

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 Ronald W. Sparks, Chief Fiscal Analyst
Eugene Pieretti, Deputy Fiscal Analyst
Howard Barrett, Budget Director
Jean Ross, Budget Analyst
Mark Stevens, Budget Division
John Palmer, Budget Division
John Meder, Administrator, Division of State Parks
Arthur F. Crosby, Manager, Computer Facility
Fred Wright, Chief Administrative Services, Fish and Game
Mary Walkama, Department of Fish and Game
Bill Parsons, Chief, Law Enforcement Administration
Glen Christensen, Chief of Game, Fish and Game Dept.
D. Hanfire, White Pine County Commissioner
Jack Dieringer, Chief of Fisheries, Fish and Game Dept.
Bob Nichols, White Pine County Chamber of Commerce
Lauretta Hawkins, White Pine County, Ely
Duane Reed, White Pine County, Ely
Kathy Marcacci, White Pine County, Ely
Lloyd A. Marcacci, White Pine County, Ely
James L. Nichols, White Pine County, Ely
Bob Felten, State of Nevada Employees Association
Glen Griffith, Director, Department of Fish and Game
Lawrence McCracken, Executive Director, Employment Security
John Hataway, City Manager, Carson City
Russ McDonald, Member, Comstock Historic District Commission
Cy Ryan, United Press
John Rice, Associated Press

COMPUTER FACILITY - Page 107

Arthur F. Crosby, Manager, Computer Facility, introduced this budget. He stated that over 40 percent of revenues come from sources other than the General Fund. He stated that they are requesting 1 new position, a Systems Programmer who maintains software because work in this area is expanding rapidly. He mentioned that during the first year, Out-of-State Travel is used to inspect equipment. He mentioned they need funds to purchase a new tape cleaner evaluator and tape storage racks; their present cleaner is worn out, and the equipment is essential.

He explained that by owning instead of renting computer equipment they saved a great deal of money; he recommends purchase of replacement equipment as a cost effective measure. He said they are requesting an appropriation to purchase equipment which will increase their processing capacity by a factor of 1.8 over what they can produce today. He said the cooling system needs to be modified and some wiring needs to be installed for the computer. Mr. Crosby added that they have a Capital Improvement request of \$257,000 to make these modifications to the building.

Mr. Crosby continued that they have an outstanding audit finding; they were cited for string tapes in a non-protected area, subject to fire. He requested that the Capital Improvement request be augmented by \$15,700 to allow for construction of a fire-resistant tape storage room.

Mr. Sparks asked if there is a schedule changing depreciation in this budget. Mr. Crosby answered yes.

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Mr. Sparks pointed out that under the Computer Repayment Category, the number for the first year should be \$391,272, and the second year it should be \$250,710. This changes the total budget for the first year of the biennium to \$2,210,031, and \$2,097,571 the second.

Senator McCorkle asked if the budget reflects the depreciation on the \$700,000 one-shot request; does it include service fees. Mr. Crosby answered yes.

Senator McCorkle asked why operating expenses increase at a disproportionately higher rate than service fees. Mr. Crosby said that power, depreciation and other costs will go up, especially in the first year.

Senator McCorkle noted that there is a substantial increase, about 20 percent, from 1979-80 to 1980-81 with no additional equipment. Mr. Palmer of the Budget Division said about \$60,000 is for increased power usage and maintenance. Mr. Crosby said the equipment will be installed in June, 1980.

Senator McCorkle asked why there is such a large increase the first year then. Mr. Crosby explained that the depreciation schedule has been changed, and they have asked for equipment the first year, which might explain this increase.

Mr. Sparks asked Mr. Crosby if he has built into next year's operating budget increase utilities and maintenance and operating expenses for the new computer main frame. Mr. Crosby said no; he did this in 1980-81. Mr. Sparks commented that he assumed in reviewing the budget that the increase in utilities was due in part to the increased operating costs for the new computer. Mr. Palmer explained that part of the utilities cost is in the Employment Security Department (ESD) category, Page 119. He said that probably explains the jump in operating expenses. The facility will have to maintain utilities and other costs, whether the computer is there or not.

S.B. 215 - Appropriations to Central Data Processing Division for new computer equipment. (Attachment A)

Mr. Crosby pointed out that they try to save costs and they have requested the purchase of used equipment.

Mr. Sparks asked if the bill should be changed to make the appropriation to the Data Processing Commission. Mr. Crosby said yes.

Senator McCorkle expressed concern that extra use of the computer is necessary. Mr. Crosby said most industries are increasing their use of computers.

Senator Jacobsen asked about maintenance on new computers. Mr. Crosby said maintenance on used and new equipment is similar but services, such as installation, are free on new computers.

Senator Jacobsen asked what will happen to the replaced computer. Mr. Crosby replied that they will sell it and revert funds to the General Fund. Mr. Palmer explained that the trade-in of about \$790,000 will come off the appropriation; the appropriation is only for the difference in the cost, so there will not be money going into the General Fund from the trade-in.

Mr. Sparks asked if the Capital Improvement request is for no other reason than replacing the present computer. Mr. Crosby said yes; and to allow the construction of a fire-resistant tape storage area. The storage area does not relate to the new computer. Mr. Sparks requested Mr. Crosby to provide the Committee with a letter describing the \$15,700.

DEPARTMENT OF FISH AND GAME - Page 697

Glen Griffith, Director, Department of Fish and Game presented this budget (see Attachment B). He mentioned that S.B. 333 reflects changes in the Fish and Game Department.

Senator Gibson asked if the bill for fee increases had been introduced yet. Mr. Griffith said yes; that is A.B. 365.

Senator Gibson asked Mr. Griffith to identify the new non-game position. Mr. Christensen, Chief of Game Division, said the non-game position is for the Las Vegas region. There are currently 2 non-game positions in the State, one in Reno, and one in Elko. Each person works in half of the State. He said they have structured Nevada now into 3 regions, and they would like to have a person for each region. Mr. Griffith said that these regional administrators collect the basic information on distribution, life histories of wilderness areas, identify areas for rare and endangered species, and investigate recovery programs for certain species. Fred Wright, Chief, Administrative Services, said this position is shown as a line item on Page 701.

