

SENATE FINANCE COMMITTEE  
MINUTES OF MEETING  
APRIL 12, 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 D. Glaser  
Senator Norman Ty Hilbrecht  
Senator Thomas R. C. Wilson  
Senator C. Clifton Young

OTHERS: Ronald W. Sparks, Chief Deputy, Fiscal Analysis  
Howard Barrett, Budget Director  
Cy Ryan, UPI  
Vernon Bennett, Executive Officer, Public Employees Retirement System  
Senator Mary L. Gojack

Senator Lamb referred to SCR 26, which authorizes expenditure from the legislative fund for travel, subsistence and honorarium to Mr. Hardin Jones for appearance before Senate Judiciary Committee. The Assembly Committee amended the resolution and deleted the \$100.00 honorarium.

Senator Young moved that the Senate Committee not concur with the deletion; Senator Hilbrecht seconded and the motion carried with all Senators voting for the motion except Senator Echols who was not present.

A. B. 452: Establishes Western Regional Higher Education student loan program. The Assembly Committee does not concur with the action taken in the Senate Finance Committee.

Senator Young moved that this bill be reviewed in conference; Senator Hilbrecht seconded and the motion carried unanimously.

Senator Gibson appointed the Senate Committee to go to conference; Senators Lamb, Glaser and Young were the appointees.

S. B. 418: Ties post-retirement increases of allowances for retired public employees to salary increases granted to employees in classified service of the state.

Mr. Bennett spoke on the suggested amendments to this bill, copy attached.

Senator Lamb asked the Committee if they had had any second thoughts on the way to finance the increases. (Originally the Committee had voted to fund the bill with \$800,000 from general fund money.)

A general discussion followed on the advisability of taking money from the retirement fund rather than the general fund. Senator Lamb said that his dissenting vote on the original motion had been misunderstood. He was in favor of the bill, but he did not want to take the money from the general fund, he thought the costs should be kept in the retirement fund.

Mr. Barrett said the Governor had recommended that the money be taken from the Retirement Fund and increase the employer contribution .2%. The way it is now general fund dollars would be paying for the retirees in the counties and the cities and the school districts, it would be paying for retirees from the fully 100% federally funded agencies and the highway fund and the N.I.C. and the Fish and Game. If it is done with the employer contribution, the general fund pays only for its own ex-employees and the other funds pay for their own ex-employees.

Senator Lamb said he felt when you talk of retirement you should keep it there and not be dipping in general funds.

Senator Gibson said he felt this was a welfare program; Senator Lamb said he felt the state had an obligation to the retirees the same as those presently employed that they are giving a cost of living increase to.

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Senator Hilbrecht said he was reluctant to put a .2% load on the employers.

Senator Gibson said that he felt Mr. Barrett's suggestion made sense as a certain percent of the retirees had been paid with federal money and in this way the state would get federal funds to pay a part of it.

Senator Hilbrecht said he understood that, but he felt that the same people that Mr. Barrett mentioned, the school districts, the local government people are the ones that are in the worst trouble, he felt if anyone could afford to do this, it was the state. He said it would be different if it was all those federally funded agencies, but he did not understand how it would help the cities and counties.

Senator Young said he also felt it was welfare but he agreed with Senator Gibson. He did not feel it was fair for the general fund to pay for the cities and counties or even the school districts.

Senator Gibson asked what the strata was of the retirees.

Mr. Bennett said he could give an approximation: about 10% of the retired people are police and firemen; about 18% to 20% are state employees; about 22% to 24% are teachers; the rest are scattered among the state, county and municipal entities, with Las Vegas, Clark County, Washoe and Reno having the biggest portion.

He reminded the Committee that the Retirement Board had already determined and authorized that they are willing to go either way on the thing on a two year basis. One thing they might want to consider was to have the Retirement System absorb this during the two years with the understanding that in 1979 there will have to be an increase in the employer contribution to pay for postretirement increases. One of the advantages of this plan is that the Retirement System would not be locked in forever to the benefit presently considered. They might want to go to a standard benefit rather than this and the graduated scale, which is really two. He felt the actuary might come up with a better approach or a different approach.

Mr. Bennett said he hated to go for the increase without an actuarial study.

Senator Gibson said his objection to that was establishing a precedent even for a two year period. He said whatever the Committee did, he would like to see it circumscribed carefully so it is just a two year period.

Mr. Bennett suggested an amendment that would say that the employer contribution would be increased .2% for the next two years only.

Senator Glaser moved that the Committee reconsider their previous action. The motion carried 5-1 with Senator Lamb dissenting and Senator Wilson absent.

Senator Hilbrecht said he felt they were hitting the local governments below the belt.

Senator Gibson said if the Committee decided to raise the employer contribution they should be sure that the money just goes to the post retirement.

Mr. Bennett said this could be arranged.

Senator Hilbrecht said he had a feeling that this was not a two year program. He felt this would be a long term program; he did not reject the idea, but he felt the Committee should be apprised of the fact that they are entering into a program which provides continuous postretirement benefits and they would be funded 100% by employer contributions. He felt they should be sure they were assessing the right amount and decide whether they want to adopt this as a matter of practice. He said they were vaccinating all their retirees against inflation.

It was generally agreed that the retirees were the people who really needed help due to the increasing inflation. The biggest problem today were the people on fixed incomes.

Mr. Bennett said that what had happened this year was that they were able because of the decrease in the unfunded liability to pay the cost of living increases on a graduated scale in S.B. 173 with the present employee and employer contributions.

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There has been no increase in the contributions and in fairness to the employers he wanted to point out that they did testify, before the session, to the Board that they were opposed to any increase in employer contributions in this session for additional benefits.

He said they looked at this measure just as a stop gap and he would like to suggest that it be limited to the next two years as the actuary might come up with a better approach after a study.

Senator Young asked what this would do to the budgets of the cities and counties.

Mr. Bennett said he would suggest that all the budgets that had been approved would have to be adjusted.

Senator Young said he had some real reservations about the Legislature coming in at this late minute and telling the cities and counties to come up with the money that the Legislature thinks ought to go to the retirees.

Senator Echols said he was very reluctant to open this up at this time: no matter what they said it was a welfare program.

Senator Young said he could cite many people who were living on less than the retirees: they just happened to be more articulate and organized, so the Committee recognizes their needs.

Senator Echols said he would like to study it for two years and not do anything at this time. He moved to kill the bill. There was no second.

Senator Gibson moved that the Committee amend the amendment to provide that the money to pay for this benefit come from a special assessment of .2% (or less) on the employer, to be terminated at the end of two years. Senator Glaser seconded. The motion was defeated with Senators Young, Hilbrecht, Lamb, Echols and Wilson dissenting.

Senator Glaser moved the bill be amended to take \$400,000 out of the general fund and \$400,000 out of the retirement fund for a two year period. Senator Young seconded the motion. The motion was defeated with Senators Lamb, Young, and Glaser voting for it and Senators Hilbrecht, Gibson, Echols and Wilson dissenting.

Senator Hilbrecht moved the Committee amend and do pass; Senator Gibson seconded and the motion carried 6-1 with Senator Echols dissenting.

S. B. 446: Provides benefits to surviving spouses of certain judicial officers.

Senator Lamb asked Mr. Bennett to speak on this bill.

Mr. Bennett said this was not really his jurisdiction but he would be happy to discuss it with the Committee. He said the purpose of the bill was the fact that in the judges systems, neither one of the systems really have a survivor benefit program. This bill would provide the same survivor benefit program to the survivors of a deceased acting district court judge or supreme court justice that is provided to the survivors of the PERS system. The amount in the bill would pay survival benefits to the two or three people that would come under the coverage.

Senator Hilbrecht asked if this was a non-contributory fund.

Mr. Bennett said it was.

Senator Hilbrecht said it was 100% employer paid then?

Mr. Bennett said it was on appropriation from the general fund.

Mr. Barrett said they just paid the bills as they come in. It was a flat appropriation.

Senator Young said there was a resolution to have an interim study; he asked if this was still alive.

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Mr. Bennett said it was to be an actuarial study and they estimated that it would take \$3500 to do a complete study.

Senator Gibson said there was an appropriation in the bill and he didn't think it had come to the Senate Finance Committee yet.

Senator Hilbrecht said he was afraid that the fund was going to get out of hand, looking down the road a little ways, unless it was put on some kind of basis such as they are now struggling with.

Senator Lamb said they were doing the same thing here as they were just talking about with the postretirement. The study committee could come back in two years time with a program as to how it would be funded. He said he had a lot of faith in the study committee.

Mr. Bennett said the study committee could handle the evaluation, but he did feel there should be an actuarial study made. He said they were asked to do this and they did a rough approximation which came to about \$2.5 million, but they didn't feel they had the expertise, because judges usually retire at an older age than normal members, so their tables were not actually appropriate. He said there was an unfunded liability there.

Senator Gibson asked what the situation was.

Mr. Bennett said there were two situations. One, there is a deceased judge whose widow is receiving no benefits and is in financial hardship; two, there is a provision where a retired judge's spouse will receive 50% but only when she reaches age 65; but the beneficiary has not reached that age so she is not receiving the benefits. There are two or three people involved that would benefit from this at the present time. He said there were only about six supreme court justices and 12 district court justices in the entire two retirement systems. There are two separate systems, one for the Supreme Court and one for district court judges. So there are 18 people that are being talked about. But they do have a noncontributory system that does not provide survivor benefits. This bill would provide to them the same survival benefits that are provided to members of the state system.

Senator Young asked if \$14,000 was enough to fund the program for two years.

Mr. Bennett said this bill would change the law, it is not just for these two people.

Senator Hilbrecht said he was looking for a fiscal note. This would be current based upon who they would be actually paying. He asked if they could expect it to increase on down the road.

Mr. Bennett said it would, very definitely.

Senator Young asked if they could start, stop and change without getting into a law suit?

Senator Hilbrecht said he had a feeling that they should know exactly where they were going.

Senator Lamb asked what would happen if they held it over for a study.

Mr. Bennett said the two people under discussion would not receive benefits for the next two years.

Senator Glaser asked how long they had been without support.

Mr. Bennett said that the district court judge that died, died about three years ago; the retired person he was just not sure, about three to five years ago.

Senator Gibson moved that the Committee hold the bill and ask the study committee to come up with a plan to present to the next session.

Senator Echols seconded and the motion carried unanimously.

