

MINUTES

WAYS AND MEANS COMMITTEE

NEVADA STATE LEGISLATURE - 60th SESSION

April 12, 1979

Chairman Mello called the meeting to order at 8:00 a.m.

MEMBERS PRESENT: Chairman Mello, Vice-Chairman Bremner, Mr. Barengo (late: 9:00 a.m.), Mrs. Cavnar, Mr. Glover (late: 8:30 a.m.), Mr. Vergiels, Mrs. Wagner, and Mr. Webb.

MEMBERS ABSENT: Mr. Mann and Mr. Hickey

ALSO PRESENT: Bill Bible, Fiscal Analyst; Judy Matteucci, Deputy Fiscal Analyst; Mike Alastuey, Deputy Budget Director; Assemblyman Peggy Westall; Assemblyman Robert Robinson; Heber Hardy, Chairman, Public Service Commission; John Walley, PSC; James Wadhams, Director, Department of Commerce; Stan Colton, State Treasurer; Jim Joyce; Warden Charles Wolff; Assemblyman Nick Horn; Mr. Bob Miller, District Attorney, Clark County; Mr. Don Rhodes, Chief Deputy Research Director, Legislative Counsel Bureau; Mr. Larry Katzenberger, Las Vegas Police Department; Mr. Bud Campos, Chief of Parole and Probation; Mr. Sherman Simmons; Mr. Jack Shaw, Division of State Lands; Mr. John Meder, Division of State Parks; Dr. Don Driggs, Nevada WICHE Commission; Mr. Jack Middleton, Associate Administrator of the Division of Mental Hygiene and Retardation.

AB 279

Assemblyman Peggy Westall said that this bill proposes to enlarge the Public Service Commission of Nevada from the present three commissioners to five commissioners. She said that her reason for introducing this bill is that three members cannot adequately cover all areas of knowledge in the public utility field. Assemblyman Westall pointed out that not all the commissioners hear each case due to illness or other reasons. She indicated that more than two members should hear each case to prevent a situation wherein two members present have a difference of opinion and a decision cannot be made until the third member is present. She cited the denial of a rate increase involving \$17.7 million which occurred as a result of the non-attendance of a commissioner due to illness. Assemblyman Westall said that the money for the two additional members while costing the taxpayers more would be returned to them in savings on their utility bills.

Chairman Mello asked if a similar bill has been introduced. Assemblyman Westall said she was not aware of one that had the provisions of Ab 279.

Mr. Bremner observed that the \$316,000 cost of adding two members as shown in the fiscal note is a great deal of money. Mr. Heber Hardy, Chairman of the Public Service Commission, and Mr. John Walley, Administrative Assistant PSC, spoke against adding two commissioners to the board. Mr. Hardy said that the instance of one member being ill had happened only once in eight years. He added that each of these two additional members would have to have a staff composed of an administrative assistant and an additional secretary plus attendant operating and travel costs totalling \$161,000 the first year and \$154,000 the second year.

Mr. Hardy told the Committee that the PSC has revised its budget request to include a deputy commissioner and an economist statistician,

and that the Commission would be presenting the revised budget to the Committee in the near future. Mr. Hardy said that the PSC had originally recommended that the assessment of 2.5 mils with which the Commission is funded be reduced to 2 mils but that this reduction was no longer being recommended as this money would be used for the additional staff requested in the revised budget. Mr. Hardy added that 34 of the 50 states operate with three commissioners.

Chairman Mello expressed his concern that the PSC representatives would originally appear and propose to reduce the mil tax; while stating that some PSC staff members were not being adequately compensated. Chairman Mello inquired as to this type of decision making. Mr. Hardy explained that when the budget was prepared in August, 1978, the National Energy Act had not been passed which puts additional pressures on the PSC Commission to consider certain standards. In addition, Mr. Hardy said the PSC was trying to hold-the-line with its original budget request. Mr. Hardy added that the PSC could function without these two requested positions but that it would be more advantageous to add them to the staff. Chairman Mello reminded Mr. Hardy that when PSC recently appeared before Ways and Means, the PSC had stated that they needed more people with more expertise but could not afford to hire them. In view of this, Chairman Mello stated that the hold-the-line approach did not make much sense. Mr. Hardy said that the PSC is requesting upgrading audit and engineering positions which must go through the Personnel Division before approval.

Mrs. Wagner asked if it were true that one commissioner could conduct a hearing. Mr. Hardy said that only one commissioner could conduct a hearing but that PSC prefers that at least two do attend. Mrs. Wagner asked if one commissioner is enough to hold a hearing. Mr. Hardy said that one would be enough in a non-controversial case. Mrs. Wagner asked if two commissioners would be sufficient to hear a major case involving millions of dollars. Mr. Hardy said that he thought two would be sufficient. Mrs. Wagner then asked why it is necessary to have three commissioners if two are sufficient. Mr. Hardy said that it is a necessity because of the open meeting law as one commissioner prepares a proposed decision which he submits to the other two commissioners at an open meeting of the PSC. Mrs. Wagner remarked that one concern most frequently voiced by her constituents is that of public utility rate increases. She asked if all three commissioners disagree with AB 279 and if they do agree with the additional staff that is requested. Mr. Hardy said that he had not discussed AB 279 with the commissioners to get a determination, and stated that he was only speaking for himself.

Chairman Mello asked when Mr. Hardy changed his mind in regard to the two additional positions. Mr. Hardy said that he had held this position for some months in regard to increasing salaries of present staff and had been considering the addition of staff for several weeks. Chairman Mello asked if this decision was due to the Ways and Means interest in the PSC Commission. Mr. Hardy said that Ways and Means and Senate Finance had both shown much interest in the PSC.

Mrs. Wagner referred to other states that have three commissioners and asked if one commissioner was allowed to hear a case in other states. Mr. Hardy said that in some states, no commissioner hears the case but that a hearings examiner performs this function. He stated that in California, one commissioner sits on a case and is assisted by a hearings examiner. Mrs. Wagner asked for the NRS statue concerning PSC hearings. Mr. Hardy said that this is NRS 703.

#### AB 85

James Wadhams, Director, Department of Commerce, furnished the Committee with information concerning the necessary budget for administration of AB 85 which is included as Exhibit "A." Mr. Wadhams explained that this act requires various agencies that hold deposits such as banks, thrift companies, and insurance companies to remit unclaimed funds and if the owner cannot be ascertained, the funds

will be transmitted to the General Fund. Mr. Wadhams said that these monies are held by the State Treasurer. He added that at the outset only the Senior Accountant and Administrative Aid would be hired with the remaining positions being added only as needed.

Mrs. Wagner asked if Government Affairs had made the decision to have the Department of Commerce carry out the functions of AB 85. Mr. Wadhams said that this decision was made by the Interim Study Committee and approved by the Assembly Government Affairs Committee. Mr. Wadhams stated that the Department of Commerce would handle this function with whatever monies are appropriated.

Mr. Stan Colton, State Treasurer, said that when the Treasurer's office was approached by the Interim Committee studying this act, that office did not want the additional responsibility at that time although in a majority of the states having this act, the function is handled from the State Treasurer's office. Mr. Colton said that after additional research, a lower budget is now being submitted which he furnished to the Committee as Exhibit "B". He said that the amounts received through this act would more than cover the cost of administration for the next two years. Mr. Colton said that in an investigation of this program in California, Utah, Nebraska, and Wyoming the average per capita return is .31 1/2¢ with total operating costs plus claims for reimbursement average 23% of the total income received from the unclaimed property acts.

Mr. Colton presented his estimates to run the program of \$91,101 the first year and \$97,544 the second year and stated that he was not too sure he could operate the program for any less.

Mr. Colton also said that he could not estimate the amount of money that the State would receive over and above the operating costs of administering this program. Chairman Mello pointed out that the Treasurer's office had said that they could administer this program under the program revenue receipts, but that now he could not estimate program receipts. He asked how the legislature could hold the administration of this program down to a specific amount for operating expenses with such lack of information. Mr. Colton said that the program would have to be administered with the amount of money appropriated or less. Chairman Mello added that it is very difficult for the legislature to have a handle on a constitutional officer of the State but it is not difficult to have a handle on a department set by statute. Mr. Colton said that 99% of the Treasurer's office's responsibilities are set by statute. Chairman Mello said that he was concerned about the other 1%.

