

SENATE FINANCE COMMITTEE  
MINUTES OF MEETING  
MAY 4, 1977

The meeting was called to order at 8:40 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  
Howard Hill, Director, Department of Motor Vehicles  
Grant Bastian, State Highway Engineer  
James Lambert, Chief, Highway Patrol  
Roger Trounday, Director, Human Resources  
James Edmundson, Supervisor, Consumer Health & Product Service

Senator Lamb referred the Committee's attention to S. B. 199.

S.B. 199: Provides procedure on failure to appear in court on traffic citation.

Mr. Bastian said he understood it would take \$250,000 to crank up the program, by the first of next January. His concern really was, as he understood the bill, it's an effort to improve the collection rates for traffic violations. Traffic violations don't come to the Highway Fund and he was saying if this is the intent, then he suggested they use the start-up money from the general fund rather than the highway fund. In a nutshell that's just about where they were.

Senator Lamb asked him if he were not too happy with the bill and Mr. Bastian said, he was not, if he had to pay for it.

Mr. Lambert said the only thing that he would have to say is that this is a bill presented by the judges around the state in an effort to help them collect their fines. He believed it was a coalition of both municipal and justices of the peace that proposed this legislation.

Mr. Hill said the Committee had asked him to come back with amendments. He gave each of the Committee a copy of the suggested amendments, copy attached.

Mr. Hill said one of the big differences in this amendment is that this program would start on July 1, 1978, which would save some highway fund money, costs of the program for one year would be \$128,000 and the program would be self supporting after four years.

Discussion followed on the new suggested amendments and the Committee indicated their approval.

Senator Lamb thanked them for appearing.

A.B. 547: Establishes committee to study local government finances and makes appropriation.

Senators Young, Hilbrecht and Gibson said they would report on this bill later.

A.B. 604: Provides for minimum program standards for learning disabilities.

Senator Lamb said he would entertain a motion that the Committee reopen A.B. 604. Senator Hilbrecht so moved; Senator Glaser

seconded and the motion carried.

Senator Echols moved the Committee do pass; Senator Wilson seconded and the motion carried.

Senator Lamb asked the Committee what action they wanted to take on S.B. 199. They discussed the amendments as submitted by Mr. Hill. (Changes as suggested are recorded on the attached amendments.) Senator Hilbrecht moved that the bill as amended do pass; Senator Echols seconded and the motion carried 6-0; Senator Lamb was not present.

A.B. 547: Establishes committee to study local government finances and makes appropriation.

The committee discussed this bill and agreed on the following amendments: On page 1, line 22 open bracket before "be" and a closed bracket after "shall".

On page 2, line 9 brackets around "expenditure and".

After line 13, add new subsection 6. (Personnel and collective bargaining costs.)

A new subsection 7. (Long and short term expenditure trends.)

Line 41 after "funds" and before "the" insert "to the Legislative Commission".

A new section which states "This committee shall expire April 1, 1979".

Senator Hilbrecht moved that the Committee amend and do pass; Senator Glaser seconded and the motion carried.

Mr. Sparks said that Senator Gibson had asked him to check with Carson City and see if, in fact, the new judge in Carson City goes into effect July 1 of this next fiscal year, what support costs would be necessary to support a judge for the next year.

Mr. Sparks said he had talked very briefly with Assemblyman Glover and he suggested that they move the \$100,000 that is in A.B. 480 from the second year over to the first year because this is where the equipment money is, which is a one shot cost; in the second year \$87,000 be provided for the support of the judge. Mr. Sparks said he would check this out with Carson City. This money is for clerical support, office space and operating costs for the judge; this does not include any money for salary.

Senator Lamb said the mechanics of moving the bills is not functioning smoothly. He asked the Committee what they wanted to do on S.B. 424. He said that everyone on the Committee knew of amendments made in the other House; they have raised all the officials \$3,000. He asked for direction from the Committee as to how the Finance Committee would act. He would then appoint a conference committee from the Finance Committee and try to get the difference resolved.

Senator Glaser moved that the Senate Finance Committee refuse to concur; Senator Echols seconded and the motion carried.