Senator Lamb sent for Senator Gojack to speak to her bill.

A. B. 107: Raises upper age limit of eligibility in educational programs for handicapped pupils.

Senator Gibson said the money for these bills was not in the Governor's budget nor in the action the Committee took on the distributive school fund.

The units that were included in the distributive school fund budget were discussed. Senator Gibson said he had a worry on this program and he felt it should be monitored very carefully. It's a rich program and the tendency in the districts will be to justify more of the units so they will get more money. He said he had talked with the Department of Education and they advised that they were taking care of those people who were readily identified and now they are starting to get into the marginal areas and he felt the Committee needed to proceed cautiously.

Senator Gibson moved that this bill be held; Senator Glaser seconded and the motion carried unanimously.

A. B. 108: Reduces lower age limit for enrollment of physically handicapped minors in special educational programs.

Senator Gibson moved that this bill be held; Senator Echols seconded and the motion carried unanimously.

S. B. 117: Provides for participation in compact on education.

Senator Gibson moved that the Committee hold the bill; Senator Young seconded and the motion carried unanimously.

Senator Gibson referred the Committee's attention to BDR 29-1724 which authorizes the Director of the Nevada Legislative Counsel Bureau to contract for private printing, subject to certain conditions, of the volumes of Nevada Reports.

He said when they went out for bid at the last session, they got some lower bids than the estimates they got from the State Printing Office, in fact they were substantially lower. This bill allows them to contract if it is indicated that it would be less expensive.

Senator Hilbrecht moved that the Committee introduce the bill; Senator Wilson seconded and the motion carried.

PUBLIC EMPLOYEES RETIREMENT ADMINISTRATIVE FUND BUDGET: Mr. Sparks gave the Committee a copy of this budget, copy attached. He said they had reviewed it with Mr. Bennett some time ago. The instate travel is requested to increase by \$7200, making the cost of the investment committee a cost assumed by the Retirement System budget instead of by the retirement fund.

Senator Hilbrecht moved that the instate travel money be increased by \$7200; Senator Young seconded and the motion carried.

Senator Gibson moved that the budget be approved as amended; Senator Young seconded and the motion carried.

S. B. 388: Establishes multipurpose service programs for certain homemakers in later life.

Senator Lamb explained that this bill had been killed by the Committee earlier, but Senator Gojack had the information that she had been requested to get at the time of the earlier hearing and he asked her to give this information to the Committee. He explained that he needed five votes to reopen consideration of the bill so he could make no promises. He was just giving her an opportunity to finish her testimony.

Senator Gojack submitted estimates which had been requested, copy attached. She reviewed some of her earlier testimony and answered questions by the Committee. She explained it would be difficult to give an accurate figure on costs, but if this were to be a pilot program, it could be controlled by the appropriation and reviewed in two years as to performance, costs and other factors.

Senator Lamb thanked her for appearing.

Senator Hilbrecht moved the Committee reopen the bill; Senator Echols seconded and said this is a program to help people to become self-sufficient as these displaced homemakers may wind up on welfare. He said that was his concern; they were trying to bring people into the labor market where they could become self sufficient and he felt it was a very minimal program. The motion was defeated with Senators Wilson, Gibson, Lamb, Glaser and Young dissenting.

S. B. 359: Reestablishes Nevada archeological survey under University of Nevada and makes appropriation.

Senator Wilson said he did not know what they were doing with this subject. Apparently now they are creating a division in the Department of Conservation for an archeology survey. The Highway Department is staffing up their own archeological office. He said he did not know to what extent they were duplicating the expenditure of money and fuzzing jurisdiction. They are apparently doing this unilaterally; he had not seen their proposal or the item on their staff for an archeological department.

He said it was like the lab problem; everyone has to have their own lab and he did not think it was necessary to duplicate or proliferate. He asked if someone was supposed to make a report back to a committee or what.

Senator Young said that the Chairman had asked Ron and him to get together and look over the proposed amendments and report back. He presumed that the Highway Department had been hit by the contracts and decided it would be alot cheaper.

Senator Lamb said he felt they had a man working for them to fight the survey. He said he was concerned about the Advisory Board.

Mr. Barrett said the Advisory Board was just that. The final action would be taken by the man who worked for the Department Director.

Senator Lamb asked Mr. Barrett if he was satisfied that Norm Hall would have the last word in this?

Mr. Barrett said that the man who worked for Norm Hall would have the last word, but if he didn't do what Norm Hall wanted, he would be unclassified so he wouldn't be working for him very long.

Senator Hilbrecht asked why the budget was so big?

Mr. Barrett said they were putting the \$100,000 in the revolving fund and from there on they would have to be self supporting. This budget now includes the Historical Preservation budget also. This is another division that the state has to have, under federal mandate, in order to get on with the various projects.

Senator Wilson asked Mr. Barrett if he was familiar with the Highway Department program.

Mr. Barrett said he was not familiar with it, he was not aware that they had one, but he wouldn't blame them because they had had problems with the other contractors. He said it was probably easier to have their own staff employee than to contract the work.

Senator Wilson said if this program was not workable what were they doing with it.

Mr. Barrett said there was no one in the budget that would be doing archeological work. They would still have to contract for the work; if Highway wanted to go through this division and have someone arrange a contract for them, they could do that. The man that highway or anyone else would have to satisfy would be the one in the Department of Conservation and Natural Resources, the man who reports to Norm Hall. He would be visible and available and if he made a mistake, it would be the Director's responsibility to straighten him out.

Senator Hilbrecht wondered if they needed the \$100,000 in the revolving fund, he wondered if they could do with less.

Mr. Barrett said they could probably get by with \$75,000 in the revolving fund.

Senator Hilbrecht moved that they adopt the suggested amendments with a \$75,000 revolving fund for the use of archeology services.

Senator Young questioned whether the \$75,000 revolving fund would be sufficient.

Mr. Barrett said the agency might be put in a position of making advance payments or making partial payments, but this could be done.

Senator Lamb said he was waiting for a second. Senator Young seconded and the motion carried.

Senator Young moved that on page 9 line 4, after the word "agency" and before the word "for" the following words be added "or political subdivisions". Senator Gibson seconded and the motion carried.

Senator Hilbrecht moved that the bill do pass as amended; Senator Gibson seconded and the motion carried.

BOND INTEREST & REDEMPTION BUDGET: Mr. Sparks said that based on what the Committee had done on S.B. 298, and that is to provide for bonding for rehabilitation for the Capitol, they have to add \$172,500 in the first year and \$636,375 the second year. This is figured at 5 3/4% interest.

Mr. Barrett said they might get it for less than that.

Senator Gibson moved the budget be amended; Senator Glaser seconded and the motion carried.

It was estimated that it would cost approximately \$15,000 to sell the bonds and this would be put in the general appropriations act.

Senator Gibson moved that the budget be approved as amended; Senator Glaser seconded and the motion passed.

C.I.P. PROJECT 77-30: This project had been delayed pending information from the Public Works Board on costs of buildings at Tule Springs.

Senator Glaser moved that the Committee go with the Governor on this project; Senator Echols seconded and the motion carried.

Mr. Sparks said when the Committee reviewed A. B. 305, which was a supplemental request in support of the Judicial Selection and Discipline commissions for this year, there was a request for their operating budget for each of the next two years. This was contained in a handout, copy attached.

The Senate Finance Committee has not acted on this request as yet. They are not in the Executive Budget; the Supreme Court came over and requested them after the budget was prepared. The Senate Finance Committee has passed the supplemental appropriation of \$19,756 but have not approved the next biennium's operating costs for the commissions.

The budget summary was discussed.

Senator Gibson wondered if it would not be possible to provide in the law that when it became necessary for the Commissions to meet, they could go to one of the contingency funds and get the necessary money. He said he did not like to build a permanent, on-going, day-to-day thing because he did not think it was justified.

Senator Young said he agreed.

The method of handling these funds through a contingency fund was discussed.

Mr. Barrett said if they intended to use these funds, he would hope that the Committee would be very specific as to the circumstances under which they could be used so there would be no problems with the Supreme Court as to when they could use the funds.

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Senator Glaser suggested they get the necessary changes in the enabling act to get into this contingency fund for this.

Mr. Sparks said that there are actually four bills now; two in the Assembly and two in the Senate. All four are identical. They are in both judiciary committees and he understood that both are being considered by those two committees. They are A.B. 540 and 541; and S.B. 385 and 387. These are the bills for the enabling legislation for the commissions.

Senator Gibson recommended that they get the bills and have them come to Finance and then, if necessary, they could appropriate more money to the contingency fund to cover what they think this might be.

Senator Hilbrecht felt that the contingency fund was there for a purpose, and they could sock it to the contingency fund if they decided they were going to demonstrate a need for it.

Senator Young said it posed a problem if they were going to have to get the whole Interim Finance Committee together to give them money they need. He said he had no objection to giving them travel or stipend on a certain basis.

Senator Lamb said if you are going to give them something, give it all to them.

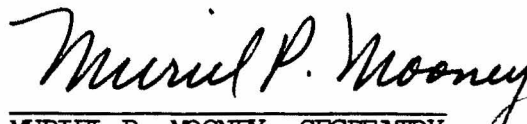
Senator Wilson said he would like to get someone over to talk to them about this and justify the budget.

Senator Young said he thought that was a good idea.

Senator Lamb said they would wait until they got the bills before they called someone over.

The meeting recessed at 10:00 A.M.

RESPECTFULLY SUBMITTED:

  
MURIEL P. MOONEY, SECRETARY

APPROVED:

  
FLOYD R. LAMB, CHAIRMAN



SENATE FINANCE COMMITTEE AMENDMENTS TO SENATE BILL 418  
BY SENATOR FOOTE

- 1) Page 1, delete lines 1 through 22.
- 2) Page 2, delete lines 1 through 49
- 3) Page 3, delete lines 1 through 10.

NOTE: Should the summary and title be deleted to remove references to tying post retirement increases to salaries granted to classified state employees?

- 4) Section 1. In addition to the other post retirement allowances and increases provided by law, the public employees retirement system shall provide a monthly post retirement increase during the period July 1, 1977 through June 30, 1979 as follows:

| <u>Base Benefit</u> | <u>Monthly Increase</u> |
|---------------------|-------------------------|
| \$ 0 - \$ 100       | \$20.                   |
| 101 - 200           | 15                      |
| 201 - 300           | 5                       |
| 300 - 1600          | 3                       |

The above benefits shall be paid only to a person who began receiving benefits prior to January 1, 1977, or to his designated beneficiary upon his demise.

