MINUTES

WAYS AND MEANS COMMITTEE

NEVADA STATE LEGISLATURE - 60th SESSION

May 21, 1979

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

MEMBERS PRESENT: Chairman Mello, Vice-Chairman Bremner, Mr. Webb, Mrs. Wagner, Mr. Barengo, Mr. Rhoads, Mr. Vergiels, Mr. Hickey, Mr. Glover, Mr. Mann, Mrs. Cavnar.

ALSO PRESENT: Bill Bible, Fiscal Analyst; Judy Matteucci, Deputy Fiscal Analyst, Mike Alastuey, Budget Office; Senator Jacobsen, Mr. William Goni, Former Chairman of the Forestry Board, Mr. John Winters, Carson City Rancher, Mr. Roland Westergard, Director of the Department of Natural Resources and Conservation; Mr. Lowell Smith, Director of the Department of Forestry; Mr. Dan Miles, Fiscal Analyst.

SB 357

Senator Jacobsen said that <u>SB 357</u> is a result of an interim study to develop a management plan for the Marlette-Hobart area. Mr. Jacobsen commented that a management plan was a necessity because for years the Marlette-Hobart area has lacked any direction and planning. He added that <u>SB 357</u> provides for an appropriation of \$109,335 to manage the Marlett-Hobart watershed. Mr. Jacobsen said that a primary issue in <u>SB 357</u> is that it is proported to change the water laws in the State of Nevada.

Senator Jacobsen said that when the state acquired the Marlette-Hobart system no one had ever filed on the water rights. The state applied for the water rights in the same manner that any citizen in the state would have applied for them. He indicated that currently Carson City has filed for the water rights claiming the rights had been abandoned by the state because no water had been pumped from Marlette in the last 4 years. However, this being the fifth year, the Buildings and Grounds Department will pump water from Marlette in order to retain the state rights to the water.

Senator Jacobsen commented that in 1978 the Marlette-Hobart system furnished three and one half million cut-throat trout eggs that went all over the state. He added that a provision in <u>SB 357</u> will allow for back-packing and over-night camping in the <u>SB 357</u> will allow said that an important feature of this plan is that a permanent employee will be housed in the area to police it for any violations.

Mr. Bremner said that he did not agree with the provision that allows overnight camping in the area. Senator Jacobsen said that many people would like to fish and camp in the area; however, that increases the fire danger to the watershed. Senator Jacobsen added that grazing is not allowed in the watershed area due to Federal law on water quality standards.

Mr. Glover asked how critical Subsection 4 is to the bill. Senator Jacobsen said it is important that the Legislature determine the rights to the water.

Mr. Glover questioned the legality of Subsection 4 and asked if the State of Nevada could reserve for future use all rights to the use and diversion of water at Marlette Lake, Franktown Creek and Hobart Creek.

Senator Jacobsen said that the water belongs to the State and he noted <u>SB 357</u> does not change the water laws.

Mrs. Wagner asked if <u>SB 408</u> and <u>SB 357</u> are interrelated. Senator Jacbosen said the intent of the two bills was not to supplement each other. He added that <u>SB 408</u> relates to Carson City's ability to improve the system and utilize whatever water they develop.

Mr. William Goni, Former Chairman of the Forestry Board, presented the committee with a statement from James W. Johnson, Jr., Water Attorney, which states that $\underline{SB 357}$ does change the law and sets a bad precedent. (EXHIBIT A)

Mr. Goni said that the \$109,335 appropriation should be contained in the budgets of the departments, such as Fish and Game, which will be implementing the management plan.

Mr. Goni indicated that the Marlette Committee in the past has allowed two to three thousand acre feet of water to be wasted into Lake Tahoe. He added that there should be no conflict between Carson City's use of the water and the fisheries.

Mr. John Winters, Carson City Rancher, said that he opposes <u>SB 357</u>. He noted that Sections 2 and 4 remove Carson City from having the privilege of using the water under an application and Section 3 deprives Carson City of the due process of a public hearing on their filing of an application for water. Mr. Winters remarked that <u>SB 357</u> and <u>SB 408</u> together make an attempt to "put the noose around the throat" of Carson City and its residents for generations to come. (<u>EXHIBIT B</u>)

Chairman Mello asked Mr. Winters if he objected to the state improving the watershed area. Mr. Winters said the watershed has been in a deplorable condition since 1963 when the state acquired the water rights and it is timely that something be done.

