

The meeting was convened at 8:00 a.m. Vice Chairman Gibson in the Chair.

PRESENT: Senator James I. Gibson, Vice Chairman
Senator Eugene V. Echols
Senator Thomas R.C. Wilson
Senator Norman D. Glaser
Senator Lawrence E. Jacobsen
Senator Clifford E. McCorkle

ABSENT: Senator Floyd R. Lamb, Chairman

OTHERS

PRESENT: Mr. Ronald W. Sparks, Chief Fiscal Analyst
Mr. Howard Barrett, Budget Director
Mr. John Palmer, Budget Division
Mr. Joseph O. Sevigny, Commerce - Banking
Mr. Jim Wadhams, Commerce Department
Ms. Susan DiBiase Simmons, Real Estate Division
Ms. Mary VanKirk, Consumer Affairs Division
Mr. David Cook, Consumer Affairs Division
Ms. Nancy Sprague, Commerce Department
Ms. Norma Wolverton, Real Estate Division
Mr. Jim Jones, Real Estate Division
Ms. Rochelle Berkley, Real Estate Division
Mr. A.L. McNitt, Housing Division
Mr. Wayne Tetrault, Division of Mobile Homes

DIVISION OF BANKING - Page 580

Mr. Sevigny described the responsibilities of the Banking Division. He said his Division has proposed a modest increase in their budget and that they have eliminated the position of Assistant Superintendent of Banks. In place of Assistant Superintendent he hoped the Committee would consider his need for two Examiners, a Trust Examiner and a regular Examiner. He reported that the Banking Division has not examined Trust Departments for many years and it is a statutory requirement that they do so. Mr. Sevigny said he would conduct the first examination himself and he hoped to bring in an additional person at an entry-level salary to be his part-time assistant and a part-time Trust Examiner. He said they have requested a little money to cover the needs of the two new Examiners. Mr. Sevigny pointed out his emphasis on training; he has sent his Examiners to examination schools, including two to FDIC school. He mentioned that the State of Nevada pays only 20 percent of the total cost of those schools. He added that Out-of-State Travel does not concern him except when it pertains to training his Examiners.

Senator Gibson asked if Mr. Sevigny had already reclassified his Assistant. Mr. Sevigny said no. The Assistant Superintendent resigned effective December 31, therefore, the position is now vacant. He added it was convenient at that time to reclassify those positions.

Senator McCorkle said the Assistant now makes \$22,391 and asked what the new man would make. Mr. Sevigny answered he made \$13,957.

Senator Gibson asked what the difference was between a State Bank and a National Bank, specifically, what are the advantages of being a State Bank. Mr. Sevigny said State Banks are chartered by the State. National Banks are chartered by the federal government and totally regulated by the federal government. A State Bank usually has a higher legal lending balance so it is more advantageous for certain groups to become State Banks. Most banks establishing within the State would rather be a State Bank because they know who is going to regulate them. The benefit of being a National Bank is the image involved, having "National" in its name.

Senator Gibson asked if Mr. Sevigny had some relationship with the Federal National Bank Examiner. Mr. Sevigny said yes, that Nevada requires that State Banks be members of the Federal Deposit Insurance Corporation. This agency examines State Banks. Mr. Sevigny described the probable consolidation of certain regulatory agencies and said he hoped that State Banks will emerge with greater authority. He said one of his goals is to be able to go through the whole examination of banks process.

Senator Echols said he noticed in Mr. Sevigny's growth pattern there were 5 branches in 1968 and 4 in 1973. He asked if there had been a merger. Mr. Sevigny said there were 5 in 1968 which included the Nevada Bank of Commerce which became a National Bank in 1969.

Senator McCorkle asked Mr. Sevigny to explain why there was a substantial increase in operating expenses. Mr. Sevigny said he was adding two Examiners. He said he hoped to station these Examiners in southern Nevada because most of the work is there. He said there are substantial operating costs, such as Travel, for these two positions.

DIVISION OF MOBILE HOMES - Page 582

Mr. Wayne Tetrault described the duties and responsibilities of his office. He said one of his major responsibilities is the inspection of new mobile homes for occupancy. He said this program began in 1977 and 3800 inspections were made, increasing to 4400 inspections in 1978. He said contract services are used for service in remote rural areas where State and local government cannot provide adequate service. He said another function is handling consumer complaints. Complaints have increased from approximately 250 in 1975 to 500 in 1978. Complaints are usually about flaws in the mobile homes or set-up problems. He said his office checks with the mobile home dealer or the factory and requires the correction of valid complaints.

He said mobile homes coming into Nevada have been built to federal specifications. His office is the State administrative agency for HUD, enforcing HUD regulations in Nevada.

Mr. Tetrault said they are also responsible for inspections made at the factory related to setting up modular homes. At present his office has approved 24 factories. Factory-built housing, both mobile homes and modular homes, is of growing importance in housing in Nevada. He said that if zoning laws allowed more mobile homes, there would be a large increase in their use.

He said the Governor's Budget shows a 9 percent increase over two years over his present budget. The increase is due largely to a new program, which is issuing the ownership certificate for mobile homes. The Department of Motor Vehicles now does this but no longer wants to do it. Mobile homes are no longer vehicles, they are housing. The cost of issuing these certificates is \$2.00 by Statute. Since it costs more than \$2.00 the Highway Department subsidizes a non-highway function.

Senator Wilson asked if the above matter involved the two additional registration clerks. Mr. Tetrault said these two positions and data processing costs were the only new items in his budget, plus a little more for Travel. He added that all revenue is generated by fees. There is no General Fund money.

Senator Wilson asked Mr. Tetrault how many people are involved in investigating mobile home dealers and salesmen. Mr. Tetrault answered he and his inspectors have a variety of duties, including inspections of mobile home dealers.

Senator Wilson asked if complaints have increased in that area and if so, by how much. Mr. Tetrault said yes and he thought by about 100 percent.

Senator Wilson asked what kind of complaints are most common. Mr. Tetrault said complaints involving the mobile home itself-- set-up problems, flaws such as rug colors, non-matching drapes and structural problems.

Senator Wilson asked Mr. Tetrault to comment on complaints involving dealers and salesmen. Mr. Tetrault said these complaints go to the dealer and the dealer is asked to rectify the problem. Senator Wilson asked if that was what Mr. Tetrault was talking about in his reference to investigating activity of mobile home dealers and salesmen. Mr. Tetrault said yes, plus the fact that prior to licensing they are all investigated. He added that they do have complaints involving misrepresentation and fraud, but not very much. He also added there have been a lot of problems in Washoe County lately that go back to 1976 before Mr. Tetrault's office was involved. Mr. Tetrault said he thought through new regulations, which went into effect last year and more investigations of complaints, this type of problem has decreased.