- 5) Section 2. Only one \$20 per month increase shall be provided and pro-rated to two or more survivor benefit recipients who are receiving benefits on behalf of one deceased member.
- 6) Section 3. There is hereby appropriated from the general fund an amount equivalent to \$798,528 for the purpose of paying benefits provided by this act.
- 7) Section 4. The retirement system shall establish and maintain separate accounting records and statistics regarding the expenditure of funds appropriated by this act which shall be reported to the 60th session of the Legislature.
- 8) Section 5. It is the intent of the Legislature that the appropriations and benefits provided by this act shall be a temporary measure so that the Legislative Interim Retirement Committee shall have sufficient time to study all issues concerning post retirement increases for benefit recipients and submit recommendations to the 60th session of the Legislature regarding the post retirement benefit program and a fixed premium base for payment.

VERNON BENNETT  
EXECUTIVE OFFICER

STATE OF NEVADA

WILL KEATING  
ASSISTANT EXECUTIVE OFFICER



RETIREMENT BOARD  
 ELBERT B. EDWARDS  
 CHAIRMAN  
 L. ROSS CULBERTSON  
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MEMBERS  
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 DONALD L. REAM  
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 ROBERT C. WEEMS



PUBLIC EMPLOYEES RETIREMENT SYSTEM

P.O. Box 1569  
CARSON CITY, NEVADA 89701  
TELEPHONE (702) 885-4200

April 11, 1977

MEMORANDUM

To: Vernon Bennett

From: Will Keating *Will*

Subj: Comparison of Postretirement Increase Proposals

I have performed a study to determine which categories of retirees would benefit most by the postretirement increase incorporated in SB 173 in conjunction with the postretirement increase incorporated in SB 14 as compared with the proposal advocated by the Retired Public Employees of Nevada organization.

Below I have indicated the impact on each benefit strata of retirees. Those retirees receiving \$200 or less and the survivor benefit recipients would benefit from the retirement package proposed by SB 173 and SB 418 and those retirees in the higher brackets would benefit most from the postretirement increase proposal advanced by the Retired Public Employees of Nevada Organization. Following are the costs:

| <u>Amount</u> | <u># People</u> | <u>Current Benefit</u> | <u>Increase in SB 173 in Conjunction With SB 418</u> | <u>Increase Proposed By RPEN</u> |
|---------------|-----------------|------------------------|--|----------------------------------|
| 0 - \$100     | 200             | 117.79                 | 142.53   | 129.86                           |
| 101 - 200     | 983             | 187.95                 | 212.09   | 207.21                           |
| 201 - 300     | 922             | 276.66                 | 296.45   | 305.01                           |
| 301 - 400     | 593             | 383.61                 | 407.54   | 422.92                           |
| 400 - Up      | <u>1,171</u>    | <u>628.07</u>          | <u>666.30</u>  | <u>692.43</u>                    |
| Subtotal      | <u>3,869</u>    |                        |  |                                  |
| Survivors     | <u>313</u>      | 135.54                 | 163.37   | 149.43                           |
| Total         | <u>4,182</u>    |                        |  |                                  |

WKK:vm

Estimate of Women Widowed, Divorced, or Separated  
After Having Been Out of the Labor Force  
In Nevada

| Women by<br>Marital Status<br><u>35-64 Years Old</u> | <u>1970</u> | <u>1977</u> <sup>1</sup> | <u>Have been<br/>out of Labor<br/>Force</u> <sup>2</sup> |
|--|-------------|--------------------------|--|
| Separated  | 3581        | 4476                     | 2372   |
| Widowed  | 8055        | 10068                    | 5336   |
| Divorced   | 8418        | 10523                    | 5577   |
| Total  | 20054       | 25067                    | 13285  |

Source 1970 U.S. Census; Detailed characteristics - Nevada (Table 165)

1. Projection based on Nevada population growth rates from the Bureau of Business Economics.
2. Estimate based on the ratio of married women in the labor force in Nevada to those who are not a part of the labor force in Nevada.

PUBLIC EMPLOYEES RETIREMENT ADMIN FUND

|                              | 1975-76<br>ACTUAL | 1976-77<br>WORK<br>PROGRAM | 77-78<br>AGENCY<br>REQUEST | GOVERNOR<br>RECOMMENDS | LEG<br>AP. | 78-79<br>AGENCY<br>REQUEST | GOVERNOR<br>RECOMMENDS | LEG<br>AP. |
|------------------------------|-------------------|----------------------------|----------------------------|------------------------|------------|----------------------------|------------------------|------------|
| Bal Fwd From Old Year        | \$ 67,502         | \$105,597                  | \$ 48,970                  |                        |            | \$ 55,494                  |                        |            |
| Admin Fees                   | 642,419           | 684,749                    | 842,400                    |                        |            | 883,440                    |                        |            |
| Interest Earned              | 2,390             | 2,390                      | 2,390                      |                        |            | 2,390                      |                        |            |
| Actuarial Fees               | 1,120             | 600                        | 600                        |                        |            | 600                        |                        |            |
| Performance Contract         | -0-               | 37,425                     | 38,925                     |                        |            | 38,925                     |                        |            |
| Discounts                    | 43                | - 0 -                      |                            |                        |            |                            |                        |            |
| <b>TOTAL FUNDS AVAILABLE</b> | <b>\$713,474</b>  | <b>\$830,761</b>           | <b>\$933,285</b>           |                        |            | <b>\$980,849</b>           |                        |            |

RECEIVED  
LEGISLATIVE COUNCIL

DEC 14 1976

OFFICE OF FISCAL ANALYSIS

EXISTING POSITIONS

EXECUTIVE

|                             |   |        |        |
|-----------------------------|---|--------|--------|
| Executive Officer           | 1 | 31,200 | 31,200 |
| Assistant Executive Officer | 1 | 22,880 | 22,880 |
| Auditor                     | 1 | 15,727 | 15,744 |
| Investment Analyst          | 1 | 10,411 | 10,882 |
| Administrative Sec. I       | 1 | 10,859 | 11,359 |
| Senior Clk Steno            | 4 | 35,514 | 36,775 |

ACCOUNTING

|                      |   |        |        |
|----------------------|---|--------|--------|
| Principal Accountant | 1 | 19,860 | 19,860 |
| Accountant           | 4 | 55,556 | 57,777 |
| Retirement Exam. II  | 1 | 12,540 | 12,540 |

BENEFITS

|                      |   |        |        |
|----------------------|---|--------|--------|
| Retirement Exam. IV  | 1 | 13,222 | 13,837 |
| Retirement Exam. III | 2 | 20,945 | 21,922 |
| Retirement Exam. II  | 1 | 9,528  | 9,958  |
| Retirement Exam. I   | 1 | 9,349  | 9,777  |

DATA PROCESSING

|                    |   |        |        |
|--------------------|---|--------|--------|
| Retirement Exam II | 1 | 9,561  | 9,994  |
| Key Punch Oper.    | 3 | 25,547 | 26,492 |
| Account Clerk      | 1 | 8,404  | 8,770  |

MEMBERSHIP

|                    |   |        |        |
|--------------------|---|--------|--------|
| Retirement Exam V  | 1 | 14,996 | 15,714 |
| Retirement Exam II | 2 | 22,259 | 22,703 |
| Account Clerk      | 2 | 17,169 | 17,943 |
| Sr. Clerk Typist   | 1 | 7,390  | 7,710  |
| Clerk Typist       | 1 | 6,356  | 6,641  |
| Clerk              | 2 | 14,159 | 14,766 |

|                         |  |           |           |
|-------------------------|--|-----------|-----------|
| Subtotal                |  | \$393,432 | \$405,244 |
| Longevity/Overtime      |  | 5,920     | 6,697     |
| Cost of Living Increase |  | 44,273    | 95,485    |
| Related Payroll Costs   |  | 65,656    | 75,109    |
| Bank Service Fee        |  | 650       | 650       |

PUBLIC EMPLOYEES RETIREMENT SYSTEM - Continued

This budget is not subject to the usual executive review and is presented as requested.

Membership in the Public Employees Retirement System

Program Statement

The Public Employees Retirement Board is responsible for the administration of the Public Employees Retirement System. This system includes the employees of Nevada counties, cities, school districts, and State government. The System provides retirement, disability and death benefits for eligible employees of the public employers listed above.

The governing authority of the system is a seven-member board appointed by the Governor. The day-to-day operation of the System is managed by the Executive Officer. The Administrative Fees portion of the Funds Available, as shown in this budget, represent a total monthly charge of \$1.80 for each active member, paid equally by the employee and the employer.

Pending Legislation states that the Administrative Fee shall not exceed \$2.00 for regular members and \$2.20 for Police and Firemen members.

| <u>Year</u>      | <u>Membership</u> | <u>Year End Balance Retirement Fund</u> |
|------------------|-------------------|---|
| 1965-66          | 20,573            | \$ 76,501,991                           |
| 1966-67          | 21,770            | 94,505,571                              |
| 1967-68          | 23,264            | 116,543,936                             |
| 1968-69          | 24,450            | 127,423,553                             |
| 1969-70          | 25,939            | 147,675,421                             |
| 1970-71          | 27,258            | 172,212,471                             |
| 1971-72          | 30,713            | 201,580,414                             |
| 1972-73          | 32,472            | 234,219,498                             |
| 1973-74          | 33,778            | 244,826,946                             |
| 1974-75          | 43,010            | 295,439,214                             |
| 1975-76          | 52,809            | 368,604,382                             |
| 1976-77 Estimate | 55,449            | 396,986,919                             |
| 1977-78 Estimate | 58,221            | 427,554,912                             |
| 1978-79 Estimate | 61,132            | 460,476,640                             |

Workload Measurements or Comparative Data

The following chart shows the membership and year-end Retirement Fund balance in the Public Employees Retirement System.

