

SENATE FINANCE COMMITTEE
MINUTES OF MEETING
MARCH 3, 1977

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

Senator Floyd R. Lamb was in the chair.

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

OTHERS: Ronald W. Sparks, Chief Deputy, Fiscal Analysis
Howard Barrett, Budget Director
Judy Matteucci, Budget
Bob Guernsey, Budget
Cy Ryan, UPI
General Floyd Edsal, Adjutant General, Department of
the Military
Colonel Robert Gregory, Administrator, Civil Defense
James Avance, Administrator, Taxicab Authority
Shirley Roberts, Secretary

Senator Lamb asked Colonel Gregory to present his budget. He reviewed the items and answered a few questions and there being no unusual items in the budget, Senator Lamb referred him to the budget.

P & A PROGRAM: Public Law 81-920 provides for federal financial assistance to state and political subdivisions for personnel and administrative expenses on a dollar-for-dollar matching basis.

Senator Young asked about the cooperation they were getting from the counties and cities. Col. Gregory said they were just about staying at the status quo. The Counties of Washoe and Clark give them good cooperation and they contribute funds that are matched by the federal government. He used as an illustration the Civil Defense Director in Clark County. He is paid \$20,000 a year. Federal money P & A pays half and the balance is paid by the county.

RADEF PROGRAM: The Radiological Systems Maintenance Program is 100% federally funded. The federal government has the option to discontinue this contract. Should this occur, the state has no obligation to continue. This program consists of providing radiological Monitoring (RM) Peacetime Radiation Incident Training (PRI), and Radiological Defense Officer Training (RDO) to county civil defense people and emergency services of Nevada, e.g., police, search and rescue, civil air patrol, firemen. Also it is equipped to provide radiological maintenance and calibration of all the instruments in Nevada.

Senator Lamb asked what he felt was going to happen, looking down the road a bit, when the federal government starts backing off some of these programs. General Edsal said that he felt Col. Gregory could speak to that question better than he could, but according to the ground swell that they see in Washington, and especially due to the fact that the Soviets have put so much more money into their Civil Defense Training, they think the trend is going to swing the other way. Col. Gregory said that the House had just approved a \$10 million supplement for the Civil Defense Program; it is now going to the Senate. Senator Echols asked if these programs came to them, or did they go after them. Col. Gregory said they went after them.

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Senator Lamb asked if they had the authority to administer these funds and did they see much waste in this area. General Edsal said that he felt there was no fat in the program. Colonel Gregory enlarged on their activities and the work accomplished on their budgeted money. He stated that this country is outclassed by Russia in every area; and this country spends less than 1% of what Russia spends in Civil Defense. Senator Hilbrecht asked if any of the administrative jobs in the budget could be centrally located. He commented on the high salaries paid in some of the positions. Colonel Gregory said these man were professionals.

Senator Young asked what kind of disaster prevention plans they had. Had they ever done anything to prevent disasters? He asked if they responded to disasters or did they merely prepare plans? Col. Gregory said they prepared plans; they prepare recommendations for mitigation and prevention but they cannot go into a county and tell them what to do, they can only recommend. Senator Young asked what natural disasters they foresaw. Col. Gregory said floods and earthquakes.

Senator Lamb asked him to comment on the FDAA program. The FDAA is the Disaster Emergency Act of 1974. It provides assistance by the federal government to state and local governments to alleviate suffering and damage caused by natural or man-made disasters. This authorizes a federal grant to the state not to exceed \$250,000 for the development of plans, programs, and capabilities for disaster preparedness and prevention. Senator Lamb asked if they had that plan. Col. Gregory said that they are working on it. They started in October, 1975, and they are on schedule, and are scheduled for completion September 30, 1978. He expected it would be completed a few months before that. Senator Hilbrecht referred to the flood in Las Vegas a couple of years ago and asked what part the Civil Defense played in that disaster. Col. Gregory said that they had helped put together the information to be sent to Washington asking that it be declared a disaster area. They act as the intermediary between the local government and the federal government.

HARDWARE PROGRAM: This program provides that the federal government will pay 50% of the costs of certain types of equipment to fulfill civil defense objectives established by state and local subdivisions. The Civil Defense Hardware Program provides a receiving account for federal monies involved in this program.

Senator Lamb asked for the authority for the spending. Col. Gregory said they had to have approval of a project before the money was authorized. Senator Young asked what he anticipated would be spent for the cities in the next fiscal year. Col. Gregory said that radios and other communications equipment was included under hardware. He said that Clark County wanted to expand their emergency operating station at Arden, so federal funds will come in for that. Senator Young asked about the \$142,700 item in the budget, listed under state agencies. Col. Gregory said this was going to the Civil Defense agency to pay for the microwave system which is used by law enforcement agencies.