Chairman Mello referred to Mr. Winters written statement which states that <u>SB 357</u> and <u>SB 408</u> were introduced after the deadline date. Chairman Mello pointed out to Mr. Winters that there is no deadline in introducing bills, only in requesting bills.

Mr. Winters said that he received information that the reason the bills were being submitted late in the session was to prevent a full study being conducted and any changes being made to the bill.

Mr. Glover clarified that he had originally drafted <u>SB 408</u> and its introduction was delayed because of the length of time it was in the bill drafters.

Mr. Rhoads asked if passage of <u>SB 357</u> would set a precedent throughout the State of Nevada that grazing will not be allowed on watershed areas. Mr. Westergard, Director of the Department of Natural Resources and Conservation, said that it did not. Mr. Lowell Smith, Director of the Department of Forestry, said that it is against Federal law to allow grazing within 200 feet of a municipal watershed for drinking purposes.

Mr. Glover asked why Subsection 4 does not set a precedent and change the present law. Mr. Westergard indicated that the intent of Subsection 4 of <u>SB 357</u> would specifically set forth that the rights acquired by the State of Nevada in 1963 could not be alledged to be abandoned. He added that it would be difficult to prove abandonment in court because case law holds that there must be intent to abandon.

Mr. Glover asked if these laws have been challenged in any other area, and why wasn't similar action taken on the well in Washoe Valley. Mr. Westergard said that distinctions by law are made for ground water and surface water. He noted that the ground water law states that non-use for 5 years constitutes forfeiture and the case law does not indicate there must be an intent for abandonment. The surface water rights, like in the Marlette water system, indicate that there must be an intent for abandonment.

Mr. Glover asked what other surface water rights are owned by the state. Mr. Westergard said that the University owns some water rights for agricultural purposes.

Mr. Winters asked Mr. Westergard if <u>SB 357</u> eliminates the Marlette water system from application by Carson City. Mr. Westergard said that it is a legislative determination.

SB 204

Mr. Mann indicated that the Senate's proposal to increase the Distributive Education Fund 1.7% the second year of the biennium could "cripple" the tax package. He added that the additional four million dollars allocated the second year of the biennium for the sports complexes to be built at UNR and UNLV have made it more difficult for the tax package to coincide with the challenge of Question 6.

Chairman Mello asked Mr. Mann for an explanation of his remarks regarding the sports complexes. Mr. Mann said that the University system will receive \$10 million from the slot tax credit and that the fund will not generate enough money to take care of the money that the school districts are used to getting until 1982 or 1983. He added that the monies to cover the short fall period will have to be taken from the General Fund until the revenues generate enough for \$10 million for both entities.

Chairman Mello indicated that there is ample funds available to take care of the short fall. Mr. Mann said that surplus monies from this biennium cannot be utilized and all the monies for the tax package have to be generated from revenues over the next two years.

Chairman Mello commented that is was premature for the Taxation Committee to develop a plan before it was known exactly how much money was available. Mr. Mann said that the package was formulated on a \$34 million ending balance. Chairman Mello said that the gas shortage has presented a new problem and legislation often has to be molded around the current events. Mr. Mann said that was one reason the sports complexes should have been reconsidered.

Mr. Bremner pointed out that the Taxation Committee is in effect telling the legislature that they can do what they want with the Distributive School Fund as long as they go with the Governor's Recommendation. Mr. Mann said that increases over the Governor's Recommendation will mean a greater chance of putting a cap on all education. He commented that educators have been a preferential class under the tax proposals.

Assembly Committee on Ways and Means

to the General Fund.

Mr. Bible said that the trigger in the tax proposal is based on the State's receipts of the 2¢ sales tax. Mr. Bible indicated that Mr. Greer was referring to the local school's receipt of the 1¢ sales tax. Mr. Mann said the intent is to provide a trigger that reverts the excess funds to the Distributive Education Fund.

ad valorem monies that are generated over the \$34 million will revert

COMMITTEE BUDGET ACTION

STATE TREASURER

Mr. Glover commented that he received information that the State Treasurer would work to see that the Assemblymen on the Ways and Means Committee were not re-elected.

Motion to HOLD with the Ways and Means Committee's Recommendation made by Mr. Hickey; seconded by Mr. Mann. Motion approved.