A breakdown of active and inactive membership on June 30, 1976, follows:

|                                    | <u>Active Members</u> | <u>Inactive Members</u> | <u>Total</u>  |
|------------------------------------|-----------------------|-------------------------|---------------|
| State Agencies                     | 5,756                 | 2,898                   | 8,654         |
| Highway Department                 | 1,422                 | 259                     | 1,681         |
| University of Nevada               | 2,789                 | 835                     | 3,624         |
| School Districts                   | 11,748                | 3,085                   | 14,833        |
| Counties (Includes Elko Hospitals) | 6,226                 | 2,371                   | 8,597         |
| County Hospitals                   | 3,159                 | 2,865                   | 6,024         |
| Cities                             | 4,143                 | 1,286                   | 5,429         |
| Utilities                          | 128                   | 68                      | 196           |
| Irrigation Districts               | 104                   | 38                      | 142           |
| Miscellaneous                      | 245                   | 3,384                   | 3,629         |
|                                    | <u>35,720</u>         | <u>17,089</u>           | <u>52,809</u> |

In addition to current active membership of over 35,000, approximately 3,900 retired or disabled employees are now receiving benefits from the System.

PUBLIC EMPLOYEES RETIREMENT ADMIN FUND

|                                  | 1975-76          | WORK<br>PROGRAM  | 77-78             |                        | 78-79      |                   |                        |            |
|----------------------------------|------------------|------------------|-------------------|------------------------|------------|-------------------|------------------------|------------|
|                                  | ACTUAL           |                  | AGENCY<br>REQUEST | GOVERNOR<br>RECOMMENDS | LEG<br>AP. | AGENCY<br>REQUEST | GOVERNOR<br>RECOMMENDS | LEG<br>AP. |
| BOARD MEMBER FEES                | \$11,400         | \$ 9,120         | \$10,560          |                        |            | \$10,560          |                        |            |
| OUT-OF-STATE TRAVEL-STAFF        | 1,350            | 1,485            | 1,485             |                        |            | 1,634             |                        |            |
| OUT-OF-STATE TRAVEL-BOARD        | 1,650            | 1,815            | 1,815             |                        |            | 1,996             |                        |            |
| TOTAL OUT-OF-STATE TRAVEL        | 3,000            | 3,300            | 3,300             |                        |            | 3,630             |                        |            |
| IN-STATE TRAVEL-STAFF            | 3,865            | 6,751            | 7,426             |                        |            | 8,169             |                        |            |
| IN-STATE TRAVEL-BOARD            | 12,207           | 13,428           | 15,565            |                        |            | 17,121            |                        |            |
| TOTAL IN-STATE TRAVEL            | \$16,072         | 20,179           | \$22,991          |                        |            | \$25,290          |                        |            |
| Office Supplies                  | \$ 5,786         | 6,950            | \$ 7,645          |                        |            | \$ 8,410          |                        |            |
| Postage and Freight              | 13,596           | 17,920           | 19,712            |                        |            | 21,683            |                        |            |
| Communications                   | 7,974            | 9,475            | 10,423            |                        |            | 11,465            |                        |            |
| Printing                         | 12,851           | 14,200           | 15,620            |                        |            | 17,182            |                        |            |
| Bonds & Insurance                | 190              | 209              | 230               |                        |            | 253               |                        |            |
| Contract Services                | 29,664           | 29,408           | 34,152            |                        |            | 35,217            |                        |            |
| Vehicle Lease Costs              | 2,810            | 2,916            | 3,207             |                        |            | 3,527             |                        |            |
| Equipment Rental                 | 7,602            | 8,360            | 9,196             |                        |            | 10,116            |                        |            |
| Equipment Repair                 | 424              | 467              | 514               |                        |            | 565               |                        |            |
| Building Rent                    | 46,685           | 47,838           | 52,622            |                        |            | 52,622            |                        |            |
| Maint. of Bldgs. & Grds.         | 57               | 300              | 300               |                        |            | 300               |                        |            |
| TOP Computer Services            | 125,831          | 120,000          | 132,000           |                        |            | 145,200           |                        |            |
| Dues & Registration              | 420              | 462              | 508               |                        |            | 558               |                        |            |
| Medical Expenses                 | 3,899            | 3,938            | 4,380             |                        |            | 4,680             |                        |            |
| Licenses & Fees                  | 3                | -0-              | -0-               |                        |            | -0-               |                        |            |
| Special Reports                  | -0-              | 1,200            | -0-               |                        |            | 1,200             |                        |            |
| Contingency Fund                 | -0-              | 500              | 500               |                        |            | 500               |                        |            |
| Off FURNITURE & EQUIP            | 2,903            | 10,000           | 10,000            |                        |            | 10,000            |                        |            |
| ICRC-FICHE PROJECT               | -0-              | -0-              | 30,000            |                        |            | 10,000            |                        |            |
| BALANCE FORWARD                  |                  | 48,970           | \$55,494          |                        |            | \$24,706          |                        |            |
| <b>TOTAL AGENCY EXPENDITURES</b> | <b>\$647,482</b> | <b>\$830,761</b> | <b>\$933,285</b>  |                        |            | <b>\$380,849</b>  |                        |            |
| AGENCY BALANCE                   | 65,992           |                  |                   |                        |            |                   |                        |            |
| PREVIOUS YEARS' ADJUSTMENT       | 39,605           |                  |                   |                        |            |                   |                        |            |
| <b>TOTAL BALANCE</b>             | <b>\$105,597</b> |                  |                   |                        |            |                   |                        |            |

NOTE: INCOME IS BASED ON AN INCREASE IN ADMIN FEES.

Sub-Account Explanations

Salary - In addition to present figures, the salary expense has been augmented for the following: Longevity Pay allowances for current employees who will be eligible for longevity pay; and salary adjustments of 20% for unclassified and 10% for classified employees in FY 1977-78 and 10% for unclassified and classified in 1978-1979.

Out-of-State Travel - Board - 10% increase to allow for increasing costs.

Out-of-State Travel - Staff - 10% increase to allow for increasing costs.

In-State Travel - Staff - Increased by 10% plus \$2,500 per year for Field Auditor. Staff performs audits and provides training and counselling programs to agencies.

In-State Travel - Board - Increased 10% to allow for increase in costs. The Retirement Board meets monthly.

Operating - All costs increased by 10% to allow for the increasing costs and volume, except as otherwise noted.

Postage and Freight - Allows for increase in volume and costs.

Contract Services - Allows for actuarial contract, annual audit and equipment maintenance contracts.

Building Rent - Allows for increase in rent when present lease expires.

Office Furniture and Equipment - Will be purchased as needed.

Medical Expense - Allows 20% increase for medical consultant.

Special Reports - Springmeyer Legislative Report.

Micro-Fiche Project - Proposed to convert to Micro-Fiche System for PERS. Estimate for conversion is \$30,000. Ongoing costs are estimated at \$10,000 per year.

Contingency Fund - Special fund to handle unusual expenses.

SENATE BILL NO. 117—COMMITTEE ON EDUCATION,  
HEALTH AND WELFARE AND STATE INSTITUTIONS

JANUARY 21, 1977

Referred to Committee on Education, Health and Welfare  
and State Institutions

SUMMARY—Provides for participation in compact on education. (BDR 34-123)

FISCAL NOTE: Local Government Impact: No.  
State or Industrial Insurance Impact: Yes.

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

AN ACT relating to education; providing for participation by the State of Nevada in the Compact for Education; creating a Nevada education council; and providing other matters properly relating thereto.

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

1 SECTION 1. Title 34 of NRS is hereby amended by adding thereto a  
2 new chapter to consist of the provisions set forth as sections 2 to 4, inclu-  
3 sive, of this act.

4 SEC. 2. The State of Nevada hereby enters into the Compact for Edu-  
5 cation. The form and contents of the compact are substantially as pro-  
6 vided in this section:

7  
8 COMPACT FOR EDUCATION  
9

10 Article I

11 Purpose and Policy.

12 A. It is the purpose of this compact to:

13 1. Establish and maintain close cooperation and understanding  
14 among executive, legislative, professional educational and lay leader-  
15 ship on a nationwide basis at the state and local levels.

16 2. Provide a forum for the discussion, development, crystalliza-  
17 tion and recommendation of public policy alternatives in the field of  
18 education.

19 3. Provide a clearing house of information on matters relating to  
20 educational problems and how they are being met in different places  
21 throughout the Nation, so that the executive and legislative branches  
22 of state government and of local communities may have ready access  
23 to the experience and record of the entire country, and so that both

Original bill is 7 pages long.  
Contact the Research Library for  
a copy of the complete bill.



SENATE BILL NO. 446—SENATOR SHEERIN

APRIL 6, 1977

Referred to Committee on Finance

**SUMMARY**—Provides benefits to surviving spouses of certain judicial officers. (BDR 1-1806)

**FISCAL NOTE:** Local Government Impact: No.  
State or Industrial Insurance Impact: Contains Appropriation.

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

AN ACT relating to judicial officers; providing for certain benefits to the surviving spouses of justices of the supreme court and district judges; making an appropriation; and providing other matters properly relating thereto.

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

- 1 SECTION 1. NRS 2.070 is hereby amended to read as follows:  
2 2.070 1. If a justice of the supreme court at the time of his [or her]  
3 death had retired and was then receiving a pension under the provisions  
4 of NRS 2.060, or if at the time of his [or her] death the justice had not  
5 retired but had performed sufficient service for retirement under the pro-  
6 visions of NRS 2.060, the surviving spouse, providing such spouse has  
7 attained the age of 65 years, is entitled, until his [or her] death or remar-  
8 riage, to receive the sum of \$400 per month.  
9 2. To be entitled to receive the benefits herein provided for, the sur-  
10 viving spouse must make application to the board, commission or author-  
11 ity entrusted with the administration of the judges' pensions and furnish  
12 such information as may be required pursuant to [reasonable rules and]  
13 regulations [to be] adopted for the purpose of carrying out the intent of  
14 this section.  
15 3. It is the intent of this section that no special fund be created for  
16 the purpose of paying the benefits herein required to be made, and any  
17 and all payments made under the provisions of this section are specifically  
18 directed to be made out of and charged to any fund now or hereafter  
19 created for the purpose of paying pension benefits to justices of the  
20 supreme court.  
21 4. *The surviving spouse of a justice of the supreme court not other-*  
22 *wise entitled to benefits under subsection 1 is entitled to monthly survivor*  
23 *benefits equivalent to those benefits provided to a surviving spouse of a*  
24 *member of the public employees' retirement system, subject to a direct*  
25 *legislative appropriation for such purpose.*

Original bill is 2 pages long.  
Contact the Research Library for  
a copy of the complete bill.