Mrs. Cavnar inquired as to why the salaries included in Mr. Colton's proposed budget are so much higher than those in the Department of Commerce's budget. Mr. Colton said that the new budget in Exhibit "B" has reduced those salaries.

Mr. Bremner referred to information provided by Mr. Colton in Exhibit "B" pertaining to administration costs in Nebraska and commented that this program was instituted in 1972 with one part-time employee at \$4,375. In view of this, he suggested that perhaps the proposals to administer the Nevada program were starting out with too many employees.

Mr. Jim Joyce representing the Nevada Savings and Loan League said that the League is in support of the concept of AB 85. Mr. Joyce mentioned two possible changes to AB 85. The first change suggested was on page 3, Section 17 changing the time for a depositor to respond to a written notice of a charge upon a depositor's account from 30 days to sixty days. Mr. Joyce said due to slow mail service, this change would give depositors more adequate time to reply. The other suggested change was on the last page of AB 85 which specifies an effective date of July 1, 1979, Mr. Joyce explained that with the computers that the savings and loan establishments utilize, the status of savings accounts will have to be ascertained by manual means to meet the July 1, 1979 effective date, thereby creating a workload problem for the industry. His suggestion was to have this effective date changed to July 1, 1980.

Assemblyman Robinson said that the return from the unclaimed property act fluctuates a great deal in the states that are currently administering this act. He clarified that the \$3 - \$6 per capita return he had described when previously testifying on AB 85 before the Committee (March 29, 1979) was not an annual figure, but may be realized in the first year of a uniform unclaimed property act's existence. He added that the primary purpose of this act is to restore property to the owner. Assemblyman Robinson agreed with the "sunset" provision on this bill because the majority of the monies may be discovered in the first few years.

Chairman Mello asked if Assemblyman Robinson agreed with the recommended amendments proposed by Mr. Joyce. Assemblyman Robinson said that extending the time to respond to a written notice from 30 days to sixty days would be beneficial. He said that banks and savings and loan institutions do not pay interest on dormant accounts but do keep count of these accounts to prevent misappropriation of funds.

Mrs. Cavnar asked if dormant accounts drew interest. Assemblyman Robinson said that the owner of an account does not receive interest although the bank does have this money available for their use and it is in the law that accounts placed in dormancy are non-interest bearing. He added that most banks, if they want to maintain good relations with the customer, restore the interest when an account is brought out of dormancy. Assemblyman Robinson explained that in a lawsuit in California, the judge decided that the state stood in the shoes of the depositor and should have the same treatment as the depositor, so that if a uniform unclaimed property act were enacted, the State may gain some interest on such accounts.

Mr. Vergiels asked Assemblyman Robinson's recommendation regarding reduction of the amount of the money in the present bill for administrative costs. Assemblyman Robinson said that the two agencies submitting budgets had spent time in reviewing costs before submitting their budgets but that if they did not spend the amount appropriated, the balance should revert to the General Fund. Mr. Vergiels said that there might be three people hired who may have very little to do and that these people may be difficult to delete later on.

Assemblyman Robinson responded that as far as the administrative costs to the State go, the handling of these reports would be the highest in the first few years of operation. He noted that the cost will decrease after a few years because all the reports will be for the accounts that have just become dormant, the backlog having been taken care of at the inception of the program.

Chairman Mello asked if a three-year "sunset" would be sufficient. Assemblyman Robinson answered that three or four years would be enough since close scrutiny on the initial process will allow evaluation of the effectiveness and progress of the program by the next session. He stated that if the volume decreases, the only need for retaining the law two years hence would be for the purposes of reciprocity, with very little administrative costs.

Mr. Wadhams commented that currently the Commerce Department is handling the unclaimed property funds for insurance companies and has been doing so for the last twenty years. He said that that relationship will continue regardless of the effective date of AB 85.

#### AB 198 and AB 199

Chairman Mello indicated that because of the similarity of the bills and their integral relationship together with SB 192, the bills would be heard together.

Assemblyman Horn explained the necessity for the legislation. He indicated that the State is currently doing a disservice to the citizens of Nevada with the "revolving-door" approach to sentencing criminals. He said that AB 198 requires that a prisoner serve at

least one third of his prison sentence or at least two years whichever is longer before parole eligibility. Assemblyman Horn continued that under the existing law an inmate is only required to serve one year or one fourth of the sentence whichever is longer. He added that AB 199 prohibits probation for a second or subsequent conviction of any felony within a five year period.

Assemblyman Horn introduced Mr. Bob Miller, DA for Clark County to present additional background information to the Committee. Mr. Miller said that both bills were drafted after a meeting of the Attorney General Conference on Law Enforcement which gave unanimous support for the concepts contained in the bills. He added that some reservations were expressed at that time by the Department of Prisons.

Mr. Miller continued that the alarming "revolving-door" policy currently used for inmates has necessitated the need for this legislation. He provided the Committee with a list of inmates paroled during the last six months of 1978, and called to their attention a few individual examples which illustrate the length of sentence compared to the immediacy of granted parole. He summarized that all individual cases listed were sentenced anywhere from 4 to 7 1/2 years, and that all were granted parole before completing one year of their sentence.

He added that what has happened within the current institutional structure that has created this "revolving-door" policy is two-fold. First, he said that the date the person is sentenced is not the beginning of the term since inmates are entitled to "credit" for all jail-time served prior to actual sentencing. Secondly, he pointed out that the "good-time credit" system places the burden of proof upon the State to prove that the inmate isn't entitled to "good-time credit." He added that an open-ended amount of "good-time credit" is available with inmates in many instances receiving as much as 15 days "good-time credit" per month.

Mr. Miller continued that he is aware of the current over-crowded conditions of the prisons, but that under the current system it is difficult to effectively prosecute because the person incarcerated is on the streets in less than one year for a five-year sentence. He added that the ease of obtaining parole undermines the ability of the State to dissuade people from committing the crimes initially, and that this legislation would help rectify the problem by providing some reasonable semblance to the original sentence.

Mr. Miller said that there is a fiscal impact because of the two year minimum required by the bill. However, he added that he felt that the fiscal impact of the two year minimum would prove to be worthwhile because people would stay in prison longer which would serve as a deterrent to future crimes.

Assemblyman Horn continued that the fiscal impact of AB 199 would be minor. He added that of the 1,652 persons given probation in 1978 only about 60 would have been affected by AB 199. He said that Mr. Campos, Chief of Parole and Probation, has estimated that about 20 of these probationers violate probation and return to prison, and the remaining 40 would commit another crime. Thus, the current commitment rate dealing with AB 199 would have a net effect on the prison population of about 40 additional inmates a year. Assemblyman Horn added that it was his contention that this small number of additional inmates could be absorbed into the system especially with the projected housing capacity. He stated that increased costs to the prison resulting from AB 199 would also be partially offset by the savings to the Department of Parole and Probation since they would not be dealing with these individuals.

Assemblyman Horn commented that he is extremely concerned about the social costs of crime in the State of Nevada, and that the citizens are paying the price for laws that permit the return of professional criminals to the streets in a very short period of time.

Assemblyman Horn further stated that Mr. Michael de la Torre, Director of the Department of Law Enforcement Assistance, has provided some additional data relating to the costs of returning repeat offenders to prison, which is included as Exhibit "C." Assemblyman Horn said that the information indicates that the average cost of a felony arrest is between \$120 and \$200, and that the average cost of a felony trial is about \$4,000 a week. In addition to these expenditures, there are the public defender's costs and the prison intake costs to be considered, although an accurate record of these specifics has not been maintained by the State of Nevada.

Assemblyman Horn continued that in addition to identifying the costs associated with returning criminals to prison, Mr. de la Torre's written information includes cogent notes and observations about social costs. Assemblyman Horn quoted the following statements from that material: "notwithstanding the accuracy or inaccuracy of figures which make an effort to detect the cost of operating any criminal justice system, the social costs of crime should be of paramount concern. No one really knows what crime costs because records do not take into account such things as the cost of a security device, insurance, hospitalization--also no one can account for the cost of fear, trauma and the loss of loved ones or companions. How can we measure the disruption of one's lifestyle from a robbery or sexual assault."