PERSONNEL DIVISION

Motion to appropriate \$10,000 each year of the biennium to the Personnel Division to hire contract services to perform the duties of the Employee Relations Officer made by Mr. Hickey; seconded by Mr. Mann. Motion approved.

ECONOMIC DEVELOPMENT

The committee agreed to HOLD with the Governor's Recommendation.

CANCER CONTROL REGISTRY

Mr. Vergiels presented the committee with the Statewide Proposed Cancer Control Budget. (EXHIBIT C)

The total budget is \$140,000; \$100,000 of state funds and \$40,000 participating member match. Mr. Vergiels noted that the Program Director of the Registry will coordinate with both Southern Nevada Hospitals now conducting registries in order to obtain all incidence of cancer data on living patients and contract with the State Department of Health to enter statewide cancer data into the state computer.

Mrs. Wagner commented that the involvement of the hospitals in the northern part of the state make the program workable.

Motion to adopt the Cancer Control Budget made by Mr. Mann; seconded by Mr. Vergiels. Motion approved.

SB 204

Mr. Dan Miles, Fiscal Analyst, said that <u>SB 204</u> is a combination tax relief and limitation bill; the limitations being expenditures to local governments, the budget of state government, and certain revenues to the school districts. He added the property tax portion is an across-the-board tax relief package that uses the school fund

May 21, 1979

as a mechanism to get tax relief to the tax payers. It reduces the tax rate that can be levied and paid for property tax payers throughout the state. Mr. Miles said that the current constitutional limit is \$5.00. The first part of the tax relief package takes away the 25¢ the state currently levies. He added that the ll¢ that the state requires counties to levy and pass on to Medicaid is eliminated and the state will fund the entire cost of Medicaid. He added that it eliminates the 70¢ tax rate the schools have to levy now which becomes a reduction of the state's responsibility to the Distributive School Fund. The state will pick up the cost of that 70¢ through additional appropriations to the Distributive School Fund and the proposal as originally written would pick up an additional 30¢ on the school tax rate and fund it through the Distributive School Fund. The 30¢ is in a state of flux at the moment depending on how many dollars are going to be available.

Mr. Miles pointed out that the total cost of the package is approximately \$98.5 million the first year of the biennium and \$115 million the second year.

Mr. Miles said that <u>SB 204</u> allows for a trigger mechanism to test gaming and sales tax revenues for the first three-quarters the first year of the biennium compared to the current year. If the revenues are as projected it would maintain the same tax relief, that being the 70¢ plus the 30¢. If the revenues are higher than projected, it would trigger additional revenue sending more dollars to the schools through the Distributive School Fund but requiring the schools to lower their ad valorem rate so the tax relief is passed to the property owner. He added that if revenues are lower than projected it will decrease the amount of money going to the Distributive School Fund but allow the schools to raise their rates on the outside.

Mr. Miles said that the tax relief package uses the Distributive School Fund as the mechanism to get state dollars to local governments to replace property taxes they will no longer be able to levy, primarily because that is the only mechanism that was readily available to use. In addition, a statutory limitation is set on the size of the budget the Governor can send to the next session of the Legislature based on the 1975-77 biennium increased for inflation and population growth since that period of time.

He remarked that the limitations on local governments that receive taxes in any form come under a local government expenditure cap. It uses the current 1978-79 budget as a base and allows an increase for population and inflation. He noted that any of the funds that receive taxes or license fees are aggregated together under the cap.

Mr. Miles pointed out that the cap on schools is not an expenditure limitation, it is a cap on one source of revenue. Under the tax relief package, schools currently, under law, have to levy 70¢ on the property tax and levy 80¢ optionally; plus they have to levy whatever is required to cover their debt. He noted that the 70¢ and the 80¢ are \$1.50; the tax relief proposal would eliminate the 70¢ which becomes state funded and eliminates a portion of the 80¢, possibly 30¢, which would leave the schools with an allowable levy of 50¢.

He said that the cap on the schools is on that 50° and if it turns out that the schools can levy 60° , and the state picks up 20° , then the cap will be on 60° . It is basically a cap on the levy which is the amount of money that can be collected from that tax source which is the base or assessed values times that rate. He added that the cap takes a 3 year average base of assessed values multiplied by whatever allowable rate is available. Mr. Miles noted that in the beginning schools are allowed to levy 50° , but because of the action of the cap, if they are in fact capped, will only be able to levy something less than that.