ASSEMBLY BILL NO. 108—COMMITTEE ON EDUCATION

JANUARY 20, 1977

Referred to Committee on Education

SUMMARY—Reduces lower age limit for enrollment of physically handicapped minors in special educational programs. (BDR 34-118)

FISCAL NOTE: Local Government Impact: No.  
State or Industrial Insurance Impact: Contains Appropriation.

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

AN ACT relating to public instruction; reducing the lower age limit for enrollment of physically handicapped minors in special programs; making an appropriation; and providing other matters properly relating thereto.

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

- 1 SECTION 1. NRS 388.490 is hereby amended to read as follows:  
2 388.490 1. Except as provided in subsections 2, 3, 4 [and 5], 5  
3 and 6, handicapped minors may be admitted at the age of 5 years to  
4 special programs established for such minors, and their enrollment or  
5 attendance may be counted for apportionment purposes.  
6 2. Aurally handicapped minors may be admitted at any age under  
7 5 to special programs established for such minors, and their enrollment  
8 or attendance may be counted for apportionment purposes.  
9 3. Visually handicapped minors may be admitted at any age under  
10 5 to special programs established for such minors, and their enrollment  
11 or attendance may be counted for apportionment purposes.  
12 4. *Physically handicapped minors may be admitted at the age of 3*  
13 *years to special programs established for such minors, and their enroll-*  
14 *ment or attendance may be counted for apportionment purposes.*  
15 5. Academically talented minors may be admitted at the age of 4  
16 years to special programs established for such minors, and their enroll-  
17 ment or attendance may be counted for apportionment purposes.  
18 [5.] 6. Mentally retarded minors may be admitted at the age of  
19 3 years to special programs established for such minors, and their enroll-  
20 ment or attendance may be counted for apportionment purposes.  
21 SEC. 2. 1. There is hereby appropriated from the state general fund  
22 to the state department of education to provide for additional attendance  
23 in special programs for physically handicapped minors, the sum of  
24 \$88,000 for the fiscal year beginning July 1, 1977, and ending June 30,

Original bill is 2 pages long.  
Contact the Research Library for  
a copy of the complete bill.

(REPRINTED WITH ADOPTED AMENDMENTS)

SECOND REPRINT

S. B. 418

SENATE BILL NO. 418—SENATOR FOOTE

MARCH 30, 1977

Referred to Committee on Finance

SUMMARY—Ties post-retirement increases of allowances for retired public employees to salary increases granted to employees in classified service of the state. (BDR 23-1384)

FISCAL NOTE: Local Government Impact: No.  
State or Industrial Insurance Impact: Yes.

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

AN ACT relating to public employees' retirement; providing a temporary post-retirement increase; and providing other matters properly relating thereto.

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

1 SECTION 1. 1. In addition to the other post-retirement allowances  
2 and increases provided by law, the public employees' retirement system  
3 shall provide a monthly post-retirement increase during the period begin-  
4 ning on July 1, 1977, and ending on June 30, 1979, as follows:

| 5 | Base Benefit | Monthly Increase |
|---|--------------|------------------|
| 6 | \$0—\$100    | \$20             |
| 7 | 101— 200     | 15               |
| 8 | 201— 300     | 5                |
| 9 | 300—1600     | 3                |

10 This benefit shall be paid only to a person who began receiving benefits  
11 before January 1, 1977, or to his designated beneficiary upon his death.

12 2. A single post-retirement increase pursuant to this section shall be  
13 provided and prorated between or among two or more recipients of sur-  
14 vivor benefits on behalf of one deceased member.

15 SEC. 2. 1. The public employees' retirement system shall establish  
16 and maintain separate accounting records and statistics regarding the  
17 expenditure of funds appropriated by this act, which shall be reported to  
18 the 60th session of the legislature.

19 2. The interim retirement committee of the legislature, if created pur-  
20 suant to Senate Bill No. 173 of the 59th session, shall study all issues con-  
21 cerning post-retirement increases and submit recommendations to the 60th  
22 session of the legislature regarding the post-retirement benefit program  
23 and appropriate means for its payment.

(REPRINTED WITH ADOPTED AMENDMENTS)

FIRST REPRINT

S. B. 359

SENATE BILL NO. 359—SENATOR BRYAN

MARCH 18, 1977

Referred to Committee on Finance

SUMMARY—Reestablishes Nevada archeological survey under University of Nevada and makes appropriation. (BDR 34-1132)

FISCAL NOTE: Local Government Impact: No.  
State or Industrial Insurance Impact: Contains Appropriation.

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

AN ACT relating to the state department of conservation and natural resources; creating a division of historic preservation and archeology; substituting the division for the Nevada archeological survey; transferring historic preservation functions from the division of state parks; making an appropriation; and providing other matters properly relating thereto.

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

- 1 SECTION 1. Chapter 232 of NRS is hereby amended by adding  
2 thereto a new section which shall read as follows:  
3 1. *The division of historic preservation and archeology consists of*  
4 *the administrator, the advisory board for historic preservation and arche-*  
5 *ology and any other necessary personnel.*  
6 2. *The administrator of the division shall be appointed by and be*  
7 *responsible to the director and shall be in the unclassified service of the*  
8 *state.*  
9 SEC. 2. NRS 232.090 is hereby amended to read as follows:  
10 232.090 The department [shall consist] consists of:  
11 1. The division of water resources.  
12 2. The division of state lands.  
13 3. The division of forestry.  
14 4. The division of oil and gas conservation.  
15 5. The division of state parks.  
16 6. The division of conservation districts.  
17 7. The state environmental commission division.  
18 8. The division of Colorado River resources.  
19 9. *The division of historic preservation and archeology.*  
20 10. Such other divisions as the director may in his discretion from  
21 time to time establish, to cooperate with the various committees, districts,

1 associations and political subdivisions concerned with conservation and  
2 natural resources.

3 SEC. 3. Title 33 of NRS is hereby amended by adding thereto a new  
4 chapter to consist of the provisions set forth as sections 4 to 15, inclusive,  
5 of this act.

6 SEC. 4. As used in this chapter, unless the context otherwise requires:

- 7 1. "Administrator" means the administrator of the division.
- 8 2. "Advisory board" means the advisory board for historic preserva-  
9 tion and archeology advisory board.
- 10 3. "Director" means the director of the state department of conserva-  
11 tion and natural resources.
- 12 4. "Division" means the division of historic preservation and arche-  
13 ology of the state department of conservation and natural resources.

14 SEC. 5. 1. The division of historic preservation and archeology is  
15 hereby created.

16 2. The division is responsible for encouraging, planning and coordi-  
17 nating historic preservation and archeological activities within the state,  
18 including programs to survey, record, study and preserve or salvage  
19 objects, localities and information of historic, prehistoric and paleoenvi-  
20 ronmental significance.

21 SEC. 6. The administrator of the division:

- 22 1. Shall be selected with special reference to his training, experience,  
23 capacity and interest in historic preservation or archeology, or both.
- 24 2. Is entitled to the subsistence allowance and travel expenses pro-  
25 vided by law.
- 26 3. Shall devote his entire time and attention to the business of his  
27 office and shall not pursue any other business or occupation or hold any  
28 other office of profit.

29 SEC. 7. The administrator, subject to administrative supervision by the  
30 director, is responsible for carrying out all provisions of law relating to  
31 the functions of the division. He may employ, within the limits of avail-  
32 able money, any clerical and operational personnel necessary for the  
33 administration of the division.

34 SEC. 8. 1. The advisory board for historic preservation and archeol-  
35 ogy is hereby created.

36 2. The advisory board consists of the following members:

- 37 (a) One member chosen by the board of trustees of the Nevada state  
38 museum;
- 39 (b) One member chosen by the board of trustees of the Nevada histori-  
40 cal society;
- 41 (c) One member chosen by the Lost City museum advisory commis-  
42 sion;
- 43 (d) One member chosen by the board of regents of the University of  
44 Nevada;
- 45 (e) One member chosen by the executive head of the desert research  
46 institute; and
- 47 (f) One member chosen by the historic preservation review committee,  
48 when such a committee exists pursuant to federal requirements under 16  
49 U.S.C. § 470 et seq.

- 1     3. The administrator shall serve as chairman of the advisory board,  
2 but he has no vote except in the event of a tie.
- 3     SEC. 9. 1. The advisory board may adopt such regulations as are  
4 necessary for its own governance.
- 5     2. While engaged in official business of the board, each member is  
6 entitled to the subsistence allowance and travel expenses provided by law.
- 7     SEC. 10. The advisory board shall serve in an advisory capacity to  
8 the administrator and shall:
- 9     1. Recommend policies for the operation and administration of the  
10 division;
- 11    2. Review and make recommendations on matters relating to the  
12 state historic preservation plan; and
- 13    3. Review and make recommendations on archeological publication  
14 and research proposals.
- 15    SEC. 11. The administrator, subject to the approval of the director,  
16 may:
- 17    1. Apply for and accept grants, gifts and donations from public and  
18 private sources, including the Federal Government.
- 19    2. Receive funds from public and private sources in payment for  
20 services rendered.
- 21    SEC. 12. 1. The administrator, subject to the approval of the direc-  
22 tor, may negotiate contracts for:
- 23    (a) Historic preservation activities.
- 24    (b) Archeological activities.
- 25    2. Any contract for services may include a charge sufficient to cover  
26 overhead expenses.
- 27    SEC. 13. 1. The administrator shall:
- 28    (a) Establish the qualifications and standards for an historical markers  
29 program, designate and make an inventory of qualified sites on both  
30 public and privately owned lands, and place and maintain historical  
31 markers on all public lands and all private lands when the owner con-  
32 sents.
- 33    (b) Establish a state historical marker registry system.
- 34    (c) Consult with the Nevada historical society to determine the con-  
35 tent of the legend on all markers. The Nevada historical society has the  
36 final authority to determine the content of any legend.
- 37    (d) Solicit the cooperation of owners of private property for the instal-  
38 lation of historical markers on eligible properties and structures in order  
39 that they may be included in the state historical marker registry.
- 40    (e) Install, maintain and protect all registered historic markers.
- 41    2. The administrator may contract with, or cooperate with, public  
42 or private agencies for suitable markers and directional signs, including  
43 signs on highways and roads, at the site of, or on the approaches to,  
44 registered historical markers. The contracts may include provisions for  
45 the installation, maintenance and protection of the markers.
- 46    SEC. 14. 1. The administrator shall prepare and maintain a compre-  
47 hensive statewide historic preservation plan. The plan shall contain:
- 48    (a) An evaluation of the needs for preservation of historic sites;
- 49    (b) A program for carrying out the plan; and

1 (c) Other information which the administrator determines to be nec-  
2 essary.

