

SENATE FINANCE COMMITTEE
MINUTES OF MEETING
FEBRUARY 18, 1977

The meeting was called to order at 8:00 A.M.

Senator James I. Gibson was in the chair.

PRESENT: Senator James I. Gibson, Vice-Chairman
Senator Eugene V. Echols
Senator Norman D. Glaser
Senator Norman Ty Hilbrecht
Senator Thomas R. C. Wilson
Senator C. Clifton Young

EXCUSED ABSENCE: Senator Floyd R. Lamb, Chairman

OTHERS: Ronald W. Sparks, Chief Deputy, Fiscal Analyst
Howard Barrett, Budget Director
Cy Ryan, UPI
Roger Trounday, Director, Human Resources
Del Frost, Administrator, Rehabilitation Division
Lloyd Mack, Deputy, Rehabilitation Division
Maynard Yasmer, Business Manager
Paul Cohen, Alcohol & Drug Abuse

Senator Gibson asked Mr. Trounday to introduce the people who would speak on the budgets. Mr. Frost spoke on the Administration Budget.

REHABILITATION DIVISION ADMINISTRATION: The Bureau of Services to the Blind, Bureau of Alcohol and Drug Abuse, and the Bureau of Vocational Rehabilitation are under the direction of the Administrator of the Rehabilitation Division. Also, as a result of statutory placement within the Bureau of Vocational Rehabilitation, the Federal Disability Adjudication program comes under the direction of the Division Administrator.

This budget is for the administration and support services to the Division's programs. Administrative services include policy formulation, financial management and reporting; client information and reporting; program planning, research and evaluation; personnel management; and staff development and training.

This account is funded with charges made to the operating bureaus on the basis of the total funding in each. The items showing as revenue to this account show in bureau accounts as "administrative assessment". The overhead rate taken for fiscal year 1978 is approximately 7.6% and the rate for fiscal year 1979 is approximately 7.5%.

Mr. Frost explained that the purpose for using the assessment approach is to maximize the amount of federal money supporting the administrative costs for the programs.

Since the reorganization law that created this division, the number of administration positions have been decreased while increasing the amount of federal monies by about \$1.5 million. Mr. Frost said that in 1973, when the division was reorganized, all of the programs that are presently under this division were serving a total of 9410 Nevadans per year; as of 1976 the programs provided services to 16,438 people, an increase of 75%.

Mr. Frost explained the new positions in the budget and the need for them in some cases in compliance with federal requirements.

VOCATIONAL REHABILITATION: This Bureau, at 19 offices throughout the state, provides services to eligible handicapped individuals so that they may return to productive employment. The services rendered depend upon the individual's needs and may include any one or a combination of the following: Personal and family counseling, diagnostic medical, psychological, vocational and work evaluations, physical restoration, extended evaluation, work adjustment, training, placement, and follow up.

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The Rehabilitation program is supported by a mixture of general funds and several federal sources available under the federal act of 1973. Changes in authorized positions consist of both deletion of existing staff and additions of new personnel. The chauffeur has been deleted based upon a review of available transportation resources in the Reno area. It is felt that the need for client transportation can be covered adequately and at less cost by utilizing Elderport and purchased services rather than through use of state staff. The onehalf time workshop foreman and the senior clerk stenographer at the Caliente office have been deleted since the short-stay institutional setting has not been found conducive to completion of the vocational rehabilitation process.

Senator Hilbrecht asked if this study had been documented.

Mr. Frost said he had a report from a technical assistant person from the federal government and he also had his own staff report on this.

Senator Hilbrecht asked if he would provide him with a copy of both. A new teacher and teacher's aide are recommended for the Las Vegas facility. These positions were formerly hired under contract. In addition, a .20 nursing position is recommended which, when combined with the existing .30 nurse authorization, will provide a one-half time nurse for the Las Vegas Office.

Mr. Frost reviewed the contract services item, the out-of-state travel, the in-state-travel, case services and innovative services. He answered questions from the Committee on these programs; explained that there was very little interface on programs which are administered by his division and the N.I.C.; explained the areas that comprised the district offices. Also the federal guidelines that have to be followed in the administrations of the programs.

SOCIAL SERVICES: Under the regular Vocational Rehabilitation Program, only those expenditures made on behalf of clients with a potential employment goal are federally matchable, and services to those for whom the only feasible goal is attainment of basic self-help skills are not matchable. This budget, administered by the Bureau provides funds for services to those eligible under the Title XX State Plan, including disabled Supplemental Security Income recipients, those receiving benefit under the Aid of Dependent Children Program, Medicaid recipients and persons whose incomes are 63% or less of the state's median income.