Assembly Committee on Ways and Means

Mr. Mann asked for an explanation of the trigger mechanism proposed by the Senate. Mr. Miles said that it was his understanding that the trigger is on additional funding to the Distributive School Fund based on the action of the local school support tax which is another revenue source that reduces the state's responsibility to the Distributive School Fund.

Mr. Mann remarked that he understood that any increase in the Distributive Fund would reduce the ad valorem tax. Mr. Miles said that is true in respect to the property tax relief mechanism. He added that if the revenues from state sales tax and state gaming tax exceed expectations there is another appropriation triggered to the Distributive School Fund which would replace dollar for dollar the amount of money and that trigger would require the school to lower their outside levy.

Mr. Mann asked if the trigger was not there what would happen to the money. Mr. Miles said that if local school support tax goes up higher than expected, it reduces the state's responsibility to the Distributive School Fund which will eventually revert more money.

Mr. Bible said that the current structure, either the 70¢ tax or 1¢ local school support tax would operate if they increase greater than anticipated in the budget. The trigger mechanisms which have been implemented in the last sessions of the legislature allow the locals to spend some of that money. The bill could be written to either trigger local school support tax; increase basic support; or, instead of decreasing state need to the school fund, ad valorem outside of basic support could be reduced.

Mr. Mann said that under the present system by decreasing the state's money into the Distributive Education Fund you actually put more money into the General Fund. He added that the trigger mechanism provides that the \$3 million going into the General Fund which is building up the surplus which triggers the ad valorem reduction then money will stay at the local level.

Mr. Bible noted that the surplus is not used to trigger the ad valorem reduction. The trigger used to reduce ad valorem tax is a combination of the 2¢ tax and the gross table tax.

Mr. Bremner asked what effect the Senate's proposal to increase the Distributive Education Fund the second year of the biennium will have on overall tax package. Mr. Miles said that the overall tax package depends on how much money is available for tax relief.

ADMINISTRATIVE OUT-OF-STATE TRAVEL

Mr. Bible said that in examining administrative out-of-state travel, General Fund portion only, excluding elected officials and special categories for out-of-state audits, it was revealed that the combined out-of-state travel in the first year of the biennium was \$160,004 which was reduced by \$14,000 by the Ways and Means Committee for a total of \$145,000 and the second year of the biennium a total of \$161,000 for out-of-state travel was reduced \$22,000 for a combined total of \$139,000 for 90 state agencies.

Mr. Bible pointed out that the total "Governor recommends" for out-ofstate travel is \$160,000 which was reduced by the Ways and Means Committee to \$145,000 and the second year of the biennium was recommended at \$161,000 reduced to \$139,000.

Assembly Committee on Ways and Means

Chairman Mello indicated that an appropriation of \$40,000 each year of the biennium be allocated to the Governor to distribute at his own discretion for out-of-state travel.

Mr. Bible said that reducing travel out of the General Fund creates a double standard as it allows employees with a Federal Budget account more latitude in travel.

Chairman Mello remarked that a Letter of Intent could be sent to the Governor that he approve all travel, both Federally funded and General Funded.

Mrs. Wagner noted that perhaps \$40,000 is an unrealistic figure for out-of-state travel.

Mr. Alastuey said that to reduce \$100,000 across the board in outof-state travel is not a realistic level of reduction.

Chairman Mello commented that all out-of-state travel is not necessary and the benefit of each trip should be proven to the people of the State of Nevada.

Mr. Glover point out that cutting travel in the administrative branch of government and not making similar reductions for the legislative branch is opening a point of contention. Chairman Mello said that the travel reductions were not to include elected officials.

Mr. Bible indicated that the Department of Economic Development should be excluded from the travel reductions as out-of-state travel, in the amount of \$12,500 each year, is in the nature of their business.

Motion to reduce the out-of-state travel to \$75,000 each year of the biennium made by Mr. Mann; seconded by Mr. Hickey. Motion approved.

GAMING CONTROL BOARD

The Committee agreed to give the Director of the Gaming Control Board some latitude in suggesting salary increases and to hold in opposition to implementing any new positions.

DIVISION OF WATER RESOURCES

Motion to adopt the Senate Finance Committee's Recommendations made by Mr. Rhoads; seconded by Mr. Hickey. Motion approved.

DIVISION OF CONSERVATION AND PLANNING

Mrs. Wagner asked if this budget allocates the monies to conduct energy audits. Mr. Bible said that this budget is the administrative costs for the Federal funds which come in two parts; energy audits and correcting deficiencies that are detected in the audits.