Assemblyman Horn said that according to Nevada statistics the value of stolen property in 1976 from burglary, robberies and larcenies totaled \$25 million and that from 1970 to 1976 Nevada's population increased about 27%. During the same time period violent crimes increased about 115% and property crimes increased 76%. Assemblyman Horn commented that crime has a high social cost that very seldom reaches the budget pages for analysis or observation, and thus, we must spend more of our tax dollars to deal with this cost of crime.

In reviewing the fiscal impact of AB 198, Assemblyman Horn explained that according to the Department of Prisons of the 616 inmates released either on parole or at the termination of their sentence in the calendar year, 1978, 456 were released prior to serving two years of their sentence. He added that of this amount 145 violated parole and were returned to prison in 1978. Of the 456 released, 102 had been out of prison less than one year. He said that since 102 violators were returned to prison in such a short period of time they should not be counted twice in the prison population projection as impacting due to AB 198. Therefore, there is a net increase of 354 new inmates.

Assemblyman Horn further pointed out that the 102 violators returned to prison within one year affected the taxpayers who had to pay the additional costs of re-arresting them, re-trying them plus the additional public defender and district attorney costs, plus the social costs which are incalculable. Therefore, literally the taxpayer ended up paying twice for the 102 criminals returned to prison within one year.

Mrs. Wagner asked why NRS 201.190 which deals with crimes against nature had been deleted from line 18 of AB 199. Assemblyman Horn responded that he did not know but would find out.

Mrs. Wagner asked if there was a revised fiscal note to go with the re-print of AB 198 since the original fiscal note indicated an astronomical financial impact in the amount of \$52 million. Assemblyman Horn answered that the testimony that they had just presented was challenging that fiscal note monetary projection.

Mrs. Wagner asked if Assemblyman Horn was suggesting that the fiscal note was done to shock the legislators.

Mr. Miller interjected that \$52 million is a very high figure and stated that he had grave doubts about its accuracy. He observed

that the stated fiscal impact was largely due to the two-year requirement and said that the Director of Prisons has stated that there would be no impact if the two-year limit were amended to one year and the one-fourth to one-third service of sentence requirement were left in AB 198.

Mr. Don Rhodes, Chief Deputy Research Director for the Legislative Counsel Bureau commented that the fiscal note accompanying AB 198 was based on two prisons (about 1,000 inmates a year). He added that the \$25 million figure stated by Assemblyman Horn as the value of stolen property in 1976 was probably one-third of what it is now. Mr. Rhodes continued that he had spoken to Mr. de la Torre recently and that Mr. de la Torre had indicated that a more accurate reflection of the value of stolen property might be \$75 to \$100 million per year.

Assemblyman Horn commented that the biggest problem with AB 198 is the two-year requirement and that if the time period were deleted, the fiscal impact would be considerably decreased.

Chairman Mello asked Mr. Sherman Simmons to comment on the Governor's opinion on AB 198 and AB 199. Mr. Simmons answered that the two particular pieces of legislation had not been discussed with the Governor. Chairman Mello reiterated his question and asked Mr. Simmons how the Governor felt about crime. Mr. Simmons responded that the Governor was against crime.

Mr. Larry Katzenberger of the Las Vegas Metropolitan Police Department, indicated that his department wholeheartedly supports the concept of AB 198 and AB 199.

Mr. Bud Campos, Chief of Parole and Probation, stated that AB 198 was not the original bill supported by the Law Enforcement Conference since the two-year minimum requirement amendment has significantly changed the original bill.

Chairman Mello asked why Mr. Campos is opposed to AB 198 with the amendment. Mr. Campos answered that too often laws are passed to solve problems, but the laws do not address the primary issues. He added that Nevada is not considered to be particularly "soft" on crime in comparison with other states. He added that the average time being served by Nevada inmates was 22.7 months. He compared this to average time served at various periods throughout the century and said the average time served--if anything--has increased due to the parole requirement. He stated that average parole time served is 28 months. He also indicted that there is a need in the law for flexibility within the parole system. He added that if 25% of parolees were being returned to prison, then 75% of those paroled must be assumed to be making satisfactory adjustments within the community, which represents some success under the current system.

He also stated that most parole violators are returned to prison because they violate a condition of parole, not because they have committed a new crime.

Chairman Mello asked Mr. Campos how many of the 25% released early on parole are released the second time, and then come back a third time. Mr. Campos answered that there is a "hard-core" element that does keep returning, and that about one-third of all persons who go to prison will never get out of the system.

Mr. Vergiels noted that if the sentences were extended to the one-third requirement, the case load in the parole office would be much smaller. Mrs. Campos said that his office is not affected as much by parolees as they deal mostly with probationers. He indicated that such passage would result in 200 less people per year being supervised by the Parole and Probation Department and that could mean a net reduction of 3 1/2 positions.

Warden Wolff clarified that he did not say there was no fiscal impact in AB 198 if the two-year incarceration period was dropped. He said

his predictions indicate that if the sentence requirement is increased from one-fourth to one-third, 1.559 years longer will be added to the average sentence length of 22.7 months making it the longest average sentence in the nation. He said that at that rate, the Legislature would be asked to add a new institution every two years at a cost of \$32 million. He indicated that the one-year minimum sentence is adequate and should not be extended to two years as required in AB 198.

Chairman Mello asked Warden Wolff if it would be advisable to add an additional 100 beds to the new prison.

Warden Wolff said the requested 400 bed prison is already too small and an additional 200 beds are needed now. He noted that in view of this legislation the pending institution should be discussed to include 1,000 beds.

Chairman Mello asked if Warden Wolff would recommend to the Ways and Means Committee that a 1,000 bed facility be considered. Warden Wolff said that he would make that recommendation, noting that enlarging the proposed prison would be economically advantageous.

Chairman Mello asked if it would cost twice as much to add an additional 600 bed capacity to the present proposed prison. Warden Wolff responded that it would not cost twice as much because many of the facilities within the institution would be centralized and would not have to be duplicated.

Mrs. Wagner asked Warden Wolff why he did not comment on AB 199. Warden Wolff said that previous testimony reflected information regarding AB 199 accurately.

Chairman Mello asked if there would be any fiscal impact on AB 199. Warden Wolff responded that there is no significant fiscal impact on AB 199 and that the increase in inmates would be included in the normal increase in population.

Mr. Miller said that there is not a very significant fiscal impact from the one-fourth to one-third; secondly, the 1.559 year increase is based on the original sentence of one-fourth to one-third.

Chairman Mello asked what the fiscal impact would be to AB 198 if amended to remove the two-year requirement and have the one-third of a sentence provision retained. Warden Wolff stated that it would result in the need of another institution at a cost of approximately \$32 million if the construction was started in the upcoming biennium and \$5 million in operating expenses.

Mr. Rhodes said that at the present time approximately 450 people are released on parole within the one to two year period, and removing the two-year requirement as stated in AB 198 could diminish the fiscal impact.

Chairman Mello said that the Committee would need some figures explaining exactly what fiscal impact would result from deleting the two-year requirement in AB 198. Mr. Rhodes suggested that the prison system compare the resultant difference between deleting the two-year requirement and the cost of both the two-year requirement and the one-third of a sentence requirement.

Chairman Mello said that after the figures are compiled they should be re-checked. Mr. Rhodes said that he would do that with Mr. Bible.

#### SB 192

Mr. Sherman Simmons said that SB 192 is part of the Governor's Legislative package. He said that it has passed both the Senate and Assembly Judiciary Committees.

Mr. Simmons noted that Warden Wolff's previous testimony revealed that he supports the bill and sees no fiscal impact.

Mr. Simmons referred to a study conducted by Mr. Campos, Chief of Parole and Probation that indicated that in Clark County for the



years 1975, 1976 and 1977, seventeen people convicted of using a firearm in commission of a crime and who were granted probation. Mr. Simmons pointed out that many individuals who are convicted of armed robbery are not going to prison. He said that SB 192 will provide that conviction of armed robbery would result in a prison term.

Mr. Simmons referred to some statistics from the State of Florida in which there was a 22% decrease in reported armed robberies after they adopted a law similar to SB 192. He further noted that the statistics from Florida revealed there were more "strong-arm" robberies than armed robberies.

