

Committee in session at 7:30 a.m. Senator Floyd R. Lamb was in the Chair.

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

ABSENT:

OTHERS Mr. Ronald W. Sparks, Chief Fiscal Analyst  
PRESENT: Mr. Eugene Pieretti, Deputy Fiscal Analyst  
Mr. Howard Barrett, Budget Director  
Senator Cliff Young

(SEE ATTACHED GUEST LIST FOR OTHERS PRESENT AND TESTIFYING, PAGE 1A.)

S.B. 198 - Restores Office of State Fire Marshal  
(See Attachment A.)

Mr. Bernard Sease, Fire Chief of Carson City, reported that he was co-chairman of a committee to rewrite Chapter 477 of NRS. He explained that the committee involved a variety of people trying to determine what the responsibilities of the Fire Marshal should be. He submitted a synopsis of information obtained by a questionnaire (See Attachment B). He said all responses were in favor of having a Fire Marshal.

Mr. Sease reported that the State Fire Marshal provides services that local districts are not able to provide; for example a state-wide arson information network, testing fire-related equipment, licensing and regulating fire extinguishers, regulating burglar-fire alarm companies, gathering fire data to see how well fire regulations are working, and serving as a focal point for local agencies with the U.S. Fire Administration. He said that these needs justify the continuation of this office. He said he has letters from 29 fire departments throughout the State of Nevada asking that Senate Bill 198 be approved. He said the committee reviewing the Fire Marshal's Office and many other people would like this Office continued.

Senator Lamb asked why the fire departments want a Fire Marshal. Mr. Sease answered that there are a number of activities they cannot do, such as coordinating arson information. He said they need a focal point for arson information developed at national and city levels. He said local areas do not have the resources to do research and coordinate activities on the national level. He said there are 160 fire departments in Nevada and only the two larger counties, Washoe and Clark, perform these activities themselves. The other counties cannot do this. He said many fire departments do not have fire prevention bureaus and sometimes there are code problems; the Fire Marshal solves these problems.

Senator Lamb asked why 15 Deputy Fire Marshals are being requested. Mr. Sease said that certain provisions were put in the bill so the Office could grow as the State grows.

Senator Lamb asked if the people who fill these positions would receive retirement. Mr. Barrett said yes.

Senator Gibson said he does not know why that clause should be in the bill. Mr. Sease explained that those people are volunteers who are already fire officers within the State.

Senator Lamb read the section of the bill which states that a fire chief or fire marshal designated by local government, who maintains an organized fire department, may serve as a special deputy to the State Fire Marshal. Mr. Sease explained that the person would be

GUEST LIST AND OTHERS PRESENT AND TESTIFYING:

Bernard Sease, Fire Chief, Carson City; Nev. Fire Chief's Association  
Tom Huddleston, State Fire Marshal, Dept. of Commerce  
Jim Barrett, Clark County Fire Department  
Lowell Smith, State Forester, Division of Forestry  
Charles Wolff, Director, Department of Prisons  
Michael Medema, Administrative Services Officer, Dept. of Prisons  
Mr. John Holmes, Jacks Valley Volunteer Fire Department  
Mrs. Polly Holmes, Jacks Valley Volunteer Fire Department  
Ms. Deborah Johnstone, Jacks Valley Volunteer Fire Department  
Mr. Marty Richard, Reno Fire Department  
Mr. Don Amodei, Nevada State Fireman's Association  
Mr. William Southerd, Lyon County Fire Marshal  
Mr. Jan Christopherson, Department of Commerce  
Mr. W. H. Huddleston  
Mr. Alex Davis, Pacific Fire Extinguisher Company  
Mr. J.S. Harris, Truckee Meadows Fire Protection District  
Mr. Dan Hellwinkel, Douglas County Engineering Department  
Mr. Bob Barrett, Gardnerville Fire Department  
Mr. Mark Amodei, representing Assemblyman Alan Glover  
Mrs. Peggy Glover, Director, Department of General Services  
Mr. Mike Meizel, Administrator, Division of Buildings and Grounds  
Mr. A. A. Campos, Chief, Parole and Probation  
Mr. Vernon Bennett, Executive Officer, Public Employees Retirement System  
Mr. Robert Gagnier, Administrator, Nev. State Employees Association  
Mr. Larry Gussom, Public Employees Retirement System  
Mr. Warren T. Fowler, State President, Retired Public Employees of Nevada  
Mr. C. W. (Bud) Young, Retired Public Employees of Nevada  
Mr. Andy Slobodian, Retired Public Employees of Nevada  
Ms. Winnie Slade, Retired Public Employees of Nevada  
Mr. W. Maddaford, Retired Public Employees of Nevada  
Ms. Lois Hart, Retired Public Employees of Nevada  
Ms. Joyce Maddaford, Retired Public Employees of Nevada  
Mr. Chester N. Newell, Retired Public Employees of Nevada  
Ms. Gertrude V. Bay, Retired Public Employees of Nevada  
Mr. I. J. Sandord, Retired Public Employees of Nevada  
Ms. Barbara H. Mighels, Retired Public Employees of Nevada  
Mr. Bill Schultz, Retired Public Employees of Nevada  
Mr. Stanley P. Doty, Retired Public Employees of Nevada  
Mr. Flournoy, Retired Public Employees of Nevada  
Mr. S. Mastroianni, Retired, Carson City  
Ms. Adelaide Allred, Retired, Carson City  
Ms. Georgina Ballom, Retired, Carson City  
Mr. Clyde Spraggins, Retired, Carson City  
Ms. Kathryn Malone, Retired, Carson City  
Mr. William Hancock, Secretary Manager, State Public Works Board  
Mr. Sam Palazzolo, Public Employees Retirement System  
Mr. Wendell Newman, Nevada State Education Association  
Mr. Ted Sanders, Superintendent, Department of Education  
Mr. Douglas Sever, Director, Fiscal Services, Department of Education  
Ms. Susan K. Atchison, Western Interstate Commission for Higher Education  
Mr. Don W. Driggs, Western Interstate Commission for Higher Education  
Mr. Earl Nicholson, Retired Public Employees of Nevada  
Mr. R. E. Walker, Retired Public Employees of Nevada  
Mr. Bill Clark, National Retired Teachers' Association  
Mr. Art Lucas, Retired Public Employees of Nevada  
Mr. James W. Calhoun, Retired Public Employees of Nevada  
Ms. Hattie Becker, Retired Public Employees of Nevada  
Mr. Orvis E. Reil, National Retired Teachers' Association/AARP  
Mrs. Beverly Spraggins, Retired, Carson City  
Mr. Charles Ruark  
Mr. Earl Mayes, Reno  
Mr. Alan Odell, Carson City  
Mr. Steven R. Frady, Editor, Nevada Appeal  
Mr. John Rice, Associated Press  
Mr. Cy Ryan, United Press International

someone like himself, who would assist the Fire Marshal in the enforcement of his regulations within the deputy's local jurisdiction. Mr. Huddleston, State Fire Marshal, explained that anyone covered under this clause, would already be covered under the retirement system, because of his position on a fire department. Mr. Huddleston stated that this clause would in no way add to the retirement system. He said the entity that employs this person is responsible for his retirement, not the State.

Senator Lamb, asked Vernon Bennett, Executive Director of the Public Employees Retirement System about the retirement problem. He asked if the State would contribute to retirement. Mr. Bennett said if this is the assumption that they would be eligible for retirement under the early retirement provision for police and firemen, it would mean that. If those employers would pay an additional 1/2 of 1 percent, back to July 1, 1971, and receive credit for early retirement in this position for all service performed in the position even before 1971, the answer is yes.

Senator Lamb asked if this is a backdoor approach to getting early retirement. Mr. Bennett answered yes.

Senator Gibson said that this clause is not needed in this bill. He said that if a person is already eligible for retirement it isn't needed anyway. Mr. Huddleston said he thought this language is a carryover from the old bill.

Senator Lamb referred to page 3, line 9 of S.B. 198. Mr. Huddleston explained that this applies to cities of 100,000 or more which have the expertise to provide a full fire prevention program without the Fire Marshal's assistance. He said that without a specific request, the Fire Marshal's duties would be restricted to State-owned buildings. He said he can be requested by the Fire Chief in the area to provide assistance.

Senator McCorkle remarked that the strongest argument for the Fire Marshal's Office is the arson investigation for rural counties. He asked why it is important to have statistics on arson in urban areas. Mr. Huddleston explained that two separate functions are involved. One is the national fire incident reporting system which reports information about types and causes of fires and types of materials and fuels involved. He said this information helps to construct rules and regulations on a national level. This information is used on a local level to do long-range planning for equipment and manpower needs, and to develop new techniques regarding fire fighting. The second function regarding gathering information for arson, is to know the magnitude of the problem and to try to develop corresponding programs. Mr. Huddleston gave examples of the severity of the arson problem. He said that recently arson problems were spilling over from California; if they had been aware of the problem earlier, they could have stopped it earlier. He said that they were hit 21 times, before they realized their problem was a continuation of one begun in California.

Senator Echols, referring to page 4, lines 5, 6 and 7, said these lines say the Fire Marshal's services will be used "upon request", but this phrase is left out on lines 9 and 10. Senator Echols said he is concerned about the omission of this phrase because he would not like to inflict the Fire Marshal's authority on any local entity. Mr. Huddleston said that his authority is on a request basis because he would not know about a problem unless a local authority contact him anyway. Mr. Sease remarked that they wrote the bill so the Fire Marshal's services would be provided only upon request. He said that was the thrust intended in the language of the bill.

Senator Lamb, referring to page 6, said the Fire Marshal can get involved in counties over 100,000. Senator Lamb remarked that he does not like the large size of the board. Mr. Huddleston said there is an amendment proposed by the Fire Chief of Clark County to change this portion of the bill and leave the number of board

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members at 5. He remarked that this board would outnumber his own staff. Senator Lamb commented that he would like to see the Board remain at 5 because the larger size is unwieldy.

Senator Glaser said he noticed that the Fire Marshal provides training for local fire departments. He said the University of Nevada has a training program. He said Elko County has been trying to get a service training program and is having trouble coordinating it between the Fire Marshal's Office, the Community College and the University. He said he would like to have only one agency responsible for training. Mr. Huddleston said that he provides training in specialized areas: such as an elementary fire training class, including arson investigation, etc. He said he has coordinated his program with the one at the University. He said his program specifically trains for activities involving the Fire Marshal and does not provide general fire training. He said the Fire Service Training Office associated with the University has been set up since about 1934 and has always been a separate function. He said that the Fire Marshal's Office began in 1965. Mr. Sease said he sat as Chairman of the Advisory Board for Fire Service Training. He said this service used to be under the State Department of Education. When they stopped providing the service, it was placed under University of Nevada Extension Service. He said he would like to see legislation which would coordinate all fire activities.

Senator Lamb asked where the Fire Marshal's jurisdiction stops and starts. Mr. Huddleston said he thinks the bill makes it clear that his jurisdiction stops at any county line having more than 100,000 population unless he is invited to come in by a fire chief.

Senator Wilson asked if the Fire Marshal's jurisdiction to regulate building codes, fire construction standards, fire prevention building standards, etc. are pre-empted by the local entity. Mr. Huddleston said no; only if they had adopted something less than his own standards. He said again that he has no power of enforcement in a county over 100,000. He said it is pre-emptive in the sense that the local entity has adopted the 1955 building code, and he has adopted the 1976 building code, it would be pre-emptive as to a minimum. He said that, in most instances, for example in Reno, the city's standards are more stringent than his own.

Senator Echols said he is in favor of the bill but with revisions, especially with regard to tightening up the language.

Senator Gibson requested that the Fire Marshal's budget be presented in the normal form covering the last two years. He said an additional deputy is being requested; and that the figures do not agree with the fiscal note attached to the bill.

Mr. Bennett clarified the meaning of a section on Page 2, lines 8 and 9. He said during the 1977 session the legislature recognized that in some cases very qualified people were not put into training positions because they would lose their eligibility under the early retirement program as a policeman or fireman. He said they put in an amendment saying that these employees could remain in the early retirement program. Staying within the same agency, if they went to that position not normally covered. An on-line fireman would then be eligible to be promoted to a Training Officer and could remain in the early retirement program if he was promoted within the same agency. He said the application procedure is conducted through a presentation before the police or firemen's retirement committee, and they in turn make a recommendation to the retirement board.

Mr. Sease asked if emergency action can be taken to continue the Fire Marshal's Office since the Office is to expire within a few days. Senator Lamb said something would be done. (A copy of the Fire Marshal's revised budget is shown in Appendix B).

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Inmate Labor for Buildings and Grounds

Mrs. Peggy Glover and Mr. Meizel took the witness stand. Senator Lamb announced that the State would like to use more prison labor.

Mr. Meizel stated his reservations about using prison labor-relating outside and supervision of prisoners inside. (See also Attachment C). He said he does not have enough people to watch them on a one-to-one basis inside buildings. He said supervision indoors was the problem in the past.

Senator McCorkle said he does not understand why a 6-to-1 ratio would not work using a security guard from the prison to supervise. Mr. Meizel said that would be fine. Mr. Wolff, State Warden, testified that in the past, depending upon the project, a prison supervisor handled 6 to 12 inmates. He said prisoners are used most effectively outside, taking care of trees and grounds, window washing, etc. Historically, using a prison supervisor has worked better than using an employee from Buildings and Grounds to supervise.

Senator Lamb asked how many people are paroled each month. Mr. Campos, Chief, Parole and Probation, said about 50 per month on the average.

Senator Lamb stated that prisoners will soon be paroled into the community, yet the Buildings and Grounds Department does not want to use them because prisoners are dangerous. Mr. Meizel said yes, that is what he is saying.