Senator Gibson asked if there are vacancies among authorized positions. Mr. Griffith said yes; two persons recently resigned to take other positions. These two positions will be refilled. There are other vacancies in the Reno Office which probably will not be refilled for 2 or 3 years.

Senator Wilson asked why Licenses and Fees are down from the \$4,290,000 figure. Mr. Wright explained that the \$1,947,000 is the amount they now have in the bank, or are collecting. The \$2,300,000 is the adjusted estimate for next year's income. He said that under S.B. 333, they would no longer operate under banked income, but be a directly-funded agency. The money on hand now will be returned to the General Fund. Income from licenses and fees is not expected to exceed \$2,203,000 in 1980-81.

Senator McCorkle asked what would happen if there were no General Fund support. Mr. Wright said it would reduce the carry-forward of \$1,864,000 by the estimated \$104,000 for the first year. Senator Gibson pointed out that they have a declining balance in their carry-forward amount. If they were left as they are they would have to fit their budget within the previous year's income, which would be a cut in positions. He said the State has been trying to get this Department under General Fund budget control for awhile. Senator Gibson added that the Department serves many functions which do not generate revenue.

Senator McCorkle said that perhaps the Boat Licensures, which is an expensive operation, should be given to the Parks Department. Mr. Griffith said they need a broader base of income; they have requests for patrols relating to recreation uses of lakes, etc., which they cannot fund. Mr. Wright said that Boat Licensures are not deleterious to the Fish and Game Account. There is a mutual advantage between the resource management enforcement and boating. He said they benefit from employees paid from boat funds on Fish and Game; and the Boat Program gets assistance from Fish and Game. Mr. Griffith said the Boat Program was originally given to Highway Patrol; and then was given to Fish and Game because they were more closely involved in boat activities.

Senator Glaser asked if they anticipated drought relief money in 1977-78, and what did they do with the money. Mr. Griffith said they drilled 3 wells to augment water going into Carson Lake. He said this was a one-shot cost. They still pump the wells as they are allocated by State law.

Senator Glaser questioned whether managing rare and endangered species is a function of Fish and Game. He said he has not seen good management of deer. Mr. Griffith said the programs will go whether by the State or federal government. Mr. Griffith said he would like to see some things done more competently than the federal government. He said they would like to check federal programs for their validity. Senator Glaser said he fears identification of an insignificant rare or endangered species like the snail darter will prohibit a major construction project.

Senator Gibson remarked that it is the federal government who has identified these animals, not state agencies. Mr. Griffith commented that, regarding the Tennessee Valley Authority (TVA) problem

with the snail darter, the presence of the animal was known for a long time, and there wasn't proper communication between the state department and the TVA; the project was well-advanced before the status of the animal was determined. He said he prefers to know the status of such things before projects are begun. He said they need a formal hand in it.

Senator McCorkle asked if it is possible to keep Fish and Game independent, supported only by license fees, but with responsibilities that are only fish-and-game-licensing related. Perhaps ancillary services could be put in a separate division, supported by the General Fund. Mr. Griffith said the idea may be good in concept, but would be expensive in practice; additional personnel would be necessary. Mr. Wright commented that the legislature investigated the Fish and Game Department in the past and found that their varied functions are compatible.

FISH AND GAME NEVADA BOAT ACT - Page 703

Bill Parsons, Chief, Law Enforcement, and Administrator, Boating and Communications Program, introduced this budget.

Senator Gibson asked Mr. Parsons to describe the salaries, which appear as a lump sum in the budget. Mr. Parsons said this sum is for salaries for 25 part-time people involved with boating safety.

Senator Lamb asked why In-State Travel has increased. Mr. Parsons answered that it is for an anticipated increase in the salary schedule, and this biennium they plan to use special boat and safety crews, who will come up from the south end of the State and work temporarily in critical waters. Mr. Griffith said they have limited numbers of people and that over Easter weekend, many people boat at Lake Mead and Lake Mohave. He said they take people from the north to assist there. In July and August, the boating impact is at other lakes and people are brought up from the south. Mr. Griffith said they have done this in the past, but not to the extent required now.

Senator Glaser asked what the Coast Guard item is. Mr. Parsons explained that the State is assisted by the Coast Guard to develop safety programs. The federal government initiated the program in 1972.

Senator Glaser asked if the Coast Guard has any responsibility on Lake Mead. Mr. Parsons said yes; it is a joint responsibility.

Mr. Griffith stated that they are being strongly criticized with regard to S.B. 333, that they are not doing their job. He said when the motor boat fuel tax and allocation were paid, 70 percent went to Parks and 30 percent went to Fish and Game for enforcing the Motor Boat Act. He said that S.B. 333 reverses this situation; Fish and Game will be given 70 percent in the future.

Mr. Griffith reviewed their involvement with burros and wild horses, regarding management of these animals. Senator Wilson asked how much wild horse population has increased. Mr. Griffith said they have increased by about 40,000 since 1970, about a 20 percent increase. Mr. Griffith said he is concerned about the destruction of the habitat.

Senator Lamb asked, regarding farming, if Fish and Game can tell the leasee what to grow. Mr. Griffith said yes. Mr. Christensen reported that the Department has 10 wildlife management areas in the State; there are 260,407 acres of land - 172,000 acres are leased from the Bureau of Land Management, 23,762 acres are withdrawn land, and 39,596 acres are owned by the State. An additional 23,000 acres is a refuge. All areas were acquired for water fowl, but many areas were traditional farm lands. He said farming is done in these areas, using share croppers who grow alfalfa, barley, and millet for ducks and geese. A certain percentage of the crop goes to the farmer. Mr. Christensen said they have 60 acres at Key Pitman, north of Alamo, in alfalfa with grain planted among the alfalfa. Senator Lamb has not seen the farming areas spoken of, and is very critical of Fish and Game's

management of food for wild animals. Senator Lamb asked if the Fish and Game Department has an employee or board member who is a farmer. Mr. Griffith said no.

Senator Gibson asked Mr. Griffith if he has an Assistant Director. Mr. Griffith said no; he has abolished the position and that person has assumed the Hunter Education program, (he is Hunter Safety Coordinator).

Senator Jacobsen asked for comments on fisheries. Mr. Griffith said theirs is probably the most expensive fisheries program per capita in the nation. He explained losses of fish populations in Nevada. Jack Dieringer, Chief of Fisheries, described the production of fish hatcheries, and described the problems related to the Cutthroat Trout.