Senator Gibson asked how many mobile homes were in the State of Nevada. Mr. Tetrault answered approximately 45 to 50,000. He said though, the Department of Motor Vehicles registers them and they do not keep a tally of how many there are. Mobile homes are counted under the larger category of trailers.

Senator Gibson asked if the licensing was the one Mr. Tetrault was proposing to take over. Mr. Tetrault replied yes and it would be a great benefit to his agency because they would be able to determine whether the people selling mobile homes are licensed to begin with and how many mobile homes are in each county, etc.

Senator Glaser asked how much do fees Mr. Tetrault charges add to the cost of the mobile home for the purchaser. Mr. Tetrault replied the fee by Statute is \$2.00 but \$6.00 is needed.

Senator Glaser asked wouldn't it be more than that. He said he was referring to mobile homes brought into the State. He said the dealer adds on all the inspection fees and other costs. Mr. Tetrault answered that an inspection fee is a minimum of \$20 to \$65. He said his office does not charge above \$50 and \$50 is charged only in rare cases. He noted that Storey County charges \$65. He said they do not tell counties what to charge. He explained the contractors must follow the State fee schedule, which is \$20 per seal, \$7 an hour, 10 cents a mile not to exceed 50 miles. The average cost is about \$35. He said compared to the cost of the mobile home, \$35 is a small increase. He said the dealer always pays the fee but charges the customer for it.

Senator McCorkle asked if Mr. Tetrault was trying to break even on department costs by charging certain registration fees. Mr. Tetrault said yes, that the whole fee structure should be a break-even situation.

Senator McCorkle remarked that to get resources to equal expenses it seems Mr. Tetrault is making an adjustment on the Balance Forward from the old year. He asked Mr. Barrett to explain that item. Mr. Barrett answered that they brought forward to last year \$144,000. This year they brought forward \$260,000. Next year, it is anticipated they will bring forward from this year, \$196,000. The following year, if everything works as is outlined here, Mr. Tetrault will have a Balance Forward of \$202,000. Some of that Balance Forward will be eaten up by salary increases but they are in very good financial condition.

Senator McCorkle said it does not sound as if the Balance Forward is a break-even situation then. Mr. Tetrault replied no. He said that the Balance Forward goes back several years and he did not know how it began. He said the Mobile Home Agency used to be part of the Fire Marshal and it was removed from the Fire Marshal during the last Legislative Session. Senator Gibson

added that the initial rationale came from problems mobile homes were having with fires.

Senator Gibson remarked that the Work Program this year is considerably more than the Legislature looked at last Session. He asked Mr. Barrett to explain what happened. Mr. Barrett said activity in the Agency has grown and since they had their own money they were allowed to expand. Mr. Tetrault added that he came into the Agency last year and at that time it was a sad situation. He said he requested Mr. Barrett to increase his staff so they could do their job and that was one reason the Work Program has expanded. Regarding the Balance Forward from previous years, he said the start-up costs of the new registration program are going to be at least \$40,000--this includes needed computer programming and computer equipment. He said there will be a bill regarding this matter and he will pay the start-up costs, from this fiscal year, out of the \$200,000 reserve account. The reserve account would, therefore, be reduced by about \$40,000. Mr. Tetrault added that this Session his Division is also asking for authority to repeal bonding requirements on licensees. He said right now they are required to have a \$10,000 bond. He said he would like to have a recovery fund instead of the bond. He said the Real Estate and Insurance Divisions operate this way and it is a more workable solution as well as giving better protection. He said they would like to put \$50,000 from the reserve account into the recovery account to start it up. Therefore, the Balance Forward should be down to about \$100,000 the next fiscal year.

Senator Wilson asked if fees would be high enough to fully pay for Mr. Tetrault's operation and be able to tender the General Fund a Reversion at the end of the biennium. Senator Gibson said this money does not revert.

Senator Wilson asked how much would Mr. Tetrault have to raise fees, assessed per trailer, to make this program fully self-sustaining. Mr. Tetrault answered it was self-sustained right now. He said if the Balance Forward from previous years is left out for the first year of the biennium, \$6,600 more would be taken in than the amount spent. In the second year of the biennium, \$7,000 more would be taken in than what was spent.

Senator Wilson asked if there was some General Fund money in that. Mr. Tetrault answered no.

Senator McCorkle asked Mr. Barrett if he thought Mr. Tetrault was going to have the \$50,000 in start-up costs. Mr. Barrett said he was not aware that Mr. Tetrault was going to use \$50,000 in start-up costs for the Recovery Program. He added Mr. Tetrault has no authority to spend the \$50,000 at this point. He said when he does, it will be put into the Work Program and the Balance Forward will be reduced.

Senator Echols asked if the manufacturers, after Mr. Tetrault's approval, hire a third party to continue inspections. Mr. Tetrault said yes.

Senator Echols asked if this doesn't create a situation where the manufacturers are controlling inspectors since the manufacturers pay the bill. Mr. Tetrault said he worried about this too but it was an accepted way of operating in the housing industry. He said firms advertise they are independent of the manufacturers but the firms do receive their funding from the manufacturer.

Senator Echols asked what percentage of mobile manufacturers and dealers are creating problems. Mr. Tetrault answered it was a very small percentage. He said out of 114 licensed dealers in the State, there are probably less than 10.

Senator Echols asked how many plants were licensed in Nevada. Mr. Tetrault replied there were 24 factory housing plants and 72 mobile home manufacturing plants.

Senator Echols asked if there was a way to keep unethical manufacturers and dealers from robbing people. Mr. Tetrault said regarding the manufacture of mobile homes, the federal government makes the decisions. Regarding factory housing, it is through the Mobile Home Division.

Senator Echols said that the mobile home and manufactured housing must be looked at more carefully because it is growing in popularity. Senator Echols asked Mr. Tetrault if there was a duplication of efforts regarding Storey County charging \$65 for an inspection. Mr. Tetrault said no. Senator Gibson said it was set up so that duplication would be avoided.

Senator Jacobsen asked if complaints were catalogued according to type. He said the reason he asked is because the fire service seldom saves a trailer. Mr. Tetrault said he does not have that information. Senator Jacobsen asked Mr. Tetrault if he thought codes are strong enough. Mr. Tetrault said the federal government specifies how mobile homes are built. He said once the mobile home comes off the line there is nothing he can do.

Senator Jacobsen asked how his relationship is with the Fire Marshal. Mr. Tetrault said good. He added his office has no statutory authority to investigate fires.

Senator Jacobsen said his fire organization had catalogued what they thought caused problems. He said they have observed fires start in one particular place. Mr. Tetrault said Senator Jacobsen could let him know about it he can report it to the federal government. Mr. Tetrault said he has heard that fires in mobile homes are usually caused by people.

CONSUMER AFFAIRS - Page 584 .