Mr. Barengo asked for an explanation of the difference between a "strong-arm" robbery and an armed robbery. Mr. Simmons responded that an armed robbery is where a weapon such as a gun or knife is used in the robbery act and a "strong-arm" robbery is one where physical force is used.

Mr. Bremner noted that in the summary of SB 192 plea bargaining is mentioned but there is no mention of plea bargaining in the bill as currently written. Mr. Simmons explained that the original bill had the plea bargaining provision included but that it was amended out in the Senate Judiciary Committee.

Mrs. Wagner asked if there were any figures on convictions of armed robberies in the Florida study rather than report armed robberies. Mr. Simmons said he had no figures but he added that this type program would be tied into the Governor's Crime Prevention program.

Mr. Barengo asked the definition of a firearm. Mr. Simmons said that basically a firearm is a gun; however, in a trial if a person is charged with use of a firearm it would have to be proven.

Mr. Simmons pointed out that some additional statistics from Florida revealed less than 1% increase in the number of persons convicted for armed robbery in the preceding six years which would also indicate passage of such a bill would carry a small fiscal impact.

Chairman Mello asked how many homicides there were in New York as a result of using a firearm during a robbery; noting that the Sullivan Act should be a deterrent against using a firearm. He suggested that this information would be helpful to the Committee. Mr. Simmons said he did not have those figures.

Mr. Bremner asked Mr. Simmons if he prefers the original or the re-printed bill. Mr. Simmons said that he preferred the non-plea bargaining provision; but is satisfied with the bill as written.

Mr. Campos pointed out as an example of the fiscal impact that currently there are 12 persons on probation in Reno that were charged with use of a firearm and 26 in Las Vegas.

#### AB 298

Mr. Jack Shaw, Division of State Lands, introduced Mr. John Meder, Division of State Parks, and said that the appropriation in AB 298 for \$100,000 was included in the Executive Budget, and provides for surveying costs and marking the boundary lines of the state parks.

Chairman Mello asked if the requested \$100,000 was requested in the budget the last biennium. Mr. Meder responded that it was in the budget the last biennium under the capital improvement section. He said the decision last session had been to again request such an appropriation in 1979 since the State Lands Division was just given the responsibility of buying, selling, and managing the state lands in the 1977 session.

Mr. Shaw said that it was the intention of the Division of State Lands to use the crews from the Highway Department during their slack season for the surveying job.

Chairman Mello asked how the requested appropriation of \$100,000 was determined. Mr. Shaw said that the \$100,000 was just a beginning and more would be needed to finish the job. He continued that at the next legislative session details of what has been achieved and what would be needed to finish the job would be presented to the legislature.

Mrs. Cavnar requested more specific information. She suggested that that information include what parks can be completed in a given amount of time and the specific costs involved with each park.

Mr. Meder said that an estimated figure of \$4,000 a mile would be necessary to survey the 121 miles of park boundaries.

Chairman Mello asked how it was possible that the boundary lines of the state parks were not known. He asked if appraisals were not made at the time of purchase. Mr. Meder said that the appraisals are made by description but that the boundaries have never been surveyed on the ground.

Mr. Meder said that the reason State Lands Division was given the responsibility of managing, buying, selling and disposing of all State land was to incorporate all these functions under one agency.

Mr. Shaw noted that all new land acquisitions are being surveyed. He added that there are no physical markers to separate the State lands from private land or Federal lands.

Mr. Bremner asked if it was the intention of the State Division of Lands to survey the total 121 miles, pointing out that boundaries between State and Federal lands would not be as critical as boundaries between State and private lands. Mr. Meder replied that the surveying would be done in only the most critical areas.

Mr. Webb asked if the U.S. Geodetic Survey teams could conduct the surveying of State and Federal lands. Mr. Meder said that that was possible.

Chairman Mello asked what the consequences would be if the \$100,000 were not allocated. Mr. Meder said that operations would be conducted as before.

#### SB 207

Dr. Don Driggs, Nevada WICHE Commissioner, said that SB 207 provides a supplemental appropriation of \$11,000 to pay Nevada's back dues to the WICHE Commission for 1977-78.

Dr. Driggs explained that at the Western Governors Conference in 1976 the Governors passed a resolution that the states involved in the WICHE compact should not release the additional money for dues until the consultant completed his study of the administration of the WICHE Commission. He said that in view of this resolution, last biennium, the Governor recommended only \$28,000 the first year of the biennium, and \$39,000 the second year for dues payments while all the other states eventually appropriated and paid the full \$39,000. He said that by the time the report was received the Legislature had adjourned and there was no way to get the additional \$11,000. He explained that that is why a supplemental \$11,000 appropriation is requested.

#### SB 330

Mr. Jack Middleton, Associate Administrator of the Division of Mental Hygiene and Mental Retardation said that SB 330 provides for two significant functions: (1) to allow the additional patient collections of the Nevada Mental Health Institute to be used for increased utility

costs and (2) to allow the Sierra and Desert Development Centers to use excess Title 19 collections to pay for the additional positions and their costs at the two centers.

Mr. Middleton said that \$200,000 of State money was expended to continue the expanded Title 19 program which would collect \$1.2 million part of which would eventually revert to the General Fund.

Chairman Mello said that SB 330 has no fiscal impact. Mr. Alastuey said that that was correct. This bill would allow flexibility to use the additional monies already received from pay-patient collections at the institute and from Title 19 Medicaid.

Chairman Mello presented the Committee with a request for a Committee introduction from Wendell Newman, Teachers Association, which permits full-service credit for part-time employment for certain employees who are eligible to retire.

Mr. Bremner presented the Committee with a request for a bill to make an appropriation to the Division of State Parks to conduct a study to determine the feasibility of establishing an off-road recreational State park in Southern Nevada. He said it would withdraw 6,400 acres of public domain lands a year under the Public Purposes and Recreation Withdrawal Act.

Mr. Rhoads added that he has a requested study that would coincide with Mr. Bremner's request and could be discussed in Committee.

#### AB 85

Mrs. Cavnar questioned the requested amendment that would change from July 1, 1979 to July 1, 1980. She pointed out that making the suggested change would give the savings and loan companies more time to collect interest on the accounts and pointed out that the July 1, 1979 deadline may not work that great a hardship on the savings and loan companies.

Mr. Webb suggested that the effective date be change to January 1, 1980.

A motion to adopt the following amendments was made by Mr. Rhoads; seconded by Mrs. Wagner. Motion approved.

Change Section 17 to read from 30 to 60 days, change effective date from July 1, 1979 to January 1, 1980 and "sunset" the legislation as of July 1, 1983.

DO PASS as amended made by Mr. Bremner; seconded by Mr. Rhoads. Motion approved.

#### SB 192

DO PASS motion made by Mr. Webb; seconded by Mrs. Wagner. Motion approved.

#### SB 207

DO PASS motion made by Mr. Bremner; seconded by Mrs. Wagner. Motion approved.

#### SB 330

DO PASS motion made by Mr. Bremner; seconded by Mr. Webb. Motion approved.

Mr. Bible explained Exhibit "D" to the Committee which indicates the projected General Fund balances through the next biennium with action taken by the Committee so far in combination with the Budget as recommended by the Governor. Mr. Bible explained that the revenue

estimates were \$11 million higher than the budget division's estimates at the time they were made but are now \$7.1 million higher than the budget division's revised estimates presented to the Senate Finance Committee. Mr. Bible pointed out that the park user fees are recommended by the Governor to not be placed in General Fund income but instead be placed in the State Parks Division budget to support its operations while the same holds true for mental health, SAMI, and medicare payments which would be expended to support the State hospital. He said that real estate license fees of \$235,000 have also been deducted from the estimated income in the first year of the biennium because the current law has now been changed. He explained that reversions are also corrected which increased the State's General Fund balance and the legislative appropriations represent the current amount allocated for this fiscal year. Mr. Bible said that the impact of AB 616 is indicated in 1978-79 and in the two years of the biennium with the amount in 78-79 representing the cost of a special election to remove the sales tax on food.

He added that thus far the Committee has passed out \$601,163 in 78-79; \$385,000 in 79-80; and \$375,000 in 80-81 in bills in excess of the Governor's recommendations and \$16,520 in increased appropriations to budgets in 1979-80. He noted the Committee has cut \$24,046 in 1980-81 from the recommended budgets.

