

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: None

OTHERS: Mr. Ronald W. Sparks, Chief Fiscal Analyst
PRESENT: Mr. Eugene Pieretti, Deputy Fiscal Analyst
Mr. Howard Barrett, Budget Director
Mr. S. Barton Jacka, Director, Department of Motor Vehicles
Mr. Leonard Winkelman, Chief, Administrative Services
Colonel Barney Dehl, Chief, Nevada Highway Patrol
Mrs. Sharon Alcamo, Chief, Drivers' License Division
Mr. W. W. Richards, Chief, Motor Carrier Section
Mr. H. John Ciardella, Chief, Registration Division and
Motor Vehicle Pollution Control
Mr. Walter Hinson, Deputy Director, Department of
Motor Vehicles
Mr. Cy Ryan, United Press
Mr. John Rice, Associated Press.

S.B. 217 Appropriation for purchase of equipment at Nevada Mental Health Institute.

Senator Gibson moved to "Amend and Do Pass" S.B. 217, (changing the date on line 7 to 1980).

Seconded by Senator Jacobsen.

Senator McCorkle voted no.

Motion carried.

Senator Wilson absent.

EDUCATION ADMINISTRATION - Page 166

Senator McCorkle asked if the Committee was convinced they need the 12 positions that they put back. Senator Gibson replied that they were not all in this budget; some were in Vocational Education. Senator Lamb stated that if the budget is approved as is, it doesn't show any new positions. He also suggested that they should discuss the changes of Communications Expense and reduction in Duplicating and Copying.

Printing, Duplicating and Copying - Page 169

Senator McCorkle moved to reduce printing, duplicating and copying from \$4,000 to \$3,000 the first year: \$3,500 the second year

Seconded by Senator Jacobsen.

Motion carried unanimously.

Annual Report - Page 169

Senator McCorkle moved to eliminate the \$5,000 for Annual reports the second year.

Seconded by Senator Gibson.

Motion carried unanimously.

Agency Publications - Page 169

Senator Wilson moved that they reduce agency publications to \$8,000 each year.

Seconded by Senator Gibson.

Motion carried unanimously.

Contract Services - Page 169

Senator Echols moved for the Governor's recommendation.

Seconded by Senator McCorkle.

Motion carried unanimously.

Other Building Rent - Page 169

Senator Glaser moved to increase Other Building Rent to \$70,503 the second year.

Seconded by Senator Jacobsen.

Motion carried unanimously.

Dues and Registration - Page 169

Senator McCorkle moved to approve \$2,500 for both years.

Seconded by Senator Jacobsen.

Motion carried unanimously.

(Education Administration budget)

Senator Glaser moved to "Amend and Do Pass" this budget.

Seconded by Senator Jacobsen.

Motion carried.

VOCATIONAL EDUCATION - Page 174

Senator McCorkle stated that both he and Senator Wilson were questioning the administrative costs. They attempted to justify it by saying that they are including their oversight of \$12 million of local money. Senator McCorkle remarked that if the locals can put down \$12 million, then there is going to be quite a bit of local supervision too. They are not going to rely on the Committee entirely. Their original administrative cost is high.

Senator Jacobsen moved to reduce the In-State Travel to \$10,000 each year.

Seconded by Senator Echols.

Motion carried.

Elimination of the Sex Bias - Page 176

Senator Jacobsen moved that they take out the \$3,500 in the special category of the Sex Bias Program.

Seconded by Senator McCorkle.

Wilson and Glaser voted no.

Motion carried.

1974

(Vocational Education - Bill action continued)

Senator McCorkle moved to reduce printing and duplicating to \$8,500

Seconded by Senator Jacobsen

Motion carried.

Senator Glaser moved to amend and pass this budget.

Seconded by Senator Wilson.

Motion carried.

DEPARTMENT OF MOTOR VEHICLES - Page 740

Bart Jacka, Director, Department of Motor Vehicles, and Leonard Winkelman, Chief, Administrative Services, presented the budget.

Mr. Jacka said the first portion of the budget concerns the office of the director. The director's office is in charge of the overall operation of the Department of Motor Vehicles; the personnel section; the hearing office (which hears appeals from suspension of registration and drivers' licenses; and the legal section, with deputy attorney generals, one in Las Vegas and one in Carson City.

Last year the DMV brought in \$40 million in revenue from various sources. It is anticipated that in the next biennium they will collect \$108 million. The budget they will present to the Committee is in excess of \$31 million for the biennium.

Senator Lamb asked, since Mr. Jacka has taken over, has he made any organization changes. Mr. Jacka replied that organization changes have not been made. He has reviewed the staff. He is looking at several adjustments he may make after the legislative process is complete. He has reoriented some of the law enforcement responsibilities. The Motor Carrier Section has historically been responsible for enforcement of the commercial vehicle code. Mr. Jacka found they were getting into law enforcement in some areas, so he has asked them to orient themselves strictly to motor carrier enforcement.

Mr. Jacka explained that the deputy director, previously assigned to the Carson City office, has been assigned to the Las Vegas office.