Senator Lamb said he feels people do not want to be bothered with the program.

Senator McCorkle asked what the problems are with prisoners working inside the building. He asked how can these problems be resolved. Mr. Wolff said the problem in part can be solved by carefully selecting the inmates who work inside. He said part of the problem is that inmates who work inside the building cannot have as close a supervision as those on the outside, who can be kept in visual contact at all times. He explained that inmates in the buildings do different jobs in different places.

Senator Wilson said he assumed that there are different classifications of inmates; some who cannot work on the outside of the prison; and some who are ready for parole. He suggested that those ready for parole are the ones the Committee is talking about using. He asked how many people are ready for parole, but have not yet qualified for parole. Mr. Wolff replied about 10 percent of the prison population, about 140 people.

Senator Wilson suggested that these people would also benefit the most from this kind of program; it is consistent with the rehabilitation program at the prison.

Mr. Meizel stated that the reason he sounds negative about the program is that there were a myriad of problems over a three-year period with such a program before. He said that if the prison closely monitors the inmates, it would help; but he still does not think inmates should work inside buildings. He said he agrees with the Warden that visual contact is important. Senator Wilson commented that these inmates are almost ready for parole, and will soon be on the streets.

Mr. Campos said that about 35 inmates are on a work-release program at the present time. He said they work in private industry, in hotels, as construction laborers, etc. while living in prison or in county jails. He said the people they work for are not qualified to supervise; only occasionally is there a problems with someone leaving the job.

Senator McCorkle said that if 50 people are paroled each month; and there was a 3-month program, people would be available for a three

month period. He said that if people started 3 months before they are intended to be paroled, a program could handle up to 150 at a time. He asked if 3 months would do any good toward rehabilitation. Mr. Wolff answered yes.

Senator McCorkle said the cost savings for Buildings and Grounds needs to be calculated and compared to the added supervisory staff needed from the prison. He asked what is the normal inmate to guard ratio. Mr. Wolff said it depends on the type of supervision needed; anywhere from 6 to 1 to 12 to 1.

Senator McCorkle said perhaps 8 to 1 could be a supervisory ratio in Buildings and Grounds. He said any cost savings that could be realized by reducing the staff would be money saved.

Senator Jacobsen said he had previously stated that prisoners were used in the Legislative Building with no problems; he has since found that there are problems. He said as the prisoners became acquainted with the building, they began using restrooms and intermingling with the staff. He suggested that inmates do outside work, taking 2 or 3 days, and then move on to another project. He said he thought some problems could be caused using prisoners in-house.

Senator Lamb argued that these people will soon be free and mingling with society. Senator Jacobsen said they are still prisoners. He said he too would like to make them productive.

Senator Lamb said prisoners have been used since 1940, and he said he does not remember a great amount of trouble. Mr. Wolff requested the opportunity to develop a plan and submit it to the Committee. Senator Lamb reminded him that when the plan is developed, it will affect his budget and he should consider this when developing the plan.

Senator McCorkle said the Committee needs an estimate from both Mr. Meizel and Mr. Wolff on the largest number of inmates that can be used to work inside buildings, and the ratio of inmates to supervisors. He asked that these projections include all State buildings.

S.B. 224 - Appropriation to Parole and Probation for extra personnel (See Attachment D).

Mr. A. A. Campos, Chief, Parole and Probation, presented a memo from the Budget Division which updated the appropriation for the Department of Parole and Probation (see Attachment E). He said their current request is for \$89,507 to hire 19 officers effective April 1, 1979 and 1 Senior Account Clerk and clerical support staff. Mr. Campos provided information on his increased workload to justify additional personnel. He said they are currently short 18 officers statewide in performing functions they are responsible for. He said that shortage will increase to 19 by April 1. He said that in the Las Vegas area they need an additional person approximately every 7 weeks; this situation has existed the last 3 years. He said that among the 19 officers requested 15 are requested for Clark County, 3 for Reno and 1 for Carson City.

Senator Wilson asked Mr. Campos to comment on the problems he has been having with the increased workload. Mr. Campos reported on their work unit system, the kinds of people they recruit, the problems meeting court deadlines, the amount of overtime necessary, the administrative difficulties in monitoring employees, difficulty in monitoring parolees, and unintended recidivism of parolees due to their not being properly supervised. He said that right now they are performing many functions only half-well because of the present situation.

Senator Echols asked how effective employees are during the 60 or more hours a week they work. Mr. Campos said they are producing the work required by the courts which represents about 25 percent of their time. He said that they are not being effective in some other areas. He said having 90 to 110 parolees to supervise, getting them jobs, finding them places to live, etc., takes much

time. His personnel are not able to do as good a job as they could do (with more help.)

Senator McCorkle asked what dictates the scope of the job right now. Mr. Campos said primarily the NRS and the authority the NRS gives the courts and parole boards.

Senator Campos asked why Mr. Campos did not restrict his functions to fewer responsibilities, performing them better than they can now. Mr. Campos said they have already cut certain tasks. He said that in areas where they have some control, they have eliminated job functions such as quarterly progress reports on each client; they no longer do this. He said they have eliminated all duplication in the records system. He said they tried to get legislation during the last legislative session to shorten length of parole, but it did not get out of committee.

Senator Jacobsen asked how Mr. Campos will train the new employees to be hired when there is no training money in the budget. Mr. Campos said this is something that has to be done even though there is no money. He said they used to have a grant for a Training Officer. He said this Officer devised a program which could be carried out after the grant was spent. He said that this program is in manual form, and training is conducted at the district level by selected journeyman officers in that district.

Senator Jacobsen asked if the Community College System could be used for training. Mr. Campos said no.

PERS - Funding post-retirement increases.

Mr. Vernon Bennett, Executive Officer, Public Employees Retirement System explained that his organization was asked by the last legislature to come up with a way of funding post-retirement increases by an outside source.

Mr. Bennett said that the source could be an increase in the employee and employer contribution rates, an increase in the employer contribution rate or a direct appropriation. He said the result of their meetings throughout the 2 years with the retired employees is Senate Bill 258 which proposes the increases in benefits that they would like to have considered. However, this bill does not provide a method of financing. The bill specifically provides that these benefits will go into effect only if new, additional funding methods are found outside the retirement system. He said that Senate Bill 34 and Senate Bill 249 represent two methods of providing the additional funding.

S.B. 34 - Creates investment fund for post-retirement increases.  
(See Attachment F.)

Mr. Bennett said that S.B. 34 would take \$20,000,000 of the current surplus and set it aside for future taxpayer needs. He said the bill provides that either the legislature or a legislative committee could take all or part of this money if needed and use it for other purposes.

Senator Lamb asked Mr. Bennett what he means by "use it for other purposes". Mr. Bennett answered that the \$20,000,000 does not belong to the retirement system. It is set aside until used in the future for other purposes. The retirement system could invest the money, and the investment return would be used to pay for new post-retirement increases that begin July 1, 1979, and July 1, 1980. He said that a special fund would be created from the interest saved. At the end of each fiscal year, a complete report would be provided to the Governor, legislature, and retired members regarding the effect of this fund. He said in the future, if it is determined there is insufficient money from interest income to fund the post-retirement increases, the retirement system would absorb the difference until the next legislative session. He said at that time the legislature would have to make a decision whether the retirement system would continue to absorb it or whether another type of funding should be provided.

Mr. Bennett said that the Retirement Board has assumed that they can receive a 10 percent return on the \$20,000,000. He said they

are anticipating using the money to invest in mortgages and real estate at a return of 11 and 7/8 percent. This percentage will earn about \$2,400,000.

Senator Lamb remarked that this amount more than takes care of new post-retirement increases. Mr. Bennett agreed that it does.

Mr. Bennett referred to a handout (see Attachment G) showing a breakdown of interest income on a 14-year basis at 10 percent. He said they anticipate earning more than 10 percent, but the market could change. He said by the seventh year, they will have recovered all deficits, and have a surplus; and each year thereafter they will have a surplus. He said this is based on their actuary's projection that approximately 7 percent of retired employees will decrease each year. He said as the employees dropped out of the system, the cost of benefits each year will go down until at some point in the future, it will be zero.

Senator Lamb remarked that there is no time that the legislature cannot get this money back. Mr. Bennett replied that the legislature can get the \$20,000,000 any time. He added that the retirement system can use the interest income only to pay the new post-retirement increases beginning July 1, 1979 and July 1, 1980; it can be used for no other purpose.

Senator Lamb asked how would the legislature get the money back if it is invested in real estate. Mr. Bennett answered that they have a cash flow of about \$6,000,000 to \$8,000,000 a month; and if the money was called for they would sell some of their stocks or bonds they would like to liquidate, or use short-term money.

Senator Echols asked what kind of real estate investments will be made. Mr. Bennett said last May they invested in packages of single family homes. Because they received only 9 and 1/4 percent return, they discontinued this and began investing in casinos, hotels and shopping centers. He said the present rate is 11 and 7/8 percent, which is under the 12 percent limit of the Usury Law.

Senator McCorkle asked about the new people coming into the system. Mr. Bennett said in the program, identified by S.B. 258, the interest from the \$20,000,000 would fund only the new increases. He said the next legislative session must decide whether they want to fund new increases in 1871, and thereafter they will have to provide for their funding.

Senator McCorkle said a projection is needed for the future. He asked what kind of requests are anticipated for succeeding bienniums. Mr. Bennett said number of retired employees are growing tremendously and costs per person are going up. He said costs of post-retirement increases will continue to snowball during the next few years if the legislature decides to continue them. He said this is one reason the legislature decided in 1975 to eliminate a guaranteed post-retirement increase described in the law and to allow the legislature to make a new determination every two years.

Senator Glaser said at the present time there is a post-retirement program in which half of 1 percent is put in by both employee and employer. He asked if the appropriation under discussion is in addition to this amount, or has it been amalgamated into one program. Mr. Bennett said, with the exception of the \$20,000,000 appropriated in 1975 for the flat \$50 per month increases provided for people who retired before July 1, 1963, the retirement system has absorbed all post-retirement increases. He said they do have, within the 8 percent employee and 8 percent employer contribution rate, a certain amount computed and designated that goes to pay past post-retirement increases. He said the program under discussion deals only with new, additional, post-retirement increases and establishes a method of funding so that they will not be absorbed by the retirement system.

Senator McCorkle asked what happens to the excess amount accrued after the sixth year into this system. Mr. Bennett answered that

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the legislature would decide what they wanted to do with it. The State can reduce the \$20,000,000; or they could revert a certain amount to the General Fund. He said the retirement system could not use the excess amount.

Senator McCorkle suggested that since an excess will be provided in the future, could the system be started with a lower amount of money, and expect to break even at a later year, for example the 10th or 14th year. Mr. Bennett said that would be logical if they were guaranteed the use of the money for 20 years, but they are not.

Senator Wilson said that post-retirement increases will continue to increase. He asked Mr. Bennett if he has projected increases beyond the two-year period, so the legislature can anticipate needed costs. Mr. Bennett replied that the program outlined in S.B. 258 was automatically in the law prior to 1975. But it was decided at that time to review increases each biennium. He said the actuary estimates that for the next 20 years, increases will cost about 2 percent of payroll. He said a 1 percent increase in contributions is about \$4,000,000. He projected a ball park figure for the long-term effects of a long-term post-retirement program at about 2 percent.

Senator McCorkle asked if the 40-year payoff plan for the unfunded liability were reduced so that the retirement system were self-funding for a shorter amount of time, such as 10 or 20 years, would the \$20,000,000 be necessary. Mr. Bennett answered that he is responding to the request of the last legislature which requested that the system not absorb future post-retirement increases. He said if they were to freeze the unfunded liability, the system could logically absorb this increase; but the system would be going back to not having a funded system.

S.B. 249 - Creates fund for payment of certain post-retirement increases (See Attachment H).

Senator Lamb asked what the difference is between S.B. 34 and S.B. 249. Mr. Bennett replied that S.B. 249 is another approach to funding the post-retirement increases previously described. He said that this approach would allow the money to be transferred as a trust to the retirement system. He said the money would not belong to taxpayers; it would not belong to taxpayers; it would not be in the General Fund; it would be part of the retirement funds. He said the system would then have the right to use both principal and interest to pay post-retirement increases. He said that they were requested by the Governor's Office to compute the cost to pay these increases for the retired employees and their beneficiaries for the rest of their natural lives. He said that the estimated cost at a 9 percent return is \$17,100,000. He added that they were requested to compute the cost at an investment return of 10 percent (see letter to Mr. Barrett, Attachment G). He said the estimated cost was \$16,100,000. He said that S.B. 249 is a direct one-shot appropriation to the retirement system. Mr. Bennett continued that there is a provision that after the last retired employee has demised the system would make a final report and return any surplus to the State Treasurer.

Senator Wilson asked what the advantages and disadvantages were of each bill. Mr. Bennett said the Retirement Board favors both bills and does not wish to favor either one. Mr. Bennett said that the advantage of S.B. 34 is that the legislature retains control of the principal, and if a pressing need arose, the money could be recalled. He said that S.B. 249 probably would not be as advantageous to the legislature, because the legislature would have no control.

Mr. Bennett continued that S.B. 249 would be more advantageous to retired employees because their post-retirement increases for the next two years would be guaranteed to be paid for the rest of their natural lives. He said from the purely investment standpoint, the taxpayers would be better served by S.B. 34 because the retirement system would be able to operate from investment returns without touching any of the principal.

