

MINUTES

WAYS AND MEANS COMMITTEE

NEVADA STATE LEGISLATURE - 59th SESSION

April 1, 1977

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

PRESENT: Chairman Mello, Mr. Bremner, Mrs. Brookman, Mr. Glover, Mr. Hickey, Mr. Howard, Mr. Kosinski, Mr. Rhoads, Mr. Serpa and Mr. Vergiels.

OTHERS PRESENT: John Dolan, Assembly Fiscal Analyst; Bill Bible, Budget Division; Jim Deere, Nevada State Council on the Arts; Mary Van Kirk, Private Citizen; Tom Ogg, Nevada State Council on the Arts; Michael Harrah, Private Citizen; Barbara Mello, Private Citizen; and Bruce Arkell, State Planning Coordinator.

The witnesses testifying were sworn in by John Dolan.

A.B. 563. Changes the number of members of Nevada State Council on the Arts and provides for their compensation.

Jim Deere, Director of the Nevada State Council on the Arts began by commenting on some of the items in this bill which seem to suggest room for some amendment. His comments regarding proposed amendments to the bill are attached.

Mr. Kosinski stated he did not follow Mr. Deere's comment in Section No. 6 on Mr. Deere's objections to the election of a Chairman. Mr. Deere replied in the bill they are doing away with the Executive Board and dealing with the Council as a whole. As a part of that assumption that the Council had as a volunteer agency that it would have to deal with both the policy and the executive functioning areas of maintaining its own office. Mr. Deere suggested that while the Committee was taking away the Executive Board from the Council, certain executive functions are being taken away, and Mr. Deere believes that this language is part and parcel of that assumption that the Chairman is an Executive Officer. The function of the Council is policy and decision making, but he doesn't believe it is executive, so the language in the bill should be removed along with the provision for the Executive Board. The bill makes the Chairman the Executive Officer instead of the Executive Director.

Chairman Mello asked what the Council has been trying to do with the grant development contract money. Mr. Deere replied they have been trying to work this out that would be both satisfactory to the federal agency they are applying to and to state officers. The original budget the Council proposed for that, the Governor's office did not feel it could go along with. The proposal was reduced to what the minimum the Council felt that the federal government would accept.

Chairman Mello asked what the money was to be used for. Mr. Deere replied the money is to be used to contract with a grants writer.

Chairman Mello asked if the Council has been trying to bring on a full time employee. Mr. Deere replied no and stated he has been attempting to get a grant that would help the Council find somebody who could find funds for the state for local organizations for the state Council itself because the Council is only minimally effectively getting the grants.

Mr. Bible stated there have been some discussions with Mr. Deere regarding the funds. The first proposal Budget Division saw was to use the \$5,000 provided in the operating category for the Grants Development Officer, plus an additional \$5,000 of state flow through monies for local art organizations and match it with some federal funds and hire the Grants Development Officer, but it was not recommended by the Governor. This proposal was rejected and Budget Division indicated they favored the approach that was presented in the budget.

Chairman Mello stated it has come to him through reliable sources that the Council was trying to use this money and bring on a full time employee, very similar to what the Council tried to do last Session when they were requesting funds, and Mr. Deere turned right around and introduced an employee brought on board when the funds hadn't even been approved. Mr. Deere assured the Committee that it is a contract and is the minimum package Mr. Deere believed he could get the national endowment to accept. It will be a contract in every sense and will be limited by those terms.