The recommendations on Travel, Operating, and Social Services Costs are based upon a fully operational program. In fiscal Year '76, program costs were below expectations due to the fact that this budget was in the start-up phase.

Mr. Frost explained that a potential welfare recipient was someone in need of services and could qualify under the eligibility criteria for welfare.

Mr. Trounaday explained the eligibility criteria as referring to people who are not eligible for welfare grants, but are just above the eligibility. They have problems getting along and if some kind of service is not provided by Rehab or some other agency, there is a strong possibility that those people would end up on welfare rolls.

Senator Young asked that they provide him with information on the people who were served, the most frequent type served, men, women, disabled etc.

Mr. Frost said he had data in his office that he would provide.

COMMITTEE TO HIRE HANDICAPPED: The primary objective of the Governor's Committee on Employment of the Handicapped is to insure that the handicapped citizens of the State of Nevada have equal opportunity in competing for employment and in achieving a mobile, independent and more satisfying life.

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The Committee advises the Governor, through the administrator of the Rehabilitation Division, on the development of employment opportunities, the removal of architectural barriers, and on programs and facilities for serving the handicapped.

Local committees on the handicapped are developed and assisted by the Governor's Committee on Employment of the Handicapped. The Committee is responsible for contacting Nevada businesses, industries, and Labor representatives and initiating programs for creating equal opportunity in employment. The Committee identifies services needed by the handicapped, and promotes programs which will provide those services. In addition, the Committee serves as an advocate for the rights of the handicapped, and works with state agencies, other public and non-profit agencies and private firms, and individuals concerned with the handicapped. Removal of architectural, attitudinal and transportation barriers is a high priority of the Committee in that a barrier-free environment facilitates employment of the handicapped.

Mr. Frost said the Committee had contacted 400 employers and created 116 jobs.

SERVICES TO THE BLIND: This bureau provides a full range of vocational services for the legally blind and severely visually impaired under Nevada statute and the federal act of 1973. The objectives of the program are to provide employment opportunities, vocation placement, and an independent livelihood.

Mr. Frost said there were 476 blind and physically handicapped Nevadans who benefitted from their talking book machine program during the last year. These people cannot afford to buy this equipment and the bureau has a supply provided with federal funds. It is recommended that in the first year of the biennium, 100% federal funds be set aside for recreational equipment and services (such as instruction) so that recreational opportunities can be made available to clients as part of an enhance rehabilitative process which includes more than vocational rehabilitative alone. It is felt that the self-image of clients can be vastly improved if they are allowed to achieve at activities other than just income earning. This program is recommended at the same level in the second year of the biennium. In order to compensate for the expected second year reduction in available federal recreation grants, approximately \$20,000 in general fund support is recommended for fiscal year 1979.

There are also training adjustment centers that are operated in Las Vegas and in Reno, two new facilities which the Legislature created during the past two years. These teach the blind and the severely impaired home management activities, also to evaluate their potential for employment, their aptitude for employment and their work tolerance.

LOW VISION AID PROBLEMS: Mr. Frost said that this clinic was operated in Las Vegas. The purpose is to screen people for low vision aid problems and assist them in utilization of devices that would maximize the use of their vision.

He explained the contract services line item as for medical consultants and janitorial services.

He answered questions from the committee on the funding of the accounts, federal funds that were available in one year and brought in to the next year, not to augment but to free up other monies, state monies that had been spent and were being replaced by federal money.

SOCIAL SERVICES FOR THE BLIND: This budget serves those blind and visually impaired individuals who are recipients of supplemental security income or who are income eligible for social services.

The Bureau administers this program through a purchase of service agreement with the Welfare Division. The program is directed toward the achievement of self-care goals which can enable individuals to return to or remain in their own homes and communities and thereby reduce the necessity for confinement and institutions care. Fiscal year 1976 was the first full year of the bureau administering this program. During that year the bureau served 190 cases. It is anticipated that a similar number of cases will be served in each year of the coming biennium.

HOMEBOUND INDUSTRIES: Many geriatric blind and visually impaired clients of the bureau are capable of engaging in competitive employment; however, limited public transportation often prevents them from taking advantage of existing job opportunities. Also, many of those who are not fully capable of engaging in competitive employment can be productive if given sheltered employment opportunities.

The Bureau has received a three-year special project grant from federal government to demonstrate, through a homebound industries program, that blind and visually impaired individuals who are 55 years of age and older can be productive, given the opportunity.

