

MEMBERS PRESENT: Chairman Bremner
Vice Chairman Hickey
Mr. Bergevin
Mr. Brady
Mr. Coulter
Mr. Glover
Mrs. Hayes
Mr. Horn
Mr. Marvel
Mr. Rhoads
Mr. Robinson
Mrs. Westall

MEMBERS ABSENT: Mr. Vergiels

GUESTS PRESENT: Bill Bible, Fiscal Analyst
Judy Matteucci, Deputy Fiscal Analyst
Mike Alastuey, Deputy Budget Director
(SEE ATTACHED GUEST LIST)

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

GOVERNOR'S MANAGEMENT TASK FORCE

Mr. Bill Hancock, Manager of the Public Works Board, and Mr. Glenn DuBois of the Governor's Management Task Force were introduced. Chairman Bremner stated that further explanation on the Governor's Management Task Force Recommendation Number 141 (deletion of the hospital at the Southern Desert Correction Center) is needed. He also asked Mr. Hancock and Mr. DuBois to go through the Task Force Report and make sure the savings estimates on all recommendations are as accurate as possible.

Mr. Hancock stated that the recommendation of the Task Force was that the inpatient portion of the hospital at the Indian Springs Prison be eliminated. He stated that it was the estimate of the Task Force that half of the construction and half of the equipment dollars would be saved through this elimination resulting in a \$410,000 estimate of savings. He stated that after consultations with the contractor they arrived at the conclusion that it is impossible to eliminate half of the building and save half of the costs because it would interrupt the air circulation pattern and effect the security in the inpatient portion. Mr. Hancock stated that fees for delay have to be paid to the contractor in an approximate sum of \$30,000. He added that the revised estimate of savings is \$82,000 but that these are not "hard figures." Mr. Hancock stated that these figures are still being negotiated at this time. He stated that by eliminating half of the building, half of the costs are not cut because only one-third of the perimeter is eliminated. He added that the perimeter is the portion of the building that contains the major source of expense. Mr. Hancock stated that there would probably be a savings of between \$70,000 and \$100,000.

Mr. DuBois stated that Mr. Hancock is correct in that the savings of \$410,000 will not be realized. He stated that the estimate from the Task Force was made last year based on a flat rate of \$88.50 per square foot as presented to them by the Public Works Board.

Mr. Hancock added that the amount of money lost by the delays in the construction also included an increased payment of

\$10,000 to the architect for additional services and twenty delay days in construction time would cost an additional \$10,000 to \$15,000. He added that there will be a sizeable reversion on the project, probably in the area of half a million dollars.

Chairman Bremner asked that the figures be supplied in the near future. Mr. Hancock stated that it could probably be provided in a month.

Mr. DuBois stated that he would present a list of the confirmed savings figures in the Task Force Report within a week to ten days. Chairman Bremner asked that Mr. DuBois give a report to the committee the week of February 23, 1981.

Mr. Hickey asked what is the cost per square foot of constructing the prison inpatient building. Mr. Hancock stated that it was \$88.00 per square foot but that the contractor has now cut it back to \$28.00. Mr. Hickey stated that there is a lot of profit in the figure. Mr. Hancock stated that 1/3 of the building is being eliminated and the state is getting back about a third of the costs.

DEPARTMENT OF COMMERCE

Mr. James Wadhams, Director of the Department of Commerce, addressed the budget and stated that the Director's Office is responsible for the coordination of the Department of Commerce which consists of twelve operating sections. He added that the department is responsible for the enforcement administration of 1,800 pages of NRS, security of \$6.4 billion worth of Nevada assets, and regulation of sales volume of over \$5 billion. Mr. Wadhams stated that the increases in the budgetary requests are largely attributable to salary even though two positions have been eliminated entirely. He added that the department has proposed to eliminate approximately twelve positions which amounts to a 10 percent reduction in staff.

He stated that the major increase in his request for legal and court expense was because of the need for another lawyer and two legal researchers. He stated that this was requested but is not recommended for funding, and they will have to make do with what staff they have.

He pointed out that there is a savings in the rent area in the Las Vegas office which is attributable to the elimination of the Chief Assistant's position in Las Vegas. He added that this is a direct result of the Governor's Management Task Force recommendations.