EMPLOYMENT SECURITY - page 780

Larry McCracken, Executive Director, submitted a written outline of his budget (see Attachment C).

Senator McCorkle asked if these costs include benefits or only administrative costs. Mr. McCracken said only administrative costs are included. He said a great amount of money comes into the Department that they have no way of anticipating.

Senator McCorkle asked if CETA monies are ever turned back. Mr. McCracken said yes.

Senator Wilson remarked that the only control the State has of CETA is by eliminating positions, but not programs. Mr. McCracken commented that he thinks the State can exercise line item control. He added that due to the direction CETA is taking, there will be almost no employees after September 1 because CETA wages are extremely low.

Senator Jacobsen asked if Employment Security Department uses the services of the State Printing Office. Mr. McCracken said yes; they have a contract with them to do large jobs. He said that ESD also has their own print shop.

Senator McCorkle asked if the reason for the lower cost is due to lower unemployment rate. Mr. McCracken said no. He said the lower cost is primarily because they do not have CETA.

Senator Jacobsen asked if the increase in Out-of-State Travel is to meet federal requirements. Mr. McCracken said yes; with few exceptions, all Out-of-State Travel is for this purpose. CETA along would be a \$50,000 increase over the amount shown in the budget. He said another contract may bring it up another \$40,000 but they have not received the money yet.

Senator McCorkle asked if there is any information on the effectiveness of CETA. Mr. McCracken submitted Attachment D regarding the CETA program.

Senator Gibson asked what is the reason for the decrease in operating expenses. Mr. McCracken said it is due to CETA. All CETA funds, except salaries, are in the operating category.

Senator McCorkle asked if CETA is included under Titles II and VI in the handout. Mr. McCracken said yes.

Senator McCorkle asked what "the overall positive termination rate of 72 percent" means (see page 4, Attachment D). Mr. McCracken said "positive termination" means the person has not gone back on unemployment; they have gone back to school, to full-time employment, etc.

Senator McCorkle asked if the \$7,000,000 of CETA money distributed by the Employment Security Department is Titles II and VI. Mr. McCracken said it also includes Title I.

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Senator McCorkle asked how much of the \$7,000,000 is a positive termination rate. Mr. McCracken said that under Title I, positive termination is about 30 percent, primarily because Title I serves many in-school youth who are disadvantaged students. He said this program is designed to train, not to get people full-time jobs.

Senator McCorkle requested a breakdown showing what CETA monies are used for, a description of each Title, and the positive termination rate for each program.

Senator Jacobsen asked if additional help can be given to prisoners. Mr. McCracken said there is a training program for people scheduled for parole. He said he feels the program is successful and now the program is not strictly a CETA program; anyone can get into it, including non-prisoners. He said they have had good success hiring people in his department who are on parole.

Senator Wilson asked, regarding positive termination rate, what is the impact on unemployment compensation if the termination is not satisfactory. Mr. McCracken said since the inception of CETA, CETA has taken almost 1500 people off unemployment rolls; actual unemployment insurance beneficiaries have been terminated because of CETA. He said many people in CETA have not had a recent work history and do not qualify for unemployment benefits.

Senator McCorkle asked if a reduction of 1,500 people is a high number. Mr. McCracken said it is only one measurement. These people would otherwise be on welfare or on other subsidy. He said the tax paid by the State is reduced.

Senator McCorkle asked how many people would not have gotten jobs except for the CETA job. He said some of these people may have found employment anyway. Mr. McCracken said the original emphasis of CETA was on people with skills who could not obtain work. He said now the emphasis is on the unskilled, disadvantaged person.

OASI ADMINISTRATION - Page 784

Mr. McCracken described this program of Old Age and Survivor's Insurance, which is also under his supervision.

WORK INCENTIVE PROGRAM - Page 785

Mr. McCracken described this program.

Senator McCorkle asked if this is the "WIN" program. Mr. McCracken said yes. Senator McCorkle asked if this program placed people in private sector jobs. Mr. McCracken said yes. He said this budget covers only 31 positions and there are over 1,800 WIN recipients in a year. He said over 800 are placed in unsubsidized jobs. He commented that people in the WIN program are the most difficult to place in our society. Senator McCorkle commended the good results of the WIN program.

COMPREHENSIVE EMPLOYMENT AND TRAINING ACT - Page 793

Mr. Sparks asked if the reason there is no appropriation for the next biennium is because the amount of the appropriation is not known. Mr. Stevens, of the Budget Division, answered yes.

CARSON CITY TAXES - Page 796

John Hataway, City Manager of Carson City, said they are in support of the Governor's recommendation.

Senator Gibson asked what they would be entitled to under the present formula. Mr. Hataway said that under the present formula they would be entitled to \$50,000. He said he feel that formula, decided several years ago, does not reflect the services Carson City provides to the State. He said in two years they would try to come up with a rational approach to this issue which would include other cities besides Carson City.

Senator McCorkle said that he does not understand why the present formula does not work. Mr. Hataway said it is based on the amount of assessed valuation, on property appraised every five years. The formula in the past used to produce \$150,000 a year and now produces \$50,000. Mr. Hataway commented that they are coming into a re-assessing period and the formula would yield zero. He said that inflation has far outstripped the formula.

Senator Lamb said that unless the law is changed, there is nothing the legislature can do. Senator Gibson said the formula was waived last session and there needs to be legislation to waive it again. Mr. Hataway said they have drafted a bill to do this.

Senator Glaser pointed out that the impact of State government on Carson City has been great, creating growth in Carson City. But he said, at some point in time, Carson City, which is now a large enough city, will have to be independent of State funds.

Mr. Hataway said he would like to be able to charge for services rendered as the formula was artificial from the beginning.

Senator Lamb said there are other cities which have State buildings which receive no compensation. Mr. Hataway said a detailed study was done for the legislature in 1977 of the specific services Carson City provides. He said the amount of services cost about \$177,000. Senator Lamb remarked that the State has also contributed to the City.

Mr. Hataway said that Carson City police are involved in tracking escaped prisoners and other activities related to the prison.