SURPLUS PROPERTY CIVIL DEFENSE: State agencies which have civil defense responsibilities but are not eligible to procure surplus property may obtain necessary equipment through the Civil Defense Surplus Property Program at approximately 10% of the original aquisition cost. This charge constitutes a service and handling charge which is subsequently transferred to the State Purchasing Division.

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CIVIL DEFENSE & DISASTER AGENCY EMERGENCY PLANNING PROGRAM: The Emergency Planning Program operates on a year-to-year federal contract. The contract is currently focused on preparation of state and local crises relocation planning which entails relocation of populations located in probable target areas to preselected host areas. Its objectives also include provision of protection and logistical support for both the resident and the relocated population.

The Department of Defense has designated areas throughout the United States as risks of certain categories. Nevada has two Category II areas, one is Fallon and one is Hawthorne; and there are two Category III areas, one is Las Vegas and one is Reno-Sparks.

Assuming that if you get into a match with an enemy, that there will be some time between the negotiating period and the actual pushing of the button. This gives the states and communities an option of whether or not to stay in place in the risk areas or move to what is called a host area. That is what this planning is all about. For instance in Las Vegas, the host areas are Lincoln County, Nye County and some over in Arizona. Senator Lamb asked how long they were geared to supply those counties with the things they need to be the host area. Col. Gregory said they are not ready for this yet, but this would be part of the complete plan. Senator Lamb said they have been talking about a plan for over ten years that he knew of. General Edsal said they have gone the full turn of the cycle. Years ago there was a very similar program, and then they went away from that philosophy and got into the shelter, stockage of the shelters, and now they seem to have come to the conclusion that in some instances the shelter would not be adequate and so now this is an alternate plan. Col. Gregory said they have the draft plan for the state and for 15 counties ready at this time. Senator Hilbrecht said he did not believe this plan was viable; water, sanitation and food are just a few of the problems. Col. Gregory agreed that the logistics were astronomical. The types of weapons were discussed. Senator Wilson was concerned whether this was just a plan or whether they were really ready to act in the event of an emergency. General Edsal said in the event of an attack, you are going to have people move whether you want them to or not; therefore it is best that they be moved to the best of the ability of Civil Defense. He said they were only talking about a week or two weeks and hopefully they could work the problems out. Senator Glaser said that it had been his observation that you could evacuate half the population of Clark County and Washoe County in a matter of hours, if you announce in the papers and over the radio that the hunting season was going to open in Elko County at sunup; those people would go up there well equipped with their own campers and motor homes.

Senator Hilbrecht asked about the plans and programs officer in the Civil Defense Agency. Col. Gregory identified him and said when you talk about planners, he had a preference for retired military because usually when a man gets to any rank at all he has spent some 20 or 25 years in the planning field in the military.

Senator Young asked if they had an annual report or a biennial report. Col. Gregory gave him a copy of the report.

DEPARTMENT OF MILITARY: This Department of the Military is responsible for the supervision of the military affairs of the state. Under the direction of the Adjutant General, who also serves as the Chief of Staff to the Governor, the Department provides the capability to protect the people of the State against invasion, natural disaster,

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or emergency when ordered into active service by the Governor; perform the duties and functions enumerated by NRS 412; supervise the Nevada National Guard Reserve and other volunteer militia. this consists of three major units: The Army National Guard; Air National Guard; and the Office of the Adjutant General. This Budget finances the operation and maintenance of the Army and Air National Guard facilities on a 75% federal to 25% state funding ratio in personnel and most operating categories. Support of the state's thirteen armories is a 100% state effort and includes support of the Carson City Headquarters and Annex. The Weekend Training Site is funded 100% by the federal government.

General Edsal said that their primary activity since last July had been converting from day aircraft to day and night, essentially all weather aircraft. With the night mission, this has brought about the construction of several new facilities. Some of the changes in the budget are due primarily to the building program as it is affected by these activities. He discussed the new positions and said all of these would support the new construction which had been completed or would be shortly. Senator Lamb asked if all the new positions were based upon their capital improvement requests. He said he was concerned as the Committee might not approve all of this program. General Edsal said that, since the new construction requests would not be completed in the next biennium, the budget does not contain positions or operating costs for them. These would be included in the 79-81 biennial budget. He described a \$264,000 budget item which is due to utilities costs which had increased rapidly, and this item was for keeping up with the costs of living and the needs for the facilities already in use.