Mr. Hickey asked about the travel budget. Mr. Wadhams stated that the travel is essential for the director to supervise operations in the twelve offices. He added that the funds requested amount to a reduction in travel and this is a result of the reduction of the number of division heads being recommended. Mr. Hickey asked for a breakdown of the travel expenditures, and Mr. Wadhams stated that this would be provided to the subcommittee.

Mr. Robinson asked if more time would have to be spent in Las Vegas by Mr. Wadhams because of the elimination of the position there. Mr. Wadhams stated that the time spent there will be increased, probably longer stays rather than more frequent. Mr. Wadhams stated that the travel includes housing costs for the days spent away from the office.

Mr. Marvel asked where the \$6,000 savings comes from when the department hasn't spent that much. Mr. Wadhams stated that this is generated department-wide through travel reductions at the division head level.

Chairman Bremner asked if there is a way to assess costs to the various divisions to help pay for the support of the Director's office. Mr. Wadhams said yes but added that the Department of Commerce brings in three times what it spends.

Chairman Bremner asked if there are any other agencies that have money coming in that could be used to support the function of the director's office. Mr. Wadhams stated that the agencies that do generate revolving funds are going to be operating off those funds, and this has been anticipated in calculating the requests in those budgets.

Division of Housing

Mr. Al McNitt, Administrator of the Housing Division, was introduced by Mr. Wadhams. Mr. Wadhams stated that the one recommendation in the Management Task Force has been met.

Mr. McNitt addressed the committee and stated that the basic purpose of the division is to issue tax exempt bonds and use the proceeds to finance both single and multi-family residential loans statewide for low-to-moderate income persons and families. He stated that the division is now self supporting and requires no further state appropriations.

He stated that the Governor has recommended salary increases for the unclassified positions and the continuation of the second accounting position that was approved by Interim Finance during the biennium. He stated that the division is self funded and can afford to pay the increased salaries and fund the new position.

He stated that the increased costs in travel are merely to offset the inflationary increases in the air fares and gasoline costs. He added that instate travel allows the different projects to be checked on periodically. He stated that the out-of-state travel allows the division to send people out-of-state for training and education on division procedures. He added there are no agencies in the state to deliver this type of training.

He stated that the operation expenses reflect no substantial increases; however, they do include further development of the EDP system. He stated that this was implemented during the last session and has been very worthwhile and beneficial to the division. He stated that it has been more cost effective to contract for the EDP systems with the private sector than to develop an inhouse system with the state.

Mr. McNitt distributed a handout (EXHIBIT A) which reflects some of the activities of the division.

Mr. Marvel asked if any funds were received from HUD. Mr. McNitt stated that his division does nothing with HUD directly, adding that they do finance certain projects that have HUD administered sections.

Mr. Marvel asked if there is any trouble selling the bonds. Mr. McNitt stated that they are having problems and that the bond market is "a shambles." He added that the interest rates are too high.

Mr. Robinson asked if the usury limit were removed and the interest rates were allowed to go even higher, would the differential make it more difficult to the division to sell the bonds. Mr McNitt stated that it would not be more difficult for the housing division.

Mr. Robinson asked if recently passed federal legislation placed limitations on the Division of Housing. Mr. McNitt stated that the lame duck session of the Congress passed the Mortgage Subsidy Bond Act of 1980 which restricts abuses in other states where high income limits and high selling price limits were involved with bond programs. He stated that this placed more control over municipal financing as a bottom line result. He explained that as a result, the single family bond program has been shut down. He added that there will probably be movements to modify these regulations in the near future and he predicted this legislation should be corrected by spring or summer.

Mr. Robinson asked how the three Nevada Congressmen voted on the bill. Mr. McNitt stated that Mr. Santini voted against it in committee, but because it was part of the appropriations bill, later voted for the legislation. Mr. Cannon voted for it and Mr. Laxalt was not voting that day.

Mr. Robinson asked how the governor is expecting the division to make more revenues when they will not be conducting any more bond sales. Mr McNitt stated that the bonds will continue to be issued for multi-family purposes and the single family bond issues will be resumed. He added that the same revenue would be generated for a while even if no more bonds were issued.