Senator Gibson asked if the federal government pays for the costs it creates in being here. Mr. Hataway said they federal government is finally paying about \$38,000 a year.

Mr. Sparks asked if the State government isn't paying the salary of one district judge. Mr. Hataway said yes; but with so many administrative bodies here, State government has a big impact.

COMSTOCK HISTORIC DISTRICT - Page 728

John Meder, Administrator, State Parks Division, briefly described this budget.

Russ McDonald, member, Comstock Historic District Commission, provided additional information. He said the salary increase is due to having 1 meeting per month. Operating expenses is partly the part-time salary of the Building Inspector, janitorial services, certain period photographs for restoration purposes, which is a one-shot appropriation, and a new roof, estimated at about \$1,000.

A.B. 219 - Supplemental appropriation for support of Governor's Mansion. (Attachment E)

Senator Lamb announced that this bill is being held up and he would like to concur with the former amendment to allow the bill to pass the other house. Senator Gibson said the Committee needs to rescind their amendment.

Senator Gibson moved to rescind the Finance Committee amendment to A.B. 219.

Seconded by Senator Jacobsen.

Motion carried.

COMSTOCK HISTORIC DISTRICT - Page 728

Senator Lamb asked the Committee which budget they want the \$1,000 for the roof in. Senator Gibson said to leave it here.

(Comstock Historic District - Bill Action continued)

Senator Glaser moved that this budget be approved.

Seconded by Senator Gibson.

Motion carried.

INSTITUTE LAND EXCHANGE - Page 324

Senator McCorkle said he would like to reduce this amount from \$69,000 to \$20,000 because it is for landscaping a piece of land which is between the road and the river, near the Mental Health Institute. He said he would like to restrict this piece of land to hydra mulching and as much planting as they can afford in their budget.

Senator Wilson asked if they provided a breakdown of how they arrived at the \$69,000 figure for cost of landscaping. Senator McCorkle said no.

Mr. Sparks said they have the authority to spend money for capital improvements. He said the Governor is proposing that they explain exactly how they intend to spend this money.

Senator Lamb said the Committee needs a breakdown of what the money will be spent on.

Budget Held.

CARSON CITY TAXES - Page 796

Senator Wilson asked if there is any information about the amount the State pays. Senator Lamb remarked that Carson City is paid for State expenses but not as much as the City would like.

Senator Wilson said the original legislation was to restrict the allocation to Carson City, excluding other cities. He said the State doesn't pay other counties. Senator Wilson added that the formula was designed to help Carson City. When the formula is waived, and the State pays Carson City, the State is giving help in Carson City it is not giving in other places which might be just as well justified. Senator Gibson said this situation should be re-evaluated; either every county should be helped, or let the formula ride.

Senator Lamb commented that he feels the formula should prevail. Senator Wilson added that he feels that the amount requested by the city should be justified.

Senator Gibson said when the formula was derived, the State was subsidizing the schools. He said Carson City Schools, with the growth in the assessed valuation of the State, are better off than most in Nevada. He said the Committee needs to make a policy decision.

Senator Gibson moved to use the formula to pay Carson City.

Seconded by Senator Wilson.

Senator Jacobsen voted no.

Motion carried.

Senator Gibson moved that this budget be approved as amended.

Seconded by Senator Jacobsen.

Motion carried.

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UNEMPLOYMENT COMPENSATION ADMINISTRATION - Page 780

Senator Gibson moved that this budget be approved.

Seconded by Senator Jacobsen.

Motion carried.

EMPLOYMENT SECURITY FUND - Page 783

Senator Jacobsen moved that this budget be approved.

Seconded by Senator Gibson.

Motion carried.

OASI ADMINISTRATION - Page 784

Senator Glaser moved that this budget be approved.

Seconded by Senator Jacobsen.

Motion carried.

WORK INCENTIVE PROGRAM - Page 785

Senator Glaser moved that this budget be approved.

Seconded by Senator Jacobsen.

Motion carried.

COMPUTER FACILITY - Page 107

Mr. Sparks reviewed changes in the figures in this budget regarding Computer Repayment, Page 109.

Senator Glaser moved that this budget be approved with the corrections in figures.

Senator McCorkle said he is not satisfied with the testimony regarding increases in operating expenses.

Senator McCorkle moved to reduce operating expenses back to 1978-79 level of \$400,000 the first year of the biennium only.

Seconded by Senator Jacobsen.

Senator Gibson said it/pointed out that Employment Security was paying part of the utilities, listed in a special category, not in operating expenses; ESD is no longer there.

Senator Gibson voted no.

Motion carried.

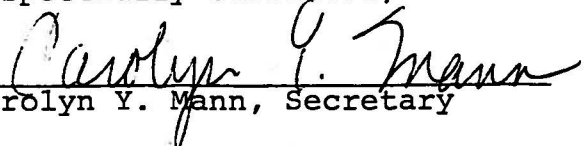
Senator Jacobsen moved that this budget be approved as amended.

Seconded by Senator Echols.

Motion carried.

Meeting adjourned at 10:25 a.m.

Respectfully submitted,


Carolyn Y. Mann, Secretary

APPROVED:


Floyd R. Lamb, Chairman

(Committee Minutes)

ATTACHMENT A

(REPRINTED WITH ADOPTED AMENDMENTS)

FIRST REPRINT

S. B. 215

SENATE BILL NO. 215—COMMITTEE ON FINANCE

FEBRUARY 13, 1979

Referred to Committee on Finance

SUMMARY—Makes appropriation to central data processing division of department of general services to acquire new computer equipment. (BDR S-1370)

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 to the data processing commission for the acquisition of new computer equipment; 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 data processing commission the sum of \$773,498 for the purpose
3 of acquiring a new computer equipment.
4 SEC. 2. After June 30, 1981, 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.

ATTACHMENT B

1. Budget is based upon premise of becoming a general fund agency
2. Current income will be deposited directly into the general fund to credit of Fish and Game.
3. That there should be general fund support of Fish and Game as the general public benefits from the program.

These concepts are reflected in the executive budget and S.B. #333.

Revenue

For 1979-80 we have displayed two (2) years of hunting and fishing income in the \$4,290,000 licenses and fees, due to the proposed change-over from deferred income to direct income.

An estimated \$1,860,000 of the two (2) years' money will carry forward to 1980-81 and \$1,610,000 will carry forward to FY 1982.

