

MINUTES

WAYS AND MEANS COMMITTEE

NEVADA STATE LEGISLATURE - 59th SESSION

February 25, 1977

The meeting was called to order by Chairman Mello at 8:00 a.m.

Present: Chairman Mello, Mr. Bremner, Mrs. Brookman, Mr. Hickey, Mr. Kosinski, Mr. Rhoads, Mr. Serpa and Mr. Vergiels.

EXCUSED: Mr. Bode Howard, due to illness.

OTHERS PRESENT: John Dolan, Assembly Fiscal Analyst; Bill Bible, Budget Division; Bob List, Attorney General; Jim Thompson, Chief Deputy Attorney General; Noreen Barber, Office Administrator, Attorney General's Office; Bruce Arkell, State Planning Coordinator; Gordon Harding, Central Data Processing; Warden Charles Wolff; Bill Hancock, Public Works Board; Chief Justice Cameron Batjer; Mike Brown, Judicial Planning and John DeGraff, Judicial Planning.

EXTRADITION CLERK. Mr. List stated that the program statement is written backwards from the way the program actually works. This refers to delivering people to other states. Actually, this money goes to bring people back to Nevada for prosecution.

Mr. List stated that on line item Extradition Costs, they had requested \$95,000 and the Governor has recommended \$100,000. The reason for this is that costs have gone up faster than they had anticipated, and Mr. List is in agreement with the Governor's recommendation.

Mr. Serpa asked why the state went to the expense of returning violators since, if convicted, they become very costly for the state to maintain in a penal institution.

Mr. List replied that sometimes local prosecutors actually follow that approach. Mr. List doesn't have a hand in it at that stage. If the District Attorney files a complaint against someone on behalf of Churchill County and wants the person returned to Churchill County, he obtains a Governor's Warrant. That is forwarded to the other state. The Governor of that state approves the papers and issues his Warrant. The person is then picked up and put in jail. At this stage the Extradition Clerk is notified as the paper work is being done. This money then goes to bring the person back and they don't have any choice in it. The State of Nevada pays to return the person to Churchill County. It is a local prerogative on whether or not to bring a person back.

Mrs. Brookman asked the number of people extradited last year. Mr. List stated that as of July 1, 1976 there were 126; projected out into the end of the year the figure would be somewhere around 250. Mr. List stated that in 1972 there were 225 extradited; in 1973 there were 197 extradited; in 1974 there were 210 extradited and in 1975, 253 were extradited.

ATTORNEY GENERAL. In existing positions, Mr. List stated there were some positions which the Attorney General had requested raises that the Governor did not recommend. One of these positions is the Deputy-Criminal. Mr. List had proposed that this position go up to \$25,240 and the Governor recommends \$24,823. The purpose of the raise was to bring that position up on an equal par with the Civil Deputies in the office. The next position recommended for a raise is the Deputy-Parole and Probation. The same situation applies. He is paid less than a number

of Deputies in the Civil Division. There is also a difference with respect to the Chief Investigator. Mr. List asked for a raise for the Chief Investigator because they did a study of law enforcement officers in state government and in county government and it was determined that because of the Chief Investigator's background and experience, he is substantially underpaid. The requested salary for the Chief Investigator is \$22,091.

Mr. Bible stated that the positions Mr. List is identifying are positions that Budget Division recommended for a 10.5% increase.

As to the Deputy for the Highway Department, the Attorney General had requested \$22,709 and the Governor recommended \$21,375. The difference again would be to try to equalize the position with other Deputies with similar time and duration. Mr. List stated that it is very difficult from the personnel standpoint to handle the differences in salary between people who have been there the same period of time and who have the same background.

Mr. Kosinski asked Mr. List if he had considered decreasing all the other salaries to a lower level to provide this equity. Mr. List replied no.

One Deputy Attorney General-Highway has been abolished at the request of Mr. List. At the last Session of the Legislature, the Attorney General suggested to the Committee that two positions be abolished in the Highway Department and that was done.