Mr. Dave Cook, Commissioner of Consumer Affairs, commented on the narrative on Page 584. He added a fifth basic function to his Division which is that his Division protects the businessman from fraudulent competition. He added that the total number of complaints handled by the Division is actually greater than the figure in the Summary. The Summary figure is the number of formal complaints, those requiring investigation. He said his logs show approximately 10,000 complaints that required some kind of action.

Senator Echols asked Mr. Cook when he began his job. Mr. Cook replied two weeks and two days ago. Senator Echols asked what Mr. Cook's background was. Mr. Cook said business in the Las Vegas area and he has no background in State government. Senator Echols asked if he would live in Las Vegas. Mr. Cook replied he would because that is where the population base is and where consumer fraud occurs.

Senator Echols asked if the same percentages of frauds that apply to mobile homes apply to the general business community. Mr. Cook said yes, they were minor. He said most calls that come to him are just misunderstandings between the consumer and business. If the consumer would talk to management beforehand, there would be no complaint.

Senator Wilson asked what were Contractual Services and Legal and Court Expenses (Page 586). Mr. Cook explained that Contractual Services were for hiring an expert in a field such as advertising to render an opinion. The majority of Legal and Court Expenses, all but \$5,000, is for the Deputy Attorney General. The other \$5,000 is for court costs and costs of bringing in witnesses, etc.

Senator Echols said there is a problem with penalizing all the business community for the actions of a few. He said he would like to see a system developed so that the people who use a service pay for it. He said when a case was resolved, the loser should pay a fee. He said surveys had shown that over half of complaints involve a lack of understanding. He added people expect the government to do something. He said he did not believe it was the taxpayers' responsibility. He asked if this money came from the General Funds. Mr. Cook replied yes, but there are monies returned. He described how some monies to cover his investigative costs are obtained. He noted that it was a very small amount compared to the entire budget.

Senator Echols said that the Consumer Agency is only a few years old and already has a budget of \$3,500,000. He said a better way must be found of doing things.

Senator McCorkle said this was an excellent idea and asked if Mr. Cook, before the bill-drafting deadline is up in two weeks, would recommend an equitable fee schedule to recover all the costs of his Department. He said, not just court cases. Mr. Cook asked if he was talking about a fine. Senator McCorkle said he did not know what it would be called, perhaps an application fee. Mr. Cook said that right now they are able to recover the costs of investigation but only a small percentage is actually fraud. He said a bill was being introduced to allow his Department to enlarge to include court costs. Mr. Cook said he would get the Committee the information they wanted within two weeks. Senator McCorkle said he and Senator Echols would like it as soon as possible to review it as a possible bill.

Senator Gibson asked who would be charged the fee in a consumer complaint. Senator McCorkle replied the one who is wrong, either consumer or manufacturer. Mr. Cook said 60 or 70 percent of complaints are no more than a phone call where they are given information. He said approximately 40 percent of complaints require some kind of investigation and maybe a fee can be charged here.

Senator Wilson asked what Mr. Cook's relationship was between the District Attorneys' offices in Washoe and Clark County. He said both offices had rather large consumer protection divisions. Mr. Cook replied that he had called the District Attorney in Clark County to ask him about Consumer Affairs activities and there are none now. Senator Wilson said there was in Washoe and he wanted to know the relationship between State and county in providing services. Mr. Cook said he had checked in Clark County and found there is no overlap because they refer people to Mr. Cook. He said he talked to Mrs. VanKirk, the Deputy in Carson City, and she said the new District Attorney in Washoe is only handling certain cases only in Reno so the rest of the county is unattended.

Senator Wilson asked if he could find out the numbers and classifications of cases. Mr. Cook added that he had talked to the new Attorney General and was assured there was no duplication between departments. They are not handling consumer fraud.

Senator Gibson asked if Mr. Cook's files contain information about recoveries the Division has made over the years. Mr. Cook said in 1977-78 files show that goods and services returned to consumers amounted to \$202,000. In this fiscal year, close to a half million dollars will be returned. He added this figure is inflated because of one case, the Carriage House case, where close to \$300,000 was returned.

Senator Gibson said there were two items in the last Audit in 1976 outstanding. Senator Gibson read from the Audit which said that in 1975 the legislature approved an investigative category to gather evidence. The Audit examination showed that the Consumer Affairs Division had not established written guidelines

for appropriate expenditure in the special investigation account. Senator Gibson asked Mr. Cook if this account was still in need of guidelines. Mr. Cook said his largest file was on this matter and he thought it had been resolved.

Senator Gibson said the second item in the Audit involved depositing recovery money into a bank account established for investigative purposes. He said the money should go back to the General Fund. He asked if this was now being done. Mr. Barrett said it is and has been for three or four years.

REAL ESTATE DIVISION - Page 588

Mr. Jim Jones, the Real Estate Administrator, was introduced. Senator Gibson asked Mr. Jones how long he had held this position. Mr. Jones replied, 24 days. Mr. Jones introduced Ms. Norma Wolverton, who has worked with the Division over 15 years.

Mr. Jones described the responsibilities of his Division. Mr. Jones said there were some areas of the Budget that concerned him. He said the Governor only recommended \$2,700 for Out-of-State Travel which was less than the amount for the current fiscal year (Page 591). He said the current fiscal year amount for that line item, \$2,885, has already been expended, the majority by the Deputy Attorney General on the staff. Mr. Jones recommended that the amount for In-State Travel be increased to \$27,500 as originally requested. Mr. Jones said the Real Estate Commission is an advisory board that handles cases. He said they meet two times a year by Statute but sometimes must meet seven or eight times a year. Mr. Jones anticipated that in the next fiscal year legal people will have to travel outside the State.

Legal and Court Expenses

The agency request was \$37,500 which includes the salary for the Deputy Attorney General and approximately \$8,500 for legal expenses such as court reporting, depositions, transcriptions, etc. He anticipated expenditures might be about \$40,000.

EDP System Program Facility Charge

Mr. Jones said he thinks his Division needs to put more information on the computer and store it more efficient ways.

He said he needed to replace some worn out office furniture and some malfunctioning tape-recording equipment. These requests were slashed and also the repair of equipment. Mr. Jones said he felt the original requests were already bare-bones: it included four tape recorders, a typewriter in Carson City, a typewriter in Las Vegas; he said he would like to eliminate five filing cabinets and implement another system of filing documents.

Mr. Jones estimates his Division's license fees to be about \$185,000. He said that the operation of the Division, excluding salaries, would come within this \$185,000.

Senator Wilson asked Mr. Jones how much income he derived from fees. Ms. Wolverton said most fees received by the Real Estate Division go directly to the General Fund.

Senator Wilson asked what these fees were. Ms. Wolverton answered, license fees which includes the original issuance of a license and renewal of licenses, escrow agent fees, advertising fees, examination fees, etc. Mr. Jones said they anticipate their income to be around \$185,000 for the next fiscal year. Mr. Barrett said no, that \$185,000 was from examination fees only.