Revenue estimates also reflect an anticipated license fee increase.

We are asking for the restoration of the resident hunting license fee to \$10. It was cut to \$7 in 1977. A \$10 increase in nonresident hunting license fee is included. Several other bills have been introduced that if passed would have a small affect upon license income and eventually make a small reduction in federal aid.

Questions

Scope of Program next two (2) years under this funding concept

1. Request to restore seven (7) of the eight(8) authorized positions deleted at start of FY 1977.
2. Under the Governor's concept of broader support, he has included
 - a. Expand nongame program by one position of the seven (7)
 - b. Add Conservation Fieldman position in Region I
 - c. The replacement over the next two years of heavy equipment on management areas as a "one-shot"
3. In addition the budget reflect replacement of vehicles and our estimate of inflating affects.

Questions (Detail on positions)Travel

Out -- Includes Commissioners' travel of approximately \$2,000

Department purposes

Workshops -- learning new techniques, concentrated joint efforts on one species of wildlife fiscal matters.

Fish and Game transplants

Associations -- Western, International, North American

In-state -- Included Commissioners' travel of approximately \$10,000

Department averages some 2,000 travel nights annually

About 100 employees travel consistantly.

Budget reflects anticipated rate increase.

Questions

Operating

Basically reflects our estimate of increases due to the inflation factor.

Positions requested add an estimated \$13,200 to operating costs the first year and \$14,800 the second year.

The operating cost display has been adjusted to show two-way radio communications as a separate category. Communication expenses and utilities have been adjusted accordingly.

A reduction in fish rearing at Gallagher Hatchery, Ruby Valley, due to construction is reflected by a slight decrease in fish food and utilities the first year of the biennial.

Any questions on specific line items?

Equipment

Department operates 118 vehicles from 1/4-Ton Jeep to 15-Ton diesel fish truck.

In the past the Department has replaced approximately 12 - 16 units a year. We have not done that since 1976.

We propose to replace 13 units the first year and 12, the second, plus 6 new units the first year for the positions requested. These vehicles range in age from 1966 to 1976 with estimated mileage at time of replacement the first year of 93,600 to 138,000.

Office Furniture Equipment -- \$10,000

Other Furniture and Equipment -- includes

Construction and maintenance equipment	\$282,800
Special equipment	10,375

Positions

Restoration:

Fish and Game Agent IV	--	Dieringer
Pilot	--	Wright
Key Punch Operator	--	Wright

Region I

Fish and Game Agent II	--	Dieringer
Public Information Officer	--	Griffith

Region II

Fish and Game Agent II	--	Parsons
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Region III

Fish and Game Agent II	--	Christensen
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Added Positions

Conservation Fieldman II	-	Wright
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Stent. Griffith

EMPLOYMENT SECURITY DEPARTMENT



March 23, 1979

Reply to 500 East Third Street
Carson City
Nevada 89713

ATTACHMENT C

The Honorable Floyd Lamb
Chairman, Senate Finance Committee
Nevada State Legislature
Carson City, Nevada 89710

Dear Senator Lamb:

In an effort to be responsive and to provide a departure point for budgetary review by your committee, this letter and attached material are offered as supplementary information to the agency's budget appearing on page 782 of the Executive Budget. The Employment Security Department is a state agency that is 100% federally budgeted and funded for its administration. Its functions and responsibilities stem from two types of legislation: Federal and State, and strictly Federal.

1. Federal and State Legislation.

- a. Based on laws passed by Nevada legislature, NRS 612, which are compatible with federal statutes, the department administers the unemployment insurance laws, determines eligibility for benefits, pays benefits and collects taxes from employers.
- b. The agency also administers a labor exchange in compliance with the Wagner/Peyser Act and NRS 612, wherein individuals are assisted in locating jobs, and employers are helped in filling positions with qualified job seekers.

2. Major Federal functions administered by the Department.

- a. Comprehensive Employment Training Act/Balance of State (15 counties).
- b. Job Corps.
- c. WIN.
- d. Food Stamps.
- e. Disabled Veterans Outreach Program (DVOP).
- f. Labor Market Information.
- g. CETA Contracts.

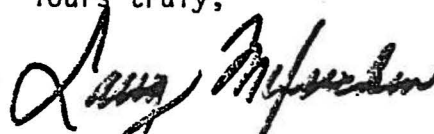
The Honorable Floyd Lamb
March 23, 1979
Page Two

E X H I B I T C

Budgeting for the Employment Security Department functions is related directly to production; other functions which are strictly Federal have detailed plans of service including goals and objectives which identify who and how many individuals are to be served, and what resources are to be provided for the administration. Those programs are augmented or constricted depending upon the appropriations at the Federal level. When funding has been reduced or eliminated in the past, ESD either absorbed staff into existing programs or there was a layoff. In no case is the State of Nevada liable to supplement Federal funds in the event of a reduction in funding.

Following this letter is a staffing and budget analysis, graphs showing unemployment benefit payments and trust fund balances, pertinent statistics relating to the unemployment and employment service divisions, and Balance of State CETA data.

Yours truly,



Lawrence O. McCracken
Executive Director

f1

Attachments

INDEX TO ATTACHMENTS

E X H I B I T C

1. Employment Security Department Staffing Analysis.
2. Employment Security Department Budget Analysis.
3. Graph showing benefit payments 1975 - 1979.
4. Graph showing Trust Fund Balance 1975 - 1979.
5. Unemployment Insurance information for FY 1978 (Oct-Sept).
6. Employment Service information for FY 1978 (Oct-Sept).
7. Balance of State CETA data.

