. The legislature finds and declares that a state commu-
- 20 nications system is vital to the security and welfare of the state during times of
- 21 emergency and in the conduct of its regular business, and that economies
- 22 may be realized by joint use of the system by all state agencies. It is the
- 23 purpose of the legislature that a state communications system be developed
- 24 whereby maximum efficiency in the joint use of existing communications

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SECOND REPRINT

S. B. 471

SENATE BILL NO. 471—COMMITTEE ON
GOVERNMENT AFFAIRS

APRIL 7, 1975

Referred to Committee on Finance

SUMMARY—Requires state to pay costs of tests required as a condition of probation to determine controlled substance use. Fiscal Note: Yes. (BDR 14-1628)

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

AN ACT relating to tests to determine use of controlled substances by probationers; requiring the state to pay from the reserve for statutory contingency fund the costs of tests required as a condition of probation to determine controlled substance use by probationers; 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 176.187 is hereby amended to read as follows:
- 2 176.187 1. Upon the granting of probation to a person convicted of
- 3 any crime related to the sale, possession or use of a controlled substance,
- 4 as defined in chapter 453 of NRS, the court may, when the circumstances
- 5 warrant, require as a condition of probation that the probationer submit
- 6 to periodic tests to determine whether the probationer is using any such
- 7 substance. Any such use or any failure or refusal to submit is a ground for
- 8 revocation of probation.
- 9 2. Any expense incurred as a result of any such test is a charge
- 10 against the [county in which probation was granted.] *state, to be paid*
- 11 *from the reserve for statutory contingency fund pursuant to the provisions*
- 12 *of NRS 353.264.*
- 13 SEC. 2. NRS 353.264 is hereby amended to read as follows:
- 14 353.264 1. There is hereby created in the state treasury the reserve
- 15 for statutory contingency fund.
- 16 2. The reserve for statutory contingency fund shall be administered by
- 17 the state board of examiners, and the moneys in such fund shall be
- 18 expended only for:
- 19 (a) The payment of claims which are obligations of the state under
- 20 NRS 41.037, 176.187, 176.485, 179.310, 212.040, 212.050, 212.070,
- 21 214.040, 282.290, 282.315, 353.120 and 353.262; and

(REPRINTED WITH ADOPTED AMENDMENTS)

FIRST REPRINT

A. B. 224

ASSEMBLY BILL NO. 224—ASSEMBLYMEN
WAGNER AND WEISE

FEBRUARY 6, 1975

Referred to Committee on Taxation

SUMMARY—Provides for stratified depreciation of mobile homes for property tax assessment purposes. Fiscal Note: Yes. (BDR 32-587)



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

AN ACT relating to the property tax; requiring the Nevada Tax Commission to classify mobile homes on the basis of service lives for assessment purposes; making an appropriation; 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 361.325 is hereby amended to read as follows:
- 2 361.325 1. The Nevada tax commission may continue in session
- 3 from day to day after the session of the state board of equalization for the
- 4 purpose of considering the tax affairs of the state.
- 5 2. After the adjournment of the state board of equalization and on or
- 6 before the 1st Monday in June of each year, the Nevada tax commission
- 7 shall:
- 8 (a) Fix and establish the valuation for assessment purposes of all live-
- 9 stock [and mobile homes] in the state. [; and]
- 10 (b) *Classify all mobile homes in the state on the basis of those factors*
- 11 *which most closely determine their service lives and fix and establish their*
- 12 *valuation for assessment purposes. The definition of "mobile home" in*
- 13 *NRS 361.561 applies to this paragraph.*
- 14 (c) Classify land and fix and establish the valuation thereof for assess-
- 15 ment purposes. The classification of agricultural land shall be made on the
- 16 basis of crop or forage production, either in tons of crops per acre or
- 17 other unit, or animal unit months of forage. An animal unit month is the
- 18 amount of forage which is necessary for the complete sustenance of one
- 19 animal unit for a period of 1 month. One animal unit is defined as one
- 20 cow and calf, or its equivalent, and the amount of forage necessary to sus-
- 21 tain one animal unit for 1 month is defined as meaning 900 pounds of dry
- 22 weight forage per month.
- 23 3. The valuation of livestock, mobile homes and land so fixed and