Senator McCorkle asked why the retirement fund does not have a surplus since current interest rates are over 11 percent. He said this surplus should pay for post-retirement increases. Mr. Bennett said this is based on the assumption that the additional investment return could be designated for future post-retirement increases. He said that if that were the designation of the legislature, this could be done. He said at the same time although the system now has an increased return on investments, there is still an unfunded liability of over \$270,000,000. He said they are in arrears this amount. He said the removal of a guaranteed post-retirement increase of 1-1/2 percent in 1975 was one of the key factors in reducing the unfunded liability by approximately \$100,000,000.

Senator McCorkle said he still did not understand why the unexpected high interest now earned did not provide a surplus which would pay for additional increases in the program. Mr. Bennett explained that every actuarial evaluation is based on certain assumptions. He said they use an assumed investment return of 7 percent, which is higher than any other state, together with an assumed increase in compensation for members of 5 percent. He said most members during the last two years averaged an increase in compensation of above 10 percent. He said that these costs have to be counterbalanced. Mr. Bennett explained that these costs in part are offset by people contributing more money to the retirement system. He continued that if they use the assumption that anything over 7 percent be designated to pay new increases it will work as long as enough money over 7 percent can be earned. He said the projections for summer and fall of 1979 are that the U.S. may be in a slight recession.

S.B. 258 - Adds temporary increases in post-retirement benefits.  
(See Attachment I).

Mr. Bennett explained that this bill has three basic provisions: one, it extends S.B. 418 of 1977 for two years; two, it provides that future post-retirement increases enacted in 1979 and 1980 would be on a cumulative basis rather than on the original base pay; and three, it spells out a new percentage increase formula which would provide 3 percent to 5 percent increase for people who have been retired within 5 years, as opposed to the previous increase which was 2 percent to 5 percent on a 12-year basis.

Senator Lamb asked how many people are involved. Mr. Bennett said it applies to about 5,100 retired employees. He said he estimates about 10 percent of retired employees receives about \$100 a month. Senator Lamb commented that this is an important reason to put money into post-retirement increases; who can live on \$100 a month?

Mr. Bennett said S.B. 418 of 1977 was provided as a 2-year stop-gap measure to provide some assistance from inflation for retired employees who had low incomes. He said people who received \$100 or less in benefits received a flat \$20 per month increase. If they received between \$101 to \$200, they received a \$15 per month increase; from \$201 to \$300, they received a \$5 per month increase; and anyone receiving over \$300 per month received \$3 per month increase. Mr. Bennett added that about 15 to 20 percent of retired employees would receive the second increase; a much larger percent would receive \$5 per month, and about 15 to 20 percent would receive \$3 per month.

Mr. Bennett continued that the projected cost of extending this bill an additional two years is \$709,826, for the two-year period, and the benefit applies to about 4,000 of the retired employees. He said this benefit only applies to people who were eligible on July 1, 1977. He added that if this bill is not passed, these people would stop receiving the flat amounts they have received the last two years.

Senator McCorkle remarked that there is a section in the Nevada Constitution which seem to affect S.B. 34. (See Section 9, Attachment J.) He asked if S.B. 34 violates this restriction. Mr. Bennett replied that this question was asked by Senator Lamb, and they submitted the question to William Isaef, Deputy Attorney General.

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Mr. Isaeff provided a letter stating that S.B. 34 is not in violation of the constitution (see Attachment K).

Mr. Bennett said Section of the bill has two basic changes: Since 1963, retired employees have always received post-retirement increases as a percentage of their base pay. He said the base pay is the original monthly benefit they earned their first month of retirement. He said S.B. 258 proposes to make new benefits in 1979 and 1980 cumulative, which means that the percentage will be multiplied by their current benefit, not by their base pay. He said their rationale is based on current employees getting a percentage increase on their current salary, not on their original salary. Mr. Bennett commented that this change is the retired employees first priority.

Mr. Bennett stated that the second provision of the bill will provide a change in the percent (see Attachment I). He said that in 1975, 1977, and 1979 there was a percentage increase at 2 percent; which was increased 1/4 of 1 percent a year for each year the employee had been drawing benefits up to 12 years, with a maximum of 5 percent. He said it takes an employee 12 years under the old formula to draw a 5 percent increase. He said the new proposal provides that if a person has been drawing benefits for a full year, he or she will receive a 3 percent increase. He added that increases are added year thereafter of 1/2 of 1 percent up to 5 years. Mr. Bennett continued that under this bill a retired employee who has been drawing benefits for over 5 years would receive a 5 percent increase beginning July 1, 1979 and a new 5 percent increase July 1, 1980. He said the people who have less than 5 years would receive a 1/2 of 1 percent increase the following year. The rationale for this provision is that most of the retired employees need their increases soon. He said he realized that even this formula in no way absorbs the cost of inflation. Mr. Bennett added that retired employees organizations have endorsed this request.

Senator Gibson asked Mr. Bennett to present 2 or 3 case histories of people falling within different categories to demonstrate the projected increases. Mr. Bennett said that he would get that information to Senator Gibson tomorrow.

A.B. 140 - Refund of discontinued, added retirement contributions.  
(See Attachment L.)

Mr. Bennett stated that this bill resolves a question confronting the retirement system for a long time. He said in 1973 a provision was passed that new employees 36 years old would pay an additional 2 percent, and over age 46 would pay an additional 4 percent to the retirement fund. He said this was later determined to be discriminatory because it required additional contributions based on age with no additional benefits provided. He said it is the only contribution procedure where the employee paid a larger amount than the employer. He said that it was recommended in 1977 that these additional contributions be repealed. He said it was also recommended that the additional monies be reimbursed to those who had paid it. Mr. Bennett added that the actuary requested then that this request be withdrawn until it could be studied further.

Mr. Bennett stated that they are now making this recommendation and Mr. Daykin has suggested that simple interest also be paid on these amounts to avoid future suits. Mr. Bennett added that a rate of interest of 7 percent per year is being used. The estimated cost of these returns is about \$2,750,000. He said the cost will be absorbed by the retirement system. Mr. Bennett reported that A.B. 140 was amended in the Assembly to provide necessary administrative functions which were suggested by the system. He said that people will be repaid July 1, 1979. He said it is payable only to members of the retirement system, not those who have already departed. He said those who have already received a refund did not receive interest.

S.B. 181 - Removes prerequisite for withdrawal of certain judicial officers from public employees retirement system.

(See Attachment M.)

(S.B. 181 - Continued)

Mr. Bennett said that this bill deals with a "clean-up" situation. He reported that the district court judges' retirement system and the Supreme Court judges' retirement system provide certain retirement benefits at a given age and with a given amount of service. He said judges do not contribute to this system. He said that Nevada has several district court judges and 1 or 2 Supreme Court justices in the Public Employees Retirement System (PERS). He commented that in the 1977 session, it was provided that all newly-elected or appointed district court judges and Supreme Court justices would be prohibited membership in PERS unless they were already a member of the system. He explained they could already be a member of the system if they had been a district attorney, etc. He said Nevada still has some judges who are in PERS and who recognize that in the near future they will be entitled to a retirement benefit under the district court or Supreme Court judges' system. He said they have 2 requests out of a potential 15, to withdraw from PERS and get a refund of their employee contributions without having to terminate employment. Mr. Bennett explained that the normal procedure is to provide a refund only to a member who has terminated all public employment. He said there is a provision in 286.305, Section 3, which says that any justice of the Supreme Court and any district judge who has been a member of the system (PERS) and who qualifies for a pension under the provisions of NRS 3.090 or 2.060 may withdraw from the public employees retirement fund the amount credited to that person in the account. He said it further provides that no such justice or judge may receive benefits under both systems.

Mr. Bennett stated that they have determined that they cannot give a refund under present law unless he qualifies for a pension. He said until the judge is 60 years old and has at least 12 years service, he cannot get a refund. He said that S.B. 181 provides an amendment to delete the term, "and qualifies for a pension" and insert "who is a member". He said then judges will be able to withdraw their contributions from the system (PERS) and cancel his rights to the Public Employees Retirement System.

Senator Gibson asked what if the judge is vested in the public system. Mr. Bennett said he can withdraw whether he is vested or not.

Senator Lamb asked if a precedent may be established. Mr. Bennett said no, not anymore than already has been established.

Mr. Bennett said that the Deputy Attorney General, William Isaef, has a concern regarding this bill, in that he is not sure that there is such a thing as "membership" in the district or Supreme Court judges' system. He said that they do not have a contributory system; they get a benefit. He said he would like to suggest an amendment to establish a 90-day option period from July 1 to September 30, 1979, to let any district court judge make one last decision whether to stay in the public system or the judges' system. He said this way there will not be a question of the term "membership". He said the retirement system has not taken an official position on this bill. He said there is a slight fiscal savings when judges withdraw from the public system.

Senator Young testified that he introduced this bill at the request of Judge Breen in Reno and one other judge in Southern Nevada, who are affected by the present situation.

S.B. 198 - Restores the Office of Fire Marshal.

Senator Lamb said he would like to remove the Deputy Fire Marshals and reduce the 7-member Advisory Board to 5.

Senator Gibson moved to amend S.B. 198 by removing lines 8 and 9, page 1.

Seconded by Senator Jacobsen.

Motion carried.

(S.B. 198 - Continued)

Senator Gibson moved that member "G" of the Advisory Board be removed.

Seconded by Senator Jacobsen.

Motion carried.

There was general discussion on the relative merits of members A and F.

Senator Jacobsen moved that member "F" of the Advisory Board be removed.

Seconded by Senator Wilson.

Motion carried.

Senator McCorkle objected to the language of line 18, page 1. Senator Jacobsen said he thought this phrase is necessary because the Fire Marshal serves a number of people who are not professional; he said they need public education and fire data, etc. Senator Lamb said he also thought this service should be left in, but the jurisdiction of the Fire Marshal's duties should be specified.

Senator Wilson asked what is a "section". Senator Gibson said part of the Fire Marshal's organization, such as the Mobile Home Section.

Senator Wilson asked how many people are in the Fire Marshal's Office. Senator Jacobsen replied 5.

Senator Lamb referred the Committee to line 29. He said he thought 3 members should constitute a quorum on a 5-person Advisory Board.

Senator Lamb referred the Committee to lines 13 to 19, page 1.

Senator McCorkle moved to keep in "the division consists of fire protection" and "control section" and the "fire investigation section" and eliminate "public education" and "fire data".

He said that his rationale for this motion is that this phrase enlarges the scope of the office more than it should.

Senator Jacobsen said that he disagrees with Senator McCorkle. He said that this information is needed because that is how rates are established. Senator McCorkle said he also thinks it is important to have the data, but it does not need to be done by a State agency.

Senator Jacobsen said this information is needed to determine insurance rates. He said this is the only way they are determined in rural areas.

Senator Wilson asked if the Fire Marshal was involved in public education or training of local and voluntary fire departments. Senator Jacobsen replied that he thinks the Fire Marshal performs both functions because they try to teach fire prevention in the schools. He said the Fire Marshal does the training though it is not stated in the bill.

Senator Lamb called for a vote on the motion.

Seconded by Senator Echols.

Senators Jacobsen, Lamb, Glaser and Gibson voted no.

Motion did not carry.

Senator Gibson asked Mr. Barrett is money has to be added to this bill for the rest of this year. Mr. Barrett replied yes.

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Senator Wilson said he does not understand how the respective functions of each section apply in each county; for example, does the Fire Marshal have public education duties in urban counties. Senator Jacobsen replied yes, if he is requested to do so.

Senator Lamb referred the Committee to pages 5 and 6. He objected to the word "may" in the phrase "may charge a reasonable fee for use of materials..." He said that if the Fire Marshal provides this service, he should charge.

Senator Gibson moved to eliminate (page 6, lines 47, 48, and 49) "as determined by the last preceding national census, Bureau of Census of the United States Department of Commerce."

Senator Gibson said that this information is already provided on Page 4, lines 14 through 16.

Seconded by Senator Jacobsen.

Motion carried.

Senator Gibson moved to change the word "may" to "shall", line 6 page 5.

Seconded by Senator Echols.

Motion carried.

S.B. 207 - Western Interstate Commission for Higher Education dues.  
(WICHE-See Attachment N.)

Mr. Driggs briefly described the situation which led to the arrears in WICHE dues. He said Nevada is the only state which did not pay the increase in dues, and could be expelled from the Compact.

Senator Lamb asked how many students are under the WICHE program. Mr. Driggs answered that at the present time, there were about 123 students from Nevada.

Senator Lamb asked what is the average cost per pupil. Mr. Driggs said that it varies. He said the present fee for medical students is \$12,000 a year; for dental students it is \$9,000 a year. He said the average fee is about \$7,000 per student.

Senator Gibson moved that S.B. 207 "Do Pass".

Seconded by Senator Echols.

Motion carried.

A.J.R. 26 - Constitutional amendment on permanent school fund.  
(See Attachment O.)

Mr. Ted Sanders reported that the bill is the result of a study requested by the legislature in the past. He said that this report indicated that this fund has been invested in a manner not consistent with the constitution, and the bill would correct that situation. He said he also found that the fiscal year ending June 30, 1978 proceeds from these investments to the Distributive School Fund came to only \$285,401.70. He said that as of February 17, the amount deposited this year is only \$152,073. Mr. Sanders continued that the returns for investments in the Permanent School Fund going into the Distributive School Fund amount to slightly over 2 percent which causes him concern over the way the fund is invested.

Senator Wilson asked what this amendment is really doing. Senator Lamb requested Mr. Sanders and Mr. Sever to return tomorrow after preparing to give testimony.

Senator Gibson asked what is the corpus of the Permanent School Fund. Mr. Sanders said it is in excess of \$10,000,000.

A.B. 7 - Clarifies description of certain improvements at Nevada State Prison. (See Attachment P.)