Senator Wilson asked how much of their budget was self-supporting. Ms. Wolverton said during the 1977-78 fiscal year, \$968,244 was deposited into the General Funds. Mr. Barrett said that was an abnormal year because the last legislature erred with regard to

collections and doubled the fees.

Senator Wilson asked what would be normal. Ms. Wolverton replied that the previous year the amount was \$368,110, but that was based on approximately 3,000 less licensees than there are now.

Senator Wilson asked what percentage of the total Budget would that represent. Mr. Barrett said the first year of the next biennium should be a normal year and it will be about \$650,000.

Senator Gibson asked Mr. Barrett why the cost for the Real Estate examination is more than the fee collected. Mr. Barrett said that is all the State law allows and the amount that is left reverts to the General Fund.

Senator Gibson said it appears that \$185,000 is put in the General Fund but it costs \$211,000 to administer the examination. He asked why fees were not set to cover the cost. Mr. Barrett said the difference is the Balance Forward from the Work Program. It does not cost the full amount of \$185,000 to administer the examination. Mr. Barrett said the bulk of the \$185,000 really reverts to the General Fund and is not used for the examination. Senator Gibson said that on the bottom of the page, under the Expenditure column, \$211,000 is shown for Real Estate Exam. Mr. Barrett said, referring to the actual year, it costs only \$51,000. Mr. Barrett referred the Committee to the top of Page 590. He said \$132,000 reverted to the General Fund from the examination fee, the total collection for exam fees was \$184,000. The difference is the cost at the bottom of \$51,000.

Senator Wilson asked if it was possible to know what parts of the program were self-sustaining. Mr. Barrett answered that the only part of this program that is self-supporting is the exam fee. Mr. Barrett said they collect less money and deposit less money to the General Fund than what they spend in the General Fund appropriation.

Senator Wilson requested a written summary of fees taken according to the separate functions of the Division, how much of the cost of those functions is funded by the collection fees, and to what extent General Fund money is funded. Ms. Wolverton said that one of their Division's functions is regulatory and that section takes in no fees.

Senator Glaser asked how much would fees need to be raised to make this budget entirely self-sustaining. Ms. Wolverton replied that since the fees are predicated on the growth in the industry, then anytime there is a slump in the market they would have to cut down.

Senator Glaser asked if fees could be established that over the years would maintain this Department at relatively the same level. Mr. Wadhams said the current fee for licensing is \$80. If it were to hypothetically double for 6,000 licensees approximately \$900,000 would be collected which is about the amount the budget requests.

Senator Gibson said, regarding the doubling that occurred in the last legislative Session, the Legislature has a commitment to return the money. Mr. Barrett said yes. There was an abnormally high amount last year and an abnormally low amount this year but next year, the first year of the biennium, the Budget Office estimates \$644,000 against a General Fund appropriation of \$719,000.

Senator Glaser suggested that perhaps fees should be raised 25 percent or 50 percent. He asked if fees were set by Statute. Ms. Wolverton replied yes, by Statute.

Senator Wilson said there are seven classifications of fees and those fees are for different services rendered by the Division. He said he was not sure it was fair to load one fee to pay for the cost of another service. He said he would like to review the amount of fees raised for each of the seven classifications and the amount of operating expense for each service.

Senator McCorkle asked Mr. Wadhams to tell what the short fall is in each category funded by fees and then show how much increase in that fee is necessary to cover the cost. He asked Mr. Wadhams to do that for all the Commerce Department, including Insurance, Banking, etc.

Senator Echols said he thought a great deal of effort should be put into informing Real Estate students about the real estate industry before they spend time and money becoming licensed. Senator Echols remarked that new licensees, desperate after long and expensive schooling, do a lot of unethical things and this situation affects the image of the real estate industry.

Senator McCorkle asked how many Real Estate licensees there are. Ms. Wolverton said so far in 1978-79, there are 6,720 active licensees, 1,674 inactive licensees and 398 in the one-year grace period.

REAL ESTATE EDUCATION AND RESEARCH FUND - Page 593

Mr. Jones corrected the Program Statement. He said there are more than six seminars a year.

REAL ESTATE RECOVERY ACCOUNT - Page 594

No questions.

DIVISION OF HOUSING - Page 595

Mr. McNitt, the Housing Administrator, reviewed the functions and accomplishments of his Division, and the various programs within the Housing Division. He remarked that all funding for budget expenses is provided by administrative revenues generated from the various programs of the Division, making the Division fully self-supporting. It therefore does not require State appropriations. All start-up funds, appropriated by the Legislature, were paid back in full this fiscal year.

Senator Echols asked what system was used for allocating the bonds to the various lending institutions around the State. In the spring, 1978, the Division solicited invitations from all the lenders in the State. They then said they would like an allocation of x number of dollars. It was broken down into three classifications: rural, Washoe County and Clark County. The Division then made allocations to the various lenders by area (see Attachment A).

Mr. McNitt said now there is a 5-member loan committee made up of Administrator, the Deputy Administrator, Deputy Attorney General assigned full time to the Division, Head of the Loan Department and a Loan Officer. This committee now works on all loan questions and allocations. Senator Echols asked if the committee was new under Mr. McNitt. Mr. McNitt replied it was.

Senator Echols said it looked as if the Deputy Administrator received a higher salary than the Administrator. Mr. Barrett replied there was an error, the Deputy Administrator should make \$20,000 instead of \$25,680.

Senator Echols asked if all the lenders seemed compatible. Mr. McNitt said they seemed to be. He said their working relationship with the lenders seemed to be improving because their Division tried to simplify programs for them.

Senator Glaser asked what the cutoff level was for a family of moderate means. Mr. McNitt said the Statute provides certain guidelines criteria. It provides that we can use federal standards in considering persons. The previous Administrators have used HUD levels, compiled by the federal government by State, and have taken the mean income from one to eight member families and determined the mean income. They have taken 120 percent of that mean income to be the moderate income maximum level. Those are the federal standards. The maximum level would currently be approximately \$18,500 for one person.

Senator McCorkle asked who picks up the difference between 7-1/4 percent and the going market rate. Mr. McNitt said there is no pick up. He said they issue tax incentives for revenue bonds. He said they go out-of-state and borrow money and bring it back into the State. He said because they can issue tax-exempt bonds, they can pay a rate of interest below market.

Senator McCorkle said the interest rate charged is based on whatever price it is sold plus the costs of administrative services.

Senator Gibson said it ends up a couple of percentage points less. Mr. McNitt said this kind of program will always be at least two points below market rate. Senator Gibson remarked it seems to be a successful program.

Senator Echols asked if there was a ceiling on the amount of money Mr. McNitt can sell. Mr. McNitt said they currently have a statutory bonding authority of \$200,000,000 for the Housing Division.