As far as Office Furniture and Equipment is concerned (in the director's budget) the recommendation includes \$500, of which \$494 is to purchase a memory typewriter by paying off the lease. Mr. Jacka is now requesting to increase that to \$1,500 for a total of \$2,000 for the first year of the biennium.

Record Search Program - is a contract to allow for records search for insurance programs and other data. The present contract expires in October, 1979. There is considerable concern with that organization regarding a new contract. The contract now states that they pay DMV so much for each piece of information that they search out and for each record they sell to inquiring organizations or agencies. Eighty percent of their business is done with insurance companies. They research drivers' license records and registration records. Senator Wilson asked if there was any limitation as to what use that kind of information can be put. Mr. Jacka said he didn't think so; but this is concern, and that is why he is looking into the new contract.

Senator Lamb asked what Mr. Jacka's salary was at the Las Vegas Metro Police Department. Mr. Jacka replied \$38,000 a year and they also paid his retirement. His salary as Director of the

Department of Motor Vehicles leaves him with a net loss of \$13,000 to assume this responsibility.

Legal Expenses - Page 741

Senator Lamb asked about court expenses. The Governor has raised that up \$20,000. Mr. Jacka said the legal and court expense includes the witness fees they pay. Senator Lamb asked why it is higher than 1977-78. There are two attorneys, and that includes the salaries and the witness fees. According to Mr. Winkelman, one position was vacant in the attorney general's office during a portion of the 1978 fiscal year. It is a necessity to have two deputy attorney generals, one in Carson City and one in Las Vegas.

Administrative Services - Page 742

The Administrative Services unit is a supportive arm for the department. Its primary responsibilities are for revenue control, accounts payable, purchasing, payroll, expenditure control, and inventory control. The budget includes some things that cover the entire department such as postage, freight, copying costs, telephone rental, building rental (throughout the State for various locations) and building maintenance and utilities. They are asking for two new positions in the biennium, a new account clerk in the Reno office, and a new principal account clerk in the Las Vegas office. They have not been doing the full accounting for the registration and drivers' license divisions. They have relied on these two units to help do some of the accounting. It would be better if that responsibility rests solely with the Administrative Services Division, as they have the expertise for that type of responsibility.

Other Building Rent - Page 744

There is not sufficient money, according to Mr. Jacka, in either year of the biennium to take care of the building rent. They are currently negotiating in the Fallon area because the facility they now have is very small and not sufficient for their needs. Mr. Jacka commented that they thought they had placed sufficient money in the budget to take care of the problem. They found, with inflation and the spaces available to them, it will not be enough. For each year of the biennium, they are asking that the Rent portion be increased by \$10,800. Out of this category, they pay rent throughout the State for all facilities they use; other than those that are owned by the State.

Highway Patrol - Page 745

The Highway Patrol has a primary responsibility to create a safer environment on the highway. According to Mr. Jacka, they have a wide range of responsibility throughout the entire State. Since 1974, the Highway Patrol has not increased the number of troopers. However, the number of registered vehicles has increased from 510,000 in 1974 to 670,000 in 1978. The number of licensed drivers has risen from 398,000 in 1974, to 523,000 in 1978.

Mr. Jacka remarked that in the budget they are asking for 5 new tactical officers. Their responsibility will be to enforce size, weight and load violations. The tactical officers' responsibility is being placed upon them by the Federal Government in order to enforce the size, weight and load violations.

Additionally, those officers will assume the responsibility of school bus inspectors. Previously, school bus inspections were mandated by law twice a year within the State. There are some 800 vehicles of that type in operation. They had 3 positions funded from the Office of Traffic Safety doing this, but the grant runs out in September, 1979. They will be paid 15 percent less than a trooper.

Mr. Jacka continued that ten communications operators will be located throughout the State. Six of those positions are from the

Department of Law Enforcement Assistance because DLEA disbanded their communications center and the State switch will be moved to DMV.

Mr. Jacka commented that they are asking for two communications positions to be funded to serve the Gaming Control Board. They will handle all radio communications for the Gaming Control Board. The two positions will be funded by a transfer from the Control Board budget to the Highway Patrol budget. Mr. Jacka summarized the request that six positions are from DLEA, two will be paid by the Gaming Control Board and 2 will be paid out of the Highway fund.

The communications center operation includes 4 primary centers statewide: one in Las Vegas that handles all law enforcement needs for the Highway Patrol and those units assigned to the DMV in Las Vegas; the Reno office handles generally the same thing; the Elko office and the Carson City office. Their responsibility has increase 126 percent without any increase in manpower. They need to have two operators on duty around the clock, and this (additional operators) accomplishes that.

New Positions - Page 747

The Equipment Mechanic II requested in the budget is for the Highway Patrol to enter into a pilot program to provide vehicle maintenance and services in the Reno and Las Vegas offices. This program is anticipated to provide minor tune-ups, oil changes, tire changes, etc.