Senator Gibson said that two other items were holding up the appropriation act; one is the Senior Citizen's Tax Rebate. He had suggested to Mr. Mello that they take the money out of the budget, put it in the act. He felt they were going to have to go to Conference on that, but in the meantime they can get the appropriations act closed. Take the money that is in the budget for that purpose and put it on whichever bill is passed. They have to bring in S.B. 153 and they should be able to close that budget in five minutes.

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Senator Hilbrecht moved that the money be taken out of the budget for the Senior Citizens Tax; Senator Glaser seconded and the motion carried.

Mr. Sparks mentioned the unclassified pay bill and the elected officials bill; each of these bills have people in them and provides for salaries and what they have done is take the maximum amount that is in each of these bills and put them in the budgets and if it is less than this, the Budget Office can freeze the excess money.

Senator Gibson so moved; Senator Hilbrecht seconded and the motion carried.

The Committee for the Unclassified Pay Bill is made up of Senators Gibson, Lamb and Glaser. (S.B. 233.)

For the Elected Salaries Bill, the Committee will be Senators Lamb, Echols and Hilbrecht. (S.B. 424.)

The Committee for Classified Pay Bill is made up of Senators Hilbrecht, Glaser and Young. (S.B. 196.)

Senator Lamb said he would like the Committee to talk about A.B.121 and any amendments to it.

A.B. 121: Requires public hearing for disqualification of laetrile in cancer treatment.

Senator Gibson moved that the appropriation of \$180,000 for the biennium for the bill be approved; Senator Hilbrecht seconded and the motion carried. Mr. Sparks was instructed to get an amendment for the bill reflecting this amount.

A discussion followed on the interpretation of the referral of this bill to the Finance Committee for fiscal impact.

Mr. Trounday spoke on a 5-page handout that the Committee had, copy attached, listing the personnel they needed. The responsibilities of the personnel requested was discussed with the Committee, also the needs for a clerical supporting staff.

Other problems in the bill which the Committee felt should be corrected, as they related to the costs of administering the bill, were discussed. Senator Lamb asked Senators Wilson and Hilbrecht to get together with the representatives from the Human Resources Department and work out amendments which would resolve the questions.

The meeting adjourned at 9:50 a.m.

RESPECTFULLY SUBMITTED:

  
MURIEL P. MOONEY, SECRETARY

APPROVED:

  
FLOYD R. LAMB, CHAIRMAN

(REPRINTED WITH ADOPTED AMENDMENTS)

FIRST REPRINT

A. B. 604

ASSEMBLY BILL NO. 604—COMMITTEE ON EDUCATION

APRIL 1, 1977

Referred to Committee on Education

SUMMARY—Provides for minimum program standards for learning disabilities. (BDR 34-1495)

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



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

AN ACT relating to education; providing for minimum program standards for learning disabilities; 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 388.520 is hereby amended to read as follows:  
2 388.520 1. The state department of education shall prescribe mini-  
3 mum standards for the special education of handicapped minors.  
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 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 each  
15 of the handicapping conditions.  
16 (h) Academically talented.  
17 (i) *Learning disabilities.*  
18 3. No apportionment of state funds shall be made by the super-  
19 intendent of public instruction to any school district for the instruction of  
20 handicapped minors until the program of instruction maintained therein  
21 for such handicapped minors is approved by the state department of  
22 education as meeting the prescribed minimum standards.

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Original bill is on file at  
the Research Library.

(REPRINTED WITH ADOPTED AMENDMENTS)

SECOND REPRINT

A. B. 547

ASSEMBLY BILL NO. 547—ASSEMBLYMEN MELLO, HOWARD,  
GLOVER, DINI, DEMERS, KISSAM, MAY, JACOBSEN,  
WEISE, BREMNER, BARENGO, JEFFREY AND WAGNER

MARCH 25, 1977

Referred to Committee on Ways and Means

SUMMARY—Establishes committee to study local government finances  
and makes appropriation. (BDR S-1343)

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 local governments; establishing a committee to study the  
finances of local governments; making an appropriation; and providing other  
matters properly relating thereto.