Mr. Hancock briefly presented information concerning changes in proposed prison improvements. He said by implementing cost-saving changes, he feels the cost can be lowered to \$2,690,000. He said their first cost estimate was \$3,712,682. He said they have about \$2,700,000 to do the project, and that is why they are requesting modifications in the program. He said they can stay within the \$8,500,000 limit with these changes.

Senator Glaser moved that A.B. 7 "Do Pass".

Seconded by Senator Jacobsen.

Senator McCorkle requested further discussion on this bill because he has suggestions for revisions in Public Works which he would like considered before voting on this bill. Senator McCorkle said that he has a bill coming which would create a review committee to evaluate the designs of projects.

Senator Gibson asked when the bill takes effect. Senator McCorkle said he would introduce it this week. Senator Gibson replied that the prison project is under way; reviewing the project now may waste money if time is wasted.

Senator Lamb called for a vote on the motion.

Motion carried.

S.C.R. 11 - Belrose Building (See Attachment Q.)

Mr. Hancock briefly explained the background of this bill and improvements that would be made. He said these construction changes are needed for expansion of the Rehabilitation Division.

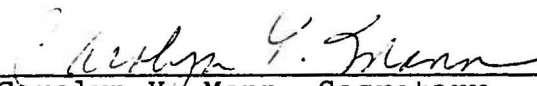
Senator Echols moved that S.C.R. 11 "Do Pass".

Seconded by Senator Gibson.


Motion carried.

Meeting adjourned at 10:30 a.m.

Respectfully submitted,

  
Carolyn Y. Mann, Secretary

APPROVED:

  
Floyd R. Lamb, Chairman

ATTACHMENT A

S. B. 198

SENATE BILL NO. 198—SENATORS JACOBSEN, BLAKE-  
MORE, DODGE, GLASER, FAISS AND NEAL

FEBRUARY 8, 1979

Referred to Committee on Human Resources and Facilities

SUMMARY—Restores office of state fire marshal and amends his powers  
and duties. (BDR 42-1328)

FISCAL NOTE: Effect on Local Government: No.  
Effect on the State or on Industrial Insurance: Yes.

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

AN ACT relating to the state fire marshal; restoring his office and amending his powers and duties; reorganizing the state fire marshal division of the department of commerce; providing penalties; and providing other matters properly relating thereto.

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

- 1 SECTION 1. Chapter 477 of NRS is hereby amended by adding  
2 thereto a new section which shall read as follows:  
3 1. *A fire chief or fire marshal designated by a local government*  
4 *which maintains an organized fire department may serve as a special*  
5 *deputy state fire marshal, without additional compensation. The special*  
6 *deputy state fire marshal shall carry out the provisions of this chapter in*  
7 *the jurisdiction of the local government.*  
8 2. *A special deputy state fire marshal may retire under chapter 286*  
9 *of NRS at age 55 if he is otherwise eligible.*  
10 SEC. 2. NRS 477.010 is hereby amended to read as follows:  
11 477.010 1. The state fire marshal division is hereby established in  
12 the department of commerce.  
13 2. The division consists of the fire protection *and control* section,  
14 [the factory-built housing section and the mobile home and travel trailer  
15 section.  
16 3. The director of the department of commerce shall appoint the  
17 state fire marshal, who shall be in the unclassified service of the state.]  
18 *the fire investigation section, the public education section and the fire data*  
19 *section.*  
20 SEC. 3. NRS 477.013 is hereby amended to read as follows:  
21 477.013 1. The state fire marshal [is authorized to] may appoint,



1 within the limits of legislative appropriations, *an assistant*, deputies and  
2 such staff as is necessary to the performance of his duties.

3 2. The *assistant*, deputies and additional personnel appointed by the  
4 state fire marshal are in the classified service of the state in accordance  
5 with the provisions of chapter 284 of NRS.

6 SEC. 4. NRS 477.015 is hereby amended to read as follows:  
7 477.015 The state fire marshal, *his assistant* and his deputies are not  
8 police officers or firemen for the purpose of early retirement under chap-  
9 ter 286 of NRS.

10 SEC. 5. NRS 477.020 is hereby amended to read as follows:

11 477.020 1. The state fire marshal's advisory board, consisting of  
12 ~~five~~ seven members appointed by the governor, is hereby created.

13 2. The governor shall appoint ~~members who are employed in the~~  
14 fire service within the state.]:

- 15 (a) *A licensed architect;*
- 16 (b) *A member of a volunteer fire department;*
- 17 (c) *A member of a full-time, paid fire department;*
- 18 (d) *A person who has knowledge in the field of fire prevention and*  
19 *life safety;*
- 20 (e) *A professional engineer;*
- 21 (f) *A representative of industry engaged in the manufacture, distribu-*  
22 *tion or sale of fire protection equipment; and*
- 23 (g) *A representative of the general public,*  
24 *to the board.* No member may serve for more than two consecutive  
25 terms.

26 3. The board shall select a chairman from among its members to  
27 serve for 1 year. The state fire marshal shall serve as the secretary of the  
28 board.

29 4. The board shall meet *at least twice each year or on the call of the*  
30 *chairman, the secretary or any* ~~three~~ *four* members.

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

34 6. The board shall make recommendations to the state fire marshal  
35 and to the legislature concerning necessary legislation in the field of fire-  
36 fighting and fire protection. *When requested to do so by the director of*  
37 *the department of commerce, the board shall recommend to him not*  
38 *fewer than three persons for appointment as state fire marshal.*

39 SEC. 6. NRS 477.030 is hereby amended to read as follows:

40 477.030 1. ~~The~~ *Except as provided in this section, the state fire*  
41 *marshal shall enforce all laws and adopt regulations relating to:*

- 42 (a) Fire prevention.
- 43 (b) The storage and use of combustibles, flammables, fireworks and  
44 explosives.
- 45 (c) The safety, access, means and adequacy of exit in case of fire from  
46 mental and penal institutions, child care facilities, foster homes, adult  
47 group care facilities, intermediate care facilities, nursing homes, hos-  
48 pitals, schools, all buildings, except private residences, which are occu-  
49 pied for sleeping purposes, buildings used for public assembly, and all  
50 other buildings where large numbers of persons work, live or congregate

1 from time to time for any purpose. As used in this paragraph, "public  
2 assembly" means a building or a portion of a building used for the  
3 gathering together of 50 or more persons for purposes of deliberation,  
4 education, instruction, worship, entertainment, amusement or awaiting  
5 transportation, or the gathering together of 100 or more persons in estab-  
6 lishments for drinking or dining.

7 (d) The suppression and punishment of arson and fraudulent claims  
8 or practices in connection with fire losses.

9 *The regulations of the state fire marshal apply throughout the state,*  
10 *but, except with respect to state-owned or state-occupied buildings, his*  
11 *authority to enforce them or conduct investigations under this chapter*  
12 *is limited to those counties having a population of less than 100,000,*  
13 *except in those local jurisdictions in other counties where he is requested*  
14 *to exercise that authority by the chief officer of the organized fire depart-*  
15 *ment of that jurisdiction.*

16 2. ~~The~~ *The fire chief or his designated representative in each incor-*  
17 *porated or unincorporated city or town having an organized fire depart-*  
18 *ment shall have the powers and duties of a deputy state fire marshal*  
19 *with respect to enforcement of the laws and regulations described in sub-*  
20 *section 1, and he shall enforce such laws and regulations without addi-*  
21 *tional compensation.*

22 3. ~~The~~ *The state fire marshal may set standards for equipment and*  
23 *appliances pertaining to fire safety or to be used for fire protection pur-*  
24 *poses within this state, including the threads used on fire hose couplings*  
25 *and hydrant fittings.*

26 4. ~~The~~ *The state fire marshal shall cooperate with the state forester*  
27 *firewarden in the preparation of* ~~rules and~~ *regulations relating to*  
28 *standards for fire retardant roofing materials pursuant to paragraph (e)*  
29 *of subsection 1 of NRS 472.040.*

30 5. ~~The~~ *The state fire marshal shall cooperate with the welfare*  
31 *division of the department of human resources in establishing reasonable*  
32 *minimum standards for, overseeing the safety of and directing the means*  
33 *and adequacy of exit in case of fire from family foster homes and group*  
34 *foster homes.*

35 6. ~~The~~ *The state fire marshal and his deputies shall have such powers*  
36 *and perform such other duties as are prescribed by law.]*

37 5. *The state fire marshal shall coordinate all activities conducted*  
38 *pursuant to the Fire Research and Safety Act of 1968, 15 U.S.C. §§*  
39 *278j and 278g, and receive and distribute money allocated by the*  
40 *United States pursuant to that act.*

41 6. *The state fire marshal shall:*

- 42 (a) *Investigate any fire which occurs in a county having a population*  
43 *of less than 100,000, and from which a death results or which is of a*  
44 *suspicious nature.*
- 45 (b) *Investigate any fire which occurs in a county having a population*  
46 *of 100,000 or more, and from which a death results or which is of a*  
47 *suspicious nature, if requested to do so by the chief officer of the fire*  
48 *department in whose jurisdiction the fire occurs.*
- 49 (c) *Provide specialized training in investigating the causes of fires if*  
50 *requested to do so by the chief officer of an organized fire department.*

EXHIBIT A

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1 7. The state fire marshal shall put the Uniform Fire Incident  
2 Reporting System into effect throughout the state on or before January  
3 1, 1984, and publish at least annually a summary of data collected under  
4 the system.

5 8. The state fire marshal shall provide assistance and materials to  
6 local authorities, upon request, for establishment of public education  
7 programs and other fire prevention activities.

8 9. The state fire marshal shall:

9 (a) Assist in checking construction plans and specifications;

10 (b) Provide specialized training to local fire departments; and

11 (c) Assist local governments in drafting local regulations and ordi-  
12 nances,  
13 on request or as he deems necessary.

14 10. As used in this section, "population" is determined by the last  
15 preceding national census of the Bureau of the Census of the United  
16 States Department of Commerce.

17 SEC. 7. NRS 477.033 is hereby amended to read as follows:

18 477.033 1. A license, issued by the state fire marshal, is required  
19 for [the servicing,]:

20 (a) Servicing, installation or sale of fire extinguishers, fire alarm sys-  
21 tems or fire sprinkler systems.

22 (b) Use of explosives by qualified persons for commercial purposes.

23 (c) Commercial fireworks displays.

24 2. Applications for licenses [shall] must be made on a form pre-  
25 scribed by the state fire marshal.

26 3. The state fire marshal may conduct inspections, examinations or  
27 hearings [prior to] before the issuance of licenses.

28 4. The state fire marshal may charge a reasonable fee, to be fixed by  
29 regulation, for the inspection and issuance of licenses.

30 5. If any person is denied a license by the state fire marshal, [such  
31 person] he is entitled to a hearing, upon request, before the state fire  
32 marshal's advisory board.

33 SEC. 8. NRS 477.035 is hereby amended to read as follows:

34 477.035 1. The state fire marshal shall:

35 (a) Inspect or cause to be inspected annually, all state buildings and  
36 order such fire-extinguishing and safety appliances as he deems neces-  
37 sary for the protection of the property against fire.

38 (b) Order the removal of combustibles and rubbish from the property,  
39 or order such changes in the entrances or exits of the buildings as will  
40 promote the safety of the [inmates,] occupants, or order the provision  
41 of such fire escapes as he may deem necessary.

42 (c) Provide inspection forms and maintain records of inspections of  
43 state-owned or state-occupied buildings.

44 2. If the agency in charge of any state property fails to comply with  
45 the order of the state fire marshal for any structural change within 30  
46 days after the receipt of such order, the fire marshal shall report such  
47 failure to the state public works board. The state public works board  
48 shall thereupon take necessary steps to correct the situation as ordered.

49 3. The state fire marshal may contract with local authorities for the  
50 inspection of state-owned or state-occupied buildings.

1 SEC. 9. NRS 477.037 is hereby amended to read as follows:

2 477.037 The state fire marshal [may:] :

3 1. [Establish] Shall establish and maintain a library of publications,  
4 films, fire report data and other materials for the benefit of the fire ser-  
5 vice of the state [.] and the general public.

6 2. [Charge] May charge a reasonable fee for the use of the mate-  
7 rials in the library.

8 SEC. 10. NRS 477.060 is hereby amended to read as follows:

9 477.060 1. Any person who knowingly violates the provisions of  
10 this chapter or any of the [rules or regulations promulgated] regulations  
11 adopted by the state fire marshal is guilty of a misdemeanor.

12 2. Each day on which a violation occurs is a separate offense.