Bruce Arkell, State Planning Coordinator, testified that a lot of the language in this bill is very similar to what is being proposed in the Board and Commission study the State Planning Coordinator's Office did. After review, this bill does accomplish what is being proposed in that bill. The Government Affairs Committee will be removing that language from the bill. Mr. Arkell stated he supported the legislation as drafted with one exception, on the top of Page 2, Line 2 it says: "after the initial terms members shall serve terms of four years." At the bottom of the page the first round of appointments sets it up on a staggered three year term basis. Mr. Arkell explained that what occurs after the fifth year is that no appointments are made because of the staggered basis. You then appoint for two years and don't appoint for two more years. Mr. Arkell's suggestion to the Committee would be that the four years on Line 2 be changed to 3 years or stagger the first terms to a four year term. The present combination won't work. Mr. Arkell's suggestion would be to go to the three year terms rather than four which is purely an arbitrary cut. Mr. Arkell stated that the members of the Council should either be staggered for four years or go with the three year terms. If they are going to the four year terms, Line 49 would be modified and say that two members would be appointed for three years and one member for four years.

Mr. Tom Ogg clarified the manner at which the Council members arrived at their figure of eleven. At their October meeting, the Council members reviewed the report prepared by Mr. Arkell's office and then at their last meeting they had a report from the Council's Chairman on ways that the Council could improve the function of the Council. Included in that was the need to reduce the number of members for more efficient operation. It was in that process of coming to consensus about their more effective operation that the members agreed that they should settle on the figure of eleven. The Council agrees in essence that the number of Council members should be reduced.

The Council feels it is necessary to have provision for removal of people who do not attend meetings, and Mr. Ogg personally agrees that the Council should have that provision.

Regarding the matter of pay, Mr. Ogg said that several members of the Council called him to express that they didn't feel that they should be paid, which Mr. Ogg felt was commendable. Some members feel that it is not necessary and they are perfectly willing to serve in this capacity as volunteers. There is the feeling, among other members of the Council, that they have often "copped out" and said they couldn't have done better because they were just volunteers. If the members are paid, they will be paid volunteers and longer hours and more work will be expected of the members.

The provision for removal of the Executive Board is certainly in keeping with the feeling of the members of the Council and is one of their recommendations. They have operated because of the size of the group with an Executive Board. There is strong feeling among the members that the Officer should be elected by the entire Council and those provisions that are contained now in the bill respond to that feeling and the Council supports it.

Mr. Ogg had no comment regarding the terms of office. He feels that in general this bill is certainly in keeping with the intent that the Council recorded in their Minutes of their last meeting for both reduction and for the change in not having an Executive Board. The Council would have been happier with a larger group which would be more geographical and more responsive to the various art agencies.

Barbara Mello, former member of the Nevada State Council on the Arts and former Vice-Chairman, spoke in favor of A.B. 563. Her remarks are attached.

Mrs. Mello stated that the Committee has received a letter from Thelma Calhoun who has been a member of the Nevada State Council on the Arts since it was first conceived some ten years ago, as well as a letter from the present Chairman, and hopes that each of the members will take the time to read the two letters.

Mary Van Kirk stated A.B. 563 has much in its favor. Mrs. Van Kirk requested that the Committee consider amending the bill to allow for eleven Arts Council members rather than the seven provided for. Based on a state population of 500,000, the bill now submitted would allow for one council member for 71,428 citizens. Eleven council members would provide one council member for 45,454 citizens. If the Arts Council is to be able to represent as many of Nevada's citizens as possible, it would seem proper to maintain as good a ratio as possible. Four more council members than the specified would not be a drastic increase as those four could be representatively a great asset to all citizens concerned.

Mr. Kosinski asked if all eleven could be appointed who really represent some small special interest group rather than the broad interest of the entire state. Mrs. Van Kirk replied, hopefully when you have eleven members you would have more diversification of interests. Mrs. Van Kirk stated that if there were more council members, the outlying counties might be more effectively represented.

Chairman Mello stated that one reason for the eleven member Council was that the Council members were all scrambling to maintain a position on the Board and there was a less number more of the members who would have to be taken off the Board. That is why the figure of eleven was reached. Chairman Mello commented that it had nothing to do with population.