Mr. Marvel noted there was a sizeable difference between the \$373,000 in revenues the agency requested and the \$403,000 the Governor was recommending. Mr. McNitt stated that both of these figures can be covered very comfortably and any surplus revenues generated are turned back into loans. He added that there will be no problem during the second year of the biennium, stating that just last year the program generated a surplus of \$5 million in revenues.

Mr. Hickey asked if there are any vacancies in any of the positions in the division at this time. Mr. McNitt stated that they are all filled.

Manufactured Housing Division

Mr. Wayne Tetrault, Administrator of the Manufactured Housing Division addressed the committee and stated that the duties of the division include licensing of manufacturers, dealers, limited dealers, salesmen, installers and servicemen; conducting audits, investigations and disciplinary actions; handling of consumer complaints; inspection and approval of mobile home and commercial coach installations; issuance of certificate of ownership; travel trailer construction code compliance; state administrative authority in Nevada for the enforcement of U. S. Department of House and Urban Development; mobile home construction standards and Manufactured Building Construction Code compliance.

Mr. Tetrault stated that the budget requests total \$1,149,700 for the next biennium. He stated that the budget is totally funded by user fees, and there are no requests for general fund money or tax revenues of any type.

Mr. Tetrault stated that the budget requests two additional positions, one auditor for the Las Vegas Office and an Administrative Aid II for the Elko Office. He stated that the position in Elko would release the inspector from the office duties and allow him to be in the field conducting the inspections.

He stated that \$4,320 is being requested for out-of-state travel in the next biennium. He stated that this is used to attend four meetings each year on federal and national construction codes for mobile homes, travel trailers and modulars. He added this is essential to keep abreast of the code changes.

He added that in-state travel can be decreased from that shown in the budget because of a recent reorganization of the department which requires much less travel. He said that the recommended figures could be changed to \$19,597 in Fiscal Year 81-82 and to \$22,535 in Fiscal Year 1982-83 amounting to a savings of \$10,315 over the biennium. He stated that this reorganization was a suggestion of the Governor's Management Task Force.

He pointed out the increased costs in the communications and print duplicating copy budgets reflect higher than expected costs in printing mobile home titles, reports of sales, and permits. He said the increased volume has increased the postage and telephone costs. He stated that the reorganization caused a small increase in the telephone costs but was a trade off for reducing travel costs.

He said increased costs in the other contract services reflect inflationary increases in the maintenance contracts for typewriters, rental costs for a pager and a credit bureau terminal.

He stated that he was requesting an increase of \$1,000 each fiscal year over that shown in the Executive Budget in the legal and court expense line item to pay for court reporting services at administrative hearings. He stated that the funds as previously appropriated only covered 1½ hearings per year and the current request would allow coverage of the three to four hearings that are held each year.

Mr. Tetrault stated that the vehicle operation costs are needed to pay for the operation of the vehicle in Elko. He stated that when the division uses the motor pool car in the larger areas a credit card is supplied with the vehicle; however, in Elko it is not as easy to buy gas at the selected credit card stations and gas must be purchased where it can be found.

He stated that the furniture and equipment could be reduced by \$1,076 for a total request of \$7,882 in Fiscal Year 1981-82. He stated that the remaining funds will be used to furnish offices for the new positions that are being asked for and to purchase some fire proof cabinets to protect seals and insignia used at the time of inspections on units. He added that two safes are needed, one for the Las Vegas office and one for the Carson City facility.

Mr. Tetrault stated that funds are being requested to purchase tie down testing equipment.

Mr. Horn asked that a letter of compliance be supplied from all divisions of the Department of Commerce showing that all recommendations of the Audit Division have been met. Mr. Tetrault stated that the division is in compliance with the legislative audit and he added that he would provide the letter as requested.

Mr. Horn asked if the fees are going to be raised in compliance with the recommendation of the Task Force Report. Mr. Tetrault stated that a new fee schedule has been developed but has not been issued to date.

Mr. Robinson asked if the projected revenues shown in the budget are based on the new fee schedule or the present fees. Mr. Tetrault stated that they are based on new fees in the modular housing program and a slight increase in fees in the mobile home program.

Chairman Bremner stated that it appears that the budget is living on its reserve category. Mr. Tetrault stated that this is correct.

Mr. Hickey asked if the license issuance problems stated in the Task Force Report have been corrected. Mr. Tetrault stated that the problems have been addressed and within 30 to 45 days an automated title system will be put in use. He added that the titles will have to be issued in Carson City because the division just doesn't have the money to lease all the lines and put in all the equipment to service all of the offices.