13 SEC. 11. NRS 169.125 is hereby amended to read as follows:

14 169.125 "Peace officer" includes:

15 1. The bailiff of the supreme court and bailiffs of the district courts,  
16 justices' courts and municipal courts;

17 2. Sheriffs of counties and of metropolitan police departments and  
18 their deputies;

19 3. Constables;

20 4. Personnel of the Nevada highway patrol when exercising the police  
21 powers specified in NRS 481.150 and 481.180;

22 5. The inspector or field agents of the motor carrier division of the  
23 department of motor vehicles when exercising the police powers specified  
24 in NRS 481.049;

25 6. Members of and all inspectors employed by the public service  
26 commission of Nevada when exercising those enforcement powers con-  
27 ferred by chapters 704 to 706, inclusive, of NRS;

28 7. Marshals and policemen of cities and towns;

29 8. Parole and probation officers;

30 9. Special investigators employed by the office of any district attorney  
31 or the attorney general;

32 10. Arson investigators for fire departments specially designated  
33 by the appointing authority;

34 11. Members of the University of Nevada System police department;

35 12. The state fire marshal and his assistant and deputies;

36 13. The brand inspectors of the state department of agriculture  
37 when exercising the enforcement powers conferred in chapter 565 of  
38 NRS;

39 14. Arson investigators for the state forester firewarden specially  
40 designated by the appointing authority;

41 15. The deputy director, superintendents, correctional officers and  
42 other employees of the department of prisons when carrying out any  
43 duties prescribed by the director of the department of prisons;

44 16. Division of state parks employees designated by the adminis-  
45 trator of the division of state parks in the state department of conserva-  
46 tion and natural resources when exercising police powers specified in  
47 NRS 407.065;

48 17. Security officers employed by the board of trustees of any school  
49 district;

50 18. The executive, supervisory and investigative personnel of the

EXHIBIT A

1 Nevada gaming commission and the state gaming control board when  
2 exercising the enforcement powers specified in NRS 463.140 or when  
3 investigating a violation of a provision of chapter 205 of NRS in the  
4 form of a crime against the property of a gaming licensee;

5 19. The director, division chiefs, investigators, agents and other  
6 sworn personnel of the department of law enforcement assistance;

7 20. Field dealer inspectors of the vehicle compliance and enforce-  
8 ment section of the registration division of the department of motor  
9 vehicles when exercising the police powers specified in NRS 481.048;

10 21. Vehicle emission control officers of the vehicle emission control  
11 section of the registration division of the department of motor vehicles  
12 when exercising the police powers specified in NRS 481.0481;

13 22. The personnel of the Nevada department of fish and game when  
14 exercising those enforcement powers conferred by Title 45 and chapter  
15 488 of NRS; and

16 23. Security officers of the legislature of the State of Nevada when  
17 protecting the persons and property of the members of the legislature,  
18 staff of the legislature and personnel of the legislative counsel bureau.

19 SEC. 12. NRS 232.250 is hereby amended to read as follows:

20 232.250 The director shall:

21 1. Appoint, with the consent of the governor, a chief of each of the  
22 divisions of the department. In making such appointments, *other than*  
23 *that of the state fire marshal*, the director shall obtain lists of nominees  
24 from recognized professional organizations, if any, in the appropriate  
25 professions and shall make such appointments after consultation with  
26 and concurrence of such organizations. *The director shall consult the*  
27 *state fire marshal's advisory board and appoint the state fire marshal*  
28 *from the list of candidates presented by the board.* The chief of the  
29 banking division shall be known as the superintendent of banks, the  
30 chief of the consumer affairs division shall be known as the commis-  
31 sioner of consumer affairs, the chief of the credit union division shall  
32 be known as the commissioner of credit unions, the chief of the housing  
33 division shall be known as the administrator of the housing division, the  
34 chief of the insurance division shall be known as the commissioner of  
35 insurance, the chief of the real estate division shall be known as the real  
36 estate administrator, the chief of the savings and loan division shall be  
37 known as the commissioner of savings associations and the chief of the  
38 state fire marshal division shall be known as the state fire marshal.

39 2. Be responsible for the administration, through the divisions of the  
40 department, of the provisions of Titles 55 to 57, inclusive, of NRS,  
41 chapters 319 and 645 of NRS, NRS 598.360 to 598.640, inclusive, and  
42 all other provisions of law relating to the functions of the divisions of the  
43 department.

44 SEC. 13. Chapter 244 of NRS is hereby amended by adding thereto  
45 a new section which shall read as follows:

46 *The board of county commissioners of any county which has a popula-*  
47 *tion of 100,000 or more, as determined by the last preceding national*  
48 *census of the Bureau of the Census of the United States Department of*  
49 *Commerce, may provide by ordinance for investigation of fires in which*

1 *a death has occurred or which are of a suspicious origin, and for the*  
2 *enforcement of regulations adopted by the state fire marshal.*

3 SEC. 14. 1. NRS 477.040 is hereby repealed.

4 2. Section 8.5 of chapter 575, Statutes of Nevada 1977, at page  
5 1482, is hereby repealed.

6 SEC. 15. 1. The terms of the members of the state fire marshal's  
7 advisory board who are serving on July 1, 1979, expire on that date.

8 2. The governor shall appoint to the state fire marshal's advisory  
9 board seven persons who are qualified under NRS 477.020 to serve  
10 terms beginning on July 1, 1979, and ending as follows:

11 (a) Three members to terms expiring on June 30, 1982.

12 (b) Two members to terms expiring on June 30, 1981.

13 (c) Two members to terms expiring on June 30, 1980.

14 SEC. 16. This act shall become effective upon passage and approval.

39

EXHIBIT A



# NEVADA FIRE CHIEFS ASSN., INC.

## ATTACHMENT B

825 Questionnaires Mailed  
147 Questionnaires Returned  
74 Majority

Friends and Fellow Nevadans:

By resolution of the Fire Chiefs Association and the Nevada State Fireman's Association, a committee has been formed to study and recommend legislation to update NRS 477, entitled "State Fire Marshal". The committee is made up of a cross section of the fire service, related agencies and private industry representatives, and is currently attempting to define duties and responsibilities of the State Fire Marshal's Office. You could be of great assistance to this committee by filling out the following questionnaire and giving us your ideas on the functions of the office. State Fire Marshal offices around the country provide some or all of the following services. Please check the services the Nevada State Fire Marshal's Office should provide. NOTE: Those questions marked by an asterik indicate services provided in Nevada. A space has been provided at the end of these questions to allow you to make comments concerning any of the questions:

- \*1. 142 Arson investigation by request
- \*2. 133 Code enforcement by request
- \*3. 126 Construction plans checking by request
4. 55 Coordinate fire suppression efforts in the state
5. 117 Approve and publish a listing of all fire related products coming into or manufactured in the state
6. 127 Provide public education on fire related matters
7. 114 Provide specialized training to fire departments in the state
- \*8. 132 Adopt minimum safety standards for all buildings, other than residences, in the state
- \*9. 122 License and regulate all fire related industries in the state (partial)
- \*10. 131 Maintain fire data record system in the state (presently attempting to establish)



Question #1

Should be done in conjunction with the local authority.

The "broader" term, "Fire Investigation" should be considered in lieu of Arson Investigation.

Should remain by request only. We already have too many people at the state and federal level poking their noses into our lives unnecessarily.

This office should have a skilled arson investigator with time and power to see an arson case to the end of a court trial.

Question #2

Based on the following criteria: a. To advise; b.. To provide professional opinion; c. To provide technical assistance.

Question #3

The Fire Marshal should not expand beyond the fire prevention posture.

I think most of these items could be handled by the county and city planning boards and by the county and city managers. The Fire Marshal's Office might be called in to help with these matters by request.

On a request basis only.

Question #4

Cities and counties should have their own mutual aid programs with neighbors, where feasible.

Other than Washoe and Clark County Municipal Departments.

No - a. Possibly in areas of Statewide Mutual Aid planning  
b. This area would seem to fall under the present "State Fire Training" function.

This is a long run program that should be studied and be set up by a special appointed committee. Possibly with help from the C.D.A. or other like authority.

Master plan for mutual aid fire protection for entire state, setting up zones or area coordinators, more up-to-date procedures, etc. Utilize state communications net for control and coordination.

This could insure a uniform response plan and standardize equipment such as hose fittings and hydrants so that all departments could be interchangeable.

The Fire Marshal should not expand beyond the present fire prevention posture.

Question #5

This information is available from other sources.

Yes - This would seem to be one of the "Primary" functions of the State Fire Marshal's Office.

Question #6

State Office should pass on information to local departments, and the local department to the public.

Yes - Primarily by use of the media, i.e. radio, TV, newspaper.

Should be the responsibility of the University Fire Service Extension.

Question #7

Require all firefighters to hold and maintain 40 hrs. First Aid card and American Heart Assn. basic rescuer card (CPR).

Training should be done by the State Fire Training Program and local departments.

I think a Nevada State Fire Academy to train all prospective firemen to be employed in the State of Nevada would be the biggest help to the Fire Service in this state.

Yes - Primarily in those areas that relate to specific Fire Prevention & Fire Investigation areas.

Possibly same specialized training to all fire agencies.

Would be helpful to coordinate related training for departments that are in the same type of fire control; such as, BLM, USFS, NDF, if it could be done at a cheaper rate.

Question #8

Update standards by adopting current codes.

Keep standards adopted updated each three years.

Should serve a similar function as T-19 California Administrative Code.

I think most of these items could be handled by the county and city planning boards and by the county and city managers. The Fire Marshal's Office might need to be called in to help with these matters by request.

Should be in conjunction with local authority unless there is none or local authority will not take it upon themselves.

This function is essential but without enforcement is worthless.

In no case, should the Fire Marshal be allowed to adopt regulations that are in conflict with or contrary to the UFC, UBC, NFPA or any other recognized national standard.

On complaint, investigate reported violations of local and state fire codes and take appropriate action, regardless of counties.

Question #9

In no case, should the Fire Marshal be allowed to adopt regulations that are in conflict with or contrary to the UFC, UBC, NFPA or any other recognized national standard.

Should be in conjunction with local authority unless there is none, or local authority will not take it upon themselves.

Include fire alarm installations to be licensed installers and regulate industry. Licensing should include electrical contractors who usually pull the wires before the fire alarm installer attaches his equipment. Much of the problems actually stem from electrical people only pulling two wire branch lines.

Question #10

Yes - This is another primary State of Nevada function.



Question #11

In no case should the Fire Marshal be allowed to adopt regulations that are in conflict with or contrary to UFC, UBC, NFPA or any other recognized national standard.

Should be in conjunction with local authority unless there is none or local authority will not take it upon themselves.

I think most of these items could be handled by the county and city planning boards and by the county and city managers. The Fire Marshal's Office might be called in to help with these matters by request.

Yes - Allowing for proper jurisdictional control.

Question #12

Coordinate inspections with City Fire Department.

Must be statewide without prejudice.

Should be in conjunction with local authority unless there is none or local authority will not take it upon themselves.

In no case should the Fire Marshal be allowed to adopt regulations that are in conflict with or contrary to UFC, UBC, NFPA or any other recognized national standard.

Question #13

No blasting without proper county department's notification.

Should be done by state board.

Should be in conjunction with local authority unless there is none or local authority will not take it upon themselves.

This should be done on a city, county or protection district level.

Question #14

Yes - Should have been done as per Chapter 477, NRS in days gone by.

Question #15

Should be in conjunction with local authority unless there is none or local authority will not take it upon themselves.

Question #16

Standards should be set up according to type and size of department.

Anything to do with training should be the responsibility of the Nevada State Fire Training Program.

Only after proper input from the State Fire Chiefs as well as a reasonable period of time for compliance.

Also set standards for firefighters, such as age, health, education.

These standards should be as a suggestion only and training should be made available so that firemen can reach the standards.

Question #17

In no case should the Fire Marshal be allowed to adopt regulations that are in conflict with or contrary to the UFC, UBC, NFPA or any other recognized national standard.

With a consent from the Nevada Fire Chiefs Assn. and/or the County Chiefs Association.

If the sales of fireworks were approved, the Fire Marshal's Office should also institute a heavy safety program.

Out law all fireworks within the state, only allow fireworks displays to be fired by only pyrotechnic specialist and licensed by the state.

This is now a county option and should remain as such.

Question #18

Should be in conjunction with local authority unless there is none or local authority will not take it upon themselves.

In no case should the Fire Marshal be allowed to adopt regulations that are in conflict with or contrary to the UFC, UBC, NFPA or any other recognized national standard.

Question #19

I would not like to see the old historical buildings on public or private land or ownership come under such a law.

Only if fire hazard exists that cannot be eliminated by other means.

Should be in conjunction with local authority unless there is none or local authority will not take it upon themselves.

With cooperation per entity.

State Fire Marshal should work with City Fire Marshal. City Fire Marshal is the one that has to enforce fire codes and work with the local public.

Should be on request to the Advisory Board and with their approval. He should have the power to carry out the request, unless otherwise ordered by the court.

Question #20

It would be an ideal situation when fire departments assist each other, but cost of equipment change would be high. The state should help out with the share of the cost.

Only after appropriate input from the Nevada Fire Chiefs Association and the proper establishment of specifics.

Good idea - Many departments in state have different threads and someone should standardize them.