Mike Harrah, appearing as a private citizen and also as the Director of JLO West, which has in the past received support from the Council as a sub-grantee spoke to the bill. He stated he was concerned that this bill, while excellent in intent, may not take into account that the arts situation in the State of Nevada is one which is developing at a much faster rate than perhaps other agencies who are looking at having their Councils reduced in size. The idea of reduction in size to increase sufficiency as well as financial integrity is an excellent one. Mr. Harrah has long been critical of the Nevada State Council on the Arts in that having so many members serving on the Board and on its Council, they are unable to effectively do their job. JLO West found itself in a situation where, when JLO West started receiving grant money from the Council, there were 17 members on the Council. In all of that time and all the productions that JLO West has done in many parts of the state, one council member has attended, even though JLO West has been in the past one of the Council's largest grantees.

The Council at this time, however, has felt very free to criticize and to pass on statements which were highly inflammatory and often completely false and untrue with no opportunity to JLO West to rectify the lack of factual information being passed around. It seems to Mr. Harrah that the drastic reduction of the Council from its present size of 15 to less than half of that number at seven will cramp, even with effective appointments, the opportunity for the Council members to really acquaint themselves with the arts activities in this state which, because Nevada is a large state and because the interests are far flung across many miles, will make it very difficult for even very concerned Council members to represent their constituencies whatever they may be effectively. Mr. Harrah feels that seven members would be completely inundated in work with their particular constituency expanded and the arts expanding all the time.

Mr. Harrah feels it is commendable that the bill offers compensation for this work because it will be expanding all the time and it is not in any way unreasonable to ask someone who is doing this important job for the state to do so with compensation, even though the amount of time spent could hardly be compensated by the money offered. The compensation for members shows that the state is serious in its intent in supporting good governing of the arts. Mr. Harrah is concerned that this bill does not continue what other states are finding necessary, which is to increase the professionalism of the supervision of the arts, either in terms of the professional staff or in setting high enough salaries for Council members so that they themselves could give a professional amount of attention to the arts in the state. The State of Nevada is very unique in that entertainment is a huge industry which is not true in many other states. Mr. Harrah feels that Nevada needs to be certain that the development of a very small situation, that being the arts, is fostered in such a way that it doesn't fall in the hands of people who are well equipped financially to support it privately and thus keep the private citizen from being involved. The Nevada State Council on the Arts is here to obtain funds which will help involve everyone in the state. Mr. Harrah feels appointments need to be made in sufficient numbers to be able to contact all of the people.

Mrs. Mello corrected a statement she had made earlier. She stated that the present law calls for a seventeen member Board. There were two resignations at the January meeting. The Governor has not seen fit to fill the positions until he is aware of what is happening to the bill to reduce Boards and Commissions, so at the present time there are fifteen members still on the roll, two of whom never bothered to show up, so it may as well be said that the Council has a thirteen member Board presently.

Mr. Bremner made a motion to amend A.B. 563 to appoint four members of the Council for four years and three members of the Council for two years; seconded by Mr. Glover. Motion passed.

Mr. Bremner made a motion for a "Do Pass, as Amended"; seconded by Mr. Hickey. Motion passed.

The meeting adjourned at 8:45 a.m.

REQUESTED CHANGES: 233C

NEVADA STATE COUNCIL ON THE ARTS

- 233C.010 (Beginning of chapter) Definitions.  
Paragraph 2 - Delete: "Executive Board, etc."
- 233C.020 No change.
- 233C.030 Paragraph 3 (b) Delete: "June 30, 1979," and substitute "May 31, 1978;"  
(c) Delete: "July 1, 1979," and substitute "June 1, 1978."
- 233C.040 Paragraph 2 Delete: "4", substitute "3".  
Add: "but shall not serve more than two successive terms."
- 233C.050 No change.
- 233C.060 1. Delete "of the executive board."  
2. No other changes.
- 233C.070 Title; Delete: "Executive Board"; revise to: "Officers: Number, terms."  
1. Delete: whole paragraph, re-numbering remaining paragraphs.  
2. Delete: "executive board," substitute: "council."  
Also delete "who shall be chief executive officer of the board and council,"  
\* 3. "All officers shall serve for a term of 3 years and any office vacated before the end of the term shall be filled, etc."  
\* 4. Election of officers shall be staggered on an annual basis. The Chairman shall be elected in the first year, the Vice-Chairman in the second year and the secretary-treasurer in the third year of each 3-year term.
- 233C.080 Title; Delete: "Executive Board;" substitute: "Executive Director, advisors and officers."  
Paragraph 1; Delete: "executive board", substitute: "council."  
\* Paragraph 1; Revise: "The council may employ, and remove at pleasure, an executive director and such advisors and officers as may be needed... and fix their compensation, etc."
- 233C.090 Add: "cultural and" in every case where "educational" appears.