COLORADO RIVER RESOURCES

Motion to adopt the Senate Finance Committee's Recommendation made by Mr. Mann; seconded by Mr. Vergiels. Motion approved.

RECORD SEARCH PROGRAM

Mr. Bible pointed out that the Ways and Means Committee added the General Fund money for each year of the biennium.

May 21, 1979

LEARNING RESOURCES CENTER

The Committee agreed to HOLD with the Ways ane Means Committee's Recommendation.

HENDERSON COMMUNITY COLLEGE

The Committee agreed to HOLD with the Ways and Means Committee's Recommendation.

MEDIUM SECURITY PRISON

The Committee agreed to HOLD with the Ways and Means Committee's Recommendation to locate the prison in Ely, Nevada.

The meeting was adjourned at 9:50 a.m.

STATEMENT OF JAMES W. JOHNSON, JR. IN OPPOSITION TO S.B. 357

I am appearing here today to oppose Senate Bill 157 and 1 am particularly opposed to the philosophy contained 2 % In Section 4 of said Bill which gives to the State of Nettica all rights to the use or diversion of water within the water shole of Marlette Lake, Franktown Creek and Hobart Creek which were not appropriated prior to April 26, 1913 and, further, does not allow any further appropriations without the excreme consent of the Legislature.

It would appear to me that such a law is a datapetous precodent to set and takes away from the Nerada Etate Envineer, at least to a limited extant, his powers and duties over the appropriation of waters within the State of Nevada. By limited extent, I mean that it is limited to these particular areas and takes away any power of the State Engineer. I have not had sufficient time to make a determination as to whether of not there have been applications to appropriate waters of Marlette Lake, Franktown Creek or Hobart Creek, subsequent to April 26, 1963. If there were, of course, by any person other than the Marlette Lake Company, the Act would have the effect of denying them that which might be an existing vested right under a completed appropriation.

It has long been the policy of the State Engineer's Office of the State of Nevada to see that all waters which are subject to appropriation shall be put to beneficial use as soon as possible. The act, which we are considering here would,

1.

EXHIBIT "A"

2064

with regard to this particular area, preclude such a policy and might well reserve for all time, or until such time as the Legislature again makes a decision to act upon the matter the orderly appropriation and beneficial use at the waters of these particular areas.

At the present time, it is my understanding that Carson City is negotiating with respect to the use of warers of hobart Creek. I am wondering if the passage of such is fast as we are considering here today, might well is eclude so h negotiation, wherein it is necessary for the State Engineer to approve water uses and this Pill would, apparently, the from him that right of approval.

All in all, it would seem that a matter such as is philosophically stated in the existing Bill needs much grainer study chan has been given to it at this time, for I, it least am unable to determine the overall long-range effect that it may have on other areas of the State as to the State Fusic eris daties and rights, together with the surgements that carson City is presently attempting to enter into and I would respectfully suggest that the matter be delayed until at least a further study of the total overall effect can be determined.

Further, in Section 3 of said Act, + provision is made for transferring water from Carson City +0 the State of Nevada. I fail to see how the Legislature can by legislative fiat, without any agreement signed by the governing body in Carson City, automatically transfer waters which have been acquired or rights which have been made to appropriate waters or applications for water to the State of Nevada. It would

2.

EXHIBITA ----

2065

appear to me that such legislative taking would certainly contain constitutional inhibition.

Respectivel ull James

EXHIBITA -]

EXHIBIT "B" Statiment in exposition to S.B 357 in particular to sections 2 & 3 pertaining to waterrights, Novadas present water laws are considered to be some of the most outstanding in the nation. The state suns the Waters with the priviage of granting through appropreation the right to use a certain amount of water for as long as the water is put to benifical use. It the water is not benifically used for a privid of 5 years it reverts to the State. There is nothing more important than water for every living thing must depend on it. Hany thing so vital deserves time for a full study as to the effect of any changes in the laws governing it. This bill & it's sister bill SB 408 were introduced more than a month after the deadline date for introducing bills. The bill is very deceptive in that the changes of the water laws are hidden under the skirts of an appropreation bill and names