There is also a request for two Storekeepers to maintain the multi-million dollar inventory of Highway Patrol equipment and thus release highway patrolmen out to the road. Previously they have used troopers for this function.

There is also a request for new clerical positions; for 1 and 1/2 administrative aides, 1 in Carson City and 1/2 in Elko.

Highway Patrol - Medical and Dental Expense - Page 749

Mr. Jacka stated the medical and dental expense is for blood alcohol analysis and the Budget Office moved that from Special Reports to Medical and Dental Expense. This also includes the physical examination that has to be given to anyone on a commission status after 5 years for a heart examination.

Operations Expense - Page 749

Senator Lamb stated that overtime for subpoenas is too high. According to Mr. Jacka, four hours for a policeman to appear in court at time and a half is excessive. The minimum was 2 hours and will go to 4 hours. The rationale for the increase being that a man on his day off or while he is on vacation, who comes in on his own time, ought to have the ability to draw more money. They will need about \$30,000 each year, added to the budget for this item.

Other Contract Services - Page 749

The Governor recommends a figure of \$18,951 in the first year of the biennium and \$20,467 the second. This is not sufficient to meet the present requirements. Last fiscal year they spent \$25,560; and the recommendation doesn't include an increase for communications costs for the program. There is a short fall in the figures. Each year of the biennium should be increased by a total of \$25,560.

Insurance Expense - Page 749

Senator Wilson stated that the request is substantially over the recommendation. Mr. Jacka commented that the insurance expense is the comprehensive and liability for their automobiles. There is another category in the budget for a pilot project for collision insurance, where they will insure themselves.

Senator Gibson asked what the turnover rate was in the Highway Patrol. Mr. Jacka answered 17 percent.

Senator Lamb asked about the employee transfer. Mr. Jacka stated that money is used to move highway patrolmen from one zone to another.

Senator Lamb asked about the Shared Computer Operation for Protection and Enforcement (SCOPE) operated by the Metropolitan Police Department and the assessments therefor. Mr. Jacka replied that the SCOPE assessments are paid from the General Fund and are available for access by all State agencies in the criminal justice system. The data is used for law enforcement operations throughout the State. (See Attachment A.)

Highway Patrol Special Fund - Page 750

Mr. Jacka stated this is the budget whereby the additional troopers for the next biennium have been requested. Ten additional troopers are requested for each year of the biennium. They will be assigned basic highway patrolman responsibilities. Mr. Jacka continued that there is a problem area in the Vehicle Operation item on page 752. The first year of the biennium for Vehicle Operations is \$354,800 is recommended; only \$292,190 is needed. In the second year of the biennium, \$431,010 is recommended and only \$365,190 is needed.

Furniture and Equipment - Page 752

The \$40,000 in the first year of the biennium and the \$25,000 in the second year of the biennium does not include that equipment that is necessary to equip those 20 additional highway patrolmen. It costs just under \$5,000 per highway patrolman to equip them. They are requesting that the \$40,000 and the \$25,000 be increased by \$50,000 in each year of the biennium.

Senator Jacobsen asked about the minimum federal standards 55 mph speed limit. Colonel Dehl stated they require the Highway Patrol to report quarterly; and once a year the Governor has to certify the issuance of citations for 55 mph speed limit violators. There is no quota, but they do have to report the numbers of citations. This year there can be no more than 70 percent in violations. Currently the figure is 68 percent violations.

Highway Patrol Grant Account - Page 753

Mr. Jacka stated this account funded a trooper trainee program which was a beneficial program. The Office of Traffic Safety pays for the cadets until such time as there is a position open. They can be trained at their (OTS) expense. At the end of 9 months, if a position does not open up, they are simply dropped off and not carried on as a regular trooper.

DMV - Drivers' License Division - Page 754

Mrs. Sharon Alcamo is chief of the drivers' license division. Mr. Jacka stated that this division is a regulatory unit with its major function in two areas: drivers' license field operations and license withdrawal section; the record section, and the financial responsibility section.

Mr. Jacka said the drivers' license division is the most critical division they have. It is the most understaffed, and the most "in the hole". He stated that when he came on board, there were 2,000 people who had been convicted on DUI which calls for mandatory suspensions, but whose licenses had not been pulled. At this time that figure is zero.

Mrs. Alcamo presented a handout showing her backlog (see Attachment B). Senator Jacobsen asked where they would put the new people requested. Mr. Jacka replied he was going to work double shifts.

Other Contract Services - Page 757

This is a lease purchase arrangement for the microfilm system.

Contract Services - Page 757

This is for the drivers' license photo process. The division is presently paying 29.8¢ per license. The new bid will be opened March 16. The cost is unknown at this time, but they expect a sizeable increase.

Senator Jacobsen asked how they train their employees. Mr. Jacka stated through in-service training.

Senator McCorkle asked about previous conversations regarding increasing drivers' license fees to reduce the highway appropriation. Mr. Jacka stated that there is a difference of opinion between the Highway Department and the DMV. Mrs. Alcamo projects that it costs \$3.86 to produce a driver's license and they charge \$6. The Highway Department indicates that its cost is more like \$12.