\* Underscored words: add or substitute; new language

The following are comments on items within the bill that seem to suggest room for amendment or improvement in NRS 1033c.

.030, page one, line nine, Number of Council Members:

- a. The council should consist of eleven members, not seven.
- b. There is insufficient geographic and artistic representation with only seven members.
- c. A small council is badly weakened by a few poor appointments.
- d. The council is more easily dominated by an individual or group when it is smaller.
- e. Smaller councils tend more often to develop into cliques that serve their own interests in place of the state as a whole.
- f. There is insufficient diversity and variety in the representation in a small council.
- g. Oregon, the only state now with seven members is trying very hard to increase the size of their council.

.040, page two, line four, Removal of Council Members Due to Absence:

- a. Removal because of unexcused absences is inappropriate to the crime.
- b. Such a rule is open to abuse and inconsistent treatment of individuals.
- c. In the past, council attendance has been good. Better than 80% attendance record has existed for full council meetings. I will be glad to provide the Committee figures, if they desire.
- d. Attendance at meetings is not the only criteria for determining a good council member. Effective people are often busy and can do more in some other place than in a meeting.

.050, page two, line eleven. \$40 daily salary for council members.

- a. There are no funds in our present budget, and the bill shows no limit on claims.
- b. Additional costs are estimated at \$2800 if there were seven members and \$4400 if there were eleven members. This assumes 4 meetings, annually, or ten total days.
- c. Salary for council is not a recommended part of the Governor's budget and would require additional fiscal legislation.

.070, page two, line 27. Chief executive officer.

- a. At the same time you are moving to empower the full council in place of the executive

Statement by James Deere - April 1, 1977

board, the language "who shall be chief executive officer of the council" should also be dropped from the definition of the chairman.

- b. The chief executive officer is the executive director; the council deals with policy.
- c. The language is anachronistic. Merle Snider was chief executive officer because he was also acting director.

.080, page two, line 38. Revoking of section 4 in the 1975 reorganization bill.

Section 8 should be eliminated, returning to the reduction schedule approved by the last Legislature. In substitution, the council has proposed a speed-up in the schedule which would reduce the council to eleven members at June 1, 1978, after reducing it to thirteen this July 1.

Section 9 should also be eliminated; under AB 563, we could easily lose a large amount of the experience that has been accumulated by arts council members in the past. The performance of arts council members has been good, even with an increase of meetings and workload during the past few years. We shouldn't throw that away.

Summary: This legislation should not be recommended. It is time to empower the full council, as it is incorrect to suggest that the council is somehow delinquent in its duty or is not effectively serving the state.

It is not time to remove the council while it is being reduced in size, nor is it the time to introduce a seven-member council.

Eleven members would be ideal; nine is barely adequate while seven is dangerously ineffective. I urge the committee to reconsider its support for this legislation, and that it give serious consideration to the package proposed by the council. These recommendations are attached to your copy of this statement.

I thank you very much.

April 1, 1977

Mr. Chairman and members of the committee:

Thank you for the opportunity to appear before you today and speak in support of AB 563, dealing with the reorganization of the Nevada state council on the arts and providing for compensation for the members of the council.