Mr. Hickey asked how much would be saved if the title were issued at the point of application in Las Vegas. Mr. Tetrault stated that there would be a savings in postage. He added that the CDP systems are about to be implemented and a savings will be realized when this becomes effective. He stated that if a computer terminal were installed in the Las Vegas office, additional personnel would be needed to operate it. He added that a title can now be processed within five to six days depending on the postal service.

Mrs. Hayes asked if there is really enough business in Elko to justify the office. Mr. Tetrault stated that Elko is currently one of the most active areas because of the mining industries that are becoming so active.

Mr. Robinson asked if the estimated data processing costs include the issuance of the ownership titles. Mr. Tetrault stated that these certificates will be issued by the computer. He added that there will probably be no immediate time and money savings because of the small volume; however, he added that when more titles are processed, the time and money savings will be realized.

Fire Marshal

Mr. Tom Huddleston, State Fire Marshal, addressed the budgets and stated that in the past there has been considerable controversy surrounding the fire marshal's office. He stated that the demands of the office have increased drastically and the office is operating with one position less than it had ten years ago. He pointed out that the office is responsible for a great number of state mandates and is functioning at this time with three positions due to vacancies. He added that his department works 158 fire departments in the state; various building departments as well as some work within the metropolitan areas.

He stated that the budget requests five additional positions which would allow the division to best fulfill the mandates the legislature has given the division. He stated that if the legislature is unable to fund the division at the requested level, then repeal of certain mandates will be requested to minimize the legal liabilities that exist because the division is unable to meet all its statutory duties.

He stated that the state fire service training program has been moved from the University to this department. He stated that a fiscal impact will be realized as a result and that it is not reflected in the recommended budget.

Mr. Huddleston stated that one of the current requirements of the office is that a computerized fire recording system throughout the state be implemented by January 1984. He said that this program will necessitate the hiring of a computer programmer and that he requested such a position in his budget. He added that some federal funds have been secured for this purpose and all departments in both the north and south part of the state have changed over to some kind of computerized fire reporting system. He added that if this position is not approved there will be no one in his agency to oversee the program and coordinate and establish the proper interface on the state and national level. If he does not receive some authorization to develop this program, he said he would return the money to the Federal Government.

Mr. Huddleston stated that there is a great need for deputies to go throughout the state and inspect virtually every building exclusive of private residences and many buildings in Washoe and Clark Counties.

He stated that the in-state travel funds requested are to cover the 40,000 plus miles that his personnel travel throughout the state during the year. He added that out-of-state travel is minimal and is usually paid for by other organizations.

He commented that revenues of about \$40,000 per year could be generated by listing the fire related equipment and publishing the listing for various fire and building departments throughout the state. He added that there is just not the manpower to provide these services and get this program rolling.

He stated that through an LEAA grant the department was able to secure and outfit a fire investigation van. He stated that it has been successful and the current request for \$3,000 in special equipment is to provide some additional equipment for the van.

He commented that the communications requests are to enable the department to maintain contact through dissemination of bulletins and fliers to the various fire agencies that they work with throughout the state.

Mr. Huddleston stated that his agency has not been able to complete reports from incidences that occurred last year, such as the bombing of Harveys. He stated that there is just not the manpower to get the work done. He stated that even without the MX matter, just with the surge of mining, additional enforcement responsibilities have been added to the agency in the rural areas.

Chairman Bremner asked what the reason was for the Governor's recommendation. Mr. Alastuey stated that in light of recent happenings, there is a possibility of restoration of the third requested deputy fire marshal and the automated fire incident reporting systems. He added that the Computer Programmer I as requested is outside the scope of the computer needs as met by state agencies at this time. Mr. Alastuey stated that the Budget Division would be happy to have Mr. Huddleston speak with CDP and see if a plan could be worked up utilizing computer programmers now available through CDP. He added that they will be happy to re-examine and rework the budgetary needs of the agency through the session as the needs arise.