FIRE MARSHAL  
101-3816

EXHIBIT B

	1975-76 ACTUAL	1976-77 WCRK PRCGRAM	1977-78			1978-79		
			AGENCY REQUEST	GOVERNOR RECOMMENS	LEG. AP.	AGENCY RECLEST	GOVERNOR RECOMMENS	LEG AP.
REGULAR APPROPRIATION	\$ 87,511	\$ 87,520	\$ 173,494	\$ 111,349		\$ 169,106	\$ 114,106	
REVERSIONS	\$ 21,075							
BOOK & PAMPHLET SALES	\$ 666	\$ 400	\$ 100	\$ 100		\$ 100	\$ 100	
LICENSES & FEES	\$ 6,284	\$ 8,000	\$ 6,000	\$ 6,000		\$ 6,000	\$ 6,000	
FACTORY HOUSING	\$ 5,459	\$ 5,685						
TRANSFER HEALTH DIV	\$ 15,000	\$ 7,750		\$ 6,000			\$ 6,270	
15% SALARY ADJUSTMENT	\$ 18,000							
SALARY ADJUSTMENT NEED		\$ 15,792						
<b>TOTAL FUNDS AVAILABLE</b>	<b>\$ 111,245</b>	<b>\$ 125,147</b>	<b>\$ 179,594</b>	<b>\$ 123,449</b>		<b>\$ 175,206</b>	<b>\$ 126,476</b>	

EXISTING POSITIONS

STATE FIRE MARSHAL		1.00	23,965	1.00	23,965	1.00	23,965	1.00	23,873	1.00	23,873
ADMINISTRATIVE SEC I		1.00	11,987	1.00	11,987	1.00	11,987	1.00	11,941	1.00	11,941
DEPUTY		1.00	20,808	1.00	20,808	1.00	20,808	1.00	20,729	1.00	20,729
SR ACCOUNT CLERK		1.00	8,545	1.00	8,905	1.00	9,712	1.00	5,263	1.00	10,115
LIFE SAFETY CODE SPEC		1.00	16,341	1.00	17,091	1.00	17,091	1.00	17,208	1.00	17,208
<b>TOTAL EXISTING</b>	<b>\$ 77,153</b>	<b>\$ 81,646</b>	<b>\$ 82,756</b>	<b>\$ 83,563</b>		<b>\$ 83,014</b>	<b>\$ 83,866</b>				

NEW POSITIONS

DEPUTY				1.00	20,808			1.00	20,729		
REGISTRATION CLERK				1.00	8,801			1.00	9,154		
<b>TOTAL NEW</b>				<b>2.00</b>	<b>29,609</b>			<b>2.00</b>	<b>29,883</b>		

INDUSTRIAL INSURANCE	\$ 1,476	\$ 1,650	\$ 2,495	\$ 1,295	\$ 2,629	\$ 1,435
RETIREMENT ADMIN	\$ 6,224	\$ 6,580	\$ 10,197	\$ 6,685	\$ 10,245	\$ 6,709
PERSONNEL ASSESSMENT	\$ 781	\$ 735	\$ 1,011	\$ 752	\$ 1,016	\$ 755
GROUP INSURANCE	\$ 1,810	\$ 1,920	\$ 2,940	\$ 2,208	\$ 3,108	\$ 2,539
CONTROLLERS ASSESSMENT	\$ 87	\$ 122	\$ 169		\$ 169	
PAYROLL ASSESSMENT				\$ 167		\$ 168
UNEMPLOYMENT COMP.				\$ 167		\$ 335
LONGEVITY		\$ 300	\$ 625	\$ 625	\$ 850	\$ 850

<b>TOTAL SALARY-PAYROLL</b>	<b>\$ 87,531</b>	<b>\$ 92,953</b>	<b>\$ 129,802</b>	<b>\$ 95,462</b>	<b>\$ 130,914</b>	<b>\$ 96,657</b>
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<b>TOTAL OUT-OF-STATE TRAVEL</b>	<b>\$ 1,176</b>	<b>\$ 500</b>	<b>\$ 4,500</b>	<b>\$ 500</b>	<b>\$ 4,500</b>	<b>\$ 500</b>
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<b>TOTAL IN-STATE TRAVEL</b>	<b>\$ 8,042</b>	<b>\$ 12,000</b>	<b>\$ 14,000</b>	<b>\$ 11,500</b>	<b>\$ 14,000</b>	<b>\$ 12,132</b>
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OFF SUPPLIES & EXPENSE	\$ 452	\$ 1,155	\$ 633	\$ 633	\$ 633	\$ 633
OPERATING SUPPLIES	\$ 720	\$ 1,800	\$ 974	\$ 974	\$ 974	\$ 974
COMMUNICATIONS EXPENSE	\$ 3,717	\$ 5,733	\$ 5,206	\$ 4,300	\$ 5,206	\$ 4,600
PRINT DUPLICATING CCOPY	\$ 2,607	\$ 2,500	\$ 4,000	\$ 3,000	\$ 4,000	\$ 3,300

ATTACHMENT B (cont.)

783

FIRE MARSHAL - Continued  
101-3816

	1975-76		1976-77		1977-78			1978-79		
	ACTUAL		WCRK PROGRAM		AGENCY REQUEST	GOVERNOR RECOMMENDS	LEG. AP.	AGENCY REQUEST	GOVERNOR RECOMMENDS	LEG. AP.
INSURANCE EXPENSE	\$ 246	\$	\$ 150	\$	\$ 408	\$ 408		\$ 408	\$ 408	
CONTRACTUAL SERVICES		\$	415							
OTHER CONTRACT SERVICE	\$ 50	\$		\$	158	158		158	158	
LEGAL & COURT EXPENSE	\$ 30	\$		\$	200			200		
EQUIPMENT REPAIR	\$ 251	\$	150	\$	250	250		250	250	
STATE OWNED BLDG RENT	\$ 4,861	\$	6,190	\$	10,495	4,800		10,559	5,400	
CLOTH. & UNIFORM ALLOW	\$ 391	\$								
TAXES AND ASSESSMENTS	\$	\$	325							
QUES AND REGISTRATIONS	\$ 273	\$	376	\$	464	464		464	464	
SPEC PROJECT/REPCRT	\$ 4	\$								
<b>TOTAL OPERATING EXP</b>	<b>\$ 13,602</b>	<b>\$</b>	<b>18,754</b>	<b>\$</b>	<b>22,792</b>	<b>14,987</b>		<b>23,292</b>	<b>16,187</b>	
TRUCKS				\$	6,000					
OFF FURNITURE & ECLIP		\$	200	\$						
OTHER FURNITUR & ECLIP	\$ 495	\$	200	\$	500	500		500	500	
<b>TOT. CAPITAL OUTLAY EQ.</b>	<b>\$ 495</b>	<b>\$</b>	<b>400</b>	<b>\$</b>	<b>6,500</b>	<b>500</b>		<b>500</b>	<b>500</b>	
TRAINING	\$ 399	\$	500	\$	2,000	500		2,000	500	
<b>TOTAL AGENCY EXPENDITURES</b>	<b>\$ 111,245</b>	<b>\$</b>	<b>125,147</b>	<b>\$</b>	<b>179,594</b>	<b>123,449</b>		<b>175,206</b>	<b>126,476</b>	

AGENCY BALANCE

Program Statement

In compliance with NRS 477, the State Fire Marshal is responsible for enforcing all laws and ordinances and making rules and regulations relating to:

1. Checking and approving State-owned buildings and capital improvement projects.
2. Surveys and inspections of all State licensed health care facilities and approvals for licensing.
3. Inspecting, examining, and licensing fire extinguisher service agencies and employees, and regulating the extinguishers.
4. Investigating all reports of suspected arson or fraud fires.
5. Investigating and giving new product approvals for fire alarm equipment, fire extinguishers, building construction materials and equipment.

6. Assisting local fire departments in the enforcement of adopted ordinances, rules and regulations.

Sub-Account Explanation

Funding - In addition to a General Fund appropriation and fees for the regulation of the fire extinguisher program, the Fire Marshal receives a reimbursement from the State Health Division for Life Safety Code inspection. The Life Safety Code surveys are a Medicare/Medicaid certification requirement and the cost is federally funded and is disbursed through the State Health Division.

Date of Hearing \_\_\_\_\_

Who Testified \_\_\_\_\_

Date Budget Closed \_\_\_\_\_

STATE OF NEVADA

## DEPARTMENT OF GENERAL SERVICES

BUILDINGS AND GROUNDS DIVISION

Capitol Complex

101 S. Fall Street

Carson City, Nevada 89710

DIVISIONS  
 Purchasing  
 Printing  
 Data Processing  
 Accounting  
 Buildings and Grounds

February 7, 1979

ATTACHMENT C

RECEIVED  
 LEGISLATIVE COUNSEL BUREAU

Senator Floyd Lamb  
 Chairman  
 Senate Finance Committee  
 Legislative Building  
 Carson City, Nevada 89710

FEB 8 1979

OFFICE OF FISCAL ANALYSIS

Dear Senator Lamb:

I have reviewed the possibility of using inmate labor within Buildings and Grounds and the following are my recommendations:

Several years ago, inmates were used extensively by Buildings and Grounds, both inside and outside of the various State buildings. This program was halted when a young girl was attacked in the basement of the Capitol Building. The girl was subsequently hospitalized and the apparent attacker, who was assigned to the grounds crew, was dealt with by Prison authorities.

The program was stopped because it was felt that unless the inmates could be watched on an individual and close basis, their use would create a great risk for State employees, and possible liability to the State. At that time there were twelve to fifteen inmates on the crew.

Some other incidents prior to the one above follows:

An inmate painter working in the building left his work station and went to a downtown bar. When he returned several hours later, he was questioned by his supervisor and the Deputy Supervisor of Buildings and Grounds at which time he physically attacked both men and ran off. He was found by Carson City police a short time later hiding in the back seat of a parked automobile.

A female employee using the Blasdel Building restroom was surprised by an inmate who followed her. The inmate ran out upon hearing her screams. The Grounds Foreman was repeatedly threatened by two inmates working under him. These two were finally confined to the prison. On several occasions, narcotics found hidden within the buildings and on the grounds were traced back to inmates receiving supplies from the outside. An inmate using the Department of Education printing press was counterfeiting merchandise tokens to be used at the prison.

I am pointing out these incidents to show that the inmate program at that time was not without its problems, and that if we institute it again, I would want better control.

In 1973, we had twelve to fifteen inmates, nine or ten of which were assigned to grounds. In addition we had fifty-six Buildings and Grounds employees in Carson City with three full-time grounds personnel. At that time, we did not have grounds personnel assigned to the Mansion nor did we have the Kinkead Building. Since that time, we have lost the Legislative Building but the Kinkead requires three times the effort.

In 1980, the budget recommends a total of fifty-four positions in Carson City with four assigned to grounds in addition to two seasonal workers. One seasonal worker is stationed at the Governor's Mansion.

As the above figures indicate, since the abandonment of the inmate program, we have had no increase in total positions. This was accomplished even though we have more buildings to maintain and much better looking grounds.

During the summer, our grounds crew spends one day per week on agency moves, or building maintenance such as window washing, etc. During the winter, the grounds crew work exclusively on moves and various maintenance and clean-up jobs. It would be impossible for inmates to effectively replace the amount of work done by the groundsmen.

There are two areas that I can see inmate labor being used by this Division. A crew could be used at different times on the Marlette Water system. The inmates could be supervised by a Buildings and Grounds employee and could perform various maintenance functions within the watershed. At times in the past we have used the N.Y.C.C. program for this same function with no charge to the Division, but if this is not possible in the future, the inmates would definitely be of benefit, and could even be used in addition to N.Y.C.C. on different projects.

Inmates could also be used on the Capitol Complex grounds for various jobs at different times if we could insure the necessary control and supervision. At present we are able to provide good grounds maintenance and improve the landscaped areas only because we supplement our small grounds staff with CETA, Senior Citizens, Children's Home youngsters, and students. Last summer we always had six to eight additional staff at no charge to the Division. If these programs stop, we would have to look at something like inmate labor to supplement our staff.

At present it is more economical for Buildings and Grounds to use the above programs rather than prison labor. Current charges per inmate is \$3.00 per day plus approximately \$1.00 for lunch. We would also have to provide labor and transportation each day to transport the inmates to and from the prison. If the prison provided supervision, there would be an additional charge. I understand that the prison is studying the rate and it may be raised to as high as \$1.00 per hour.

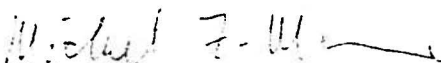
If we used inmates on the grounds, we would want to adopt a system such as the Legislature has: a small group consisting of one or two inmates under constant supervision. As Senator Jacobsen pointed out, the prison provides supervision for the Legislature and this is what I would want for the State grounds. At no time should inmates be allowed to wander about the buildings or grounds unsupervised.

Senator Floyd Lamb  
Page 3  
February 7, 1979

EXHIBIT C

In summary, inmates could be used within Buildings and Grounds for those functions I mentioned and under very close supervision. Inmates would not be an effective replacement for employees, but could be used as a supplement in certain cases. Each proposed use would have to be evaluated with regards to its usefulness and in comparison to other low cost forms of supplemental labor such as Senior Citizens, etc.

Sincerely,

  
Michael F. Meizel  
Superintendent  
Buildings and Grounds Division

MFM:b



ATTACHMENT D

**S. B. 224**

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SENATE BILL NO. 224—COMMITTEE ON FINANCE

FEBRUARY 13, 1979

Referred to Committee on Finance

**SUMMARY**—Makes appropriation to department of parole and probation for employment of additional personnel. (BDR S-1378)

**FISCAL NOTE:** Effect on Local Government: No.  
Effect on the State or on Industrial Insurance: Contains Appropriation.

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

---

AN ACT making an appropriation from the state general fund to the department of parole and probation for the employment of additional personnel; and providing other matters properly relating thereto.

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

- 1 SECTION 1. There is hereby appropriated from the state general fund
- 2 to the department of parole and probation the sum of \$137,844 for the
- 3 employment of additional personnel.
- 4 SEC. 2. After June 30, 1980, the unencumbered balance of the
- 5 appropriation made in section 1 of this act may not be encumbered and
- 6 must revert to the state general fund.
- 7 SEC. 3. This act shall become effective upon passage and approval.

February 9, 1979

MEMORANDUM

TO: Senate Finance and Assembly Ways and Means Committees

FROM: Budget Division

SUBJECT: Requested Appropriation for 1978-79 - Parole and Probation

It is recommended the following amount be substituted for the one-time appropriation to the Department of Parole and Probation listed in the Executive Budget, page A-22.

Personnel

Officer I (19)  
Senior Account Clerk  
Administrative Aid II (3)  
Administrative Aid II (2) One-Half Time

Salaries and Costs	\$74,094
Building Rent	3,173
Equipment	<u>12,240</u>
Total	\$89,507

ATTACHMENT E

687

ATTACHMENT F

**S. B. 34**

SENATE BILL NO. 34—COMMITTEE ON FINANCE

JANUARY 18, 1979

Referred to Committee on Finance

SUMMARY—Creates fund to provide investment income to pay for additional post-retirement increases. (BDR 23-656)

FISCAL NOTE: Effect on Local Government: No.  
Effect on the State or on Industrial Insurance: Yes.