Senator Lamb again asked if the expenses for the new armories requested at Sparks and North Las Vegas were built into this budget. General Edsal said these would not be completed during this biennium, therefore no extra costs had been built into this budget. Senator Gibson asked what the operating losses listed covered. General Edsal said this falls under statements of charges to individuals. For instance, a vehicle accident: if it is decided by the federal government that they are going to hold the unit pecuniarily liable, then that charge could eventually come back against the Commanding Officer and the State of Nevada. In discussing this with the Budget Division, it was decided that in the event this happened, it would be better if the money were not set aside beforehand, but would come before the Board of Examiners. He said there was presently a bill before Congress to change this. For many years there has been an inequity regarding the Army and Air Guard; they have been held liable on simple negligence. If this law is passed, then this money would not be needed.

Senator Lamb asked about the armory which was presently being used at North Las Vegas. General Edsal said it was a leased facility, which was inadequate and substandard. Senator Lamb asked why they needed armories that close, when they already had one on 25th Street. General Edsal said they had discovered nationwide that for survival in the recruiting area it was better to identify with the local community. Senator Lamb asked what would happen if it was decided not to give them money to operate the present facility in North Las Vegas, so they would have to operate out of 25th Street. General Edsal explained the problems in trying to operate out of the one armory; too many units in one place. He said a multiple use armory was difficult to manage, difficult to recruit to; they lose their identity.

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Senator Lamb asked how much would come out of the asking budget if they did not give them money to build new armories or to continue leasing the facility in North Las Vegas. General Edsal said it would save \$7,200 leasing costs and some utilities, although a part of this would be a trade-off with the armory on Stewart Street. Senator Hilbrecht said he was not too familiar with the Guard Program, but he knew that the Army Reserve program embraced the multiple use of armories. Was he suggesting that each unit have its own armory? General Edsal said if he was making recommendations, that would be the way he would say it should go. He repeated that it gave each unit authority and an identity within the community, he enlarged on the difficulties involved, accountability of weapons if they were being used by more than one group, and other similar problems. He stated that the armory on 25th Street was built for 150 people, and if they had to use that exclusively, they would have to accommodate about 350 people in that space.

NATIONAL GUARD BENEFITS: The National Guard benefit program encourages the recruitment and retention of active members of the Nevada National Guard. Under this program the Adjutant General may authorize payment of 50% of the costs of either the consolidated fee at the UNS or the credit-hour costs at a Nevada Community College for any Guardsman attending as a full-time or part-time student at either institution. To be eligible, a Guardsman must be a member in good standing of the active Guard at the beginning of and throughout the entire semester for which benefits are received. General Edsal said this program was helping them in their retention area and also in their recruiting. He said their total authorized strength was a little over 2300, and they had almost 2,000 on board. About 20% were utilizing this program.

Senator Young asked how many minority representatives were in the National Guard. General Edsal said he did not have the figures with him, but he thought they ran a little over 10% in blacks and women, about 6% in the Indian area and about 2 1/2% or 3% in Oriental.

Senator Lamb thanked him for appearing.

CIVIL DEFENSE & DISASTER AGENCY BUDGET: Senator Young moved the budget be approved; Senator Hilbrecht seconded and the motion passed.

P & A PROGRAM BUDGET: Senator Hilbrecht moved the budget be approved; Senator Young seconded and the motion passed.

RADEF PROGRAM BUDGET: Senator Hilbrecht said he was a little disturbed about the practice of carrying people on full federal retirement and then giving them a full state job. He felt this was counter productive when you consider the problems that presently exist in the employment force. He said he appreciated the expertise these people had, but he felt the director of the program had enough expertise and he should be able to find planners who were in the active labor market rather than taking retirees. He suggested sending a letter of intent from the Committee, suggesting that they try to minimize this situation. He cited someone in the program who was drawing more salary than the Governor when you combined his retirement and present salary.

Senator Gibson suggested that they talk with Mr. Wittenberg and see if they could develop a policy and provide the committee with a survey of the number of retired military employed by the State. He said he didn't know all the ramifications, but he was basically in agreement.

Senator Young said he did not have confidence in the whole program, and he outlined areas where he had questions. He said he realized that it was all federal funds but he felt they had a responsibility to see that the federal funds were being properly used.

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Senator Glaser said he was also in agreement. Although each budget in itself didn't amount to much, each one had a planner, each had a principal clerk steno and they are housed in the same building; he couldn't see where all these people could be all that busy. He felt it was another mish-mash of federal programs. Senator Young asked if anyone had any heart for an interim study. He said he would like one on the whole thing, personnel, plans, etc. He said he was talking about the Civil Defense program. Senator Young moved that this budget be approved; Senator Echols seconded and the motion passed with one dissenting vote by Senator Hilbrecht.