He explained that to date the actions would leave the General Fund with a balance of \$30.8 million at the end of this fiscal year, \$27.1 million at the end of the next fiscal year, and \$38.8 million at the end of the 80-81 fiscal year. He added that there are other fiscal issues pending which appear in the bottom of the chart in Exhibit "D" which would, if approved bring the General Fund balance in fiscal year 1979-80 to \$14.2 million and in 1980-81 to \$15 million.

Mr. Bible stressed that while income would exceed expenditures in FY 1980-81 by \$819,000 if these projections hold, the temptation must be resisted to take any of the surplus monies in the General Fund balance and spend them for ongoing programs. He said that in effect this would take money out of the State's savings account and use it for the State's ongoing bills and predicted that should this happen eventually there would be a day of reckoning.

Chairman Mello commented that the legislature is above the Governor's budget in the bills passed but noted that there is no provision in the chart should some of the Governor's bills not pass.

Mr. Webb said that in light of the gas and energy situation, the economy of the entire State may be in serious trouble. He said that he has great concern over spending \$134 million of the State surplus on one-shot appropriations and reducing the normal cash balance to \$14 or \$15 million.

Chairman Mello said that capital improvements must be reassessed if the 1,000 bed prison is to be built.

Mr. Bible said that AB 616 costs considerably more than SB 204 and if the Senate prevails, more monies would therefore be available.

Chairman Mello asked if the figures for the amount that the Senate Finance Committee has passed over and above the Governor's recommendations were available. Mr. Bible said that he could report to the Committee on Monday with these figures.

Chairman Mello noted one example of a costly bill and said that SB 206 calls for \$6.6 million. Mr. Bible added that that is \$5.5 the first year and \$6.6 the second year from the General Fund one half of which is funded by the State. Mr. Bible said that it is a supplemental program for the permanently and totally disabled.

Mr. Glover asked Mr. Bible what a proper amount of State surplus monies would be. Mr. Bible said that the usual surplus amount is

about 10% of the State's income which amounts to about \$38.7 million. Mr. Bible pointed out that the budget estimates were prepared prior to the current energy problems which may have some bearing on the revenue estimates as presented in Exhibit "D."

Mr. Webb commented that the estimates of income would probably not be as substantial as predicted due to the energy problems.

Mr. Barengo referred to the possible impact of the Lake County bill. Chairman Mello said that he would request the staff to look at this bill in regard to any possible impact.

The meeting was adjourned at 10:50 a.m.

DATE: 4/12/79

WAYS AND MEANS COMMITTEE

GUEST LIST

NAME (PLEASE PRINT)

REPRESENTING:

Wile Turiuh  
AA Campos

ACLI  
PAROLE      AB 198-199      SB 192

Joel Meddletay  
Mike Medema

SB 330  
Dep. of Prisons      AB 198 + AB 199

Stephen Hartman  
Robert Cameron

American Express  
State Treasurer's Office

STAN COLTON

" " "

Fred W. Gifis

Senior Citizens Las Vegas

Del McLeod

" " "

Bob Miller

CLARK County District Attorney

Jim Jager

Nevada Savings & Loan Trust

March 29, 1979

Honorable Donald R. Mello, Chairman  
Assembly Ways and Means Committee  
Room 236, Legislative Building  
Carson City, Nevada 89710

Dear Assemblyman Mello:

Re: A.B. 85 - Unclaimed Property Act

With apologies for not having sufficient copies at the hearing (rarely have we bureaucrats been accused of having too little paper), I submit my proposed budget.

As you will recall from my presentation, I have prepared what I feel to be an adequate budget conditioned by adding personnel only as needed. As I pointed out, any monies which are not spent would revert to the to General Fund and the program should be selfsustaining fairly soon.

I do not feel that it is appropriate to enter into a bidding process because the Legislature should make those determinations and not administrative agencies.

The Commerce Department has the existing capability to perform all three functions required under this bill: compliance verification, consumer contact, and administrative adjudication.

If the Legislature concurs and directs us to administer this program, we will do so to the best of our ability with the funds the Legislature would appropriate.

Very truly yours,

James L. Wadhams  
Director

JLW/JK  
Encl.

Exhibit "A"

1419

Because the Commerce Department through the Insurance Division currently administers an unclaimed property fund, we would not have the "systems development" costs of a different agency.

Because, with one exception (utilities), the Commerce Department currently audits or examines most of the financial institutions covered by the act, certain economies in staffing could be achieved in the early years.

As a result, the estimated costs would be as follows:

<u>Personnel</u>	<u>FY 1979-80</u>	<u>FY 1980-81</u>
Program Administrator	\$ 21,500	\$ 23,000
Senior Accountant	16,750	17,900
Account Clerk	9,390	10,050
Administrative Aide	<u>10,225</u>	<u>10,950</u>
	\$ 57,865	\$ 61,900
Payroll Costs at 15%	<u>8,680</u>	<u>9,285</u>
<u>Total Personnel Costs</u>	\$ 66,545	\$ 71,185
<u>Travel</u>	30,000	35,000
<u>Operating</u> (25% of Salaries)	16,636	17,796
<u>Electronic Data Processing Systems</u>	3,000	
Equipment	7,000	2,000
Training	<u>7,000</u>	
<u>Grand Total</u>	\$130,181	\$126,481

This proposal is further modified by the following priorities:

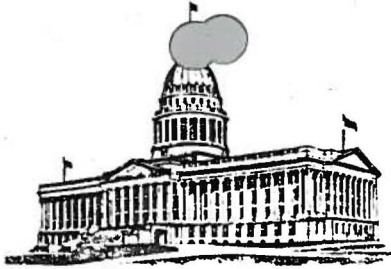
1. At inception, I would employ only a Senior Accountant and an Administrative Aide. The Director would function as Program Administrator initially.
2. A Program Administrator or an Account Clerk would only be added as needed. If they were not needed, the monies appropriated therefor would revert to the General Fund at the end of the fiscal year pursuant to Section 38, Subsection 4 of the bill.

1430





LINN C. BAKER  
STATE TREASURER



THE STATE OF UTAH  
OFFICE OF THE STATE TREASURER  
SALT LAKE CITY, UTAH 84114

215 STATE CAPITOL  
18011 533-5781

BETTY M. JOHNSON  
CHIEF DEPUTY STATE TREASURER  
KEN B. DONE  
STATE INVESTMENT OFFICER

January 24, 1979

Honorable Stanton B. Colton  
Nevada State Treasurer  
Carson City, Nevada 89701

Dear Mr. Colton:

As per your request in your letter of January 18, 1979, we are enclosing to you herewith a copy of our Unclaimed Property Act and Rules and Regulations. Two years ago, Section 78-44-2 was amended and a copy of such amendment is included. The Rules and Regulations, beginning on page 10, are now being revised and we will send you a copy when these are complete.

We are in the process of expanding our program and, at this time, have a staff of two--an Attorney as Deputy for Unclaimed Property and an Administrative Assistant who, in the near future, will be acting as a field representative. We intend to hire one additional employee to handle the record keeping and secretarial duties. In the current fiscal year, our Unclaimed Property Budget is \$80,700 and we have requested \$83,900 for the 1978-1979 fiscal year.

We presently have a Bill before our Legislature which proposes additional amendments to our existing Act, and we have enclosed a copy of this for you also. We hope that the information we have included will be of help to you and suggest that you might direct any further questions you might have to Mr. Harvard Hinton, Deputy for Unclaimed Property, Room 111 State Capitol Building, Salt Lake City, Utah 84114. He would be glad to assist you in any way that he can.

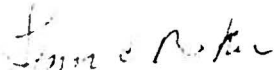
Exhibit "B"

1421

We hope that you and your Deputy Treasurer are planning to attend the Western State Treasurers' Conference here in Salt Lake City on May 20, 21 and 22. These conferences are always worthwhile and interesting, and it would be nice to meet you.

My very best wishes to you for a pleasant and successful term of office.

Sincerely,



Linn C. Baker  
Utah State Treasurer

LCB:bj  
encls.