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

AN ACT relating to the public employees' retirement system; creating a fund to provide investment income to pay for additional post-retirement increases; making an appropriation; and providing other matters properly relating thereto.

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

- 1 SECTION 1. Chapter 286 of NRS is hereby amended by adding thereto  
2 a new section which shall read as follows:  
3 1. *The fund for additional post-retirement increases is hereby created*  
4 *as a trust fund. Except as provided in subsection 2, the money in the*  
5 *fund may not be expended, but must be invested by the board in the*  
6 *manner provided in this chapter. The legislature reserves the right to*  
7 *appropriate money from the fund for other public uses.*  
8 2. *All proceeds derived from investment of the money in the fund*  
9 *must be accounted for separately in the income account which is hereby*  
10 *created in the fund. The money in that account may be used only for*  
11 *the purpose of paying additional post-retirement increases which are not*  
12 *provided by this chapter.*  
13 3. *The board shall keep separate accounting records for the fund*  
14 *and for the income account and shall prepare an annual report regarding*  
15 *each of them. Copies of the report must be sent to the governor, each*  
16 *member of the legislature and to the legislative auditor.*  
17 4. *If there is insufficient money in the income account to pay for*  
18 *any additional post-retirement increases that may be provided by law,*  
19 *the board shall pay the deficiency from any other money in the system*  
20 *which may lawfully be used for that purpose.*  
21 SEC. 2. There is hereby appropriated from the state general fund to  
22 the fund for additional post-retirement increases created by section 1  
23 of this act the sum of \$20 million.

S.B. 34

ATTACHMENT F (cont.)

Mr. Chairman, I am Wendell Newman, Executive Director of the Nevada State Education Association.

The NSEA would like to go on record as supporting S.B. 34.

We support the idea of funding additional post-retirement increases for retired persons and especially prefer the system by which the fund would be established, maintained and accounted for.

In this time of continuing inflation, additional financial assistance is greatly needed for those living on retirement incomes. Therefore, the NSEA urges passage of S.B. 34 as drafted.

Thank you.

2/26/79

ELBERT EDWARDS  
CHAIRMAN EMERITUS

VERNON BENNETT  
EXECUTIVE OFFICER

WILL KEATING  
ASSISTANT EXECUTIVE OFFICER

STATE OF NEVADA



RETIREMENT BOARD  
L. ROSS CULBERTSON  
CHAIRMAN  
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DONALD L. REAM

## PUBLIC EMPLOYEES RETIREMENT SYSTEM

P.O. Box 1569

CARSON CITY, NEVADA 89701

TELEPHONE (702) 885-4200

ATTACHMENT G

February 26, 1979

### ANALYSIS - SB 258

#### I. ANALYSIS - SECTION 1

- A. SB 418 of 1977 provided lump-sum monthly postretirement increases to those receiving benefits on or before 1/1/77 as follows:

<u>BASE BENEFIT</u>	<u>AMOUNT</u>
\$ 0 - \$ 100	\$20
101 - 200	15
201 - 300	5
301 - 1600	3

SB 418 provided payment of this increase to eligible persons through 6/30/79. This bill would provide for extensions of the SB 418 increase from 7/1/79 through 6/30/81 only for those already receiving the increase. No payment would be made to those who began receiving a benefit after 1/1/77.

- B. Cost - Projected cost of this section is \$709,826 which will be borne by the Retirement System.
- C. Coverage - Extension of this increase would involve approximately 4000 retired employees and benefit recipients.

#### II. ANALYSIS - SECTION 2

- A. This bill would provide a postretirement increase for all retired employees, beneficiaries and benefit recipients effective 7/1/79 and 7/1/80. This bill makes three significant changes over past postretirement increase bills. These are:

1. Funding - In the past, funding of postretirement increases has been borne by the Retirement System. This bill provides that funding be derived from some source outside the

1979  
P. O. Box 1569

Retirement System. Alternative funding proposals for postretirement increases are contained in SB 34 and SB 249.

2. Calculation Base - In the past, the base for calculation of postretirement increases has been the eligible person's base benefit. Base benefit is the beginning full allowance or benefit paid at the time of initiation of that allowance or benefit. This bill provides that the calculation base be the cumulative benefit. Cumulative benefit is base benefit plus all postretirement increases added since date of retirement.
3. Percent of increase - Postretirement increases have historically been a percentage of base benefit as described above. This bill would change the percentages and years of retirement required for each percentage as reflected in the following comparative table:

<u>YEARS OF RETIREMENT (AS OF JULY 1)</u>	<u>PERCENT OF BASE FOR PERIOD 7/1/77-6/30/79</u>	<u>PERCENT OF CUMULATIVE FOR PERIOD 7/1/79-6/30/81</u>
More than 6 months, less than 1 year	2.00	-0-
1	2.25	3.00
2	2.50	3.50
3	2.75	4.00
4	3.00	4.50
5	3.25	5.00
6	3.50	5.00
7	3.75	5.00
8	4.00	5.00
9	4.25	5.00
10	4.50	5.00
11	4.75	5.00
12 or more	5.00	5.00

B. Cost - Projected costs, comparing base vs cumulative basis are as follows:

		<u>BASE</u>		<u>CUMULATIVE</u>
7/7/79-6/30/80		\$1,009,129		\$1,157,436
7/1/80-6/30/81	\$1,174,701		\$1,368,832	
Extension of 7/1/79 inc.	\$1,009,129	<u>2,183,830</u>	\$1,157,436	<u>2,526,268</u>
		<u>\$3,192,959</u>		<u>\$3,683,704</u>

Increase using cumulative instead of base is \$490,745.

C. Coverage - Percentage increases are applicable to approximately 5100 retired employees and benefit recipients.

ELBERT B. EDWARDS  
CHAIRMAN EMERITUS

VERNON BENNETT  
EXECUTIVE OFFICER

WILL KEATING  
ASSISTANT EXECUTIVE OFFICER

STATE OF NEVADA



EXHIBIT G

RETIREMENT BOARD

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PUBLIC EMPLOYEES RETIREMENT SYSTEM

P.O. Box 1569

CARSON CITY, NEVADA 89701

TELEPHONE (702) 885-4200

February 23, 1979

Mr. Howard E. Barrett, Director  
Administration, Budget Division  
Blasdel Building, Room 205  
Carson City, Nevada 89710

Dear Gene:

Per your request, we have projected the cost of funding postretirement increases as specified in SB-258 in comparison with projected investment yield on \$20 million. This projection is reflected in the attached table. These projections assume a 10% investment yield, which we feel is reasonable to achieve in the current market, and a 7% death rate.

As you can see from this table the assumed investment yield will be insufficient to fund projected postretirement increases for the third through the sixth year. However, as the number of eligible retired employees and benefit recipients decreases, at an assumed 7% rate starting in the third year, we project a surplus beginning the seventh year forward.

Even if we were to assume a 7% simple interest for the third through sixth years, inclusive, on the amount required to be funded by the System, the amount would be \$77,446, which could be paid out of the surplus in the seventh year.

If you have any questions please do not hesitate to contact this office.

Sincerely,

*Vernon Bennett*

Vernon Bennett  
Executive Officer

LG:vm

## EXHIBIT 6

<u>YEAR</u>	<u>INVESTMENT INCOME AT 10%</u>	<u>COST OF POST- RETIREMENT INCREASES</u>	<u>BALANCE</u>
1.	\$2,000,000	\$1,157,436	\$842,564
2.	2,000,000	2,526,268	316,296
3.	2,000,000	2,349,429	[33,133]
4.	2,000,000	2,184,969	[218,102]
5.	2,000,000	2,032,021	[250,123]
6.	2,000,000	1,889,779	[139,902]
7.	2,000,000	1,757,495	102,603
8.	2,000,000	1,634,470	468,133
9.	2,000,000	1,520,057	948,076
10.	2,000,000	1,413,653	1,534,423
11.	2,000,000	1,314,697	2,219,726
12.	2,000,000	1,222,668	2,997,058
13.	2,000,000	1,137,081	3,859,997
14.	2,000,000	1,057,485	4,802,512



ATTACHMENT H

S. B. 249

SENATE BILL NO. 249—COMMITTEE ON FINANCE

FEBRUARY 16, 1979

Referred to Committee on Finance

SUMMARY—Creates fund for payment of certain post-retirement increases.  
(BDR 23-1428)

FISCAL NOTE: Effect on Local Government: No.  
Effect on the State or on Industrial Insurance: Yes.

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

AN ACT relating to the public employees' retirement system; creating a fund for the payment of certain additional post-retirement increases; making an appropriation; and providing other matters properly relating thereto.

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

1 SECTION 1. Chapter 286 of NRS is hereby amended by adding  
2 thereto a new section which shall read as follows:

3 1. *A post-retirement fund is hereby created. Investment return on the*  
4 *principal of the fund must be deposited in the fund at the end of each*  
5 *fiscal year, based on the average annual return for the system.*

6 2. *Money from the fund may be used only for payment of additional*  
7 *post-retirement increases beginning on July 1, 1979, and July 1, 1980,*  
8 *to the eligible recipients for the remainder of their natural lives, if such*  
9 *additional increases are authorized by law.*

10 3. *The board shall maintain separate accounting records for the fund*  
11 *and prepare an annual report therefrom, copies of which must be sub-*  
12 *mitted to the governor, each member of the legislature and the legislative*  
13 *auditor.*

14 4. *If there is insufficient money in the fund to pay all of the post-*  
15 *retirement increases required by this section, the board shall pay the*  
16 *deficiency from the public employees' retirement fund and the police and*  
17 *firemen's retirement fund in appropriate proportions.*

18 5. *Upon the death of the last eligible recipient of money from this*  
19 *fund, the system shall provide a final report to the governor, each mem-*  
20 *ber of the legislature and the legislative auditor, and shall deliver to the*  
21 *state treasurer for deposit in the state general fund all money remaining*  
22 *in the post-retirement fund.*

23 SEC. 2. NRS 286.575 is hereby amended to read as follows:

ATTACHMENT I

S. B. 258

SENATE BILL NO. 258—COMMITTEE ON FINANCE

FEBRUARY 21, 1979

Referred to Committee on Finance

SUMMARY—Extends and adds temporary increases in postretirement allowances and benefits. (BDR S-845)

FISCAL NOTE: Effect on Local Government: No.  
Effect on the State or on Industrial Insurance: Yes.

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

AN ACT relating to public employees' retirement; extending certain temporary increases and providing additional temporary increases; and providing other matters properly relating thereto.

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

- 1 SECTION 1. Section 1 of chapter 465, Statutes of Nevada 1977, at  
2 page 926, is hereby amended to read as follows:  
3 Section 1. 1. In addition to the other post-retirement allow-  
4 ances and increases provided by law, the public employees' retire-  
5 ment system shall provide a monthly post-retirement increase during  
6 the period beginning on July 1, 1977, and ending on June 30,  
7 [1979,] 1981, as follows:
- | 8 Base Benefit | 9 Monthly Increase |
|----------------|--------------------|
| 10 \$0—\$100   | 11 \$20            |
| 12 101— 200    | 13 15              |
| 14 201— 300    | 15 5               |
| 16 300—1600    | 17 3               |
- 18 This benefit shall be paid only to a person who began receiving  
19 benefits before January 1, 1977, or to his designated beneficiary  
20 upon his death.  
21 2. A single post-retirement increase pursuant to this section  
22 [shall] *must* be [provided and] prorated [between or] among  
23 two or more recipients of [survivor benefits] *benefits for survivors*  
on behalf of one deceased member.  
SEC. 2. In addition to other post-retirement allowances or benefits  
provided by law, and subject to the limitation provided in section 4 of  
this act, the public employees' retirement system shall, if money is pro-  
vided for this purpose from a source other than the public employees'

ATTACHMENT J

**Sec. 5. Corporations may sue and be sued.** Corporations may sue and be sued in all courts, in like manner as individuals.

**Sec. 6. Circulation of certain banknotes, paper as money prohibited.** No bank notes or paper of any kind shall ever be permitted to circulate as money in this State, except the Federal currency, and the notes of banks authorized under the laws of Congress.

**Sec. 7. Eminent domain by corporations.** No right of way shall be appropriated to the use of any corporation until full compensation be first made or secured therefor.

**Section 8. Municipal corporations formed under general laws.** The legislature shall provide for the organization of cities and towns by general laws and shall restrict their power of taxation, assessment, borrowing money, contracting debts and loaning their credit, except for procuring supplies of water; *provided, however,* that the legislature may, by general laws, in the manner and to the extent therein provided, permit and authorize the electors of any city or town to frame, adopt and amend a charter for its own government, or to amend any existing charter of such city or town.

[Amended in 1924. Proposed and passed by the 1921 legislature; agreed to and passed by the 1923 legislature; and approved and ratified by the people at the 1924 general election. Sec: Statutes of Nevada 1921, p. 420; Statutes of Nevada 1923, p. 403.]

**Sec. 9. Lending public credit; gifts to corporations.** The State shall not donate or loan money, or its credit, subscribe to or be, interested in the Stock of any company, association, or corporation, except corporations formed for educational or charitable purposes.

**Sec. 10. Loans of public credit by counties, municipal corporations to corporations.** No county, city, town, or other municipal corporation shall become a stockholder in any joint stock company, corporation or association whatever, or loan its credit in aid of any such company, corporation or association, except, rail-road corporations[,] companies or associations.