Mr. Robinson asked if services can be performed in the metropolitan areas only at the request of the fire chief or if this applies to all areas. Mr. Huddleston stated that by law he cannot go into the metropolitan areas unless requested by the fire chief. He stated that his services have been requested by Clark and Washoe Counties several times for code interpretation and arbitration. Mr. Robinson asked how many times he has been requested to investigate in Clark and Washoe Counties where deaths have occurred in fires. Mr. Huddleston stated that this has occurred twice, for the MGM and the Hilton fires.

Mr. Robinson asked if the metropolitan fire departments are better equipped to determine arson than Mr. Huddleston's agency. Mr. Huddleston stated that the metropolitan offices are better equipped to determine arson; however, they sometimes need assistance in code interpretations.

Mr. Robinson asked if the \$3,000 specialized equipment request was for equipment to go in the van. Mr. Huddleston stated that it is to finish equipping the van.

Mr. Marvel asked how many of the rural fires are arson caused. Mr. Huddleston stated that it is difficult to estimate a number; however, he stated that perhaps 30 to 50 percent are arson caused in some areas. He added that this is not substantiated and is just an estimate.

Mr. Marvel asked if the agency entered rural areas on their own or by request. Mr. Huddleston stated that they can go into the rural areas on their own; however, they are so understaffed that it is most often by request because they just don't have the manpower to get to all areas on a regular basis.

Mrs. Hayes asked if there is a problem with "fly-by-nighters" in the fire alarm and sprinkler installation business. Mr. Huddleston stated that there is no real problem in this area, adding that state contractor's board licensing and fire marshal licensing is required, which pretty much screens the vendors for quality.

Mrs. Hayes asked if the problem of faulty devices such as occurred in the MGM fire would be minimized with regular inspections and tougher installation requirements. Mr. Huddleston stated that he could not comment on the reason the alarms did not respond in the hotel fire; however, he added that the devices should be inspected at least four times a year. He stated that in the metropolitan areas these inspections are done more frequently but still not as often as should be done; adding that his department lacks the manpower to inspect all of these types of systems in the state on a very frequent basis. He added that these requirements have only been in effect since the adoption of the 1970 Uniform Building Code. He added that since 1978 codes were adopted it is mandatory that any building over 75 feet be sprinklered throughout.

Mr. Marvel asked if the department is involved in the EMT/EMS training. Mr. Huddleston stated that they are not heavily involved at this time and the program is basically serviced under the Health Division.

Mr. Hickey asked if the recommendations in the Governor's Task Force Report have been done. Mr. Huddleston stated that they have been addressed but not completed. He added that the people who service fire extinguishers are tested and inspected by the local people with the regulations being set and monitored by Mr. Huddleston's Department.

Chairman Bremner asked about the retrofitting of all buildings in Clark County over 5 stories. Mr. Huddleston stated that it had been recommended that total sprinkling be installed in any building over 55 feet throughout the entire state. Chairman Bremner asked if Mr. Huddleston contemplated any kind of similar action. Mr. Huddleston stated that he would be hesitant to "strike out on his own" by virtue of regulation and stated that he is going to work toward these types of mandates. He added that these mandates would have a great many ramifications, economically and in other areas. He stated that this needs to be developed through the Task Force and the Legislature.

Chairman Bremner asked what effect this would have in the State of Nevada if the authority were provided to accomplish this. Mr. Huddleston stated that the effect would probably be limited to 9 or 10 establishments that are above the 55 foot height in his area of supervision. He stated that no projected economic cost figures have been worked up at this time, but he added that costs would be extensive. He stated that sprinkling an existing building runs somewhere in the area of \$1.25 per square foot. He stated there are additional problems in existing buildings, such as concrete ceilings which provides very little area to hide the pipe and do the proper hanging of the system.

Chairman Bremner asked how effective a sprinkler system would have been in a fire such as the Hilton. Mr. Huddleston stated even a sprinkler system does not mitigate the smoke problems, however it does confine the fire to a small enough level that there is not the heavy development of the hydrocarbon byproducts which ultimately cause death. Mr. Huddleston said it is his opinion and the opinion of the fire chief in Clark County that sprinklers would have had a favorable effect on the Hilton fire and probably would have lessened, if not totally omitted, the life loss. He added that the same is true of the MGM fire, and photographs have shown that the fire did not penetrate very far into the sprinklered areas.