For the past 5½ years I was a member of the arts council; some three years of that time I served as vice-chairman. During my tenure I observed many problems in dealing with the arts in Nevada; the manner of the arts council in handling these problems, as well as the problems created by the actions of the council. Those of you on the committee from northern Nevada are aware that the Nevada state council on the arts has been a very active board, its meetings have been well covered by the local press, and unfortunately, the publicity has not always been favorable.

The primary duty of the Nevada state council on the arts is the granting of federal and state funds to non-profit organizations in Nevada so that these organizations can present art programs in the various communities. The last granting session in May saw requests for more than \$350,000 with less than \$150,000 available for the grants. The council faces much the same dilemma as this committee in attempting to decide which groups are worthy of funding on the basis of community need, past record, and the state arts plan for Nevada.

One of the main problems faced by the council is the difficulty of organizing 17 people from different backgrounds and temperments into a working group that can function as a whole. With only two or three meetings a year, it is difficult for the members to even get to know one another, much less become a smoothly working group.



Unfortunately, a select group from the council doesn't bother to read the applications before the meetings, attend screening sessions, use the free tickets to attend functions of the sub-grantees, and even appear to take pride in admitting they don't bother to open mail from the staff.

As a result a great deal of time is spent at each grants meeting engaged in unnecessary discussion about applicants -- with the hard-core group of active members trying to educate the more lackadaisical members as to the workings of the organizations applying for money. Additionally, some of the members of the present council will sit silently during all the discussion and voting, then they complain long and loud to the press about the various sub-grantees, the staff activities, and the council in general.

Lastly, the present 17-member board is very expensive to maintain in terms of travel and per diem costs for meetings; support costs for postage, telephone, and duplicating information; not to mention the ever rising cost of NIC coverage for each member as is required by law.

Therefore I urge your approval of section 2, subsection 1 of AB 563 which calls for the reduction of the council to seven members.

Section 2, subsection 3 makes provision for the removal of a member by the governor for three unexcused absences. This is necessary so the board can be made up of working members, not social members. At the present time, one member has never attended a meeting, although his four-year term is almost completed. Another member has attended only one or two brief portions of meetings held in her own community --the last time she would not even sit with the council members. The present law provides that all appointments to the arts council are for the duration of a specific term and the only way a member is removed is by expiration of his term, death, or resignation. Therefore, section 2 subsection 3 is needed.

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Section 4 allowing members \$40 per day compensation in addition to any travel and per diem allowance will serve as an encouragement for members to attend the meetings. I am certain others have testified before this committee about the impossibility of traveling on state business at the allowed per diem rate. This \$40 payment will allow members to attend the meetings while not having to dip into their own pockets for expenses; it will also help cover some of the expenses that arise, such as postage and telephone; and more importantly, it will allow the average citizen to participate. The compensation for attending meetings is in line with provisions dealing with other boards and commissions in the state.

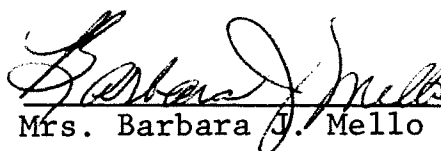
Sections 5, 6, and 7 deal with general operation of the council; the calling of meetings, the election of officers, and the hiring of staff as provided within the budget.

Section 9 deals with the expiration of terms of office for all present members of the arts council on July 1, 1977, and allows the governor to start fresh with a new group or reappoint the hard-working members from the present council. It also sets forth the provisions for appointments so that one-third of the council will be appointed at each time, thus allowing for continuity when new people are appointed.

I strongly urge your support for AB 563 so the Nevada state council on the arts can continue with its work in a more professional manner.

Thank you.

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Mrs. Barbara J. Mello

# CARSON CITY



March 29, 1977

Mr. Don Mello  
Chairman, Ways & Means  
Nevada Assembly  
Carson City, Nevada

Dear Don:

As one of the two remaining members of the Nevada State Council on the Arts who have served since its creation ten years ago, I would like to register with your committee my complete support of AB 563 which reorganizes the council and cuts its membership from 17 to seven. Due to travel fund limitations, we were never able to have as many full council meetings as we felt necessary with such a large group.