TAXICAB AUTHORITY: Mr. James Avance, Administrator for the Taxicab Authority presented his budget. He was accompanied by his secretary Shirley Roberts. The Taxicab Authority is charged with the responsibility of controlling and regulating the taxicab industry in any county whose population is 200,000 or more. The Authority, therefore, has jurisdiction only in Clark County.

The Taxicab Authority conducts administrative hearings and makes final decisions in the following matters: Violations relating to the issuance of transfer of motor carrier license plates; complaints against certificate holders; complaints against taxicab drivers; application for, or suspension or revocation of, taxicab permits; allocation of taxicabs; suspension or revocation of a certificate holder's certificate of public convenience and necessity. The field investigative section polices the taxicab industry in accordance with the statutes. They are on duty twenty-four hours per day, seven days per week, all weekends and holidays. They write citations, inspect taxicabs, investigate complaints and teach defensive driving for both state employees and taxicab drivers. The classes are held once a month for two days.

Senator Lamb asked about stories he had heard about some of the cab companies charging the drivers \$4.00 a shift to work. Mr. Avance said that he had heard this also, but it was not within his jurisdiction to become involved between the companies and the drivers, so he was powerless to act in that area. Senator Wilson asked how the drivers were paid. Mr. Avance said that basically they get half of what they bring in. There are no independent drivers, under state law they are all employees. Mr. Avance said that they had allowed the rumor of the \$4.00 a day charge to go to the Labor Commissioner as they felt this was in his area of responsibility. Senator Wilson asked if any action had been taken and Mr. Avance said not to his knowledge. Senator Lamb said he felt the Committee should talk to the Labor Commissioner. Senator Hilbrecht said that there had been one or two companies doing this for years. They do this under the guise that it is a charge for air conditioners in a taxicab, which is required by law. He asked if this was the way they were exacting this \$4.00 charge. Mr. Avance said one of the stories that was brought to him was that one of the companies was charging \$2.50 a day and \$2.00 of that amount was to be returned to the driver at the end of the year if his daily book was brought up to the average of the other companies in town. This charge was because his daily receipts were not the same average as other companies. It was supposedly a sort of incentive type thing. One company is now supposedly charging for half of the gas, also. Senator Gibson asked about the in-state travel listed in his budget. Mr. Avance said it was for state vehicles.

Senator Lamb asked if taxicab field investigators were in a dangerous job. Mr. Avance said it could be, e.g. last week two of the investigators arrested two young men that had just robbed a taxicab, they got involved in the chase, made the physical arrest and turned them over to Metro and the men were armed. So they are out there doing police work.

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Mr. Avance said the overtime listed was for court appearances, filling in when someone is sick so they will not be short in the field.

Senator Lamb asked him to explain what the reserve item in the budget was for. Mr. Avance said that the Taxicab Authority was funded by \$100 for each taxicab on the street; there are 321 taxicabs on the street. The Authority gets a nickel for each taxicab trip and that is the substance for the funding for the agency. Under the law they are required to pay back up to \$95 on the \$100 fee, if their ending fund balance is in excess of \$50,000. So the reserve has been built up through the years by having more than \$50,000 in the account and paying back \$95 to the companies. The figure listed in the budget is not correct as of this date. The current amount is \$65,276 as they have had to draw from that reserve to augment their budget in this year. He said that they had in their legislative request this year a request to change that \$50,000 carry-over fee to \$100,000 to allow them to keep the reserve built up.

Senator Gibson asked him about the airport fees. Mr. Avance said that they have 6 officers that work the airport and control the taxicabs at the airport. Under the contract they have with Clark County, made in 1973, the county pays 50% of that, with a ceiling of \$20,000. They are presently renegotiating that contract because they are no longer paying 50% and they are asking for a \$40,000 limit on it. Senator Gibson asked him what the pattern of complaints was, he said it was his understanding that they were getting less complaints now.

Senator Lamb thanked him for appearing.