New Positions. Mr. List stated that the Deputy-DMV would be funded out of the Highway fund. All other new positions are general fund positions. Mr. List stated there is a misnomer on the Deputy-LEAA. That really should not read LEAA. This is the position that the Attorney General is asking for in their criminal division central office. Among the duties of that Deputy would be advising the Department of Law Enforcement Assistance and they initially had thought that this position could be funded by an LEAA grant. Later they learned that it would not be. The Budget Office, upon learning that this could not be funded by an LEAA grant, struck it from the recommended positions. The fact is that just because it can't be funded by LEAA doesn't mean that the position is not needed. Mr. List stated that the criminal division is just swamped with work.

They are prosecuting all the cases at the prison, have taken over all prosecution from the local District Attorney's office, do all the defense work for the Civil Rights cases brought by inmates and handle all litigation concerning the prison, parole and probation, narcotics division and all other divisions in the law enforcement department. Mr. List stated that the Deputy-LEAA is badly needed.

Mr. Kosinski asked why the District Attorneys aren't handling the narcotics cases. Mr. List replied because they arise in the prison. Mr. List stated the Attorney General's office prosecutes every crime that takes place in the institution. They also prosecute other cases around the State of Nevada when the District Attorneys request the Attorney General to do it.

Regarding the Deputy-Tax Commission, Mr. List stated that this position is one recommended by the Governor. There is one full time Deputy in the Tax Department now. The work of the department has grown to the point where the Attorney General's office is now convinced that an additional Deputy there would more than pay for itself in terms of collection. Very little is being done in going out and collecting money from people that owe it because of lack of staffing.

Mr. List stated that there are about ten different department or agency heads that requested one or more additional full time Deputies. The Attorney General's office eliminated all of those, with the exception of Tax, Gaming and DMV.

As to the Deputy-Gaming, Mr. List stated that two years ago, the Attorney General's office had a Deputy on a part-time basis who handled corporate gaming problems and those fees were passed on to the applicants. Since then, that relationship has been terminated, and they have simply two full time Deputies. They would like to add an additional Deputy. Mr. List stated that the Committee didn't have to be reminded in detail as to the litigation that the Attorney General's office had in the field of Gaming, the Rosenthal case being the most recent.

Mr. Glover asked if we could get somebody at the price we are paying that has the expertise in corporate gaming. Mr. List said it was practical; they hold their own very well. Mr. List stated that the Attorney General's office goes up against the biggest and best lawyers that money can buy in Nevada. The only place they are contracting out legal work is in the water cases. The attorney General's office does not have in-house expertise.

Mr. Rhoads asked about the turnover rate in a year. Mr. List stated that they have a total of 43 positions in the office and the turnover has been decreasing. In the years 1973 and 1974 they had a 22% turnover. In 1975 the turnover went down to 21%; in 1976 the turnover was 15%; and in 1977 the turnover rate is 10%. Mr. List stated the major reasons they have been able to do that is because of the elimination of private practice and upgrading of salaries.

Mr. Hickey stated he saw many unclassified positions and asked if there is a proposal to develop a professional service within the Attorney General's office. Mr. List replied that such a proposal hasn't been made. He has debated the pros and cons about doing it. He supposed, out of loyalty to his own staff, at this stage he would like to see it done. It doesn't have to be an all or nothing thing. Some states, as well as Nevada, have situations where all the lawyers serve at the Attorney General's pleasure. Other states have gone the extreme other direction. The State of California has about 1,500 people in the Department of Justice and only three serve at pleasure. Everyone else is classified. Mr. List stated he would be very favorable toward a situation where the rank and file had some security and some of the key positions would be unclassified.

The new position of Senior Legal Steno is in the central office. Mr. List said that the work is jumping in leaps and bounds in the Criminal and Civil Division.

There is a new position of Deputy-DMV. At the present time they have one full time Deputy in the Department of Motor Vehicles. She divides her time between northern and southern Nevada. This position would create a Deputy responsible to her situated in Las Vegas.