Mr. Robinson stated that we should be more concerned with the net result of sprinkler installations rather than the cosmetic effect of the installations in the older buildings. Mr. Huddleston stated that even cosmetic applications of retroactive systems can be accomplished in various ways. Mr. Huddleston stated that in a new building the cost of the systems is running about \$.68 to \$1.00 per square foot.

Mr. Glover questioned the statement of Mr. Hancock that new systems would cost \$2.00 per square foot and retrofit systems would cost \$7.00 per square foot. Mr. Huddleston stated that the prices he has quoted have come directly from the sprinkler industry itself.

Mr. Glover asked how many state buildings are sprinkled. Mr. Huddleston stated that the requirement for sprinkling in state buildings would be fairly minimized by virtue of the height of the buildings.

Chairman Bremner asked if there are any state buildings which have a major fire hazard or potential. Mr. Huddleston stated that on an annual basis along with public works board, his department inspects facilities. He added that the law does not exist to mandate the application of fire safety features to older buildings.

Mr. Hickey asked if health care facilities are fully sprinkled. Mr. Huddleston stated that Nevada has the best laws in the country at this time for health care facilities; he added that they are fully sprinkled, heavily inspected and training programs are provided to the staff.

Mr. Rhoads asked how the fire protection systems in Nevada's hotels compare to other states. Mr. Huddleston stated that Nevada is in better shape than most other states in the country. Chairman Bremner thanked Mr. Huddleston for his presentation stating that it is refreshing to hear an agency head come in and talk about his needs rather than sticking to a discussion of the Governor's recommended budget.

DIVISION OF REAL ESTATE

Mr. Alastuey distributed some amended budget sheets for the Real Estate Division.

Mr. Wadhams introduced Mr. Lynn Luman, Administrator of the Division of Real Estate. Mr. Wadhams addressed the budget and pointed out the changes in the real estate budget.

Mr. Wadhams stated that the real estate division is to screen and qualify persons entering the real estate profession, brokers, owner developers and licensed escrow agents. He added that several modifications have taken place during the last biennium as a result of the Task Force and other legislation, which have helped to make the agency more efficient and cost effective.

Mr. Wadhams stated that an audit report proposed several changes as a result of the sunset review process. He stated that all of the recommendations of the audit report have not been implemented and a written statement will be provided to the committee stating the reasons for this.

Mr. Wadhams stated that there is a proposed reduction in personnel with the elimination of 2 administrative aids. He added that these reductions are attributed to recommendations in the Management Task Force Report. Mr. Wadhams stated that the computer system that was to relieve these two positions was supposed to be turnkey operation on January 1, 1981 but that it will not be on line until perhaps January of 1983. He stated that CDP says they are \$8000 - 10,000 short to complete the application and that this will cause some difficulties in processing the documents that are required in the department.

Chairman Bremner asked if the insurance portion of the computer system is in place. Mr. Wadhams stated that it is in place, it is just the real estate portion of the system that is not functional at this time.

Mr. Wadhams addressed the in-state-travel requests and stated that the funds are necessary to complete supervisory functions of the department. Mr. Luman presented a breakdown of the travel requests for the committee. He stated administrative functions will amount to \$4,852, compliance activity \$10,509, Advisory Commission \$5,238, Deputy Attorney General \$4,800, and Special Meetings of the Commission \$2,201. Mr. Wadhams pointed out that there are 5 additional positions not shown on the personnel roster, that do travel on this budget. He stated that they are the five members of the Real Estate Advisory Commission which sit on disciplinary matters and as hearing officers on regulations.

Chairman Bremner asked how often the Board meets. Mr. Luman stated that they meet 2 times a year on mandatory meetings, and added 6 other meetings plus conference calls were held last year. He said additional staff must be taken to the meetings to include a Deputy Attorney General and secretarial staff.

Mr. Wadhams stated that a position has been relocated from the main budget to the education and research fund which appears separately. He added that this is a result of the Sunset Review Committee and the Management Task Force. He stated that this position is responsible for the continuing education of licensees.

Mr. Robinson asked if this division returns any funds to the general fund at the end of the biennium. Mr. Wadhams stated

that this division has encountered some problems in its revenues from year to year, particularly because the terms of the licenses have been changed from a one year to a two year license. He added that an increase in fees was instituted which still did not make the agency self funded.