Nevada Employment Security Department
Staffing Analysis

See Budget ? 782

<u>Statewide Total</u>	<u>Positions</u> 632.30
------------------------	----------------------------

<u>Divisional Totals</u>	<u>Positions</u>
Unemployment Insurance Division	229.10
Employment Service Division	260.00
Administrative Staff & Technical Division	118.70
Governor's Grant for CETA	24.50
	632.30

<u>Area Totals</u>	<u>Positions</u>
Carson City	269.30
Elko	11.00
Ely	8.00
Fallon	11.00
Las Vegas	226.00
Lovelock	1.00
Lake Tahoe	10.00
Reno	90.00
Winnemucca	6.00
	632.30

<u>Funding Sources</u>	<u>Positions</u>
UI Basic Grant	178.90
UI Contingency	50.20
ES Basic Grant	131.70
WIN Program	22.50
Disabled Veterans Outreach	7.00
Job Corps Program	2.00
Food Stamp Program	6.00
CETA Contingency - Contracts	84.00
BOSS Project	6.80
AS&T Basic Grant	84.10
Labor Market & Statistical Surveys	18.50
AS&T Contingency	16.50
Governor's Grant for CETA	24.50
	632.30

Nevada Employment Security Department
Budget Analysis

E X H I B I T C

Enacted Budget 784, 111, 0

Statewide

Personal Services

\$10,895,273.

Salaries \$ 9,507,196.
Fringe Benefit 1,388,077.

Non Personnel Services

\$ 3,153,513.

Out-of-State Travel 61,437.
Per Diem & Expenses \$ 31,947.
Air Travel 29,490.
In-State Travel 184,309.
Per Diem & Expenses 86,011.
Motor Pool 81,096.
Air Travel 17,202.
Operating 2,850,294.
Supplies 302,679.
Communications 162,687.
Equipment Expense 1,057,343.
Other Building Rent 836,529.
Training & Other Expense 125,418.
Building Lease Purchase 191,997.
Contract Services 173,641.
Capital Outlay Equipment 57,473. 57,473.

\$ 3,153,513.

\$ 14,048,786.

\$14,048,786.

Area Totals

Total Budget

Carson City \$ 6,294,925.
Elko 254,333.
Ely 168,846.
Fallon 213,683.
Las Vegas 4,673,325.
Lovelock 25,442.
Lake Tahoe 213,230.
Reno 2,073,934.
Winnemucca 131,068.

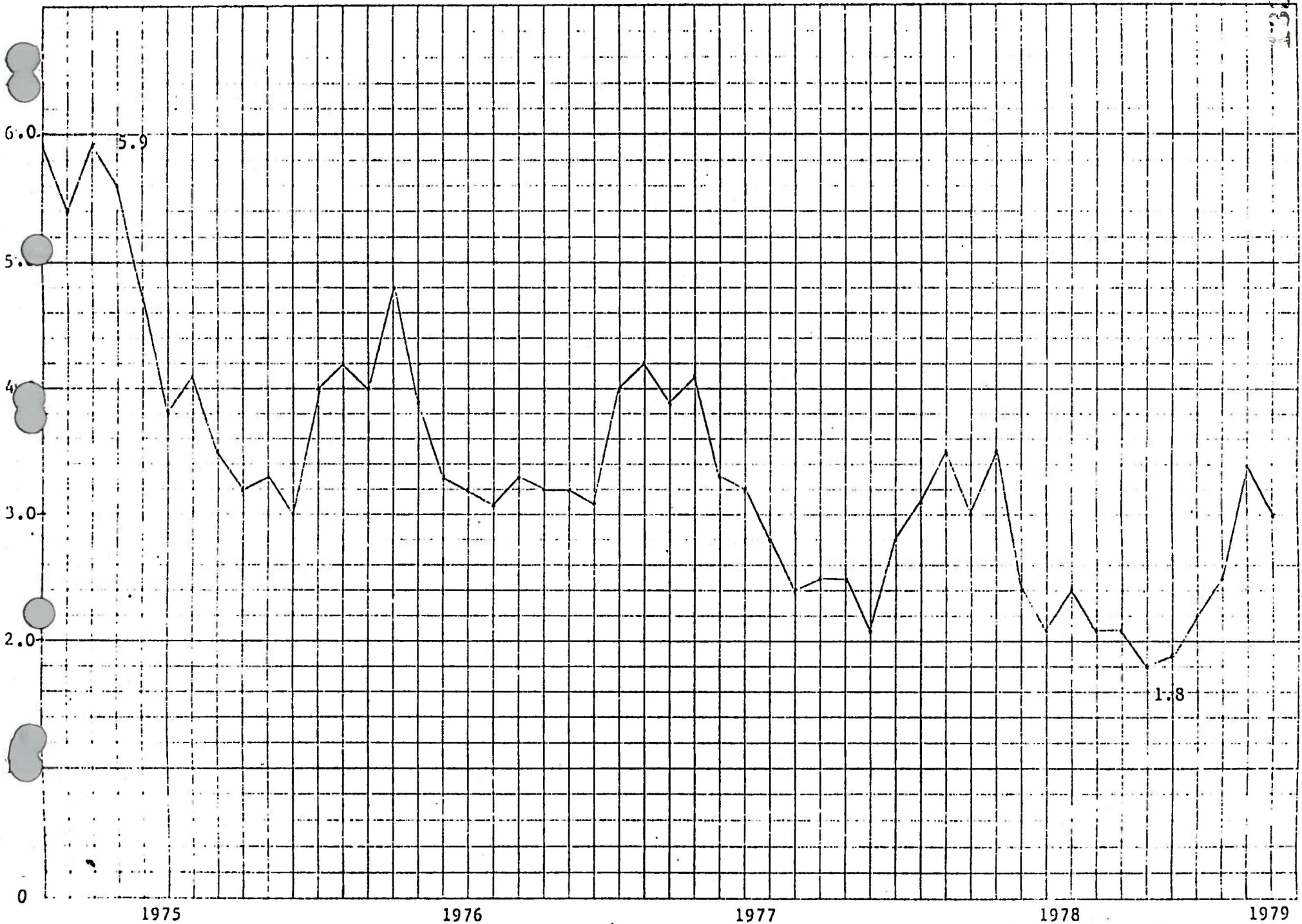
\$ 14,048,786.