Mr. List suggested to the Committee that in addition to the new positions asked for, that an additional Deputy be allowed in the water resources area. Water Resources is really the only area where they are paying a lot of money outside. They have a Deputy there now who is paid \$23,700. He is attempting to handle all of the adjudications that are necessary on all streams in Nevada, plus he is attempting to fight to every degree possible, all the heavy suits concerning Pyramid Lake and the Truckee River and their related problems. There are seven major lawsuits going. Two of them are being handled in-house. Mr. List proposed that the existing Water Resources Deputy presently in the budget at \$23,700 be bounced up to \$28,283, which is equivalent to other supervising Deputies and add a new position at \$23,700.

Mr. List also recommended a similar move with respect to one of the two Gaming Deputies.

Mr. Serpa asked how much the Attorney General's office cooperates with the TCID and asked if Mr. List felt if there is some way we could use this Deputy Attorney General there also, or would we have to continue to hire Mr. Skein at around \$250,000 to \$300,000 per year on the water right suit. Mr. Serpa asked if that would save the district some money or would it have any effect on it? Mr. List replied it will have an

effect. The TCID is a co-plaintiff and co-defendant in just about all of this litigation. The U.S. vs. TCID is the case that has 13,000 individual defendants. The State of Nevada is a defendant there. What the Attorney General's office does to benefit the people, for example, is they are defending the role of the State Engineer in issuing certificates for the water rights in the Lahontan Valley. That indirectly benefits TCID's position. They worked very closely with the contract attorneys for TCID.

The next position Mr. List called to the Committee's attention to because he thinks the position is underpaid (existing position) is the Deputy-Gaming. He suggested to the Committee that instead of the \$26,000 plus figure the position also go up to \$28,283. He stated that this Deputy handled the Rosenthal case up to the stage where Mr. List took it in the Supreme Court. In order to retain a man with his capabilities, they need to bounce the salary up.

Mr. List stated a letter will be provided on the items that they did not put in the written budget.

Mr. Bremner asked about other contract services. Mr. Bible replied that this amount was for five typewriters and a xerox machine.

Chairman Mello pointed out that state owned building rent had gone up considerably and asked if the Attorney General's office was moving. Mr. List stated this figure will cover the costs for moving to the Hero's Memorial Building.

The office furniture and equipment goes along with the new positions. It also includes finishing up furnishing the Las Vegas office.

Mr. Serpa asked why not charge the agencies the full cost of your whole agency so you don't require anything out of the general fund? Why couldn't the Attorney General charge each agency so we get a true projection of which agencies are demanding more of the Attorney General's services and possibly not paying for them and yet they are coming out of the general fund? Mr. List replied that they have considered that. The State of Oregon does that. The Attorney General in Oregon passes the billings to all of his Deputies there; when someone calls up for advice over the phone, he gives the advice and writes up a time slip and the agency is charged \$45.00 per hour or something like that. Nevada has rejected the system because of the fact that they think that the red tape involved just isn't worth it. The money is all coming out of the taxpayers' money anyway. From the Attorney General's standpoint, he is not nearly as much concerned whether a deputy spend 10% on a certain agency, as he is of whether or not that agency is getting good representation. Mr. List said that in Oregon when they went to the new system, agencies wouldn't pick up the phone and ask for legal advice because they knew they were going to be billed.

SPECIAL FUND. Mr. List stated that this fund is to cover unanticipated lawsuits. It covers both criminal and civil cases. The Howard Hughes problems are being handled out of this fund because there has been a lot of travel and expenses involved.

ANTI-SHOPLIFTING CAMPAIGN. Mr. List stated no state dollars are involved in this budget. This is from contributions of Nevada retailers.

Mr. Serpa asked if the program was working well. Mr. List replied that the merchants are very appreciative, evidenced by the fact that they contributed almost \$30,000 to keep the program going.

PRIVATE DETECTIVE. Mr. List stated that this is the funding for the Private Investigator's Licensing Board. There are no general funds. The money is generated through fees charged to private investigators, private patrolmen, polygraph operators, canine security handlers and repossessors. Mr. List stated there will be a bill introduced to increase those licensing fees charged to the individual.