1 WHEREAS, City and county governments in the State of Nevada are, in  
2 an increasing number of instances, unable to maintain adequate levels of  
3 water and sewerage service, street maintenance and police and fire protec-  
4 tion; and

5 WHEREAS, In the past 4 years, expenditures for all of Nevada's cities  
6 and a cross-section of seven counties increased 54 percent, but revenues  
7 increased only 41 percent; and

8 WHEREAS, In the past 4 years, the combined fund balance at the end  
9 of the fiscal year for those cities and counties declined 71 percent; and

10 WHEREAS, There has been a steady increase in the assessed valuation of  
11 property in those cities and counties, but the rates of growth of assessed  
12 valuation have diminished; and

13 WHEREAS, These increasing expenditures, declining balances and  
14 diminishing rates of revenue growth indicate that Nevada's cities and  
15 counties are facing serious fiscal deterioration; now, therefore,

16  
17 *The People of the State of Nevada, represented in Senate and Assembly,*  
18 *do enact as follows:*  
19

20 SECTION 1. There is hereby created a committee to study fiscal con-  
21 ditions of local governments in the State of Nevada. The committee shall  
22 be composed of eight members, four of whom shall be legislators and  
23 four of whom shall represent local general purpose government. The  
24 governor shall appoint the local general purpose government members

1 of the committee. The majority leader of the senate shall appoint two  
2 senators and the speaker of the Assembly shall appoint two assemblymen.  
3 The chairman of the legislative commission shall designate one of the  
4 legislators as chairman.

5 SEC. 2. The committee shall study the fiscal conditions of local gov-  
6 ernments, including:

- 7 1. Fiscal management;
- 8 2. Short- and long-term revenue trends;
- 9 3. The utilization of existing sources of revenue;
- 10 4. The reallocation of selected functions from local governments to  
11 the state;
- 12 5. Alternative sources of future revenue;
- 13 6. Personnel and collective bargaining costs;
- 14 7. Short- and long-term expenditure trends; and
- 15 8. A review of the provisions for insuring against tort liability.

16 SEC. 3. The committee may hold public hearings at such times and  
17 places as it deems expedient and advisable to afford the general public  
18 and representatives of local government an opportunity to present recom-  
19 mendations and generally to be heard.

20 SEC. 4. The agencies of the executive branch of state government, the  
21 legislative counsel bureau and the University of Nevada System shall  
22 cooperate with the committee and shall furnish staff assistance to the com-  
23 mittee, if it so requests, to aid the committee in the conduct of the study  
24 and the preparation of its report.

25 SEC. 5. 1. The committee may contract for professional, technical,  
26 clerical, stenographic and other services, purchase such supplies and  
27 materials and rent such facilities as it deems necessary or expedient to  
28 accomplish the purposes of this act, except that it shall utilize the services  
29 of the department of economics and the bureau of business and economic  
30 research at the University of Nevada, Reno, and the University of Nevada,  
31 Las Vegas, when appropriate.

32 2. The members of the committee are entitled to receive a salary of  
33 \$40 and the per diem allowance and travel expenses provided by law  
34 for each day's attendance at a meeting of the committee.

35 3. The aggregate of all expenses incurred for these purposes shall not  
36 exceed the amount of the appropriation made by this act.

37 SEC. 6. 1. The committee shall submit to the legislative commission  
38 a report of its findings and any recommended legislation before the  
39 commencement of the 60th session of the legislature.

40 2. In preparing recommended legislation, the committee shall enlist  
41 the assistance of the legislative counsel, as provided in NRS 218.240.

42 SEC. 7. There is hereby appropriated from the state general fund to  
43 the legislative commission the sum of \$50,000 for the period beginning  
44 July 1, 1977, and ending the 10th day of the 60th session of the legisla-  
45 ture of the State of Nevada, to be used by the committee exclusively for  
46 the purposes of this act.

47 SEC. 8. Sections 2 to 6 of this act expire by limitation on April 1,  
48 1979.

INTRODUCTION:

If A.B. 121 is enacted, and production of Laetril and Gerovital is permitted in Nevada, the state would have the responsibility of seeing that the manufacturer's processing, compounding and packaging conforms with requirements and identity of the final product. In this case, the manufacturer will be required to furnish a protocol for each lot, such as:

Stability under different storage conditions,  
Expiration date of materials,  
Tests for toxicity,  
Tests for allergenic effect,  
Tests for purity,  
Quantitative assay,  
Distribution record, and  
Other pertinent information.