E X H . B . . . C

BENEFIT PAYMENTS 1975 - 1979

MILLION

1339



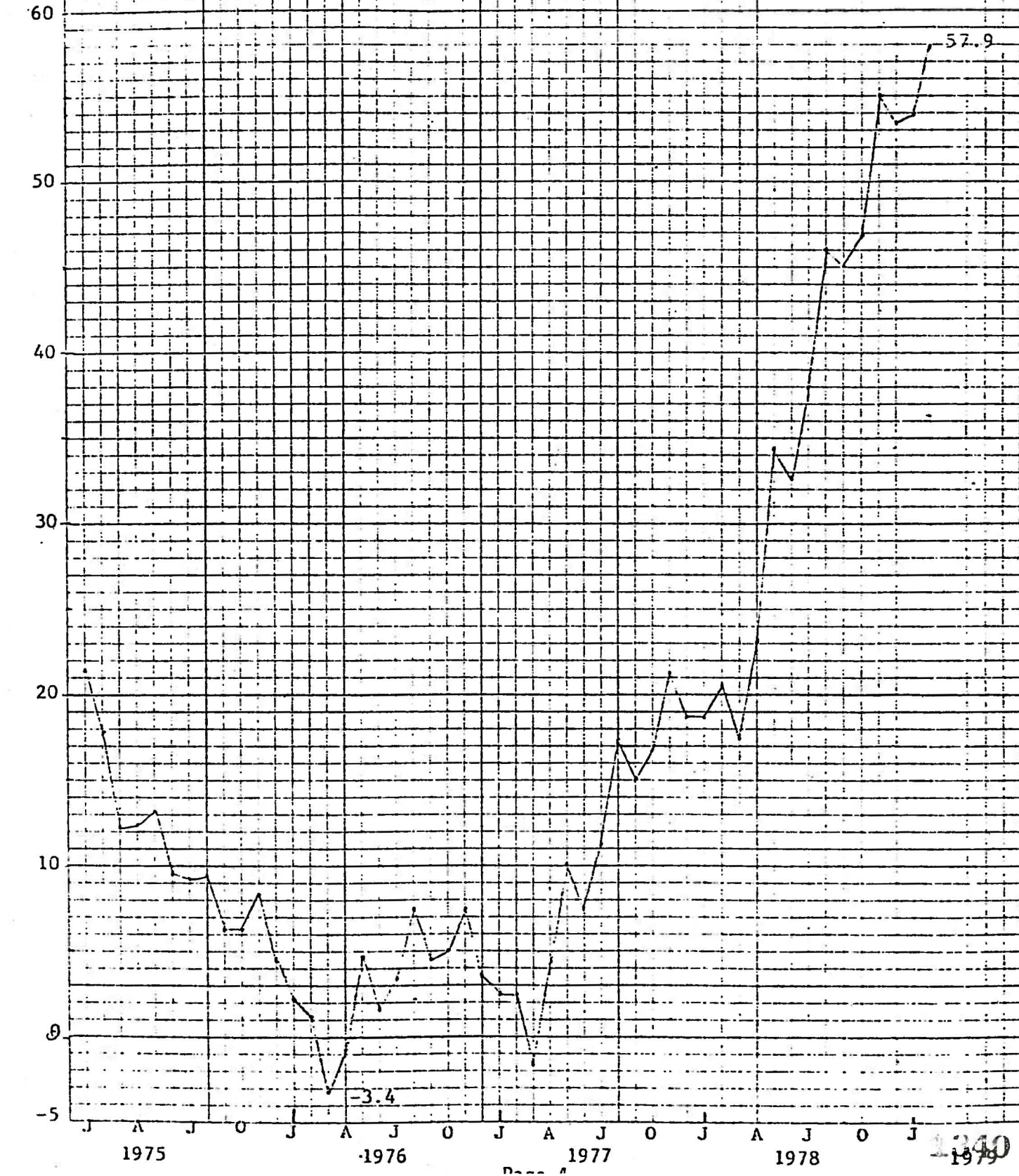
TRUST FUND BALANCE 1975 - 1979

EXHIBIT B

Million

EUDENE DIETZGEN CO.
MADE IN U. S. A.

NO. 3400-D DIETZGEN GRAPH PAPER
B X D PER INCH



1340

NEVADA EMPLOYMENT SECURITY DEPARTMENT

EXHIBIT C

UI INFORMATION FOR FY 1978 (Oct-Sept)

TOTAL \$ PAID.....	\$31,383,198
# OF INDIVIDUALS PAID REGULAR UI.....	29,395
INCOME TO FUND.....	\$61,375.876
\$ PAYOUT FOR UI.....	\$29,390,256
FEDERAL UCFE.....	591,253
MILITARY UCX.....	657,634
AVERAGE CHECK.....	\$81.72
MAXIMUM CHECK.....	\$107.00
TRUST FUND BAL (9/30).....	\$45.1 million
<u>TRADE READJUSTMENT ALLOWANCES:</u>	
TOTAL \$ PAID.....	\$ 1,230,978
# OF INDIVIDUALS PAID TRA BENEFITS....	705

NEVADA EMPLOYMENT SECURITY DEPARTMENT

EXHIBIT C

ES INFORMATION FOR FY 1978 (Oct-Sept)

JOB OPENINGS RECEIVED FROM EMPLOYERS.....	73,054
JOB REFERRALS.....	56,712
EMPLOYER PROFICIENCY TESTS.....	4,722
UNION AND EMPLOYER SATB.....	2,814
IMMIGRATION CASES FROM EMPLOYERS.....	485
JOB PLACEMENTS.....	49,338
ALL VETERAN.....	17,902
DISABLED VETERANS.....	926
VIETNAM ERA VETERANS.....	3,601
YOUTH.....	11,417
OLDER WORKER.....	11,148
MINORITY.....	9,282
FEMALE.....	13,543
HANDICAPPED.....	3,083
DISADVANTAGED.....	19,161
WORK INCENTIVE PROGRAM.....	
ENTERED EMPLOYMENT.....	821
OJT AND PSE.....	236
REFER TO CETA.....	201
JOB CORPS.....	
RECRUITED.....	150
ENROLLED.....	118
FOOD STAMPS.....	
INDIVIDUALS PLACED.....	2126

EXHIBIT C

CETA, BALANCE OF STATE, SERVICE STATISTICS

1975 - 1978

CETA YOUTH PROGRAMS - YOUTH SERVED - 2004

CETA TRAINING PROGRAMS - INDIVIDUALS SERVED - 3529

PUBLIC SERVICE EMPLOYMENT - INDIVIDUALS SERVED - 4434

CETA/BALANCE OF STATE
NEVADA EMPLOYMENT SECURITY DEPARTMENT

CETA TRAINING PROGRAMS - 3529

ATTACHMENT D

The CETA Title I training program during FY 1975 through 1978 served a total of 3,529 participants. 90 percent of those served were economically disadvantaged. The remaining 10 percent were long term unemployed persons in need of new jobs, skills and training, or work experience. One of the primary programs conducted throughout the Balance of State, was the In-School Youth Program. This program provided work experience to economically disadvantaged youth ages 14 through 21 attending secondary education facilities. Other CETA eligible adults and out-of-school youth were provided classroom training, on-the-job training, and work experience.