Senator Echols asked where they were now. Mr. McNitt replied that the high mark at one time was \$161,000,000 in bonds, but some were paid off so the amount is now to \$152,000,000. He said they currently were ready to sell about \$50,000,000, approaching the \$200,000,000 statutory limit.

Senator Echols asked Mr. McNitt to clarify what he meant by \$100,000,000 for loans out of \$113,000,000 issue. Mr. McNitt said regarding \$100 for loans, the balance is used for reserves because the Agency has bond certificates. He said certain reserves have to be set up and there are also cost additions. The cost addition on that particular bond was 2 percent which is very reasonable.

Senator Echols asked if Mr. McNitt's Department actually handled those funds. Mr. McNitt said yes, they issue the bonds and handle the funds.

Senator Echols asked who decided where bonds were invested. Mr. McNitt said it was an administrative responsibility to oversee investments and he does this personally. He added that each bond, states the authorized investments which are classified in five categories:

- 1) Direct obligations of the United States government.
- 2) Obligations of such federal agencies as the Federal Home Loan Agency, etc.
- 3) Obligations guaranteed by the United States government.
- 4) Deposits in financial institutions such as Banks and Savings and Loans. (Most require a minimum capital account of \$500.)
- 5) Authorized repurchase agreements in banking institutions which are federally insured.

Senator Echols asked if this was a prioritized list. Mr. McNitt answered no.

Senator Gibson asked what kind of return was presently being realized. Mr. McNitt said they have two areas of return. He said their primary purpose is to put the money into mortgages and mortgage money is at 7 and 7-1/4 percent. Long term investments are limited because of arbitrary regulations. If that is exceeded over the long term on an average then at the end of the year the bonds are taxed. He said they try to avoid being taxed. There is no limit on the amount earned on short term investments. Those earnings are as high as 9-3/4 percent on TCD's at \$4,000,000 which run as low as 30 days. This is very high right now. Mr. McNitt added that he thought they ran a very tight program for the State. He said he thought his Division, more than any other, has the ability to affect the good credit of Nevada faster and in a greater manner than any other Agency in the State.

Senator Echols asked Mr. McNitt if he had looked at S.B. 22, introduced by himself and Senator Faiss, on the Veterans' Home-Owned Program. Mr. McNitt said he had seen the Springmeyer Summary.

Senator Echols asked him to look at it because he had problems allowing the Veterans Administration to administer such a program. He suggested it should probably be put under the Housing Division.

Senator Glaser asked if this money was used for stick-built homes or could it also be used for mobile homes. Mr. McNitt said their present Statute restricts them to stick-built homes. He added that they were asking for the opportunity, in the form of proposed legislation, to expand their jurisdiction. Senator Wilson said he would like to see the proposed legislation. Mr. Wadhams said he would get it to him.

Legal Expenses

Senator Gibson asked if this was the result of an increase of business anticipated. Mr. McNitt said they are anticipating the expenses from the Attorney General to increase.

Senator Gibson asked if they had a full-time Deputy Attorney General now. Mr. McNitt replied they do and she is essential for continued operations.

Senator Echols asked how long this person has held this position. Mr. McNitt said she has been there since April, 1978.

Rent

Senator Gibson asked if this was another case where they were going outside. Mr. McNitt said yes and they were budgeted accordingly.

Data Processing

Senator Gibson asked what was the increase here. Mr. McNitt said they are placing programs on the Central Data Processing system. He said it was important to do this because their present accounting system is very expensive.

Senator Gibson said to Mr. Barrett why he had a reserve in the Work Program for Reversion. Mr. Barrett replied it was to pay off the total amount of the General Fund money advanced. Mr. McNitt explained it was the total amount the Legislature appropriated that the Division actually used.

Senator Echols asked Mr. McNitt if he had people in southern Nevada. Mr. McNitt said no; their only office is in Carson City.

Senator Gibson asked where the location of the units were that Mr. McNitt listed. Mr. McNitt answered in the 1976 program, a state-wide program, they purchased 243 units. In the 1977 program, to date, a total of \$25,541,000 has been purchased in loan; \$901,000 was in rural areas; \$1,725,000 was in Washoe County; \$22,900,000 was in Clark County. The 1978 program allocated \$22,000,000 for rural areas, \$31,000,000 for Clark County and \$16,000,000 for Washoe County. To date \$25,000,000 in loans have been purchased. Figures through December show \$21,000,000; just under \$2,000,000 in rural areas, \$16,000,000 in Clark County and \$2.8 million in Washoe County. The population percentages in rural counties is approximately 18 percent, in Clark County it is 56 percent and in Washoe County it is 25 percent. He remarked the funds have been better distributed in the State in the 1978 programs. He added there are two problems: housing does not turn over as rapidly in rural areas; price of housing in Washoe County versus Clark County is a problem because housing in Clark County turns over an average of every 33 days and in Washoe County every 62-65 days. The problem is providing affordable housing in Washoe County. Mr. McNitt explained that more money goes to Clark County because that is where the turnover is and where most people live. Mr. McNitt stated that the sales price limit of a home in the 1977 program was \$45,000 statewide; in 1978, it was \$55,000 and in Washoe County it has been raised to \$60,000. Mr. McNitt said they must always consider income and cost of the house as part of the eligibility requirement and not the amount of the loan. Also, single-family home programs must be federally insured. Today the maximum FHA loan is \$60,000; the maximum VA is \$70,000. He pointed out they are now limited to \$60,000 state wide no matter what happens to cost of housing, until the federal government changes standards.

Senator Wilson asked what the Division's policy is on depositing operating bond monies in private bank accounts (referring to the Narrative). Mr. McNitt said they have no monies on deposit with the State Treasury. The vast majority of deposits are made to the trustees, which are bank trust funds. Those are then invested in any of the five classifications mentioned earlier.

Senator Wilson asked if any monies outside the State Treasury were deposited in bank accounts in the State of Nevada. Mr. McNitt said most of those bank accounts are established by the Trustee and they are bank accounts held by the Trustee, primarily within the bank in which the Trust is held, such as Nevada National Bank, the primary Trustee here. All the funds then flow through those bank accounts.

Senator Wilson asked if those were interest-bearing accounts. Mr. McNitt said yes, except for amounts under \$1,000. He said they do not maintain large demand accounts. Senator Wilson said he was trying to find out whether these accounts were competitive with respect to participating banks. Mr. McNitt answered they have some problems placing the funds competitively but they feel it is important to keep the funds within the State of Nevada.

Senator Wilson asked if the process was a competitive one among Nevada banks. Mr. McNitt answered a new bond indenture is made invitations to bid as a Trustee are put out. Routinely, two or three banks within the State bid to be Trustee.

Senator Wilson asked if it was competitive with respect to the rate of interest to be paid by the bank. Mr. McNitt said that was up to the discretion of the Administrator (Mr. McNitt) where the Administrator invests those funds within the classifications of acceptable investments. He said he believed the deposit policy was a competitive one.