A survey was run throughout the United States and the average fee for drivers' licenses, on an original, is \$10.49. A renewal is \$9.55, and they charge \$6.00. A duplicate is \$2.12 and they charge \$2.00. Mr. Jacka met with the Governor and Highway Department shortly after his appointment, and the DMV had made a projection for the Highway Department. The Governor did not feel that, with Proposition 6, it was appropriate to increase these fees.

Senator Wilson asked what was the difference between their estimated cost per license and what the Highway Department is estimating. Mr. Jacka replied that it depends on what statistics one looks at, as to what the cost is.

Senator McCorkle asked Mrs. Alcamo when the fee was raised to \$6, but no one in the room could recall when. Senator McCorkle said he would like to consider raising it.

Senator Gibson asked how much in drivers' license fees had been collected. Mr. Jacka said they did not have that figure. Mr. Barrett commented that it showed in the Highway Department budget on Page 733.

Senator Gibson suggested they transfer these fees to the General Fund. He said this would get away from the argument as to whether it (license division) was a drain on the Highway Fund.

Failure to Appear Program - Page 770

It was recommended by Mr. Jacka and Mrs. Alcamo that this program be discontinued. It was supposed to be a totally self-sustaining program. As of March 1, 1979, they have only collected \$11,470 in the period of time they have been in existence. They have spent \$43,000 to administer the program. It is not cost effective. He has talked with judges throughout the State and they agree that there are other ways to solve the problem. Mr. Jacka is also suggesting that two of the four positions, which amounts to \$20,804 in the first year of the biennium, and \$22,000 for the second year of the biennium, be moved to the drivers' license section to carry some of the overload he had mentioned.

Senator McCorkle asked which positions he wanted. Mr. Jacka replied one keypunch operator and a drivers' license clerk.

Motor Carrier Section - Page 758

Mr. Winston W. Richards, Chief, Motor Carrier Section assisted Mr. Jacka in the presentation of this part of the budget. Mr. Jacka stated this division is responsible for the collection of Motor Carrier fees. It has three sections: tax administration, audit

and enforcement sections. In 1978, they collected \$2,957,891 from the vendor stations; and they spent \$237,009 in paying those vendors at the rate of 75 cents for every certificate. They are asking for 5 new positions in this division. These are five field agents for the rural areas.

DMV - Registration Division - Page 762

H. John Ciardella, Chief, Registration Division, assisted Mr. Jacka with the presentation of this budget. Mr. Jacka stated the chief function of this division is to register all passenger vehicles, trucks and trailers. Their other function is to maintain title registration records. They have asked for additional personnel in the budget. This is to enhance the operation in the North Las Vegas office as well as the Reno and Las Vegas offices to meet the increased load. They are going to try a pilot program in keeping the offices in Las Vegas open until 8:00 p.m.

On Page 765, Other Furniture and Equipment, there is \$50,208 for the first year of the biennium, and \$28,000 for the second year to develop a new title machine which they are not now recommending. Mr. Jacka recommends that Other Furniture and Equipment be cut to \$7,450 the first year of the biennium. The remaining money is for a piece of equipment at the license plate factory to keep the aluminum straight. The second year of the biennium the equipment need would be zero. To compensate for that piece of machinery that they aren't going to buy, they would like to go to a paper-type title that is much harder to counterfeit. To do this, they have to increase the Printing and Duplicating item in the first year to \$78,496. The second year of the biennium, it should be changed to \$89,210. This is a net savings of \$16,958.

Senator Gibson asked about Raw Materials. Mr. Jacka replied that this category includes the license aluminum and the reflectorized material to develop license plates. Mr. Jacka estimates that the first year of the biennium production will be 490,000 plates; the second year it should be 528,000 plates. The cost of aluminum has risen tremendously, at least \$2,000 a ton.

DMV - Automation Division - Page 767

Hale Bennett, Chief, Automation Division assisted Mr. Jacka in presenting this budget. Mr. Jacka stated this division is the service agency for the data processing functions of the organization. There are no additional positions. There were some requested for the expansion of programs but not recommended. Mr. Jacka said there is a problem in the In-House category. In order to meet the needs of the expanded North Las Vegas operation and the additional personnel that will be assigned in drivers licenses, they are requesting to increase the In-House category each year of the biennium by \$18,768. That has been reviewed by the budget office and they concur.

In the Facility Charges, they felt that the Computer facility had underestimated their charges. They brought that to the attention of the Budget Office, and they met with the facility and found that they had, in fact, underestimated their charges. So the figure of \$306,434 should be changed to a total of \$331,495 the first year of the biennium. The second year's figure should be changes to \$272,156. Those are charges that are fixed by the facility and transmitted to them for the user charges.

DMV - Motor Vehicle Pollution Control - Page 772

John Ciardella, Chief, Registration Division, assisted Mr. Jacka in presentation of the budget.