NEBRASKA - UNCLAIMED PROPERTY

Unclaimed Property Act was passed in 1969

CASH RECEIVED (Fiscal Year)

CLAIMS PAID (Year)

1970-71 \$ 7,446.84  
1971-72 670,569.90  
1972-73 140,774.51  
1973-74 21,320.12  
1974-75 77,297.42  
1975-76 175,447.09  
1976-77 67,177.28  
1977-78 519,360.52

1973 - \$19,372.18 39 claims processed  
1974 - \$17,199.22 35 claims processed  
1975 - \$10,917.12 28 claims processed  
1976 - \$ 5,357.06 56 claims processed  
1977 - \$38,054.77 424 claims processed

July 1, 1978-to date \$330,121.71

Budget

1972-73 - \$4,371 (part-time employee)  
1973-74 - \$5,366 (part-time employee)  
1974-75 - \$14,281 (one employee)  
1975-76 - \$19,847 (one employee)  
1976-77 - \$27,769 (one employee)  
1977-78 - \$42,336 (two employees & expenses for 15 state consortium)  
1978-79 - \$59,926 (two employees & auditor & \$20,000 for computer system)  
1979-80 - \$89,059

Break down on budget for 1978-79

1979-80

Personal services -	\$37,162	\$41,359
Operating Expenses	13,964	39,550
Supplies	1,050	1,100
Travel	3,050	6,250
Equipment	700	800
	<hr/>	<hr/>
	55,926	89,059

*Wyoming State Treasurer*

STATE CAPITOL BUILDING

CHEYENNE, WYOMING 82002

SHIRLEY WITTLER  
STATE TREASURER

March 12, 1979

EARL W. KABEISEMAN  
DEPUTY STATE TREASURER

Nevada State Treasurer's Office  
Mr. Bob Cameron  
Deputy Treasurer  
504 East Musser Street  
Carson, City, Nevada 89710

Dear Mr. Cameron:

Enclosed are copies of the Wyoming statutes covering unclaimed  
escheated property and the reporting form.

The revenue deposited with the State is as follows:

73 1976 \$292,348.65  
61- 1977 \$ 14,607.91  
72 1978 \$ 38,351.68

Sincerely,

Lorna Sanders  
Accountant

FOR RELEASE, 1977  
December 23, 1977

CONTACT: Gentry Durham  
(916) 445-6854

SACRAMENTO -- State Controller Kenneth Cory today reported that Christmas came early throughout 1977 for more than 3000 Californians who were reunited with over \$6 million of their property which had been declared legally abandoned and unclaimed.

Cory said preliminary figures for the annual report on his administration of the Unclaimed Property Law show an unprecedented \$16.5 million of such property received during the year -- and a consequent increased burden on his office to find the rightful owners.

"Wherever possible we mailed notices to the last known addresses of the owners and in addition we advertised the names of 34,500 persons and organizations in major newspapers throughout the state," Cory said. "This generated most of the claims we received, but we expect many more since most of the funds remain subject to claim forever."

Cory said stepped up enforcement by his office and better voluntary compliance with the law by holders of unclaimed assets were responsible for the sharp increase in property reported. He compared the \$16.5 million received this year to \$1.2 million in 1969 and \$3 million in 1974.

"Most of this property belongs to people who have either forgotten about it or for many reasons did not know it was rightfully theirs," Cory said. "The California business community has been generally cooperative with our efforts to restore these funds to the true owners and our success to date indicates how well consumers can be protected when government and business work together."

Cory said that the funds reported this year included almost  
Exhibit "B" 1425  
(Page 5 of 19 Pages)

2-

\$9 million from banks in unclaimed savings and checking accounts, money orders and certified checks and shareholder dividends. Another \$1.2 million came from savings and loan accounts, and \$5.4 million from travelers checks, liquidation and corporate dividends. More than \$800,000 came from insurance companies in unclaimed life insurance, annuities and shareholder earnings.

"The unclaimed property program will continue to grow in the foreseeable future as we continue our compliance efforts and expand them into areas where reporting and enforcement need to be enhanced," Cory said. "The continued interest and cooperation of the business sector will play a major role in helping get these millions of dollars back into the owners' hands."

###

PROPOSED EXPENDITURE BUDGET FOR  
UNIFORM DISPOSITION OF UNCLAIMED PROPERTY ACT

	<u>79-80</u>	<u>80-81</u>	
Salaries and Wages (Schedule 1)	\$ 90,958	\$110,514	
Travel:			
In State (Schedule 2)	\$ 10,872	\$ 15,989	
Out-of-State	<u>1,500</u>	<u>1,500</u>	
Total Travel	<u>\$ 12,372</u>	<u>\$ 17,489</u>	
Operating Expenses (Schedule 3)	<u>\$ 22,454</u>	<u>\$ 23,667</u>	
Data Processing	<u>\$ 3,000</u>		
Training (Schedule 4)	<u>\$ 3,456</u>		
Equipment (Schedule 5)	<u>\$ 6,639</u>	<u>\$ 3,361</u>	
Total All Categories	<u>\$138,879</u>	<u>\$155,031</u>	
Contingency Included in Totals	<u>\$ 5,429</u>	<u>\$ 4,816</u>	
	<u>79-80</u>	<u>80-81</u>	<u>Total</u>
Subcommittee Estimate	\$201,000	\$195,000	\$396,000
Treasurer's Estimate	<u>138,879</u>	<u>155,031</u>	<u>293,910</u>
Difference	\$ 62,121	\$ 39,969	\$102,090

SALARIES AND WAGES

	<u>79-80</u>	<u>80-81</u>
Administrator	\$ 27,200	\$ 28,300
Senior Auditors (2)	25,350	39,928
Accountant	16,581	17,410
Sr. Clerk Typist	9,963	10,461
Fringe @ 15 percent	<u>11,864</u>	<u>14,415</u>
Total Salaries and Wages	<u>\$ 90,958</u>	<u>\$110,514</u>

Note: 79-80 salary for the two Senior Auditors is based on their commencing employment on November 1, 1979.



IN-STATE TRAVEL

Per Diem: Two men in travel status one-third of their time at \$40 per day	\$ 6,640
Motor Pool: 25,000 miles @ 15¢ per mile plus \$3.00 per day	4,250
Air Fare: 12 trips to or from Las Vegas	840
Per Diem: 12 two day trips to or from Las Vegas	960
Contingency at 20 percent	<u>2,538</u>
Total Annual Basis	<u>\$15,228</u>

	<u>79-80</u>	<u>80-81</u>
In-State Travel	<u>\$10,872</u>	<u>\$15,989</u>

Note: The 79-80 estimate is based on the two auditors starting employment November 1, 1979. The 80-81 estimate is the total annual basis plus 5 percent.

OPERATING EXPENSES

	<u>79-80</u>	<u>80-81</u>
Office Supplies	\$ 500	\$ 500
Postage	1,000	1,000
Operating Supplies	500	500
Publications	500	500
Membership Dues	300	300
Communications Expense	3,000	3,000
Printing and Duplicating	2,500	2,500
Insurance	250	250
Equipment Repair	150	150
Advertising	7,500	8,500
Rent	4,213	4,315
Contingency at 10 Percent	<u>2,041</u>	<u>2,152</u>
Total Operating Expense	<u>\$22,454</u>	<u>\$23,667</u>

Note: Rent is based on 850 square feet of space.

TRAINING

Basis: Four people taking 2 four day trips each	<u>79-80</u>
Per Diem:	\$ 1,280
Air Fare:	1,600
Contingency at 20 percent	<u>576</u>
Total Training	<u>\$ 3,456</u>

EQUIPMENT

	<u>79-80</u>	<u>80-81</u>
Equipment	\$5,639	\$3,361
Contingency	<u>1,000</u>	<u>          </u>
Total Equipment	<u>\$6,639</u>	<u>\$3,361</u>

Note: Equipment estimate for 79-80 includes:

5 desks, 5 chairs, 5 four-drawer files, 5 wastebaskets, 2 credenzas,  
and 1 typewriter.

The contingency of \$1,000 in 79-80 and the \$3,361 for 80-81 would be  
for any specialized equipment that might be required.