Mr. McNitt said they ran a study last year comparing their budget and salaries to other State Housing financing agencies. Mr. McNitt read the responsibilities and qualifications of the Administrator (see Attachment B).

THRIFT COMPANIES - Page 573

Mr. Wadhams described Thrift Company activity and characteristics of Thrift Companies in the State of Nevada. He said in the near future there will be three Thrift Companies and there are two other groups preparing applications to become Thrift Companies. He said the increase in the regulations of thrift institutions is \$2,000, attributable to Travel, justified by rapid expansion of the industry.

Senator Jacobsen asked for the Director's name. Mr. Wadhams replied, Mr. Norman Okada. He said Mr. Okada was formerly an Examiner. He added he is now the Examiner, Commissioner, Secretary, etc., the entire staff of his Division.

Senator Echols asked where his salary was in the Budget. Mr. Wadhams said that technically the Thrift Company is directly operated by the Director's Office (Mr. Wadhams), but it has been handed to Mr. Okada for administration because of his expertise.

Senator Echols asked where Thrift Companies traveled out-of-state. Mr. Wadhams said the Out-of-State Travel was to coordinate with institutions in other states. He said the thrift industry is young, being in operation from July 1, 1975, and there are rough edges which require the expertise from other states. He emphasized that Thrift Companies were a high risk business, without federal backing.

CREDIT UNIONS - Page 576

Mr. Wadhams said that currently licensed Credit Unions had assets over \$60,000,000. He pointed out that the Legislature has mandated an annual examination of each Credit Union. He said ten wanted to be licensed and the industry in charge of Credit Unions must examine these ten. He noted that it was the only existing position and the salary is \$25,000. He said this program is funded through the expenses and assessments paid by the industry being regulated. He said there was no General Fund appropriation for this operation.

Senator Gibson asked Mr. Wadhams to explain the salary presentation here. Mr. Barrett said the salary was not budgeted during the last Session, it operated directly out of the Director's budget. He said there was legislation establishing the position, but the salary for the position was not established. Mr. Barrett said this budget and salary have been created administratively.

Senator Glaser asked if secretarial help was provided by Mr. Wadhams' budget. Mr. Wadhams said that was correct. Mr. Wadhams said that he was not suggesting additional secretarial help; his Department was able to handle the work adequately.

General

Senator Gibson said to Mr. Wadhams that Mr. Barrett had indicated that doing away with the Consumer Affairs Division had been considered. He asked if this was the result of a study. Mr. Barrett said it was not the result of a study. It was based on it being a recent addition to the Division and they were looking for places to tighten the budget. He said they found they could still come out with a tight budget and still keep that Division.

Senator Gibson said that in several of the budgets administrative additions have been made during the year. He asked how this was determined. Mr. Barrett said some of these positions were General Funded positions. He said the last Legislature created a new Department with three or four new Divisions (such as the Department of Energy) but did not create budgets. However, the

Legislature approved unclassified Directors and Deputies. Mr. Barrett said the Administration estimated salaries were thought to be reasonable.

Senator Gibson compared the Commissioner of the Credit Unions to the Administrator of Housing. He said one has much more responsibility, but the Governor has set the salaries fairly close. He asked why. Mr. Barrett said the Housing salary ranges from \$21,000 to \$26,000. The Credit Union salary was \$25,000 but there was no relationship between the two salaries in his mind.

Senator Gibson asked how Mr. Barrett created the unclassified Administrator in the Mobile Home Division. Mr. Barrett said he had no authority to create the position, except the general Statutes say the Divisions can have an Administrator or Deputy and a Chief Assistant. Mr. Sparks added the Mobile Home Program was not a Division by Statute and was not therefore one of the Divisions in the Department of Commerce. Mr. Sparks said he thought the authority for an unclassified position needed to be written in the Mobile Home law.

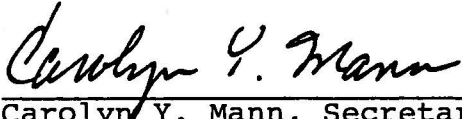
Senator Gibson said after last Session this was in the Director's budget. Mr. Barrett said it was not in the Director's budget, it was a separate budget. Mr. Sparks said it was a program operated by the Director and the position which is now unclassified was a classified Deputy at the time.

Mr. Wadhams remarked the Commerce Department is largely a revenue producing agency and there are differences among the Divisions with regard to being self-supporting. He said he raises this because they relate to the revenues that justify appropriations. He used the Insurance Division as an example. He said setting aside the premium tax collection, which is about \$9,000,000, there is an additional \$1,000,000 collected through the efforts of the Insurance Commissioner's Office. Set against the approximate \$900,000 expenditures, that is \$100,000 net gain from operation. He said that is an 11 percent return on the State's investment in that organization and he suggested that the other Divisions could operate similarly if they had similar powers to those granted to the Insurance Commissioner. The Insurance Commission, unlike other Commerce Department Divisions, has power to assess fines and penalties. He requested more flexibility to augment fees.

Mr. Wadhams said, regarding salaries, there has been, historically, a difference among salaries of the various Division Chiefs, ranging from \$30,500 recommended for the Insurance Commissioner, to \$21,750 for the Consumer Affairs Commissioner. He said the Housing Administrator's salary ranges from approximately \$22,000 to \$26,000 and yet has the credit of the State of Nevada in his hands. He said he did not think it appropriate that his salary be mid-range, and he urged the Committee to give this some consideration.

Meeting adjourned 10:30 a.m.

Respectfully submitted,


Carolyn Y. Mann, Secretary

APPROVED:


Floyd R. Lamb, Chairman

Loans Delivered through 12/31/78
 under 1977A and 1978A Single Family Mortgage Purchase
 Programs

PREPARED	DATE	INDEX
REVIEWED	DATE	

ATTACHMENT A POST RITE SYSTEMS LITHO IN U.S.A.