This is a totally self-sustaining unit. If they expand the operation to the full program system in Washoe and Clark counties, it will be necessary to add 8 additional positions. Five for the Las Vegas area; three officers, 1 investigator and one keypunch operator.

The Washoe County area would need 3 additional positions which would be an emission control officer, an office manager, and a management assistant.

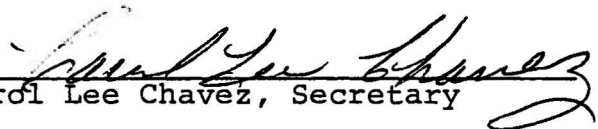
Capital Improvements - Page 805

79-20 - Addition to Department of Motor Vehicles Building, Carson City.


The office of the director would be in the new facility, along with the drivers' license division, administration division, registration division, and motor carrier division. There is no storage in the existing building. Construction will be at a cost of \$5,299,000, to be funded from the General Fund.

The meeting adjourned at 10:15 a.m.

Respectfully submitted,


Carol Lee Chavez, Secretary

APPROVED:


Floyd R. Lamb, Chairman

Senate Committee on Finance

Date Tuesday, March 13, 1979

Time 8:00 a.m. Room 231

Bills or Resolutions
to be considered

Subject

Counsel
Requested*

Budget Page 740-772

Department of Motor Vehicles

*Please do not ask for Counsel unless necessary.

243-4555

STATE COMMUNICATIONS BOARD (NHP Communications Subdivision Working Capital Fund)

SUBJECT: Communications Board User Assessments to Operate the State Communications System.

<u>AGENCY</u>	<u>AMOUNT OF ASSESSMENT THAT MUST BE ADDED TO EACH OF THE FOLLOWING AGENCY BUDGETS IN LIEU OF A GENERAL FUND APPROPRIATION</u>		<u>TOTAL BUDGET ASSESSMENTS NO GENERAL FUND APPROPRIATION</u>	
	<u>1979-80</u>	<u>1980-81</u>	<u>1979-80</u>	<u>1980-81</u>
Highway Department	\$21,052	\$18,463	\$ 63,686	\$ 65,360
DMV-Highway Patrol	18,526	15,968	59,827	61,399
DMV-Automation	4,183	3,605	13,509	13,864
Fish & Game	1,792	1,545	5,789	5,942
Div. of Forestry	1,792	1,545	5,789	5,942
Gaming Control	1,195	1,030	3,860	3,961
DLEA-Narcotics	897	773	2,895	2,971
	<u>\$49,437</u>	<u>\$42,929</u>	<u>\$155,355</u>	<u>\$159,439</u>
		Other Radio System User (Nye Co.)	1,930	1,981
		Radio Systems Users, Total:	<u>\$157,285</u>	<u>\$161,420</u>

1183

EXHIBIT A

2/13
A

3/13
B

		Received	Completed	Backlog
FILES	Data Cards	5,362	6,282	41,720
	Originals	1,788	2,100	13,008
	Name Changes	152	198	5
	Deceased	34	34	0
	Citations (In-State)	2,960	504	89,635
	Citations (Out-of-State)	1,400	0	13,306
	No Matching Records	224	41	634
	Accident Memos	267	0	26,123
	Purge List (names)	0	0	27,798
	TERMINALS	Citations	362	2,229
No Matching Records		142	7	3,126
Name Changes		158	688	2,360
21'ing (Inactivate Licenses)		1,221	939	19,341
WITH-DRAWAL	FTA's			
	FTA Clearances	43	43	0
	No Matching Records	4	180	72
	Problems	0	53	0
	Returns to court	60	60	0
	Returned Mail	51	51	59
	DUI's (In-State)	24	24	0
	Restricted License Letters	11	10	1
	Point System Suspensions	0	9	136
	Returned Mail (filing)	145	302	261
	Rescissions	3	3	0
	Out-of-state citations (alph'd)	0	1,400	8,855
	No Matching Record - DUI's	0	0	1,050
	Daily citations to be processed	2,960	8,211	0
	Driving Under Revocation/Suspension	176	184	699
	Out-of-State DUI's	0	0	350
	Confiscation Order	0	0	149
	Returned Licenses	26	26	12
	Implied Consent Suspensions	26	26	0
	Letters	10	10	0
	Findings	4	0	4
	I.C. Problems	0	0	0
	Manslaughter Withdrawal	4	4	0
	Felony DUI Withdrawal	0	0	0
	Cancellations	0	0	611
	Illegal Aliens	0	0	0
	45-day Letters	Moratorium		
	Fraudulent Licenses	1	3	18