PROPOSED EXPENDITURE BUDGET FOR  
UNIFORM DISPOSITION OF UNCLAIMED PROPERTY ACT

	<u>79-80</u>	<u>80-81</u>
Salaries and Wages (Schedule 1)	<u>\$52,939</u>	<u>\$61,852</u>
Travel:		
In-State (Schedule 1)	\$ 6,445	\$ 9,665
Out-of-State	1,500	1,500
Total Travel	<u>\$ 7,945</u>	<u>\$11,165</u>
Operating Expenses (Schedule 2)	<u>\$20,972</u>	<u>\$22,027</u>
Data Processing	<u>\$ 3,000</u>	
Training (Schedule 3)	<u>\$ 1,728</u>	
Equipment (Schedule 3)	<u>\$ 4,517</u>	<u>\$ 2,500-</u>
Total All Categories	<u>\$91,101</u>	<u>\$97,544</u>

	<u>79-80</u>	<u>80-81</u>	<u>TOTAL</u>
Subcommittee Estimate	\$201,000	\$195,000	\$396,000
Treasurer's Estimate	<u>91,101</u>	<u>97,544</u>	<u>188,645</u>
Difference	\$109,899	\$ 97,456	\$207,355

SALARIES AND WAGES

	<u>79-80</u>	<u>80-81</u>
Administrator	\$23,500	\$23,500
Senior Auditor	12,617	19,871
Senior Clerk Typist	9,917	10,413
Fringe @ 15 Percent	<u>6,905</u>	<u>8,068</u>
Total	<u>\$52,939</u>	<u>\$61,852</u>

Note: The 79-80 salary for the senior auditor is based on his commencing employment November 1, 1979.

IN-STATE TRAVEL

Per Diem: One man in travel status 1/3 of his time at \$40 per day	\$3,320
Motor Pool: 15,000 miles @ 15¢ per mile plus \$3.00 per day	2,520
Air Fare: 12 trips to Las Vegas	840
Per Diem: 12, 2-day trips to Las Vegas	960
Contingency at 15 percent	<u>1,261</u>
Total Annual Basis	<u>\$9,665</u>

	<u>79-80</u>	<u>80-81</u>
In-State Travel	<u>\$6,445</u>	<u>\$9,665</u>

Note: The 79-80 travel estimate is based on the auditor starting employment on November 1, 1979.

OPERATING EXPENSES

	<u>79-80</u>	<u>80-81</u>
Office Supplies	\$ 500	\$ 500
Postage	2,500	2,500
Operating Supplies	500	500
Publications	500	500
Membership Dues	300	300
Communications Expense	3,000	3,000
Printing and Duplicating	2,500	2,500
Insurance	250	250
Equipment Repair	150	150
Advertising	7,500	8,500
Rent	2,272	2,327
Contingency	<u>1,000</u>	<u>1,000</u>
Total	<u>\$20,972</u>	<u>\$22,027</u>

Note: Rent is based on 550 sq. ft. of space.

TRAINING79-80

Basis: Two people taking 2, four-day  
trips each

Per Diem	\$ 640	
Air Fare	800	
Contingency	<u>288</u>	
Total Training		<u>\$1,728</u>

EQUIPMENT79-8080-81

Equipment	\$4,017	\$2,500
Contingency	<u>500</u>	<u>          </u>
Total Equipment	<u>\$4,517</u>	<u>\$2,500</u>

Note: Equipment estimate for 79-80 includes:

3 desks, 3 chairs, 3 four-drawer files, 3 wastebaskets,  
3 calculator, 2 credenzas and 1 typewriter.

The contingency of \$500 in 79-80 and the \$2,500 for 80-81  
would be for any specialized equipment that might be  
required.



CALCULATIONS OF GROSS REVENUES PER PERSON

<u>State</u>	<u>Average Revenue Per Year</u>	<u>Number Of Years</u>	<u>Population (Thousands)</u>	<u>Revenue Per Person (Cents)</u>
Nebraska	209,924	8	1,467	14.3
Utah	136,554	21	901	15.2
Wyoming	115,103	3	334	34.5
California	<u>11,675,000</u>	<u>4</u>	<u>18,848</u>	<u>61.9</u>
Average (Cents)				31.5

Note: The gross revenue of California for 1977-78 of \$26.0 million was received by telephone from Mr. Thomas Holland, Chief of the Unclaimed Property Division.



LINN C. BAKER  
STATE TREASURER



THE STATE OF UTAH  
OFFICE OF THE STATE TREASURER  
SALT LAKE CITY, UTAH 84114

215 STATE CAPITOL  
8011 533-5781

BETTY M. JOHNSON  
CHIEF DEPUTY STATE TREASURER  
KEN B. DONE  
STATE INVESTMENT OFFICER

April 6, 1979

Bob Cameron  
Deputy Treasurer  
504 East Musser  
Carson City, Nevada 89710

Dear Bob:

The following is the list of monies received from unclaimed property since the law was first enacted in 1957:

1957-58	\$150,627.00
1958-59	383,376.00
1959-60	44,081.00
1960-61	39,833.00
1961-62	29,188.00
1962-63	36,091.00
1963-64	62,341.00
1964-65	27,211.00
1965-66	51,812.00
1966-67	65,030.00
1967-68	105,076.00
1968-69	78,373.62
1969-70	108,693.20
1970-71	102,757.09
1971-72	159,884.42

Exhibit "B"  
(Page 18 of 19 Pages)

1438

Bob Cameron  
April 6, 1979

Page Two

1972-73	\$122,215.50
1973-74	116,414.48
1974-75	114,215.99
1975-76	163,420.51
1976-77	196,260.32
1977-78	710,738.66
1978-to date	395,002.57

I hope the above information will be useful. Please remember fiscal 1977-78 and 1978-to date include two year stale dated state warrants.

If we can be of further assistance please do not hesitate giving us a call.

Sincerely,



Patricia M. King  
Administrative Assistant



ROBERT LIST  
Governor

MICHAEL A. de la TOR  
Director

*Department of Law Enforcement Assistance*

430 JEANELL DRIVE — CAPITOL COMPLEX  
CARSON CITY, NEVADA 89710  
Telephone (702) 885-4404

PLANNING AND TRAINING  
DIVISION

Harry A. Lipparelli  
Chief

INVESTIGATION AND  
NARCOTICS DIVISION

Vern Calhoun  
Chief

Carson City Office  
430 Jeanell Drive  
Carson City, NV 89710  
(702) 885-4408

Las Vegas Office  
1055 E. Tropicana  
Suite 590  
Las Vegas, NV 89109  
(702) 386-5316

Reno Office  
4600 Kietzke Lane  
Suite 209  
Reno, NV 89502  
(702) 784-5617

Elko Office  
495 Idaho Street  
Suite 210  
Elko, NV 89801  
(702) 738-7211

March 8, 1979

Mr. Don Rhodes  
Chief Deputy Research Director  
Research and Fiscal Analysis  
Nevada State Legislature  
Carson City, Nevada 89710

Dear Don:

Recently you made a request to this office regarding AB 198 and 199. Specifically, I think you are seeking the cost of keeping inmates incarcerated versus, releasing and subsequently returning them to prison. It is my understanding that it costs \$8,000 a year to keep an individual incarcerated in Nevada. In order to estimate the cost of returning an individual to prison, several factors must be considered. To wit:

a) The average cost for a felony arrest:

LEAA several years ago conducted a survey with the following results - between \$120 and \$200 depending on the size of the department.

Something to consider is whether the party posts bail or not. If he doesn't there are the costs of room, board, medical attention and supervision.

b) The average cost for a felony trial:

After considering several factors, I came up with a figure of \$4,000 a week. Keep in mind that this is merely an estimate. This figure takes into consideration various salaries - judge, court reporter, court clerk, baliff, law clerk, secretary, security baliffs, DA, expert witnesses, jurors, etc. This represents only an approximation as 85% of the criminal cases involve some type of a plea bargain and don't go to trial.

Exhibit "C"

1440

c) Defense costs (Public Defender):

Costs in this area are literally unavailable.

d) Intake costs for prisoners (Unit 5):

Costs in this area were also unavailable. I was able to ascertain only that intake and process of an individual entering prison may vary from 2 - 3 weeks depending on the various tests administered.

Regarding average recidivism rates, the Probation and Parole Department report that about 67% get off parole and 82% get off probation successfully. To expand a little further, 50% of those that get off of probation and parole stay clean. Also one-third go out of state, therefore, it is difficult to access whether they ever confront law enforcement again.