3 2. The plan shall:

4 (a) Take into account relevant federal resources and programs; and

5 (b) Be correlated insofar as practicable with other state, regional and  
6 local plans.

7 3. The administrator, subject to approval by the director, may rep-  
8 resent and act for the state in dealing with the Federal Government or  
9 any of its agencies, instrumentalities or officers for the purposes of receiv-  
10 ing financial assistance for planning, acquisition or development of  
11 historic preservation projects pursuant to the provisions of federal law.  
12 When an historic preservation project is combined with an outdoor recre-  
13 ation project, the director is responsible for representing and acting for  
14 the state in dealing with the Federal Government.

15 4. The administrator, subject to approval by the director, may admin-  
16 ister and disburse to other state agencies and political subdivisions money  
17 paid by the Federal Government to the State of Nevada as financial assist-  
18 ance for planning, acquisition or development of historic preservation  
19 projects, and the administrator shall, on behalf of the state, keep such rec-  
20 ords as the Federal Government prescribes and as will facilitate an effec-  
21 tive audit, including records which fully disclose:

22 (a) The amount and the disposition by the state of the proceeds of such  
23 assistance;

24 (b) The total cost of the project or undertaking in connection with such  
25 assistance as given or used; and

26 (c) The amount and nature of that portion of the cost of the project or  
27 undertaking supplied by other sources.

28 5. Authorized representatives of the Federal Government shall have  
29 access for the purpose of audit and examination to any books, documents,  
30 papers and records of the state that are pertinent to financial assistance  
31 received by the state pursuant to federal law for planning, acquisition or  
32 development of historic preservation projects.

33 SEC. 15. 1. All departments, commissions, boards and other agencies  
34 of the state and its political subdivisions shall cooperate with the division  
35 in order to salvage or preserve historic, prehistoric or paleoenvironmental  
36 evidence located on property owned or controlled by the United States,  
37 the State of Nevada or its political subdivisions.

38 2. When any agency of the state or its political subdivisions is prepar-  
39 ing or has contracted to excavate or perform work of any kind on property  
40 owned or controlled by the United States, the State of Nevada or its politi-  
41 cal subdivisions which may endanger historic, prehistoric or paleoenvi-  
42 ronmental evidence found on the property, or when any artifact, site or other  
43 historic or prehistoric evidence is discovered in the course of such excava-  
44 tion or work, the agency or the contractor hired by the agency shall notify  
45 the division and cooperate with the division to the fullest extent practica-  
46 ble, within the appropriations available to the agency or political subdivi-  
47 sion for that purpose, to preserve or permit study of such evidence before  
48 its destruction, displacement or removal.

49 3. The provisions of this section shall be made known to all private

1 contractors performing such excavation or work for any agency of the  
2 state or its political subdivisions.

3 SEC. 16. NRS 381.120 is hereby amended to read as follows:

4 381.120 1. [Except as provided in NRS 381.380, the] *The* board  
5 of trustees may employ and fix the duties, powers and conditions of  
6 employment of the director and all curators, assistants, janitors, laborers,  
7 guards and employees of the Nevada state museum.

8 2. Except for the director and two assistants specified by the board  
9 of trustees, all employees of the Nevada state museum whose salaries are  
10 paid from the general fund appropriation shall be in the classified service  
11 of the state. The director shall receive an annual salary in an amount  
12 determined pursuant to the provisions of NRS 284.182. The board of  
13 trustees may, within the limits of legislative appropriation, fix the annual  
14 salaries of the two assistants.

15 3. When any employee is required to perform any travel in conjunc-  
16 tion with his duties and at the specific instruction of his supervisor, he  
17 shall be reimbursed for such expense in accordance with the provisions of  
18 NRS 281.160.

19 4. The director shall devote his entire time and attention to the busi-  
20 ness of his office and shall not pursue any other business or occupation or  
21 hold any other office of profit.

22 SEC. 17. NRS 381.205 is hereby amended to read as follows:

23 381.205 Upon granting the permit, the board shall immediately notify  
24 the division of [state parks] *historic preservation and archeology* of the  
25 state department of conservation and natural resources, the sheriff in the  
26 county in which the permit is to be exercised, and personnel of the Nevada  
27 highway patrol controlling the state roads of the district embracing the  
28 site in which the permit is to be exercised.

29 SEC. 18. NRS 381.207 is hereby amended to read as follows:

30 381.207 1. A permitholder, except as provided in subsections 2 and  
31 3, who does work upon aboriginal mounds and earthworks, ancient burial  
32 grounds, prehistoric sites, fossil bone deposits or other [archaeological]  
33 *archeological* and vertebrate paleontological features within the state shall  
34 give to the state 50 percent of all articles, implements and materials  
35 found or discovered, to be deposited with the state museum, for exhibi-  
36 tion [in a public museum or educational institution] *or other use* within  
37 the state [to be selected] *as determined* by the board. The board may,  
38 in its discretion, accept less than 50 percent of such items. *Upon receipt*  
39 *of items pursuant to this subsection the board shall notify the division of*  
40 *historic preservation and archeology of the state department of conserva-*  
41 *tion and natural resources.*

42 2. A permitholder who does any such work within the state under  
43 the authority and direction of the Nevada historical society, a state insti-  
44 tution or a political subdivision of the state shall give 50 percent of all  
45 articles, implements and materials found or discovered to such society,  
46 institution or political subdivision. The permitholder may retain the other  
47 50 percent.

48 3. If the Nevada historical society, a state institution or a political



1 subdivision is the permitholder, such society, institution or political sub-  
2 division may retain all articles, implements and materials found or dis-  
3 covered.

4 4. *Whenever the division of historic preservation and archeology*  
5 *acquires articles, implements and materials under the provisions of this*  
6 *section, they shall be transferred to the board for exhibition or other use*  
7 *within the state as determined by the board.*

8 SEC. 19. NRS 381.223 is hereby amended to read as follows:

9 381.223 Any object of antiquity taken, or collection made, on his-  
10 toric or prehistoric sites covered by NRS 381.195 to 381.227, inclusive,  
11 without a permit shall be seized by the proper law enforcement officers,  
12 who shall notify the board of the action. The object or collection so taken  
13 shall be forfeited to the state at the Nevada state museum [ ] and shall be  
14 deposited by the board in a public museum or educational institution]  
15 *for exhibition or other use within the state [.] as determined by the board.*  
16 *Upon receipt of any forfeited item pursuant to this section the board shall*  
17 *notify the division of historic preservation and archeology of the state*  
18 *department of conservation and natural resources.*

19 SEC. 20. NRS 407.120 is hereby amended to read as follows:

20 407.120 Upon the recommendation of the administrator [.] of the  
21 *division of state parks or the administrator of the division of historic pres-*  
22 *ervation and archeology, through the director of the state department of*  
23 *conservation and natural resources, the governor may, by proclamation,*  
24 *designate any site, place or building located on any publicly owned land,*  
25 *or any land in the state held by the system under lease or permit, as a*  
26 *state park, state monument, historical landmark, historical building, an*  
27 *archeological area or recreational area.*

28 SEC. 21. NRS 407.205 is hereby amended to read as follows:

29 407.205 1. The system shall prepare and maintain a comprehensive  
30 statewide outdoor recreation [and historic preservation plans, which  
31 plans] plan. The plan shall contain:

32 (a) An evaluation of the demand for and supply of outdoor recreation  
33 resources and facilities in the state;

34 (b) [An evaluation of the needs for preservation of historic sites;

35 (c)] A program for the implementation of the [plans;] plan; and

36 [(d)] (c) Other necessary information, as may be determined by the  
37 administrator.

38 2. The [plans] plan shall:

39 (a) Take into account relevant federal resources and programs; and

40 (b) Be correlated so far as practicable with other state, regional and  
41 local plans.

42 3. The system through the state department of conservation and  
43 natural resources [is vested with authority to] may represent and act for  
44 the state in dealing with the Federal Government or any of its agencies,  
45 instrumentalities or officers for the purposes of receiving financial assist-  
46 ance for planning, acquisition or development of outdoor recreation  
47 [and historic preservation] projects [or combinations thereof] pursuant  
48 to the provisions of federal law. *When an outdoor recreation project is*

1 combined with an historic preservation project the director or his designee is responsible for representing and acting for the state in dealing with the Federal Government.

4 4. The administrator, through the director of the state department of conservation and natural resources, [has the authority to] may accept, administrator and disburse to other state agencies and political subdivisions funds paid by the Federal Government to the State of Nevada as financial assistance for planning, acquisition or development of outdoor recreation [and historic preservation] projects, [or combinations thereof,] and the administrator shall, on behalf of the state, keep such records as the Federal Government [shall prescribe,] prescribes and as will facilitate an effective audit, including records which fully disclose:

13 (a) The amount and the disposition by the state of the proceeds of such assistance;

15 (b) The total cost of the project or undertaking in connection with such assistance as given or used; and

17 (c) The amount and nature of that portion of the cost of the project or undertaking supplied by other sources.

19 5. Authorized representatives of the Federal Government shall have access for the purpose of audit and examination to any books, documents, papers and records of the state that are pertinent to financial assistance received by the state pursuant to federal law for planning, acquisition or development of outdoor recreation [and historic preservation] projects. [or combinations thereof.]

25 SEC. 22. NRS 407.207 is hereby amended to read as follows:

26 407.207 The system through the state department of conservation and natural resources may apply to any appropriate agency or officer of the United States for participation in or the receipt of aid from any federal program respecting outdoor recreation. [or historic preservation.] In connection with obtaining the benefits of any such program, the system shall coordinate its activities with and represent the interest of all other agencies and political subdivisions of the state having interests in the planning, development and maintenance of outdoor recreation resources [.] and facilities. [and historic preservation.]