EXHIBIT B

	Received	Completed	Backlog
VITH- Return Receipts (filing)	0	0	282
DRAWAL Deferred Licenses	0	0	0
Bad Check Letters	0	0	0
Bad Check Cancellations	0	0	10
Drive records to other states	0	0	0
Drive records from other states	0	0	2,014
Citations to code	7,112	0	41,703
T.S.S. completion forms	164	95	551
Reinstatement letters	Moratorium		
Restricted licenses	5	5	0
SAFETY Police Reports	428	315	24,954
RESPONS. Driver's Reports of Accidents	188	0	2,053
Orders of Suspension	8	8	17
Reinstatements	0	0	15
Correspondence	174	141	118
Place on Notice	0	5	222
SR 22's & 26's & Closures	93	93	0
PECIAL Physicals to be entered	123	219	122
SERVICES Physicals to be filed	219	83	5,781
Yearly Medical Letters	0	0	480
Daily Remittance Reports	41	45	48
Physicals checked	123	123	0

EXHIBIT B

3/13
C

E X H I B I T C

201 - 4706 Director's Office

	79/80	80/81
Office Furniture and Equipment		
Governor Recommends	\$ 500.00	-0-
Requested Increase	\$1,500.00	-0-
New Request	\$2,000.00	-0-

201 - 4714 Administrative Services

Other Building Rent		
Governor Recommends	\$88,560.00	\$ 91,560.00
Requested Increase	\$10,800.00	\$ 10,800.00
New Request	\$99,360.00	\$102,360.00

201 - 4713 Highway Patrol

Overtime		
Governor Recommends	\$ 71,691.00	\$ 75,276.00
Requested Increase	\$ 30,000.00	\$ 30,000.00
New Request	\$101,691.00	\$105,276.00

Other Contract Services		
Governor Recommends	\$18,951.00	\$20,467.00
Requested Increase	\$ 6,609.00	\$ 5,093.00
New Request	\$25,560.00	\$25,560.00

201 - 4718 Registration

Printing-Duplicating-Copying		
Governor Recommends	\$52,696.00	\$61,210.00
Requested Increase	\$25,800.00	\$28,000.00
New Request	\$78,496.00	\$89,210.00

Other Furniture and Equipment		
Governor Recommends	\$50,208.00	\$28,000.00
Move to Printing	\$25,800.00	\$28,000.00
New Request	\$ 7,450.00	-0-
Net Savings	\$16,958.00	-0-

201 - 4715 Automation

In House		
Governor Recommends	\$285,773.00	\$281,878.00
Requested Increase	\$ 18,768.00	\$ 18,768.00
New Request	\$304,541.00	\$300,646.00

Facility Charges		
Governor Recommends	\$306,434.00	\$264,909.00
Requested Increase	\$ 25,061.00	\$ 7,247.00
New Request	\$331,495.00	\$272,156.00

Page Two

276 - 4707 Highway Patrol Special Fund

	79/80	80/81
Vehicle Operation		
Governor Recommends	354,800.00	431,010.00
Requested Decrease	62,610.00	65,820.00
New Request	292,190.00	365,190.00
Other Furniture and Equipment		
Governor Recommends	40,672.00	25,050.00
Requested Increase	49,328.00	49,950.00
New Request	90,000.00	75,000.00
Reserve		
Governor Recommends	496,359.00	248,988.00
Requested Increase	13,282.00	15,870.00
New Request	509,641.00	264,858.00

101 - 4719 Failure to Appear

Total Funds Available		
Governor Recommends	91,074.00	95,462.00
Requested Decrease	91,074.00	95,462.00
New Request	-0-	-0-

Additional Request:

Place 2 out of 4 positions (1 driver's license clerk-1 key punch operator) currently funded by the Failure to Appear program in the Drivers License budget, Account 201-4716. This would increase salaries and payroll cost in the Drivers License budget by approximately \$20,804 in 79/80 and \$22,006 in 80/81. This would create an approximate general fund savings of \$50,270 in 79/80 and \$53,455 in 80/81. Any remaining unused fees collected would revert to the General Fund when the program ceased operation.

Recap

	79/80	80/81
Office of the Director	\$ 1,500.00	-0-
Administrative Services	\$10,800.00	\$10,800.00
Highway Patrol	\$36,609.00	\$35,093.00
Registration	(\$16,958.00)	-0-
Automation	\$43,829.00	\$26,015.00
Failure to Appear	(\$50,270.00)	(\$53,455.00)
Total Increase	\$25,510.00	\$18,453.00

MEMORANDUM

TO: SENATE FINANCE COMMITTEE

FROM: Ron Sparks, Fiscal Analyst
Fiscal Analysis Division

SUBJECT: Senate Finance Budget Hearings Scheduled
for March 13, 1979

DEPARTMENT OF MOTOR VEHICLES

An additional 54.5 new positions are being recommended for the Department of Motor Vehicles in fiscal year 1979-80 with 13 more to be added in fiscal year 1980-81. Excluding the recommended salary increases, the increase in Highway Fund appropriation being recommended for the support of the Department operations is 8.5% for the 1980 fiscal year over the current work program and an additional 1.4% for the 1981 fiscal year. The increase over the 1978 fiscal year actual expenditures is 21.7%.

No capital improvement projects are recommended to be funded by the Highway Fund. The recommended expansion of the Department of Motor Vehicles building (Project No. 79-20) totaling \$5,299,000 is recommended to be funded from the General Fund. There is a "one-shot" appropriation for the Drivers License Division recommended from the Highway Fund in the amount of \$81,938. Information on this "one-shot" appropriation is contained on page A-22.