The state will need to furnish personnel, material, equipment and funds to monitor the program. These are as follows:

- I. COSTS FOR FIELD REPRESENTATIVE: One Inspector (Grade 32)
  - A. Training to conduct field inspections and develop regulations
    1. Processing: Methods--General  
                  --Specific  
                  Equipment involved  
  
                  Sanitation  
                  Purification
    2. Compounding: Equipment to assure uniformity, sanitation
    3. Packaging: Tablets - expanders, bottles (caps & closures)  
(labelling)
  - B. Set up standards according to accepted practice in the industry and acceptable to Board.

C. Inspection (periodic)

1. At Plant: Equipment; process and packages

Pick up samples - bulk, final packages

Info on lot No., quantity bulk, tablets,  
inject solution

2. Check on distribution (pharmacies, physicians)
3. Related travel, records, meetings and reports to Technical Evaluation Committee

II. COSTS FOR CLERICAL STAFF

A. Records

B. Correspondence and scheduling: Manufacturer - Committee

C. Preparation of regulations

III. COSTS FOR LABORATORY SERVICE: One Chemist II (Grade 32)

A. Training for routine identity testing methods:

1. Amygdelen - Laetril

2. Gerovital: Benzoic Acid  
H-3 K metabisulfite  
pH 3.3  $\text{Na}^2\text{H PO}^4$   
in 5 ml.  $\text{H}^2\text{O}$   
(2% procaine HCl)

B. Testing

1. For identity

- a. Compounds in the drugs as listed
- b. Reaction (pH)

2. Purity

a. Bacteriological: Product  
Containers  
Caps

b. Extraneous material (tablets) insects, etc.

c. Cyanide, arsenic, other possible (metallic) contaminants migrating from equipment and containers



III. B. 2. Purity (cont.)

- d. Toxicity (microbiological methods)
- e. Sterility (injectibles)
- f. Other as may develop

3. Quality

- a. Stability - repeat testing under prescribed storage conditions and conditions of shipping - seasons of year
- b. Color change of liquid and tablets
- c. Precipitation of liquid solutions

IV. TECHNICAL EVALUATION COMMITTEE

The individuals of the Technical Evaluation Committee are to be on contract with the Health Division to--

Review literature and other pertinent information on hand regarding the substances to be manufactured; and to make recommendations as to the standards for manufacture and distribution.

To evaluate problems that may develop in the manufacture and distribution of the substances and make appropriate recommendations.

V. OTHER EXPENSES AS INCLUDED IN THE FOLLOWING TABULATION:

ANNUAL COSTS FOR REGULATION OF  
AMYGDALIN AND PROCAINE HYDROCHLORIDE  
WITH PRESERVATIVE AND STABILIZERS

Bureau of Consumer Health Protection Services

1 Food and Drug Inspector - Grade 32		
Salary	\$16,490.00	
Salary Costs	1,800.00	
1 Secretary		
Salary	7,107.00	
Salary Costs	<u>995.00</u>	
Total Salary		\$26,392.00
Office Equipment		866.00
Office Expense (including printing)		1,000.00
Travel in State		2,500.00
Travel out of State (Training)		2,200.00
Tuition Fees		<u>1,200.00</u>
TOTAL		\$34,158.00

Bureau of Laboratory and Research

1 Chemist - Grade 32		
Salary	\$16,490.00	
Salary Costs	<u>1,800.00</u>	
Total Salary		\$18,290.00
Lab Equipment (one-time)		15,000.00
Maintenance Contract for Equipment		900.00
Replacement Parts		500.00
Lab Expense		3,000.00
Travel out of State (Training)		1,500.00
Tuition Fees		<u>800.00</u>
TOTAL		\$39,990.00

TOTAL FOR BOTH POSITIONS:

\$74,148.00

BALANCE BROUGHT FORWARD:	\$74,148.00
Technical Evaluation Committee: Physiologist, Oncologist Pharmacist, Internist (Geriatrician), Pathologist (Toxicologist) and Drug Manufacture Representative to meet as necessary	
Travel and Per Diem	3,000.00
Contract Technical Services	<u>\$20,000.00</u>
TOTAL FOR PROGRAM FOR THE FIRST YEAR	\$97,148.00
TOTAL FOR PROGRAM FOR THE SECOND YEAR	<u>\$82,148.00</u>
TOTAL FOR BIENNIUM	<u>\$179,296.00</u>