(REPRINTED WITH ADOPTED AMENDMENTS)

SECOND REPRINT

A. B. 148

ASSEMBLY BILL NO. 148—COMMITTEE ON HEALTH AND WELFARE

JANUARY 30, 1975

Referred to Concurrent Committees on Health and Welfare and Ways and Means

SUMMARY—Substitutes provisions on supplemental security income program for provisions on aid to the blind and old-age assistance. Fiscal Note: No. (BDR 38-154)



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

AN ACT relating to public welfare; substituting provisions relating to the federal supplemental security income program for provisions on aid to the blind and old-age assistance; providing powers and duties of the welfare division of the department of human resources with respect to state supplementary assistance and services to the aged, blind or disabled; transferring certain powers from the welfare division to the bureau of services to the blind in the rehabilitation division in the department of human resources; revising provisions on financial responsibility of relatives; providing penalties; 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. Chapter 422 of NRS is hereby amended by adding
- 2 thereto the provisions set forth as sections 2 and 3 of this act.
- 3 SEC. 2. *As used in this chapter, "services to the aged, blind or dis-*
- 4 *abled" means services provided to aged, blind or disabled persons who*
- 5 *are applicants for or recipients of benefits under the supplemental security*
- 6 *income program, including state supplementary assistance, or who are*
- 7 *otherwise eligible for such services, pursuant to Title XX of the Social*
- 8 *Security Act, as amended from time to time, and the regulations of the*
- 9 *welfare division.*
- 10 SEC. 3. *As used in this chapter, "supplemental security income pro-*
- 11 *gram" means the program established for aged, blind or disabled persons*
- 12 *pursuant to Title XVI of the Social Security Act (42 U.S.C. § 1381 et*
- 13 *seq.), as amended from time to time.*
- 14 SEC. 4. NRS 422.050 is hereby amended to read as follows:
- 15 422.050 For the purposes of this chapter, "public assistance"
- 16 includes: [old-age assistance and aid]

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A. B. 600**ASSEMBLY BILL NO. 600—ASSEMBLYMAN JACOBSEN**

APRIL 10, 1975

Referred to Committee on Ways and Means

SUMMARY—Makes appropriation to Carson Valley Historical Society.
Fiscal Note: Yes. (BDR S-1663)EXPLANATION—Matter in *italics* is new; matter in brackets [] is
material to be omitted.

AN ACT making an appropriation from the general fund in the state treasury to the Carson Valley Historical Society for the purpose of aiding in the completion of a bicentennial project; and providing other matters properly relating thereto.

1 WHEREAS, The preservation of the history of an area and its people
2 is the preservation of its culture and its heritage for the enjoyment and
3 enhanced understanding of future generations; and

4 WHEREAS, A measure of commitment to historical preservation is a
5 community's willingness to use its own resources of time, talent and
6 money to preserve its heritage; and

7 WHEREAS, The legislature should always encourage local efforts at
8 community betterment, especially when a community has demonstrated
9 its dedication and willingness to proceed on its own; and

10 WHEREAS, The Carson Valley Historical Society was founded in 1961
11 to create awareness of the history of the Carson Valley and since that
12 time has contributed much to the recognition of the history of that region;
13 and

14 WHEREAS, This dedicated and industrious group has undertaken the
15 restoration of the Genoa courthouse as a project for the Nevada American
16 bicentennial and already spent \$44,000 on that work, much of it
17 raised by the society directly; and

18 WHEREAS, It will take another \$48,000 to complete this worthwhile
19 and appropriate bicentennial project, a project that will commemorate
20 the history of the state as well as the Carson Valley, and it is therefore
21 deserving of the assistance of all the people of the state through the
22 legislature; now, therefore,

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

25
26
27 SECTION 1. There is hereby appropriated from the general fund in
28 the state treasury to the Carson Valley Historical Society the sum of