2067

a perficulter water shed where the people in that area are the only anes immediatly effected. But as Mr. Johnson states it sets a dangerous precident. Sec. 2 2 4 removes Gorson Gibe from houng the privilage of using the water under an appin heading and Storian 3 distributes Charson City of dill process of a public bearing or through the courts on them tiling of an malicotion of water, unvact of SB357 with ant a study of its sister Bill SBHOR. Betaverin the two bills an attempt is being inde to jout a noose archine the throat of Corron City & to reviewing for georgrations to come. In the interest of good government I respectfully the that Section 2 and section 3 be deleted from S.B 351. H Dayton & Greson City Princhen with frimily

EXHIBIT B -J 2068



NEVADA STATE DIVISION OF HEALTH EUREAU OF COMMUNITY HEALTH SERVICES CAPITOL COMPLEX 505 EAST KING STREET CAPSON CITY, NEVADA 85710

(702) 655-4300

CANCER CONTROL BUDGET-DEPARTMENT OF HUMAN RESOURCES, STATE OF NEVADA, DIVISION OF HEALTH

- A. This money will be granted to the State Health Division by the Nevada State Legislature to initiate and maintain cancer tumor registry service in Nevada. The health division may grant funds in a manner proportionate to the number of clients and shall provide for start up costs for the program offered by the Northern Nevada Cancer Council in a fifteen county area, Washoe and the remaining rural counties not being served presently.
- B. Of the \$35.00 per patient cost needed, \$25.00 per patient may be allocated by the Nevada State Legislature through the State Division of Health, and \$10.00 per patient cost will be assumed by participating hospitals Statewide.

-1-

EXHIBIT "C"

C

STATEWIDE	PROPOSED	CANCER	CONTROL	BUDGET-2.5	FTE's

Northern Nevada 2,000 patients for data entry @ \$35.00 per patient	79-80	80-81
Salaries	32,500	34,450
Fringe Benefits	5,200	5,850
Out-of-State Travel	. 875	1,000
In-State Travel	7,000	7,000
Operating Expenses	1,700	1,700
Communications	1,200	1,200
Postage	525	500
Printing & Duplication	1,000	1,500
Tumor Registry Forms	3,000	3,000
Office Equipment	3,000	1
*Contract Services	<u>14,000</u> 70,000	<u>14,000</u> 70,000

Southern Nevada

Contract Services			
2,000 Patients for data entry			
@ \$35.00 per patient	•	$\frac{-70,000}{140,000}$	$\frac{70,000}{140,000}$

Possible allocation from Nevada Legislature, 4,000 patients @ \$25.00 per patient cost \$100,000

Allocation from participating hospitals, 4,000 patients Statewide @ \$10.00 per patient cost \$40,000 Total Funding...... \$140,000

*Contract Services are for data entry costs, coding, the data from Southern Nevada Registrys and computer print out forms. Plus the purchase of a portable Texas Terminal to carry to rural Nevada to key cancer data into.

EXHIBII C ---

-2-

Two Cancer Registries now exist in Southern Nevada, one the Nevada Tumor Registry based at Southern Nevada Memorial Hospital which services S hospitals. The other registry is based at Sunrise Hospital and it only services Sunrise Hospital. If both Southern Registrys accept this proposal, they will receive an additional \$2**9**.00 per patient fee for follow-up procedures.

The Northern Nevada Registry will be happy to coordinate with the Southern Nevada Registrys to compile all data Statewide to feed into the State of Nevada Computer for complete Statewide data on living cancer patients. The State Department of Vital Statistics Computer is programmed for this data due to the three year State Cancer Screening Program now terminating. Records on 30,000 Nevada women residents are stored in the Nevada State Computer for Cancer of the cervix, uterus and breast. Death statistics on cancer patients per county have always been available.

The Northern Nevada Registry will compile all Statewide data, implement a registry for Washoe County and fourteen rural counties not being served now. Northern Nevada needs to hire a staff and establish the program.

Southern Nevada Registrys may receive allocations from the State Division of Health up to a total of \$50,000. This money would be funded on a proportionate basis according to number of patients served. Projected figure for Southern Nevada is 2,000 new patients yearly and 2,000 new patients for Northern Nevada including 14 rural counties not being served.

IN SUMMARY:

Northern Nevada Registry will implement a cancer registry with attached proposed budget.

The Program Director of the Registry will coordinate with both Southern Nevada Hospitals now conducting registries in order to obtain all incidence of cancer data on living patients and contract with the State Department of Health to enter Statewide Cancer data into the State Computer.

-3-

2071

EXHIBIT C _