During the project period, the bureau plans to establish a non-profit corporation so that Nevada will have a permanent Homebound Industries Program operating in the private sector on a self-supporting basis. The funds recommended represent the estimated needs for operating expenses including the charges for the administrative assessment from the Rehabilitation Administration account, and the estimated cost of raw materials.

Mr. Frost said they would not be coming back with this budget again, as they hope the program would be self supporting by the time the federal funds ran out. He said they already have a contract with the Hexel Corporation. This will provide small assembly jobs where they are putting together component parts for the ski industry. Those are resold by Hexel to their customers.

ALCHOL & DRUG REHABILITATION: This bureau was created to formulate a state plan for prevention and treatment of alcohol and drug abuse, coordinate the implementation of the plan, and develop standards of certification of facilities and personnel engaged in the treatment of substance abuse.

The bureau uses its authority to contract or enter into grant agreement with local organizations, to provide funds, and to monitor and advise the grantees in their program activities.

Mr. Frost said that since 1973, under the reorganization when the program was created, there have been no new positions added, however the budget has been increased significantly by bringing federal funds in. At the end of the fiscal year, 1973, from \$66,000 to the present budget in this current year of \$1.971 million. The funds in the program are 78% federal. He explained the anticipated funds from the federal government for the Statewide Services contract of \$700,000. This money goes directly back into the community programs. And the Treatment Alternative to Street Crime Program through the LEAA of \$200,000. These funds would serve to put the budget back, basically, at the same level for the first year of the biennium as it is in 1976 and 1977. These funds go directly back into community programs, of which there are 35 operating throughout the state that the bureau oversees.

In answer to questions from the Committee, Mr. Frost explained the functions of different positions in the budget, their certification, the monitoring and auditing of programs in compliance of federal requirements and the line items in the budget where the money has to be spent in those particular areas.

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Senator Young asked if there was any progress noted as a result of these programs.

Mr. Cohen said that the state and national trend showed alcoholism was steadily increasing, it has dropped below the 18 years of age. There is also an increase in the use of the combination of alcohol, marijuana with barbituates and other kinds of sedatives. He felt the reason was that society was willing to accept a person who was drunk on alcohol but is not willing to accept a person who is stoned out on drugs.

National studies show that when there is a recession or some kind of strain put on the economy and on the populations in the county, there is an increase in drugs. They see a very steady increase in alcoholism and in drugs there are highs and low dependent upon the economy. He said they had a high rate of recidivism in Nevada in the reatment of alcohol. They have a success rate of about 68%. He answered questions from the Committee as to programs, the people they did not reach in their programs. He said in terms of statistics they were changing programs to meet the needs. He said they tried to control the marijuana situation by education, prevention and training programs; they feel they have positive results from the youngsters who have been in these programs for three years. He said the state's job essentially was a treatment and rehabilitation endeavor.

In answer to questions he said that they did have documented cases of people coming out of the prison who have become addicts there. Means of stopping drugs from entering the prison were discussed. Mr. Frost said he had spent 12 years in running prisons and you can't stop anything that people want to get into a prison. When you have visitors coming in, when you have maintenance men, service people coming in and out of the prison hauling supplies, you can get anything into a prison that you want to get into it. He said it was physically impossible to stop the transfer of contraband into a prison. The only thing a good prison administrator can do is try to reduce it.

The detox programs were discussed and the use of methodone in their treatment centers.

Mr. Cohen said that part of the problem was there was not any type of program in the Northern part of the state and also, in terms of economy, they get calls from many states asking if they have a reciprocal agreement for clients who are on methodone to come down and take the program. This is not a problem in Las Vegas but they hope to start a methodone program in the north.

DISABILITY ADJUDICATION: This program is 100% federally funded, administered by contract with the Social Security Administration. The Bureau makes medical determinations on all applications for disability benefits under the Social Security Disability Insurance program and the Supplemental Security Income program. Under the disability provisions of the two programs, persons who are otherwise qualified and have a physical and/or mental impairment of sufficient severity to preclude substantial gainful activity for twelve consecutive months could be entitled to benefits. The data gathered by the bureau is forwarded to the SSA whereupon it is merged with the applicant income information from the Social Security District office to generate payments to the disabled.

Mr. Frost said of all the claims that are processed, disability benefits are allowed to 43% of the applicants.

Senator Gibson thanked them for appearing.

A.B. 56: Creates county appraisal and mapping assistance revolving fund

Senator Hilbrecht moved the bill be approved as amended; Senator Young seconded and the motion carried.