A.B. 273. - Makes appropriation to State Planning Coordinator for preparation of consolidated biennial report on state executive agencies.

Mr. Arkell said that the funds would be used for the printing of the consolidated biennial report as well as the distribution and consulting time to be used to hire some typists. Mr. Arkell stated that Assembly Government Affairs heard testimony this morning on a bill that implements this section (A.B. 192). Mr. Arkell suggested that the Budget Division and Fiscal Analysis make recommendations on the reports to be included in the consolidated report and those to be retained on a stand-alone basis.

A.B. 96 - Authorizes salaries for members of state Public Works Board.

Mr. Bible stated that A.B. 96 simply provides the \$40.00 per day compensation to the boardmen on the Public Works Board who are not state employees. The Public Works Board has 10 members and 9 of them are non-public employees.

S.B. 49 - Makes appropriation from state general fund to contingency fund.

Mr. Bible stated that this restores the balance in the statutory contingency or Interim Finance Committee's fund. The details of expenditures are found on Page A-19 of the budget. The fund is currently at a \$2.5 million level and in order to bring it back to \$2.5 million, they would need \$1,877,041. Additionally, Budget Division is suggesting that an additional \$500,000 be placed in the fund to bring it up to \$3 million because of the expenditure record over the past five years.

A.B. 279. Chairman Mello stated that an individual came to him yesterday that is supposedly knowledgeable in cloud seeding and felt that there was not necessary language placed in the bill to protect Nevada against suit. The individual also felt that perhaps the monies were about 50% higher that what could be done by a private contractor. Chairman Mello will pull the bill back off with the approval of the Committee and send it back to Ways and Means and there will be a hearing on it Monday. Chairman Mello stated that DRI has been notified and will be here in force on Monday to be able to get into more details on weather modification and hopefully the Committee will have names of the private contractors in weather modification and they will be here Monday also. The Committee endorsed Chairman Mello's motion to re-refer A.B. 279 to Ways and Means.

S.B. 112 - Makes additional supplemental appropriation to Central Data Processing Division for completion and operation of automated personnel and payroll system.

Mr. Harding stated that in the 1975 Legislative Session, \$120,000 was appropriated to Central Data Processing to develop a personnel payroll system (computerized). This was a pilot project they wished to try for the state in an attempt to save data processing money. This was the first time CDP looked at the possibility of transferring from another state a system to be implemented in Nevada. They felt that if they could transfer such a project they could save substantially in the cost of developing work for the state. They looked at various states who were in the process of doing developmental work for personnel payrolls. One of the states they found most attractive was the State of Washington. The Washington Legislature had mandated that Washington develop a single personnel payroll system to replace a multiplicity of payroll systems in that state. They appropriated in excess of \$1 million for this project. They had and have an excellent data processing staff so CDP believed that by working with Washington, they could transfer to the State of Nevada a system developed in Washington for substantially less cost that it would take to develop such a system from ground zero with their own staff. Washington contracted this job and unfortunately after their project was approximately six months underway, the Washington project went belly-up. Washington fired the contractor, fired their own project leader and they went back to ground zero. At this time they are still working on that project and now have a forecast completion date

of the project of January 1, 1978. Effectively, Nevada then had to develop this project with their own staff from scratch instead of being able to transfer the project from Washington. If Mr. Harding had had the foresight to know that Washington did not do a good job, obviously they would not have gone with them and would have then come to the 1975 Legislative Session with a request probably in the neighborhood of \$250,000 to develop this project with their own staff. Mr. Harding thinks that with the money that was available they have done a very reasonable job. The personnel segment of this system is up and running. They are able at this time in the payroll area to develop the gross to net information and produce paychecks, but unfortunately that is not a payroll system.