Notwithstanding, the accuracy or inaccuracy of figures which make an effort to depict the cost of operating any criminal justice system, the social cost of crime should be of paramount concern. No one really knows what crime costs, because records don't take into account such things as the cost of security devices, insurance or hospitalization. Also, no one can account for the cost of fear, trauma or the loss of loved one's and companions. How do you measure the disruption to one's lifestyle from a robbery or sexual assault?

According to Nevada statistics the value of property stolen in 1976 from burglaries, robberies and larceny totaled \$25 million. For the period 1970 - 1976 while Nevada's population increased 27%, violent crime increased 115% and property crime 76%.

If this office can be of any further assistance regarding this matter, don't hesitate to call.

Sincerely,



Michael A. de la Torre  
Director

MAdlT/pds

STATE NEVADA  
NEVADA DEPARTMENT OF PRISONS  
OFFICE OF THE DIRECTOR  
MEMORANDUM

TO: Don Rhodes  
Legislative Building  
Carson City, Nevada 89710

DATE: March 12, 1979

FROM: Michael L. Medina,  
Administrative Services Officer

SUBJECT: Inmate Release Data

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Pursuant to your request I have had my staff prepare:

1. The percentage of inmate who were denied parole at their first parole board.
2. The recidivism data regarding parole violators returned less than one year after parole.
3. The number of inmates who were released prior to serving two calendar years.

This data is attached in reports from my staff to me. As you are aware the Department of Prisons has not kept this type of data in the recent past due to a lack of trained qualified staff in the statistical reporting areas. The information provided you has been determined from the case load of the Department during calendar year 1978. I have no reason to suspect that this data would not be typical over a long year period but do not have a data base to support this belief. I hope that this information satisfies your needs. Should you require further information and/or clarification please contact this office.

Exhibit "C"  
(Page 3 of 7 Pages)

STATE OF NEVADA  
NEVADA STATE PRISONS  
OFFICE OF THE DIRECTOR  
MEMORANDUM

TO: Mike Medema

DATE: 1-2-79

FROM: Sandra Atashkarian-Inmate Timekeeper

SUBJECT: Parole Board Hearings

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The percentage of inmates who were denied parole at their first parole board hearing is 33%. This figure is an average for the year 1978, combining the totals for all three institutions (NSP-NWCC, NWCC, and SNCC). 607 inmates appeared for their first board hearing, including those who had voluntarily waived previous board dates (which would have been their first) , of these 204 were denied and the rest were approved for parole.

**TO:** Mike Medema

**MEMO**

**FROM:** Sandy-Inmate Timekeeper

**SUBJECT:**

**DATE:** 3-12-79

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The total number of inmates released in 1978 is 616, of these 456 were released prior to serving 2 years (74%). The following is a monthly breakdown:

<u>Month</u>	<u>Number Released</u>	<u>Released Prior to 2yrs.</u>	<u>Percentage</u>
Jan.	57	39	68%
Feb.	55	36	65%
Mar.	51	44	86%
Apr.	30	20	67%
May	53	38	72%
Jun.	57	41	72%
Jul.	48	39	81%
Aug.	77	57	74%
Sep.	49	34	69%
Oct.	51	41	80%
Nov.	49	35	71%
Dec.	39	32	82%



PAREOLE VIOLATORS RETURNED FROM PAROLE WITHIN ONE OR TWO YEARS  
Prepared March 7, 1979

TOTAL PAROLE VIOLATORS RETURNED IN 1978	= 145	—
PV's returned less than one year after parole	= 102	70%
PV's returned between one and two years after parole	= 24	17%
PV's returned over two years after parole	= 19	13%

FEB 24 1979

## Mello Commends Law Enforcement Chief

CARSON CITY (AP) — The newly-appointed Law Enforcement Assistance director was commended Friday by Assembly Ways and Means Chairman Don Mello for his apparent willingness to work hard in an overhauled department.

"It looks like the governor saw fit to make a lot of changes in your department, and the subcommittee will be glad to work with you on your budget," said Mello, D-Sparks. "I believe you are sincere and going to do a good job," he told Mike de la Torre, a recent List appointment.

The Department of Law Enforcement Assistance's budget was trimmed in several areas. For one thing, it was recommended that four planning staff positions be deleted due to changes in the federal program anticipated through the passage of some federal legislation.

The governor also recommended that the Identification and Communications Division be abolished

and that a federally funded Diversionary Investigative Unit be discontinued for lack of funds.

There was also a nearly \$1.7 million cut over the next two years in the Investigation and Narcotics Division and a \$2.5 million cut in the federally-funded Crime Commission.

Basically, de la Torre said he could get along with the cuts and budget deletions.

Washoe County Sheriff Bob Galli testified that he supported the program, in contrast to recent years in which the program was criticized for its slow pace.

The committee also heard testimony from Chief Parole and Probation Officer Bob Campos on his proposed budget.

He said his budget increase request, about \$1 million per year, was based largely on the tremendous increase in persons eligible for parole and probation and the increased number of convictions in this state.

Campos said there was a 47 percent increase over the last two years in the number of convictions and a 42 percent increase in the number of people under the parole board's supervision.

He also said that about 42 percent of the prisoners in the Nevada State Prison are probation or parole violators and added that the number usually is about 31 percent.

He also questioned whether the criminal justice system was getting the most for its money.

"The criminal justice system is extremely extravagant somewhere," Campos said. "Somewhere along the line we're going to have to a long, hard look at it."

He said he "hated the thought of studies that lead nowhere" but thought it might be a good idea to do just that.

"I question whether we're getting the payoff in terms of costs," he said.

April 9, 1979

	<u>1978-79</u>	<u>1979-80</u>	<u>1980-81</u>
General Fund Balance 7/1/78	\$74,805,265		
Estimated Income	\$299,178,167	\$339,317,516	\$387,884,522
Less Park User Fees	(83,350)	(169,800)	(173,900)
Less Mental Health Institute SAMI and Medicare		(225,000)	(230,000)
Less Real Estate License Fees		(235,000)	
Add Estimated Reversions	36,500,000	3,000,000	3,000,000
Total Estimated Income	<u>\$335,594,817</u>	<u>\$341,687,716</u>	<u>\$390,480,622</u>
Legislative Appropriations	(\$241,376,950)		
Estimated Cost 1979 Legislature	(2,500,000)		
Governor's Recommended Appropriations	(134,991,820)	(\$246,095,703) *	(\$263,096,657) *
Total Expenditures Before Tax Relief	<u>(\$378,868,770)</u>	<u>(\$246,095,703)</u>	<u>(\$263,096,657)</u>
Impact of A.B. 616	(\$ 119,760)	(\$ 98,830,000)	(\$115,321,000)
Ways and Means Changes to Appropriation:			
Bills	(601,163)	(385,000)	(375,000)
Budgets		(16,520)	24,046
Estimated Fund Balance	<u>\$ 30,810,389</u>	<u>\$ 27,170,882</u>	<u>\$ 38,882,893</u>
Other Fiscal Issues:			
Error in Adult Diploma Program		(\$ 1,026,640)	(\$ 1,104,730)
Increased Special Ed. Units		(500,000)	(500,000)
Error in U. of N. Budget		(415,139)	(473,531)
Estimated Cost 1981 Legislature Adolescent Facility	(1,169,000)		(3,000,000)
S.B. 372 Tort Claim	(1,500,000)		
S.B. 141 Nevada Reports	(75,000)		
S.B. 258 Postretirement Increase	(2,900,000)		
Return County Gaming		(2,700,000)	(2,900,000)
Return Real Estate Transfer		(2,500,000)	(2,750,000)
A.B. 85 - Unclaimed Property Act		(130,181)	(126,481)
A.B. 445 - Longevity		(37,500)	(37,500)
	<u>(\$ 5,644,000)</u>	<u>(\$ 7,309,460)</u>	<u>(\$ 10,892,242)</u>
Balance:	\$ 25,166,389	\$ 14,217,422	\$ 15,037,191

\* Adjusted for tax relief.

Note: Budget Division revenue and reversion projections are \$7,179,600 lower than the Fiscal Analysis Division and under their projection the fund balance would be that much less.

2547

Exhibit "D"