## ARTICLE. 9.

## FINANCE AND STATE DEBT.

- SEC. 1. Fiscal year.  
 2. Annual tax for state expenses; trust funds for compensation for industrial accidents, occupational diseases and public employees' retirement system.  
 3. State indebtedness: Limitations and exceptions.  
 4. Assumption of county, city, corporation debts by state.  
 5. Proceeds of motor vehicle license, registration fees and motor vehicle fuel excise taxes reserved for public highway construction, repair; vehicle privilege tax.

(1977)

25487

SB 3



FEB 6 1979

STATE OF NEVADA  
OFFICE OF THE ATTORNEY GENERAL  
CAPITOL COMPLEX  
CARSON CITY 89710

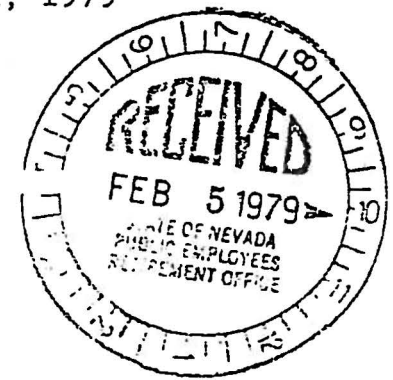
RICHARD H. BRYAN  
ATTORNEY GENERAL

LARRY D. STRUVE  
CHIEF DEPUTY ATTORNEY GENERAL

February 1, 1979

ATTACHMENT K

Vernon Bennett, Executive Officer  
Public Employees Retirement System  
P.O. Box 1569  
Carson City, Nevada 89701



Re: SB 34

Dear Mr. Bennett:

In your letter of January 26, 1979, you advised this office that a bill, SB 34, is now pending before the Senate Finance Committee which would appropriate \$20 million to a special fund for additional post-retirement increases, which the Public Employees Retirement Board would be required to administer and invest. You have inquired as to the effect, if any, of the provisions of the Nevada Constitution, Article 9, Section 2, on this bill and the monies appropriated thereunder.

Article 9, Section 2 of the Nevada Constitution was amended by the people of our state at the November, 1974 general election so as to confer constitutional trust fund protection on "all monies paid for the purpose...of funding and administering a public employees retirement system." The constitutional provision in question also declares "such monies shall never be used for any other purposes." This amendment had the effect of limiting the ability of the Nevada Legislature to divert to other uses and purposes the monies paid by public employers and public employees to the Public Employees Retirement System pursuant to the provisions of NRS Chapter 286.

Our examination of the provisions of SB 34 indicates that the bill drafter has taken special effort to avoid

Vernon Bennett  
February 1, 1979  
Page Two

EXHIBIT K

bringing this \$20 million under the nondiversion provisions of Article 9, Section 2. The bill appears to transfer only custody of this money to the Public Employees Retirement Board for the purpose of having the Board invest this money and in turn pay a post-retirement benefit to persons who have retired from our System. The Board is precluded by the bill from using the principal sum, while at the same time the Legislature declares, specifically and unequivocally, that it "reserves the right to appropriate money from the fund [i.e., the fund for additional post-retirement increases] for other public uses."

We think it is also significant that this legislation would create a new and separate fund and does not merely appropriate the \$20 million to the existing Public Employees Retirement Fund which is unquestionably a part of the constitutional trust funds along with the Public Employees Retirement Administrative Fund.

This office has always viewed the payments required by NRS 286.410 (employee contributions), NRS 286.421 (employer-paid contributions) and NRS 286.450 (employer contributions) as constituting a transfer of title to all such monies paid by the various contributors to the Public Employees Retirement System. Consequently, we believe Article 9, Section 2 encompasses all monies paid to the Public Employees Retirement System where the law contemplates a transfer of title. Since SB 34 appears to reserve title to the \$20 million appropriation in the State of Nevada, such monies would not appear to fall within the protection of Article 9, Section 2 of the State Constitution, nor would the Legislature be restricted in any way from utilizing such funds for other public purposes unrelated to retirement.

The fund for additional post-retirement increases is also a trust fund under SB 34, but it is one created by statute alone and is therefore subject to legislative change. The Legislature in the enabling legislation specifically reserves the right to invade the fund for other public purposes. At the same time, however, SB 34 provides an alternative funding mechanism from other monies in the Public Employees Retirement System which may lawfully be

Vernon Bennett  
February 1, 1979  
Page Three

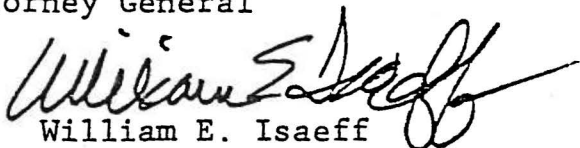
EXHIBIT

used for the same purpose, i.e., the Public Employees Retirement Fund, NRS 286.220(3)(c). In this way the funding of any expectations created by SB 34 is nonetheless assured.

In conclusion, this office foresees no constitutional impediment under Article 9, Section 2 if SB 34 is favorably approved.

Sincerely,

RICHARD H. BRYAN  
Attorney General

By:   
William E. Isaeff  
Deputy Attorney General

WEI/so

ATTACHMENT L

**A. B. 140**

ASSEMBLY BILL NO. 140—ASSEMBLYMEN WAGNER, MELLO,  
BARENGO, CAVNAR, WEISE, BREMNER, COULTER AND  
GLOVER

JANUARY 19, 1979

Referred to Committee on Ways and Means

SUMMARY—Authorizes refund of discontinued, added contributions for public  
employees' retirement. (BDR S-670)

FISCAL-NOTE: Effect on Local Government: No.  
Effect on the State or on Industrial Insurance: Yes.

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

AN ACT relating to public employees' contributions for retirement; authorizing  
refund of additional contributions abolished in 1977; and providing other  
matters properly relating thereto.

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

- 1 SECTION 1. 1. All members and former members of the public  
2 employees' retirement system who contributed the additional contribu-  
3 tions of 2 percent or 4 percent of their compensation after June 30,  
4 1973, pursuant to the former provisions of subsection 2 of NRS 286.-  
5 410, are entitled to a refund from the system of the aggregate sums so  
6 contributed by them.
- 7 2. The public employees' retirement board shall prescribe the forms  
8 and procedure to effectuate the refunds authorized by subsection 1,  
9 including written notice to all members eligible for the refunds.

ATTACHMENT M

S. B. 181

SENATE BILL NO. 181—SENATORS YOUNG AND RAGGIO

FEBRUARY 2, 1979

Referred to Committee on Finance

SUMMARY—Removes prerequisite for withdrawal of certain judicial officers from public employees' retirement system. (BDR 23-268)

FISCAL NOTE: Effect on Local Government: No.  
Effect on the State or on Industrial Insurance: Yes.

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

AN ACT relating to the public employees' retirement system; removing a prerequisite for the withdrawal of certain judicial officers from the system; and providing other matters properly relating thereto.

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

- 1 SECTION 1. NRS 286.305 is hereby amended to read as follows:  
2 286.305 1. Any justice of the supreme court and any district judge  
3 who became a member before July 1, 1977, may remain a member of the  
4 system. [Such] *Those* justices or district judges may choose to gain  
5 service credit for previous service as provided in NRS 286.300.  
6 2. The State of Nevada shall be deemed, for the purpose of this  
7 chapter, to be the public employer of such justice or judge, and shall  
8 contribute to the public employees' retirement fund and the public  
9 employees' retirement administrative fund, in the manner provided in  
10 this chapter for public employers.  
11 3. Any justice of the supreme court and any district judge who [has  
12 been] is a member of the system [and who qualifies for a pension under  
13 the provisions of NRS 3.090 or NRS 2.060] may withdraw from the  
14 public employees' retirement fund the amount credited to him in the  
15 account. No [such] justice or judge may receive benefits under both this  
16 chapter and under NRS 3.090 or NRS 2.060.



ATTACHMENT N

**S. B. 207**

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SENATE BILL NO. 207—COMMITTEE ON FINANCE

FEBRUARY 9, 1979

Referred to Committee on Finance

**SUMMARY**—Makes appropriation for dues owed to Western Interstate Commission for Higher Education. (BDR S-596)

**FISCAL NOTE:** Effect on Local Government: No.  
Effect on the State or on Industrial Insurance: Contains Appropriation.

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

---

AN ACT making an appropriation from the state general fund to the Western Regional Higher Education Compact fund.

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

- 1 SECTION 1. There is hereby appropriated from the state general  
2 fund to the Western Regional Higher Education Compact fund the sum  
3 of \$11,000 to be used to pay dues owed to the Western Interstate Com-  
4 mission for Higher Education for the 1977-78 fiscal year.  
5 SEC. 2. This act shall become effective upon passage and approval.

ATTACHMENT O

**A. J. R. 26 of the 59th Session**

ASSEMBLY JOINT RESOLUTION NO. 26—COMMITTEE ON  
GOVERNMENT AFFAIRS

FEBRUARY 23, 1977

Referred to Committee on Government Affairs

SUMMARY—Proposes constitutional amendment to repeal certain pledges to state permanent school fund and to limit permissible investments of that fund. (BDR C-23)

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

ASSEMBLY JOINT RESOLUTION—Proposing to amend section 3 of article 11 of the constitution of the State of Nevada relating to sources of revenue pledged for educational purposes by permitting the legislature to determine the policies for investment of such revenues.

1     *Resolved by the Assembly and Senate of the State of Nevada, jointly,*  
2     That section 3 of article 11 of the constitution of the State of Nevada be  
3     amended to read as follows:  
4     [Section] Sec. 3. All lands, including the sixteenth and thirty-sixth  
5     sections in any township donated for the benefit of public schools in the  
6     act of the Thirty-eighth Congress, to enable the people of Nevada Terri-  
7     tory to form a state government, the thirty thousand acres of public lands  
8     granted by an act of Congress, approved July second, A.D. eighteen hun-  
9     dred and sixty-two, for each senator and representative in Congress, and  
10    all proceeds of lands that have been or may hereafter be granted or appro-  
11    priated by the United States to this state, and also the five hundred thou-  
12    sand acres of land granted to the new states under the act of Congress  
13    distributing the proceeds of the public lands among the several states of  
14    the union, approved A.D. eighteen hundred and forty-one; provided, that  
15    Congress make provision for or authorize such diversion to be made for  
16    the purpose herein contained; all estates that may escheat to the state;  
17    all of such per centum as may be granted by Congress on the sale of lands;  
18    all fines collected under the penal laws of the state; all property given or  
19    bequeathed to the state for educational purposes, and all proceeds derived  
20    from any or all of said sources shall be and the same are hereby solemnly  
21    pledged for educational purposes, and shall not be transferred to any other  
22    funds for other uses; and the interest thereon shall, from time to time, be  
23    apportioned among the several counties as the legislature may provide by  
24    law; and the legislature shall provide for the sale of floating land warrants  
25    to cover the aforesaid lands, and for the investment of all proceeds derived  
26    from any of the above-mentioned sources; [ , in United States bonds, or

ATTACHMENT P

A. B. 7

ASSEMBLY BILL NO. 7—COMMITTEE ON WAYS AND  
MEANS

JANUARY 15, 1979

Referred to Committee on Ways and Means

SUMMARY—Clarifies description of certain improvements to be made at Nevada  
state prison. (BDR S-705)

FISCAL NOTE: Effect on Local Government: No.  
Effect on the State or on Industrial Insurance: No.

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

AN ACT to amend an act entitled, "An Act making an appropriation to the state  
public works board for certain improvements to be made at the Nevada state  
prison in Carson City, Nevada; and providing other matters properly relating  
thereto, approved April 15, 1977.

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

- 1 SECTION 1. Section 1 of the above-entitled act, being chapter 188,  
2 Statutes of Nevada 1977, at page 353, is hereby amended to read as  
3 follows:  
4 Section 1. There is hereby appropriated from the state general  
5 fund the sum of \$8,522,400 to the state public works board for the  
6 following improvements to the Nevada state prison in Carson City:  
7 1. New plumbing fixtures and electrical system in certain exist-  
8 ing cell blocks.  
9 2. [Enlargement of the old quarry to provide an] *Construction*  
10 *of a new* athletic field.  
11 3. Rehabilitation of the yard area.  
12 4. Air-conditioning for the dining hall.  
13 5. Renovation of the existing old buildings.  
14 6. Construction of new living units, [a new] *and new and*  
15 *remodeled facilities at the* administration building and [new] *the*  
16 *vocational shop* buildings.  
17 7. Additional improvements and materials for the Nevada state  
18 prison maximum security facility.  
19 SEC. 2. This act shall become effective upon passage and approval.

ATTACHMENT Q

S. C. R. 11

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SENATE CONCURRENT RESOLUTION NO. 11—COMMITTEE  
ON FINANCE

FEBRUARY 9, 1979

Referred to Committee on Finance

SUMMARY—Approves augmentation of amount previously authorized for  
improvements to Belrose Building in Las Vegas. (BDR 1604)

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

---

SENATE CONCURRENT RESOLUTION—Approving augmentation of the  
amount previously authorized for improvements to the Belrose Building in  
Las Vegas.

- 1 *Resolved by the Senate of the State of Nevada, the Assembly concur-*
- 2 *ring, That the legislature approves augmentation of the amount of money*
- 3 *authorized for Project 77-5, chapter 478, Statutes of Nevada 1977, for*
- 4 *construction of improvements to the Belrose Building in Las Vegas;*
- 5 *and be it further*
- 6 *Resolved, That the legislature approves the use by the state public*
- 7 *works board of \$35,000 from the current budget of the rehabilitation*
- 8 *division of the department of human resources for such improvements.*