DEPARTMENT OF MOTOR VEHICLES - OFFICE OF THE DIRECTOR
Page 740

The increase recommended in this budget over the 1978 expenditures is 8.1%. No new positions are recommended. Out-of-state travel remains at the current level and in-state travel is increased by 15%. In the operating cate-

gory, the total increase is 20.8% with the majority of this increase coming from the legal and court expense, which is increased by 33%.

DEPARTMENT OF MOTOR VEHICLES - ADMINISTRATIVE SERVICES
Page 742

As noted in the narrative, the primary function of this Division is to provide services and technical assistance to all of the divisions of the Department. Expenditure items in this budget; such as, postage and freight, utilities, copying, telephone tolls, building rent and building maintenance are for the entire Department of Motor Vehicles on a statewide basis. The total increase being recommended for next fiscal year over last year's expenditures is 19%. Two new positions are being recommended--an Account Clerk for the Reno office and a Principal Account Clerk for the Las Vegas office. Out-of-state travel remains at the current level, and in-state travel is increased by 15%. The total increase in the operating category is 17.8% with higher than inflation increases being recommended in communications expense (21%), printing, duplicating and copying (26.5%), other building rent (121%), utilities (20%) and maintenance of buildings and grounds (53%).

HIGHWAY PATROL, Page 745

There is a General Fund appropriation of \$293,300 in fiscal year 1980, and \$314,707 in fiscal year 1981 being recommended to support the operation of the high speed communications switcher purchased during the 1977-79 biennium with Federal Law Enforcement Administration funds. Additionally, a transfer of General Funds from the Gaming Control Board is recommended to support two

Communication Technicians providing communication services to the Gaming Control Board.

The new positions being recommended in the Highway Patrol budget are 5 new Tactical Officers, 10 new Communications Officers (6 of which are being transferred from the Department of Law Enforcement Assistance), 2 Equipment Mechanics, 2 Senior Storekeepers, and 1.5 Administrative Aids for clerical support.

The total increase being recommended for next fiscal year is 31% over 1978 expenditures. Out-of-state travel remains at the current level and in-state travel is being increased by 75% in fiscal 1980 but decreased by 25% in fiscal year 1981. Although the total increase in the operating category is only 5% over 1978 expenditures, there are several areas where the increases are greater than inflation projections. Operating supplies are up 22.5%, printing up 26.5%, vehicle operation up 25.3% and clothing and uniform allowance up 30.6%. The Medical and dental expense item is being combined with special projects, therefore, the increase for next fiscal year is not as great as it appears. After combining these two items in the 1978 fiscal year, the increase being recommended for 1980 is 47.6% in medical and dental expense.

The special categories for General Fund SCOPE Assessment and Switcher Operation when added together amount to \$293,300 for next fiscal year. This is the full amount of the General Fund appropriation being recommended for next fiscal year.

DEPARTMENT OF MOTOR VEHICLES - HIGHWAY PATROL SPECIAL,
Page 750

The Highway Patrol Special Budget, funded from receipts from the special \$3.00 registration fee charged for registration of all vehicles in the state, is recommended to increase from 70 troopers currently authorized to 80 troopers in fiscal year 1980, and to 90 troopers in fiscal year 1981. The total increase being recommended in this budget is 41.4% for fiscal year 1980, however, when the reserve is removed the increase is 17.7%. It would appear that the 1981 Legislature is going to be faced with a need to increase the special highway patrol fee or find some other source of revenue to support this program. This is due to expenditures increasing faster than the revenues needed to support the program. For example, if you assume a 10% increase in the special fee in fiscal year 1982 and add to it the projected reserve of \$248,988, this budget can only increase by less than one-half of 1% in fiscal 1982.

The increase in in-state travel is 328% and the increase in the operating category is 52%. The majority of the increase in operating is in vehicle operation which goes up 80%. Also, there is a substantial increase in medical and dental expense.

HIGHWAY PATROL GRANT ACCOUNT, Page 753

This budget is used to record all of the grant receipts and expenditures for federal grant programs received by the Highway Patrol. The only grant being programmed for the next biennium is a federal grant for the Highway Project Coordinator. The agency should explain what this Highway Project Coordinator does, and what will happen to this position if and when the federal funds run out.

E X H I B I T C

DEPARTMENT OF MOTOR VEHICLES - DRIVERS LICENSE DIVISION,
Page 754

A "one-shot" appropriation from the Highway Fund in the amount of \$81,938 is being recommended to fund 15 Administrative Aids to clear the existing backlog in the central office of the Drivers License Division. Information on this "one-shot" appropriation is contained on page A-15. However, more information is needed regarding the expected use of these positions, the total length of time these positions are projected to be needed, and whether they are expected to be merged in with the regular Drivers License employees during the next biennium.