A.B. 250: Increases expense payments to members of board of regents.

Senator Young moved the Committee approve; Senator Hilbrecht seconded and the motion passed.

SOCIAL SECURITY DISABILITY ADJUDICATION BUDGET: Senator Young moved the budget be approved; Senator Hilbrecht seconded and the motion carried.

ALCOHOLISM & DRUG REHABILITATION BUDGET: Mr. Barrett said they had added money to this budget after they had gone through and done the admin assessment. The admin assessment is not quite correct in the budget but it doesn't change the overall total, it simply means an increase in this budget and a decrease in others.

Senator Hilbrecht moved the budget be approved; Senator Young seconded and the motion carried.

HOMEBOUND INDUSTRIES PROJECT BUDGET: Senator Young moved the Committee go with the Governor; Senator Hilbrecht seconded and the motion carried.

SOCIAL SERVICES FOR THE BLIND BUDGET: Senator Young moved the Committee go with the Governor; Senator Hilbrecht seconded and the motion carried.

SERVICES TO THE BLIND BUDGET: Senator Glaser moved the Committee go with the Governor; Senator Hilbrecht seconded and the motion carried.

COMMITTEE TO HIRE HANDICAPPED BUDGET: Senator Echols moved the Committee go with the Governor; Senator Young seconded and the motion carried.

SOCIAL SERVICES - VOC REHABILITATION BUDGET: Senator Young moved the Committee approve; Senator Echols seconded and the motion carried.

VOCATIONAL REHABILITATION BUDGET: Senator Hilbrecht moved the Committee approve; Senator Young seconded and the motion carried.

REHABILITATION DIVISION ADMINISTRATION BUDGET: Senator Hilbrecht moved that the budget be approved with the notation that the figures 7.6% and 7.5% may be misleading; Senator Echols seconded and the motion carried.

OFFICE OF STATE HEALTH OFFICER BUDGET: Senator Young moved that the budget be approved; Senator Echols seconded and the motion carried.

MILK INSPECTION REVOLVING FUND BUDGET: Senator Hilbrecht moved the budget be approved; Senator Young seconded and the motion carried.

VITAL STATISTICS BUDGET: Senator Echols moved the Committee approve; Senator Claser seconded and the motion carried.

SILICOSIS PROGRAM BUDGET: Hold for bill.

TUBERCULOSIS CONTROL BUDGET: Senator Hilbrecht moved for approval; Senator Young seconded and the motion carried.

DENTAL HEALTH BUDGET: Senator Glaser moved the Committee approve; Senator Hilbrecht seconded and the motion passed.

MATERNAL, CHILD, SCHOOL AND SPECIAL CHILDREN BUDGET: Senator Hilbrecht moved they go with the Governor; Senator Young seconded and the motion carried.

ENVIRONMENTAL PROTECTION BUDGET: Senator Young moved for approval; Senator Wilson seconded and the motion carried.

CONSUMER PROTECTION BUDGET: Hold for A.B. 147.

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RADIOACTIVE MATERIAL DISPOSAL BUDGET: Senator Hilbrecht moved the Committee go with the Governor; Senator Young seconded and the motion carried.

IMMUNIZATION PROGRAM BUDGET: Senator Young moved the budget be approved; Senator Wilson seconded and the motion passed.

GONORRHEA SCREENING BUDGET: Senator Young moved for approval; Senator Wilson seconded and the motion carried.

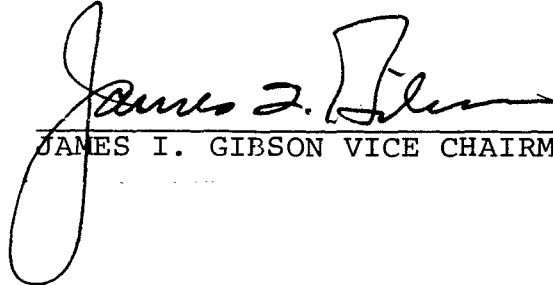
FAMILY PLANNING PROJECT BUDGET: Senator Echols moved for approval; Senator Hilbrecht seconded and the motion carried.

WOMEN, INFANTS AND CHILDREN'S FOOD SUPPLEMENT PROGRAM BUDGET: Senator Young moved for approval; Senator Wilson seconded and the motion carried

The meeting adjourned at 10:25 A.M.

RESPECTFULLY SUBMITTED:

APPROVED:



JAMES I. GIBSON VICE CHAIRMAN FOR



MURIEL P. MOONEY, SECRETARY

FLOYD R. LAMB, CHAIRMAN

(Please Print)

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