CETA YOUTH PROGRAMS - 2004

Title III of CETA, covering Youth Programs, served a total of 2,004 participants. CETA/BOS operates its Youth Programs in 15 counties of Nevada, excluding Clark and Washoe Counties. In FY 1978, Balance of State operated three Youth Programs:

1. Youth Employment and Training Program (YETP) - 180
2. Youth Community Conservation and Improvement Projects (YCCIP) - 61
3. Summer Program for Economically Disadvantaged Youth - 1763 - FY 1975-1978

PUBLIC SERVICE EMPLOYMENT - 4434

Titles II and VI of CETA, pertaining to Public Service Employment (PSE), served a total of 4,434 participants. The jobs were awarded cities, counties, private nonprofit organizations, and state government. Public service jobs have benefited the economically disadvantaged, including youth, handicapped, heads of household, minorities, and veterans. This period covered FY 1975 through 1978.

The most successful type of training in Title I proved to be on-the-job training in the private sector. Trainees experienced a high rate of transition to unsubsidized employment. One example of innovative training conducted was the laborer's training provided through the Union for both male and female participants. Upon completion of the training, the names of the graduates were placed on the Union board, and they were referred to jobs paying approximately \$8.00 an hour.

Another training program was conducted in conjunction with the Nevada State Prison. Eligible male and female offenders, in addition to eligible community participants, received instruction and practical experience in truck driving. Upon completion of the training, the trainees were tested and received their Class I license. Coordination with the Department of Motor Vehicles, the Department of Transportation, the Department of Prisons, CETA, and private citizens contributed to the success of this program.

YOUTH COMMUNITY CONSERVATION IMPROVEMENT PROJECTS (YCCIP)

In YCCIP, youth performed community improvement work, landscaping city parks, schools, and other identified local needs, such as state parks and campgrounds.

YOUTH EMPLOYMENT TRAINING PROGRAM (YETP) and the SUMMER PROGRAM FOR ECONOMICALLY DISADVANTAGED YOUTH (SPEDY)

In YETP and SPEDY, the following types of training have been received and work performed at the worksites of each program:

- | | |
|-----------------------------|------------------------------|
| 1. Secretarial/Clerical | 9. Mapping |
| 2. Maintenance | 10. Graphic Production |
| 3. Warehousing | 11. Tutoring |
| 4. Forestry/Park Management | 12. Laboratory Assisting |
| 5. Food Preparation | 13. Child Care |
| 6. Peer Counseling | 14. Dispatching |
| 7. Grounds Keeping | 15. Water Safety Instruction |
| 8. Accounting/Bookkeeping | |

In all Youth Programs, preference was given to economically disadvantaged youth, high drop-out potential, and those experiencing the greatest difficulty in entering the labor market. There was a job rotation plus academic credit given to participants by program operators, with youth learning proper interviewing techniques and improving work habits. Counseling and remedial assistance was provided.

Various projects were completed in public service, which included cemetery renovation in Hawthorne, sidewalk construction in Fallon, tribal education for the Yerington Paiutes, public emergency medical services for Lake Tahoe and winterization for the elderly.

Ongoing public service positions provided assistance to organizations such as Regional Councils on Drug Abuse, Council of Governments, the mentally retarded, senior citizens' groups, judicial courts, and various other public entities.

The overall positive termination rate was 72 percent. A positive termination includes any participant entering employment, transferring to another CETA or non-CETA manpower program, or enters school or military service. PSE has traditionally served veterans at 36 percent of total enrollment, females at 38 percent, those over 45 years of age at 16 percent, and the handicapped at seven percent. Total non-white groups averaged 30 percent service. (29 percent of those participants terminated, found or were placed in unsubsidized jobs).

ALLOCATIONS AND EXPENDITURES

Re-Cap

AS OF 1/30/79

<u>Title</u>	<u>Total Allocations Through FY 79</u>	<u>Allocations Through FY 78</u>	<u>Expenditures Through FY 78</u>	<u>Expenditures as a % of Allocations Through FY 78</u>
Title I	4,601,491	3,638,676	3,305,827	90.9%
Title II	7,980,042	6,443,848	6,383,328	99.1%
Title VI	11,142,203	8,796,158	8,394,714	95.4%
SPEDY	1,061,554	1,061,554	1,011,576	95.3%
YCCIP	159,088	86,761	64,600	74.5%
YETP	505,742	283,194	212,183	74.9%
HIRE-II	100,000	10,850	4,635	42.7%
STIP	268,642	-----	-----	--
TOTALS	<u>25,818,762</u>	<u>20,321,041</u>	<u>19,376,863</u>	<u>95.4%</u>

ATTACHMENT E

(REPRINTED WITH ADOPTED AMENDMENTS)
FIRST REPRINT **A. B. 219**

ASSEMBLY BILL NO. 219—COMMITTEE ON
WAYS AND MEANS

JANUARY 26, 1979

Referred to Committee on Ways and Means

SUMMARY—Makes supplemental appropriation for support of
governor's mansion. (BDR S-1331)

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 a supplemental appropriation for the support of the governor's
mansion; 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 for the support of the governor's mansion the sum of \$58,406 to be used
- 3 for the replacement of carpets, drapery and appliances, the installation
- 4 and operation of a security system, and other needed refurbishment.
- 5 This is an additional and supplemental appropriation to that made by
- 6 section 2 of chapter 574, Statutes of Nevada 1977. Any unencumbered
- 7 balance of this appropriation reverts to the state general fund on June
- 8 30, 1981.
- 9 SEC. 2. Any remaining balance of the appropriation made by section
- 10 11 of chapter 182, Statutes of Nevada, 1973, reverts to the state general
- 11 fund on June 30, 1981.
- 12 SEC. 3. This act shall become effective upon passage and approval.