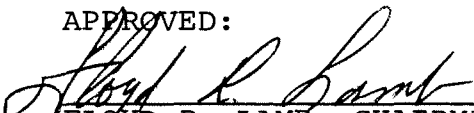
Senator Lamb asked the Committee to talk for a minute about the armories. He was concerned as to what direction they were going to take relative to the new armories in Sparks. He said that General Edsal was concerned about what the community would think if they did not have the armories, as it was a community entree if they had them. Senator Hilbrecht said he disagreed with the principle, he didn't think the state could afford to do this. Discussion followed on the advisability of building new armories and the costs to the state. Senator Gibson said he thought there was some justification for what they were trying to do. The military in recent years has not been a popular branch of government and they perform a pretty essential service. They have had difficulty recruiting to meet their quotas. He thought this was an effort to get community support for their programs. Senator Lamb said he was in disagreement with this. He said he was not in a frame of mind to build them an armory in North Las Vegas; he felt they should return to 25th Street. Senator Echols said he felt there were traffic problems at 25th Street. He felt there were parking problems. If they had to acquire land for parking, then he felt you should measure the costs against acquiring land for parking at 25th against going where there is land, where they can serve a community and have a better facility. He said they had to balance the costs. He felt all these things had to be considered before these decisions could be made.

Senator Lamb announced that the Committee would meet at 8:00 A. M. on Monday. The meeting adjourned at 9:40 A. M.

RESPECTFULLY SUBMITTED:


MURIEL P. MOONEY, SECRETARY

APPROVED:


FLOYD R. LAMB, CHAERMAN

CIVIL DEFENSE AND DISASTER AGENCY

AUTHORITY

Federal Civil Defense Act of 1960, as amended.
P.L. 81-920.
P.L. 85-606.
Nevada Civil Defense Act of 1953, as amended - NRS
Chapter 414.

FUNCTIONS

Prepares and maintains plans for protecting Nevada residents during a war-caused or natural disaster. Coordinates same with those of adjoining states, the Federal Government, and political subdivisions of the State.

Coordinates and supervises all civil defense organizations within the State.

Allocates and administers Federal funds provided for State and local-jurisdiction civil defense.

Administers the civil defense excess and surplus property programs, Statewide.

Provides liaison between local jurisdictions and Federal agencies, in natural-disaster situations.

Provides training programs, procures supplies and equipment, and takes all preparatory steps possible to prevent, or mitigate, loss of life and property damage, from natural, war-caused, or man-caused disasters.

PERSONNEL

Federally-funded contract personnel 8
Personnel funded 50% State, 50% Federal 5
13
Personnel in local jurisdictions, 50%
Federally funded 29

EXCESS PROPERTY PROGRAM - 1975 & 1976

Equipment and materiel having an original value of approximately \$550,000 was acquired for State agencies and local jurisdictions during the past two years. Total value of property acquired since inception of this program amounts to more than \$4,000,000.

SURPLUS PROPERTY PROGRAM - 1975 & 1976

Over 775 applications for surplus property were processed. The value of the equipment obtained was approximately \$1,055,000, bringing the total value of equipment obtained through the program to \$7,500,000.

HARDWARE PROGRAM - 1975 & 1976

Federal funds in the amount of \$92,297 were received and disbursed for purchase of new equipment needed to improve emergency-response capabilities at State or local levels.

PERSONNEL AND ADMINISTRATIVE PROGRAM - 1975 & 1976

A total of \$584,315.15 in Federal funds ^{well} was received and disbursed for salaries and administrative expenses incurred - \$464,110.36 went to local jurisdictions, and \$120,205.79 to the State Agency.

COMMUNICATIONS

The State microwave system has been extended, to connect Las Vegas, Reno, Carson City, Elko, and Ely. The remainder of the backbone circuit will be completed by mid-1977, with spurs to Lovelock, Winnemucca, and Austin completed by the end of this year, and spurs to ten other cities and towns in Nevada added as funds permit. Approximately \$400,000 in Federal funds has been provided, through civil defense channels, to support construction of this system.

100% FEDERALLY-FUNDED PROGRAMS

1. Radiological Training - 1975 & 1976 Contracts
\$79,555.54

During 1975 and 1976, 47 courses were held, covering radiological monitoring, peacetime radiation incidents, and hazardous materials. A total of 682 persons attended these classes. This program also maintains and distributes some 1750 measuring instruments throughout the State.

2. Emergency Planning - 1975 & 1976 Contracts,
\$57,706.00

This program has prepared new shelter plans for all Nevada communities, to provide protection against nuclear fallout. Planning for relocation of people, from areas expected to be nuclear targets (high risk) to areas which are expected to be "low risk". The overall State plan and 15 interim county-level relocation plans have been completed.

3. Natural Disaster Response

This program was initiated on a Federal grant of \$250,000, from the Federal Disaster Assistance Administration (FDAA). Its purpose is to improve the disaster-response capability in the local jurisdictions, through analysis of local hazards, advance planning, and recommendations for actions which would prevent, or mitigate, the effects of a natural disaster.