35 SEC. 23. NRS 407.209 is hereby amended to read as follows:

36 407.209 The system through the state department of conservation and natural resources shall make no commitment, nor shall it enter into any agreement [.] pursuant to [an exercise of authority under] NRS 407.205 to 407.209, inclusive, until it has determined that sufficient funds are available to it for meeting the state's share, if any, of project costs. It is the legislative intent that, to such extent as may be necessary to assure the proper operation and maintenance of areas and facilities acquired or developed pursuant to any program participated in by this state under [authority of] NRS 407.205 to 407.209, inclusive, such areas and facilities shall be publicly maintained for outdoor recreation [and historic preservation] purposes. The system through the department may enter into and administer agreements with the United States or any appropriate agency thereof for planning, acquisition [.] and development [and preservation] projects involving participating federal aid funds on behalf of

1 any political subdivision or subdivisions of this state if such subdivision or  
2 subdivisions give necessary assurances to the system that they have avail-  
3 able sufficient funds to meet their shares, if any, of the cost of the project  
4 and that the acquired or developed areas will be operated and maintained  
5 at the expense of such subdivision or subdivisions for public outdoor rec-  
6 reation [or historic preservation] use.

7 SEC. 24. 1. NRS 381.310 to 381.450, inclusive, 407.0739 and 407.-  
8 074 are hereby repealed.

9 2. NRS 381.460 is hereby repealed.

10 SEC. 25. On July 1, 1977, all contracts entered into by the Nevada  
11 archeological survey shall be transferred to the division of historic preser-  
12 vation and archeology of the state department of conservation and natural  
13 resources.

14 SEC. 26. All artifacts under the control of the Nevada archeological  
15 survey on July 1, 1977, shall be transferred on that date to the board of  
16 trustees of the Nevada state museum for exhibition or other use within the  
17 state as determined by the board.

18 SEC. 27. The legislative counsel shall, in preparing the supplement to  
19 Nevada Revised Statutes with respect to any section which is not amended  
20 by this act or is further amended or added by another act:

21 1. If reference is made to the former Nevada archeological survey,  
22 substitute an appropriate reference to the division of historic preservation  
23 and archeology in the state department of conservation and natural  
24 resources.

25 2. If reference is made to the historic preservation function or histor-  
26 ical marker function in the division of state parks of the state department  
27 of conservation and natural resources, substitute an appropriate reference  
28 to the function in the division of historic preservation and archeology of  
29 the state department of conservation and natural resources.

30 SEC. 28. There is hereby appropriated from the state general fund to  
31 the state department of conservation and natural resources the sum of  
32 \$75,000 to establish the archeology revolving account, which shall be  
33 used for archeological activities.

34 SEC. 29. 1. Section 28 of this act and this section shall become effec-  
35 tive upon passage and approval.

36 2. Subsection 2 of section 24 of this act shall become effective at  
37 12:01 a.m. on July 1, 1977.

Ⓢ

Original bill is on file at  
the Research Library.

ASSEMBLY BILL NO. 107—COMMITTEE ON EDUCATION

JANUARY 20, 1977

Referred to Committee on Education

SUMMARY—Raises upper age limit of eligibility in educational programs for handicapped pupils. (BDR 34-117)

FISCAL NOTE: Local Government Impact: No.  
State or Industrial Insurance Impact: Contains appropriation.

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

AN ACT relating to public instruction; raising the upper age limit of eligibility in educational programs for handicapped pupils; making an appropriation; and providing other matters properly relating thereto.

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

- 1 SECTION 1. NRS 388.440 is hereby amended to read as follows:  
2 388.440 As used in NRS 388.440 to 388.520, inclusive, ["handi-  
3 capped minor"] "*handicapped pupil*" means any person under the age of  
4 [18] 21 years who deviates either educationally, academically, physically,  
5 socially or emotionally so markedly from normal growth and development  
6 patterns that he cannot progress effectively in a regular school program  
7 and therefore needs special instruction or special services.  
8 SEC. 2. NRS 388.450 is hereby amended to read as follows:  
9 388.450 1. The legislature declares that the basic support guarantee  
10 as expressed in NRS 387.122 establishes financial resources sufficient to  
11 insure a reasonably equal educational opportunity to handicapped  
12 [minors] *pupils* residing in Nevada.  
13 2. Subject to the provisions of NRS 388.440 to 388.520, inclusive,  
14 the board of trustees of a school district shall make such special provisions  
15 as may be necessary for the education of handicapped [minors.] *pupils*.  
16 3. The board of trustees of a school district shall establish uniform  
17 [rules of] *regulations concerning* eligibility for instruction under the spe-  
18 cial education programs provided for by NRS 388.440 to 388.520, inclu-  
19 sive. The [rules and] regulations [shall be] *are* subject to such standards  
20 as may be prescribed by the state department of education.  
21 SEC. 3. NRS 388.460 is hereby amended to read as follows:  
22 388.460 [No minor shall be] *A pupil is not* required to take advan-  
23 tage of the special provisions for the education of handicapped [minors]  
24 *pupils* if the parent or guardian of the [minor] *pupil* files a statement with

1 the board of trustees of the school district showing that the [minor] pupil  
2 is receiving adequate educational advantages.

3 SEC. 4. NRS 388.470 is hereby amended to read as follows:

4 388.470 1. Before any [child] person is placed in a special program  
5 for handicapped [children:] pupils:

6 (a) A consultation shall be held with his parents or guardian.

7 (b) An examination shall be conducted for the purpose of finding the  
8 extent to which the [child] person deviates from normal growth and  
9 development patterns, such examination to be conducted in accordance  
10 with standards prescribed by the state department of education.

11 2. A psychiatrist may be consulted in any specific case when the  
12 board of trustees of a school district deems it necessary.

13 SEC. 5. NRS 388.490 is hereby amended to read as follows:

14 388.490 1. Except as provided in subsections 2, 3, 4 and 5, handi-  
15 capped [minors] pupils may be admitted at the age of 5 years to special  
16 programs established for such [minors,] pupils, and their enrollment or  
17 attendance may be counted for apportionment purposes.

18 2. Aurally handicapped [minors] pupils may be admitted at any age  
19 under 5 to special programs established for such [minors,] pupils, and  
20 their enrollment or attendance may be counted for apportionment pur-  
21 poses.

22 3. Visually handicapped [minors] pupils may be admitted at any age  
23 under 5 to special programs established for such [minors,] pupils, and  
24 their enrollment or attendance may be counted for apportionment pur-  
25 poses.

26 4. Academically talented [minors] pupils may be admitted at the  
27 age of 4 years to special programs established for such [minors,] pupils,  
28 and their enrollment or attendance may be counted for apportionment  
29 purposes.

30 5. Mentally retarded [minors] pupils may be admitted at the age of  
31 3 years to special programs established for such [minors,] pupils, and  
32 their enrollment or attendance may be counted for apportionment pur-  
33 poses.

34 SEC. 6. NRS 388.500 is hereby amended to read as follows:

35 388.500 1. Handicapped [minors] pupils may be instructed in spe-  
36 cial ungraded schools or within special programs established for the  
37 instruction of handicapped [minors,] pupils.

38 2. Boards of trustees of school districts may:

39 (a) Purchase sites and erect buildings for such purposes in the same  
40 manner as other school sites or school buildings may be purchased and  
41 erected.

42 (b) Rent suitable property at an economical rental for special or  
43 ungraded rooms.

44 (c) Accept gifts or donations of sites and buildings for such purposes.

45 SEC. 7. NRS 388.510 is hereby amended to read as follows:

46 388.510 The board of trustees of a school district may provide for  
47 the transportation of pupils assigned to special schools or programs for  
48 handicapped [minors,] pupils.

49 SEC. 8. NRS 388.520 is hereby amended to read as follows:

- 1 388.520 1. The state department of education shall prescribe mini-  
2 mum standards for the special education of handicapped [minors.]  
3 pupils.
- 4 2. Prescribed minimum standards shall include standards for pro-  
5 grams of instruction or special services maintained for the purpose of  
6 serving [minors] pupils with the following handicapping conditions:  
7 (a) Aurally handicapped.  
8 (b) Visually handicapped.  
9 (c) Physically handicapped.  
10 (d) Speech handicapped.  
11 (e) Mentally handicapped.  
12 (f) Educationally handicapped, including appropriate subemphasis  
13 when related to learning disabilities or emotional disturbance.  
14 (g) Multiple handicapped, including appropriate subemphasis for  
15 each of the handicapping conditions.  
16 (h) Academically talented.
- 17 3. No apportionment of state funds [shall] may be made by the  
18 superintendent of public instruction to any school district for the instruc-  
19 tion of handicapped [minors] pupils until the program of instruction  
20 maintained therein for such handicapped [minors] pupils is approved  
21 by the state department of education as meeting the prescribed minimum  
22 standards.
- 23 SEC. 9. NRS 387.123 is hereby amended to read as follows:  
24 387.123 1. "Enrollment" means the count of pupils enrolled in and  
25 scheduled to attend programs of instruction in the public schools for:  
26 (a) Pupils in the kindergarten department.  
27 (b) Pupils in grades 1 to 12, inclusive.  
28 (c) Handicapped [minors] pupils receiving special education pursu-  
29 ant to the provisions of NRS 388.440 to 388.520, inclusive.  
30 (d) Children detained in detention homes and juvenile forestry camps  
31 receiving instruction pursuant to the provisions of NRS 388.550 to 388.-  
32 580, inclusive.  
33 (e) Part-time pupils enrolled in classes and taking courses necessary  
34 to receive a high school diploma.
- 35 2. "Average daily attendance—full term" means the average daily  
36 attendance of pupils enrolled in the public schools during the school  
37 year.
- 38 3. "Average daily attendance—highest 3 months" means the average  
39 daily attendance of pupils enrolled in the public schools during the 3  
40 months of highest average daily attendance of the school year.
- 41 4. The state board of education shall establish uniform rules to be  
42 used for counting enrollment and in calculating the average daily attend-  
43 ance of pupils. In calculating average daily attendance of pupils, no pupil  
44 specified in paragraphs (a), (b), (c) and (d) of subsection 1 [shall]  
45 may be counted more than once. In establishing such rules for the public  
46 schools, the state board of education:
- 47 (a) Shall divide the school year into 10 school months, each containing  
48 20 or fewer school days.  
49 (b) May divide the pupils in grades 1 to 12, inclusive, into categories

1 composed respectively of those enrolled in elementary schools and those  
2 enrolled in secondary schools.

3 (c) Shall select the three highest monthly attendance quotients for each  
4 category of pupils, as established by subsection 1 or pursuant to paragraph  
5 (b) of this subsection, in each school.