LINE No.		(1) ALLOCATION		(3)	(4) LOANS PURCHASED		(6)	(7) POPULATION		
		1977A	1978A		1977A	%		1978A	%	1977
1	<u>RURAL</u>									
2										
3	Carson			\$ 287 600	1.1%	\$ 640 300	3.0%	4.3%	4.6%	
4	Churchill			146 500	.6	414 900	2.0	1.9	1.8	
5	Douglas			191 250	.7	384 350	1.8	2.0	2.0	
6	Elko			209 500	.8	37 500	.2	2.9	2.4	
7	Esmeralda			0		0		.1	.1	
8	Eureka			0		0		.2	.2	
9	Humboldt			0		128 200	.6	1.2	1.2	
10	Lander			0		42 300	.2	.5	.5	
11	Lincoln			0		96 350	.5	.4	.4	
12	Lyon			30 350	.1	99 150	.5	1.7	1.4	
13	Mineral			36 000	.1	0		.8	.9	
14	Nye			0		0		.8	.9	
15	Pershing			0		31 000	.1	.5	.4	
16	Storey			0		0		.2	.2	
17	White Pine			0		111 500		1.3	1.3	
18	TOTAL RURAL			\$ 901 300	3.5%	\$ 1 985 550	9.4%	18.6%	18.4%	
19				0* 22 455 625	31.8%					
20										
21	Clark	0*	31 688 121	44.9	22 914 725	89.7	16 371 115	77.2	56.8%	55.6%
22	Washoe	0*	16 406 254	23.2	1 725 400	6.8	2 847 300	13.4	24.6	26.0
23	GRAND TOTAL	\$ 29 440 000	\$ 70 550 000	100%	\$ 25 541 425	100.0%	\$ 21 203 965	100.0%	100.0%	100.0%
24										
25								633 397	677 803	
26										
27										
28										
29										
30										

* No ALLOCATION
 BY AREA IN
 1977A PROGRAM;
 OPERATED
 AS A STATE-
 WIDE POOL.



STATE OF NEVADA
 DEPARTMENT OF COMMERCE
HOUSING DIVISION
 201 SOUTH FALL STREET, ROOM 300
 CARSON CITY, NEVADA 89710
 (702) 885-4258

L. McNITT, Jr.
 Administrator
 DOUGLASS R. MORRA
 Deputy Administrator

MIKE O'CALLAGHAN
 Governor
 PAM WILLMORE
 Director

September 6, 1978
 ATTACHMENT B

Nevada State Budget Division
 Blasdel Building
 Carson City, NV 89710

RE: 1979-81 Biennial Budget Narrative.

Gentlemen:

- A. Agency No. 503-3841 - Housing Division.
- B. Revenue Section. The Housing Division is a self-funding agency that no longer requires a state appropriation and the Division will repay to the State Treasury in full by December 1978 all seed money appropriations previously provided by the legislature and the Governor.
- C. Personnel Services:
 - 1. No additional personnel are projected at this date.
 - 2. An assigned Deputy Attorney General is reimbursed to the Attorney General's office through expense 04-7080.
 - 3. The salaries for the two unclassified officers are very inadequate because:
 - (a) Attached is a study by Dean Witter Reynolds of eleven similar state housing finance agencies which indicates that Nevada pays its Administrator the lowest salary of all agencies studied:

	<u>High</u>	<u>Low</u>	<u>Average</u>	<u>Nevada</u>
Total debt authorized	\$1,250,000,000	\$ 75,000,000	\$446,000,000	\$200,000,000
Total bonds outstanding	698,400,000	53,600,000	251,744,000	153,785,000
Total notes outstanding	291,984,000	4,187,000	41,470,000	6,295,000
Salary: Director	50,000	23,000	37,028	21,565
Deputy	45,000	19,000	32,068	20,486

E X H I B I T B

- (b) The salary of the Administrator is currently one of the lowest in the Department of all division chiefs, while the fiscal and debt responsibilities together are the highest in the Department and one of the highest within the State government.

Banking	\$ 26,372.00
Consumer Affairs.	21,327.00
Fire Marshall	25,071.00
Insurance	27,517.00
Mobile Homes.	23,500.00
Real Estate	23,734.00
Savings & Loan.	25,224.00
Housing	21,565.00

- (c) The Administrator for the Housing Division is responsible for operating a program which currently exceeds \$150 Million and which can rise to a current statutory limit of \$200 Million. Such an Administrator must have high skills, experience and integrity. Furthermore, the Administrator for the Housing Division should be a proven leader and proven manager with high level experience and skills in loan origination (single and multi-unit loans), loan administration, credit administration, real estate, construction (single and multi-unit), audit, accounting, finance, investments and cash management. Such a broad scope of experience and skills normally cannot be found within government and usually will be available from the private sector. Such skills and experience must receive compensation more reasonable in relation to the private sector and other housing finance agencies in order to attract and retain an Administrator capable and willing to serve the State. The recommended salary should accomplish this.
- (d) As the State has only a small, rudimentary investment industry from which such skills and experience may be normally developed, and since there may be fewer than ten people currently within the State reasonably qualified for this position of Housing Division Administrator, the State probably will have to continue to seek qualified candidates from major investment industry centers outside the State, such as the Bay Area, Southern California or eastern cities. Although Nevada may be able to offer lower or average salaries, it still must be able to compete, attract and retain qualified people for such positions which have broad skill and experience requirements. The recommended salary should attract and retain qualified persons from within or from outside the State for the position of Administrator of the Housing Division.

E X H I B I T B

- (e) The success or failure of the Housing Division does have a direct effect on the bond credit ratings and public bond market rates of the State and all its various governments. The State must have a sound, well-operated Housing Division at all times. This will require an Administrator who is fully qualified to lead and manage the Division. Furthermore, frequent turnover of Administrators has injured the confidence of the investment industry and investors regarding Nevada Housing Division and its bonds as well as their interest in supporting new bond issues. The recommended salary should attract qualified candidates or retain a qualified Administrator.
- (f) As a matter of good personnel policy, the head of any division should be paid more than any subordinate or any Deputy Attorney General attached to the division. The Deputy Attorney General earns \$25,000.00 and has been out of law school less than five years. The Administrator, who is fully qualified for the position and who has the full responsibility for managing this \$156 Million Division, earns \$21,565.00 and has approximately twenty years business experience. To allow such a poor personnel policy condition to continue will seriously discourage qualified persons from applying for or remaining in the position.
- (g) The Deputy Administrator's salary currently is set at 95% of the Administrator's salary. The current salary of \$20,456.00 is very unsatisfactory. If the Administrator receives a salary more reasonable to the responsibilities, etc., then the Deputy Administrator's salary can be set at 80% of the Administrator's salary. This 80% level recommended should attract and retain qualified persons for the Deputy Administrator position.
4. The current eight positions in the budget plus the assigned Deputy Attorney General are considered the minimum personnel required to operate the Division's current and foreseeable programs:
1. Administrator
 2. Deputy Administrator
 3. Loans: Loan Administration Officer
 4. Loans: Loan Officer
 5. Accounting: Senior Accountant
 6. Accounting: Accountant
 7. Admin. Aid II, Range B
 8. Admin. Aid I, Range A

It is noted that the Oregon's Housing Finance Agency has twenty employees for approximately the same level of bonds outstanding as the Nevada Housing Division. The Oregon staff is as follows:

E X H I B I T B

1. Administrator
2. Assistant Administrator
3. Administrative Assistant
4. Fiscal Manager
5. Economist
6. Planner
7. Multi-unit Housing: Manager
8. Multi-unit Housing: Housing Development Specialist
9. Multi-unit Housing: Management Coordinator
10. Multi-unit Housing: Architect
11. Multi-unit Housing: Admin. Assistant
12. Single family Housing: Manager
13. Single family Housing: Mortgage Purchase Specialist
14. Single family Housing: Administrative Assistant
15. Elderly Housing: Manager
16. Elderly Housing: Development Analyst
17. Elderly Housing: Loan Officer
18. Elderly Housing: Administrative Assistant
19. Accounting: Accountant
20. Accounting: Accountant

D. Travel Requests.

The budget prepares for increased travel expenditures:

1. In-state to audit for compliance with existing programs and future multi-unit program projects.
2. Out-of-state to increase the level of coordination between San Francisco Regional Office of the U. S. Department of Housing and Urban Development as well as attend a minimum number of conferences (see "Dues and Registrations").