They do not have, within their existing computer system, any labor distribution capability. Therefore you can get no accounting information out of the system. They do not have the capability of maintaining currently the deduction files to support that system effectively. CDP is coming to the Committee to ask for supplemental appropriation and Mr. Harding is extremely unhappy to have to come and ask for supplemental money to cover three elements: (1) \$22,500 for additional developmental money to finish the pieces of the system which are currently incomplete; (2) \$20,000 to run the personnel system which presently operational; and (3) about \$6,000 for staff in the personnel department to operate the system. Mr. Harding thinks that there is still within the area of data processing, an obligation on their part in every instance to look at the possibilities of transferring to the state data processing systems which are in existence which will serve needs that state agencies have for data processing services. Mr. Harding would still like to explore the transfer capability for future application in hopes that this will be an effective means of reducing data processing costs and in the future data processing projects.

Chairman Mello stated "how do we know if we give you this money you won't come back asking for more to correct the mistakes that you are going to make with this money?" Mr. Harding replied he doesn't believe that since they are developing the project now totally in-house that is a real problem. Mr. Harding thinks that they are doing a very reasonable job now of estimating costs to develop in-house projects. This was their first attempt at transferring the project in, and that particular project did not work as anticipated. He believes that if CDP had come originally and requested an appropriation to do the whole thing in-house that they would have brought that project in within their original estimate. They have predicated those costs on a transfer which simply did not materialize because the State of Washington did not perform the way Mr. Harding expected them to perform.

Chairman Mello stated that when the Committee was sold this program it was based on the State of Washington program. Someone from the State of Washington that is now in Nevada told Chairman Mello the program was a complete flop then. Mr. Harding stated at the time they asked for the money that project had not begun. The project began in the late summer or early fall of 1975. As soon as Mr. Harding found that the project was a flop, he withdrew completely from the project. It subsequently did fail. The Attorney General in Washington is currently taking under advisement suing the contractor.

Chairman Mello asked how much money was in the project. Mr. Harding replied there is \$120,000 in the project. It would take another \$22,500 to complete the development of the project, \$20,000 to run the personnel for the balance of the fiscal year and \$6,000 for the personnel department employees.

Chairman Mello asked if they had taken any contracts from Fish & Game that could not be fulfilled and then charged them for it. Mr. Harding stated no, in no way.

S.B. 175 - Makes additional and supplemental appropriation from state federal fund for support of Nevada State Prison.

Warden Wolff testified that this is a supplemental request in the amount of \$400,481. The specific items are for overtime that was paid on the October incident in the amount of \$14,797; overtime in the amount of \$84,627 which is an accrual of overtime that has occurred during emergency conditions within the prison and the increased population requiring expanding supervision. A salary supplement for temporary correctional officers in the amount of \$34,920 is to fund the positions granted temporarily through LEAA for a four month period. The utility costs have gone over budget in the amount of \$70,518, and \$195,620 is for the increased cost of medical expense. These were projected figures that were made at the end of November 1976 and they continue to evaluate them as they come into 1977. These figures continue to be accurate in terms of projections.

Mr. Bill Hancock spoke to A.B. 96. He stated that the Public Works Board is one of the few boards that doesn't receive any salaries. It is the recommendation that \$3,600 be made available this year and \$4,000 the second year for the board members. This is based on three one day meetings, three two day meetings and three half-day meetings with six members present in the first year and the second year, which is the capital improvement year, they added two one day meetings and one additional 1/2 day meeting.

S.B. 50 - Appropriates money to State Public Works Board for capital improvements to correctional institutions.

Mr. Hancock stated that S.B. 50 would fund four of the recommended capital improvement projects (77-46, which is the additional work at the Southern Nevada Correctional Center in Jean; 77-22 which is a laundry vocational facility for SNCC-Jean; 77-45 which is a fifth housing unit for 90 men at the prison in Carson City; and 77-52, which provides facilities necessary to the fifth housing units.

Chairman Mello asked if there was any emergency in getting this bill passed. Mr. Hancock replied that the two main projects can be accomplished expeditiously because the fifth housing unit is a site adapt of a fourth housing unit and they could probably get it out to bid in several months. The Jean facilities are basically designed, except for the site adaptation of it in laundry and vocational facility, they could get those out in four months and have the projects bid while the contractor is working on the other contract. It would be a financial advantage to the state.