The Drivers License budget for the next fiscal year is recommended to increase by 20% over last year's expenditures. Two positions are being recommended for the central office in Carson City. One of the positions is for one year only and is being deleted at the beginning of the 1981 fiscal year. Additionally, 9 half-time positions are recommended in the Las Vegas and North Las Vegas branch offices in order to keep the Las Vegas offices open until 8:00 p.m. in an attempt to provide better service in the Southern Nevada area.

Out-of-state travel remains at the current level and in-state travel is being reduced from the current work program level and also below 1978 actual expenditures. The operating category is increased by 32.4% with this increase occurring primarily in two areas. Both contract services and other contract services are being increased substantially. The increase in contract services is for an expected increase in the Photo Drivers License contract, which will be re-bid and it is anticipated there will be a significant increase in the cost per license. Currently, the price paid to the vendor is

29.8¢ per license. In other contract services, the increase is primarily to provide for the lease purchase of 2 cameras and 2 reader printers for microfilming of all driving records.

Since all photo drivers license revenue is being budgeted in this account, a Photo License In-House Electronic Data Processing category and Photo License Computer Facility Charge category are being recommended. The Photo Drivers License In-House category provides for payment for in-house data processing services for the Photo Drivers License Program and the Photo License Facility charges category reflects the anticipated Computer Facility charges for the Photo License Program.

DEPARTMENT OF MOTOR VEHICLES - MOTOR CARRIER DIVISION,
Page 758

This budget is being increased by 20.4%. Five new Field Agents are being recommended to work in cooperation with the Highway Department and the Highway Patrol on an In-Motion Vehicle Weight Enforcement Program mandated by the Federal Highway Administration.

Out-of-state travel is remaining at the current level and in-state travel is being increased by 15% over 1978 expenditures. The total increase in the operating category is 11%. The increase in vehicle operation is 36.3% and in clothing and uniform allowance, the increase is 44.3%. Additionally, the Motor Carrier Division is participating in a vehicle self-insurance program with the Highway Patrol. Collision coverage is being discontinued and significant savings are expected. Also, the increase in the printing item in the operating category is to replace the Division's inventory of printed forms. More

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EXHIBIT C

information on this increase is contained in the narrative on page 758.

REGISTRATION DIVISION - DEPARTMENT OF MOTOR VEHICLES,
Page 762

Nine additional Registration Clerks and 1.5 Motor Vehicle Inspectors are being recommended for fiscal year 1980 and 4 more Registration Clerks are recommended for fiscal year 1981. The total increase being recommended in this budget for next fiscal year is 26.3% with out-of-state travel remaining at the current level and in-state travel increasing by 15%. In the operating category, the increase is 51.5%. Printing is up 30%, other contract services up from \$5,929 to \$23,692, stipends and travel up 61% and raw materials up 71%. The increase in other contract services is for the lease purchase of a computer assisted retrieval random microfilm program for the Division's file section. This program is expected to provide random retrieval capability of Registration Division's records. In the equipment category, funding is being recommended to provide for a laminating machine to protect the certificate of title against counterfeiting or alteration. Also, a special category is being established to be used in the enforcement of counterfeit titles and registrations. These funds will be used to pay informants to purchase counterfeit titles.

DEPARTMENT OF MOTOR VEHICLES - AUTOMATION DIVISION,
Page 767

The increase in this program for next fiscal year is 5.5%. The photo drivers license function is being removed from the Automation Division and transferred to the Drivers License Division. Out-of-state travel remains as currently work programmed and in-state

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travel is increasing by 15%. There is an 11.2% decrease in the operating category. This decrease is in the communications expense item and in other contract services which results from the transfer of the Photo Drivers License Program.

In the special categories, the In-House Data Processing category is increased by 30.3% while the Computer Facility charges are being decreased by 5.6%. Even though each Division over the next biennium will be purchasing their own computer forms rather than having the Automation Division purchase these forms, the increase in the cards and forms category is 15% next year over the amount spent last fiscal year.

FAILURE TO APPEAR PROGRAM, Page 770

Chapter 514 of the 1977 Session Laws appropriated \$128,000 from the General Fund for the establishment of the Failure to Appear Program. This program was established in an effort to aid local entities recover fines for traffic citations on those persons who miss their court appearances. This program was to become self-supporting and it was estimated that the General Fund appropriation could be repaid in about 4 years under this program. The Governor is recommending additional General Fund appropriations of \$71,074 for fiscal year 1980, and \$75,460 for fiscal year 1981 for continuation of this program.

DEPARTMENT OF MOTOR VEHICLES - MOTOR VEHICLE POLLUTION CONTROL, Page 772

The increase in this program is approximately 97% over the 1978 expenditures, however, the Reno office did not come into operation until February 1, 1978. Therefore, the 1978 expenditures do not reflect a full year's opera-

tion of both the Las Vegas and Reno pollution control offices. All of the positions in this program are contingent upon sufficient pollution control fees being received to support them. The Department also uses contract employees who drive their cars into stations for inspections. The money for these contract employees is contained in the enforcement investigation category.