E. Operating Expenses.

- E. 1. Buildings Space Rental. The Commerce Department plans to move in 1979 into a new building. For the Housing Division this will result in a moving cost of approximately \$250.00 and a monthly rental expense of \$1,420 (approximately 2,000 sq. ft. x \$.71 per sq. ft.).
- E. 2. Building Space Allocation. (Attached)
- E. 3. Agency Publications. (None)
- E. 4. Dues and Registrations.
 - (a) Conference of State Housing Agencies
 - (1) Membership: \$500.00
 - (2) Conference annually: \$400.00

E X H I B I T B

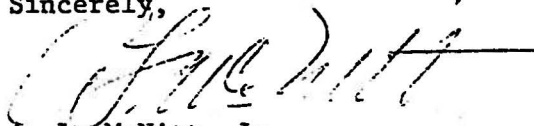
- (b) Municipal Finance Officers Association membership: \$30.00
- (c) National Association of Housing and Redevelopment Officials membership: \$36.00
- (d) Nevada Mortgage Bankers Association convention: \$75.00
- (e) The Wall Street Journal subscription: \$49.00
- (f) Housing and Development Reporter subscription: \$359.00

E. 5. Contracts and Other Contract Services. The budget also has been increased to cover expected and necessary major increases for:

- (a) Reimbursement to the Attorney General's Office for the assigned Deputy Attorney General.
- (b) Outside legal expense to also review closing documents for multi-unit projects to assure that the Division is fully protected.
- (c) Increased independent CPA audit expenses as the scope of the audit work is expanding directly as the Division's programs expand.
- (d) Title company expenditures for preliminary title reports to audit and verify program compliance by borrowers, lenders and realtors.
- (e) Contract services by consulting architect, inspector, appraiser and contractor to assure that the Division finances fiscally sound and well designed multi-unit projects.

F. Equipment Requests. Sums less than the most recent fiscal year have been provided to cover replacement and additional equipment costs.

Sincerely,



A. L. McNitt, Jr.
Administrator

ALM:els

CC: P. Willmore
Fiscal Analyst,
Legislative Counsel Bureau

E X H I B I T B

MEMO TO FILE - Dean Witter Reynolds Public Finance Department

DATE: August 22, 1978

SUBJECT: State Housing Finance Agencies'
Professional Staff Salaries

The following information was provided by the respective state housing agencies or derived from the Housing and Development Reporter:

Alaska

Total Debt Authorized: No limit.

Total Bonds Outstanding as of 8/14/78: \$384,725,000

Total Notes Outstanding as of 8/14/78: \$25,000,000

Staff Salaries:

Executive Director	\$47,000
Finance Officer	\$42,000
Mortgage Manager	\$37,000
Controller	\$33,000

California

Total Debt Authorized: \$450,000,000

Total Bonds Outstanding as of 8/14/78: \$225,000,000

Total Notes Outstanding as of 8/14/78: \$63,000,000

Staff Salaries:

President	\$46,400 + Cost of Living Increase
Senior Vice Presidents	\$39,700
Vice President General Counsel	\$37,600

Colorado

Total Debt Authorized: \$400,000,000
 Total Bonds Outstanding as of 8/21/78: \$289,000,000
 Total Notes Outstanding as of 8/21/78: \$12,000,000
 Staff Salaries:
 Executive Director \$39,000

Idaho

Total Debt Authorized: \$200,000,000
 Total Bonds Outstanding as of 8/14/78: \$110,970,000
 Total Notes Outstanding as of 8/14/78: \$4,187,000
 Staff Salaries:
 Executive Director \$30,000 - \$45,000
 Director of Finance \$30,000 - \$45,000
 Production Executive \$30,000 - \$45,000

Massachusetts

Total Debt Authorized: \$1.25 Billion
 Total Bonds Outstanding as of 3/1/78: \$593,290,000
 Total Notes Outstanding as of 3/1/78: \$291,984,141
 Staff Salaries:
 Executive Director \$38,850 - \$50,000
 Chief of Operations \$33,000 - \$41,375
 Finance Director \$33,000 - \$41,375
 Legal Counsel \$33,000 - \$41,375

E X H I B I T B

Michigan

Total Debt Authorized: \$900,000,000

Total Bonds Outstanding as of 3/1/78: \$698,400,000

Total Notes Outstanding as of 3/1/78: \$60,000,000

Staff Salaries:

Executive Director \$40,650

Finance Officer \$37,150

Legal Affairs Officer \$37,150

Montana

Total Debt Authorized: \$75,000,000

Total Bonds Outstanding as of 8/14/78: \$75,000,000

Total Notes Outstanding as of 8/14/78: None

Staff Salaries:

Administrator \$23,000

Program Director \$19,000

Accountant \$12,000

New Mexico

Total Debt Authorized: No Limit.

Total Bonds Outstanding as of 8/14/78: \$119,245,000

Total Notes Outstanding as of 8/14/78: None

Staff Salaries:

Executive Director \$30,000

Mortgage Officer \$21,000

E X H I B I T B

Oregon

Total Debt Authorized: \$200,000,000

Total Bonds Outstanding as of 8/14/78: \$144,960,000

Total Notes Outstanding as of 8/14/78: None

Staff Salaries:

Administrator	\$29,436 + Cost of Living Increase
---------------	------------------------------------

Assistant Administrator	\$28,044
-------------------------	----------

Loan Officers	\$19,944
---------------	----------

Utah

Total Debt Authorized: No Limit.

Total Bonds Outstanding as of 3/1/78: \$75,000,000

Total Notes Outstanding as of 3/1/78: None

Staff Salaries:

Executive Director	\$26,832
--------------------	----------

Finance Manager	\$22,416
-----------------	----------

Wyoming

Total Debt Authorized: \$100,000,000

Total Bonds Outstanding as of 8/21/78: \$53,600,000

Total Notes Outstanding: None

Staff Salaries:

Executive Director	\$26,000 - \$30,000
--------------------	---------------------

Director of Programs	\$20,000 - \$25,000
----------------------	---------------------

Mortgage Officer	\$20,000 - \$25,000
------------------	---------------------