I am also pleased that provision has been made for removal of members for non-attendance. Particularly with the reduction in membership, the dedicated and continuing interest of every appointee will be vital to the successful conduct of business.

For the first two years of its existence, the council members paid their own travel expense and took up collections among themselves for postage, duplicating, etc. Since then, much of the expense of our meetings has been borne by members dedicated to getting the job done regardless of fund limitations. For this reason, I am extremely gratified that AB 563 provides a stipend for members attending meetings.

I appreciate the opportunity afforded me to serve on the council these many years (including six on its Executive Board) and wish it continued success in its efforts to bring the performing arts, fine arts, and crafts to all the people of our state.

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Mr. Don Mello  
March 29, 1977 - Page #2

Thank you and your committee for all the hours you have devoted to the difficult task of studying and rendering decisions on legislative money matters for the citizens of Nevada.

Very truly yours,



Thelma Calhoun

TC:lm

EXECUTIVE BOARD—MERLE SNIDER, Chairman, Reno; BARBARA MELLO, Vice Chairman, Sparks; HOWARD HICKSON, Secretary-Treasurer, Elko; CHICO ALVAREZ, Las Vegas; MAX BUNNELL, Overton; ANTHONY THOMAS, No. Las Vegas.

MEMBERS—THELMA CALHOUN, Carson City; CHARLENE GOLDMAN, Las Vegas; WILLIAM LOEB, Reno; ELAINE LOPEZ, Elko; GLORIA McDONALD Reno; LILLIAN NALL, Las Vegas; DOROTHY NEZ, Reno; GERI PALMERI, Caliente; JOAN SNYDER, Las Vegas; ARLENE SOUTHARD, Las Vegas; M. WORTHINGTON WELLS, Reno.

MIKE O'CALLAGHAN  
Governor

# Nevada State Council on the Arts

March 30, 1977

JAMES D. DEERE, Executive Director  
LORELLE NELSON, Program Director

Mr. Don Mello, Chairman  
Assembly Ways and Means Committee  
Nevada Legislature  
2590 Oppio Street  
Sparks, Nevada 89431

Subject: AB 563

Dear Don:

Please accept my regrets for being unable to appear at the hearing for the subject bill.

Commenting from my ten years of service on the Nevada State Council on the Arts as secretary and chairman, I offer the following:

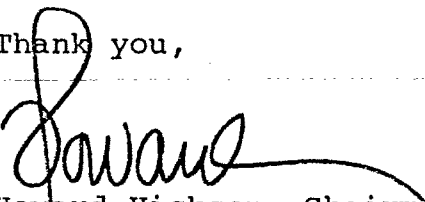
I agree strongly with all items of the bill and am sure that those Council members who are interested in the future of the organization will also concur.

We have long realized the problems of the Council and have struggled to solve them. The subject bill will go far in solving many of the problems and will give the Council a firmer foundation on which to grow.

During the embryonic years of the Council some of the primary difficulties resulted from the cumbersome size of the group; some apathetic members; lack of travel funds to hold meetings of appropriate length to complete essential business; and, sometimes, jealousy of some members toward the executive board.

AB 563 will, most certainly, alleviate most, if not all, of these problems and allow the NSCA to be more efficient in its business and more intelligent in its decisions. On bended knee I plead for favorable consideration of the bill - not for the total convenience of the Council but the benefit of the people of Nevada involved in the arts.

Thank you,

  
Howard Hickson, Chairman

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NAME

REPRESENTING

JIM DEERE

NU STATE COUNCIL / ARTS

Mary Van Kirk

Private citizen

Tom Og

New State Council member

Michael Herrah

Private Citizen

Barbara Malt

" "