Warden Wolff updated the Committee on the problems they have. This bill is kind of the crux of the program to provide them with some relief. They are at a population of 1,000 in-house now. That is the highest population the prison has ever had. That puts them about 115 beds over what their operating capacity is capable of handling properly. Their projections keep going up faster than they can research them. This is not going to stop. Basically, the only foreseeable relief that they can see is involved in this bill.

S.B. 51 - Makes appropriation to Nevada State Prison to equip Southern Nevada Correctional Center and to pay employees' transfer expenses.

Warden Wolff stated that this amount represents the travel allowance that they have requested for the transfer of trained personnel to the Jean facility when it opens up and also for the one time equipment costs that are going to be necessary to crank up the system.

A.B. 305 - Makes supplemental appropriations to Supreme Court to support operations of Commission on Judicial Selection and Commission on Judicial Discipline.



Mr. Bremner asked for a narrative statement as to just what function these Commissions will perform.

Mr. Hickey stated that A.B. 305 is for Interim and there is a biennium bill being drafted right now for the future two years. Chairman Mello asked if the bill could be amended. Mr. Hickey replied it could be amended.

Chief Justice Batjer stated that this is a shot in the dark. They don't know how many meetings will be necessary. They have had two meetings so far on the selection commission for the purpose of organizing and adopting rules. The \$23,700 is their estimation of what will be needed for the operations of the commission on judicial selection.

Chief Justice Batjer stated that between the two Commissions they need a secretary. Chairman Mello asked where this position is going to be stationed. Chief Justice Batjer stated that the position will be stationed in the office of the planning unit.

The sum of \$21,800 is requested for the operations of the commission on judicial discipline.

Chairman Mello stated that they requested an additional \$53,920 for the first year of the biennium and \$57,200 the second year of the biennium, and stated that this could be put into the General Appropriations Act and A.B. 305 won't have to be amended for the biennial costs. It was the wish of the Committee that the amendment be put into the General Appropriations Act.

S.B. 135 - Creates special revenue funds for thrift company section and credit union division of Department of Commerce.

Mr. Bible stated this bill simply allows the Director of Commerce to collect the fees and spend them in his budget.

Action was taken on the following bills:

S.B. 125. A motion was made by Mrs. Brookman for a "Do Pass"; seconded by Mr. Bremner. Motion approved.

A.B. 95. A motion was made by Mrs. Brookman for a "Do Pass"; seconded by Mr. Rhoads. Motion approved.

A.B. 96. A motion was made by Mr. Glover for a "Do Pass"; seconded by Mr. Hickey. Motion approved.

S.B. 51. A motion was made by Mr. Hickey for a "Do Pass"; seconded by Mrs. Brookman. Motion approved.

S.B. 175. A motion was made by Mr. Hickey for a "Do Pass"; seconded by Mr. Kosinski. Motion approved.

S.B. 49. A motion was made by Mr. Bremner for a "Do Pass"; seconded by Mrs. Brookman. Motion approved.

S.B. 112. A motion was made by Mr. Hickey for a "Do Pass"; seconded by Mr. Bremner. Motion approved.

A.B. 305. A motion was made by Mr. Hickey for a "Do Pass"; seconded by Mrs. Brookman. After some discussion, Mr. Hickey withdrew his motion. Chairman Mello appointed a subcommittee of Mr. Kosinski, Mr. Dolan, Mr. Bible and Mr. Brown to review A.B. 305.

A.B. 48. Mr. Bible stated that the original budget called for an appropriation of \$81,453. Claims that have been approved since November



1976 and February 1977 are \$32,639. Additionally they would like to increase the fund \$50,000. So the money needed now is \$164,092.

A.B. 48. A motion was made by Mr. Glover to amend A.B. 48; seconded by Mr. Bremner. Motion approved. A motion was made by Mr. Glover for a "Do Pass as amended"; seconded by Mr. Bremner. Motion approved.

The meeting adjourned at 10:30 a.m.