6 5. The state board of education shall establish by regulation the maxi-  
7 mum pupil-teacher ratio in each grade, and for each subject matter wher-  
8 ever different subjects are taught in separate classes, for each school  
9 district of the state which is consistent with:

10 (a) The maintenance of an acceptable standard of instruction;

11 (b) The conditions prevailing in such school district with respect to the  
12 number and distribution of pupils in each grade; and

13 (c) Methods of instruction used, which may include educational televi-  
14 sion, team teaching or new teaching systems or techniques.

15 If the superintendent of public instruction finds that any school district is  
16 maintaining one or more classes whose pupil-teacher ratio exceeds the  
17 applicable maximum, and unless he finds that the board of trustees of the  
18 school district has made every reasonable effort in good faith to comply  
19 with the applicable standard, the state board of education shall reduce the  
20 average daily attendance for apportionment purposes by the percentage  
21 which the number of pupils attending such classes is of the total number of  
22 pupils in the district, and may withhold the quarterly apportionment  
23 entirely.

24 SEC. 10. NRS 387.124 is hereby amended to read as follows:

25 387.124 1. On or before August 1, November 1, February 1 and  
26 May 1 of each year, the state controller shall render to the superintendent  
27 of public instruction a statement of the moneys in the state treasury sub-  
28 ject to distribution to the several school districts of the state as provided in  
29 this section.

30 2. Immediately after the state controller has made his quarterly report,  
31 the state board of education shall apportion the state distributive school  
32 fund among the several county school districts in the following manner:

33 (a) Basic support of each school district shall be computed by:

34 (1) Multiplying the basic support guarantee per pupil established in  
35 NRS 387.122 by the sum of:

36 (I) Six-tenths the count of pupils enrolled in the kindergarten depart-  
37 ment on the last day of the first school month of the school year.

38 (II) The count of pupils enrolled in grades 1 to 12, inclusive, on the  
39 last day of the first school month of the school year.

40 (III) The count of handicapped [minors] pupils receiving special  
41 education pursuant to the provisions of NRS 388.440 to 388.520, inclu-  
42 sive, on the last day of the first school month of the school year.

43 (IV) The count of children detained in detention homes and juvenile  
44 forestry camps receiving instruction pursuant to the provisions of NRS  
45 388.550 to 388.580, inclusive, on the last day of the first school month of  
46 the school year.

47 (V) One-fourth the average daily attendance—highest 3 months  
48 of part-time pupils enrolled in classes and taking courses necessary to  
49 receive a high school diploma.

1 (2) Multiplying the number of special education program units  
2 maintained and operated by the amount per program established in NRS  
3 387.122.

4 (3) Adding the amounts computed in subparagraphs (1) and (2)  
5 of this paragraph.

6 (b) The availability of local funds shall be determined, which local  
7 funds shall be the sum of:

8 (1) The amount computed by multiplying .007 times the assessed  
9 valuation of the school district as certified by the department of taxation  
10 for the concurrent school year; and

11 (2) The proceeds of the local school support tax imposed by chap-  
12 ter 374 of NRS. The department of taxation shall furnish an estimate  
13 of such proceeds to the state board of education on or before July 15  
14 for the fiscal year then begun, and the state board of education shall  
15 adjust the final apportionment of the concurrent school year to reflect  
16 any difference between such estimate and actual receipts.

17 (c) Apportionment computed on a yearly basis shall consist of the  
18 difference between the basic support as computed in paragraph (a) of  
19 this subsection and the local funds available as computed in paragraph  
20 (b) of this subsection, but no apportionment **[shall]** *may* be less than  
21 10 percent of basic support.

22 (d) Apportionment shall be paid quarterly at the times provided in  
23 subsection 1, each quarterly payment to consist of approximately one-  
24 fourth of the yearly apportionment as computed in paragraph (c) of  
25 this subsection. The first quarterly apportionment based on an estimated  
26 number of pupils and special education program units and succeeding  
27 quarterly apportionments shall be subject to adjustment from time to  
28 time as the need therefor may appear. A final apportionment shall be  
29 computed as soon as practicable following the close of the school year,  
30 but not later than August 1. The final computation shall be based upon  
31 the actual counts of pupils and programs specified to be made for that  
32 school year pursuant to paragraph (a) of this subsection, and within  
33 limits specified in NRS 387.122, except that for any year when the total  
34 enrollment of pupils and children described in paragraphs (a), (b), (c)  
35 and (d) of subsection 1 of NRS 387.123 is greater on the last day of  
36 any school month after the second school month and such increase in  
37 enrollment shows at least a 3 percent gain, then basic support as com-  
38 puted from first month enrollment will be increased 2 percent; further-  
39 more, if such increase in enrollment shows at least a 6 percent gain, then  
40 basic support as computed from first month enrollment will be increased  
41 an additional 2 percent. If the final computation of apportionment for  
42 any school district exceeds the actual amount paid to such school dis-  
43 trict during the school year, the additional amount due shall be paid  
44 before September 1. If the final computation of apportionment for any  
45 school district is less than the actual amount paid to such school district  
46 during the school year, the amount of overpayment shall be deducted  
47 from the next apportionment payable to such school district. If the  
48 amount of overpayment is greater than the next apportionment payable,  
49 the difference shall be repaid to the state distributive school fund by the  
50 school district before September 1.



1 (e) For any year when the average daily attendance—highest 3  
2 months of a school district in any category is less than the average daily  
3 attendance—highest 3 months in such category during the prior year,  
4 and such lesser average daily attendance—highest 3 months was not  
5 anticipated at the time estimates were made by the superintendent of  
6 the county school district in June of the preceding school year, the super-  
7 intendent of public instruction may authorize additional apportionments  
8 in amounts such that the total of all apportionments for the year do not  
9 exceed the total apportionment for the year that would be computed by  
10 substituting the count of pupils enrolled on the last day of the first school  
11 month of the prior year in the category so affected for the count of pupils  
12 enrolled on the last day of the first school month of the current year in  
13 the category so affected. As a condition precedent to such authorization,  
14 the superintendent of the county school district shall deliver to the  
15 superintendent of public instruction a request setting forth the reasons  
16 why the additional apportionment is necessary to the financial support  
17 of the school district, and the superintendent of public instruction shall  
18 review such request. As used in this paragraph, "category" means any  
19 one of the groups of persons separately described in paragraphs (a),  
20 (b), (c) and (d) of subsection 1 of NRS 387.123.

21 (f) The board of trustees of any school district in this state whose esti-  
22 mated receipts from all sources provided by this chapter and chapter 374  
23 of NRS, including any additional apportionment made pursuant to para-  
24 graph (e) or less for any fiscal year because of reduced average daily  
25 attendance or reduced local income, or both, than the total estimated  
26 receipts from such sources in the final approved budget for such fiscal  
27 year, and which cannot therefore provide a minimum program of educa-  
28 tion and meet its contract obligations, may apply for emergency financial  
29 assistance from the state distributive school fund and may be granted  
30 such assistance upon compliance with the following conditions and pro-  
31 cedures:

32 (1) The tax levy for the applying district shall be the maximum of  
33 \$1.50 for operating costs as authorized by law, not including any special  
34 tax authorized by the provisions of NRS 387.290.

35 (2) Such application shall be made to the state board of education in  
36 such form as shall be prescribed by the superintendent of public instruc-  
37 tion, and in accordance with guidelines for evaluating needs for emer-  
38 gency financial assistance as established by the state board of education.

39 (3) Before acting on any such application, the state board of educa-  
40 tion and state board of examiners, jointly, shall determine the difference  
41 between the total amount of money appropriated and authorized for  
42 expenditure during the current biennium from the state distributive school  
43 fund and the total amount of money estimated to be payable from such  
44 fund during the biennium pursuant to paragraphs (c) and (e), and shall  
45 make no distribution in excess of such difference.

46 (4) The state board of education shall review each application and  
47 shall by resolution find the least amount of additional money, if any,  
48 which it deems necessary to enable the board of trustees of the applying  
49 school district to provide a minimum educational program and meet its  
50 irreducible contract obligations. In making such determination, the state

1 board of education shall consider also the amount available in the dis-  
2 tributive school fund and the anticipated amount of future applications,  
3 so that no deserving school district will be wholly denied relief.

4 (5) If the state board of education finds that emergency assistance  
5 should be granted to an applying school district, it shall transmit its reso-  
6 lution finding such amount to the state board of examiners, along with a  
7 report of its then-current estimate of the total requirements to be paid  
8 from the state distributive school fund during the then-current fiscal year.

9 (6) The state board of examiners shall independently review each  
10 resolution so transmitted by the state board of education, may require the  
11 submission of such additional justification as it deems necessary, and shall  
12 find by resolution the amount of emergency assistance, if any, to be  
13 granted. The board may defer, and subsequently grant or deny, any part  
14 of a request.

15 (7) The state board of examiners shall transmit one copy of its find-  
16 ing to the state board of education and one copy to the state controller.  
17 Upon receipt of a claim pursuant to a grant of emergency assistance, such  
18 claim shall be paid from the state distributive school fund as other claims  
19 against the state are paid.

20 (8) Money received by a school district pursuant to a grant of relief  
21 may be expended only in accordance with the approved budget of such  
22 school district for the fiscal year for which such grant is made. No formal  
23 action to incorporate the money so received in the approved budget is  
24 required, but such receipts shall be reported as other receipts are reported  
25 and explained in a footnote as short-term financing is explained.

26 (9) The state board of education shall transmit to the legislature a  
27 report of each and every grant of emergency assistance paid pursuant to  
28 this paragraph.

29 3. Pupils who are excused from attendance at examinations or have  
30 completed their work in accordance with the rules of the board of trust-  
31 ees shall be credited with attendance during that period.

32 SEC. 11. 1. There is hereby appropriated from the state general fund  
33 to the state department of education for the purpose of carrying out the  
34 provisions of this act the sum of \$105,600 for the fiscal year beginning  
35 July 1, 1977, and ending June 30, 1978, and the sum of \$105,600 for  
36 the fiscal year beginning July 1, 1978, and ending June 30, 1979.

37 2. After June 30, 1979, any unexpended balance of the appropria-  
38 tion made by subsection 1 shall not be encumbered or committed for  
39 expenditure and shall revert to the state general fund.

Original bill is on file at  
the Research Library.