Mr. Alastuey stated that the real estate revenues coming into the budget appear on page A3 of the budget. He added that these are direct general fund deposits.

Mr. Robinson asked if the projections are based on the current fees. Mr. Wadhams stated that they are based on current fees and stated further that the license fees go directly into the general fund, and do not come to the agency.

Chairman Bremner asked if the exam fee revenue had been set at an arbitrarily high figure considering current economic conditions. Mr. Wadhams stated that there has been a reduction in the number of persons taking the exams hence the revenue is down. Chairman Bremner observed if these fees did not materialize the agency would probably have to appear before Interim Finance. Mr. Wadhams stated that there may be requests of interim finance on the budget. Mr. Wadhams said the Division would reexamine the projected revenues and present that information to the committee.

Real Estate Education & Research

Chairman Bremner asked if the Sunset Committee made any recommendations with regard to a more complete explanation of the expenses in this budget. Mr. Wadhams stated that they concurred with the recommendations made by the Sunset Committee and they are prepared to either explain what has been done in the past or make an estimate of the work program for the future. He stated that they are prepared to do either, which ever is the committee's request.

Chairman Bremner asked for an explanation of the work program. Mr. Luman gave a breakdown of the proposed education program expenditures and stated that they are projected from previous year's experience. He stated that for the 1981-82 year, the education program has been approved by the Advisory Commission for funding in the amount of \$244,854. He added that an additional \$4,800 is needed to get labels, travel amounts to \$13,640, newsletters and mailings to inform licensees of courses coming up amounts to \$18,000 and the salary transfer of the education coordinator into this budget amounts to \$21,000. He added that one of the special projects that is being proposed is the formation of a calendar to inform the licensees of the available courses. He added that another project is to develop a real estate chair with the University to provide better real estate education and possibly establish an endowment.

Mr. Hickey asked what portion of the \$13,000 in travel was used by the Advisory Commissions. Mr. Wadhams stated that included in travel were the costs of travel were the costs of travel to the National Association of License Law Officials Convention and travel for the educational coordinator to attend educational seminars. Mr. Wadhams stated that approximately \$10,000 of the total amount was allocated to the Advisory Commission.

Chairman Bremner asked that a complete breakdown of all expenditures for the last biennium and those proposed for the next biennium be provided in writing. Mr. Wadhams stated that the will provide a detailed breakdown of where the funds have been spent and where they are projected to be spent in the next biennium.

The meeting was adjourned at the hour of 10:00 a.m.



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GOVERNOR
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A. L. MCNITT, JR.
ADMINISTRATOR
DOUGLASS R. MORRA
DEPUTY ADMINISTRATOR

<u>CARSON CITY</u>			<u>CLARK (cont.)</u>		
89701	Carson City	110	89004	Blue Diamond	1
89710	" "	0	89005	Boulder City	16
89437	Stewart	0	89007	Bunkerville	0
	Total	<u>110</u>	89046	Cottonwood Cove	0
			89019	Goodsprings	0
			89015	Henderson	328
			89018	Indian Springs	0
			89019	Jean	0
			89046	Laughlin	0
			89021	Logandale	1
			89024	Mesquite	0
			89025	Moapa	0
			89040	Overton	3
			89041	Pahrump	0
			89020	Sandy Valley	0
			89046	Searchlight	0
				Total	<u>349</u>
				GRAND TOTAL	<u>2942</u>
				<u>DOUGLAS</u>	
			89410	Gardnerville	41
			89413	Glenbrook	0
			89411	Genoa	0
			89423	Minden	29
			89448	Zephyr Cove	0
			89449	Stateline	0
				Total	<u>70</u>
				<u>ELKO</u>	
			89822	Carlin	1
			89823	Deeth	0
			89801	Elko	32
			89824	Halleck	0
				Jack Creek	
			89825	Jackpot	0
			89826	Jarbridge	0
			89827	Jiggs	0
			89828	Lamoille	0
			89829	Lee	0
			89830	Montello	0
			89831	Mountain City	0
			89832	Owyhee	0
			89833	Ruby Valley	0
			89834	Tuscarora	0
			89835	Wells	1
				Wendover	0
				Total	<u>34</u>

EXHIBIT A

0-771

<u>ESMERALDA</u>		
89010	Dyer	1
89013	Goldfield	0
89047	Silverdale	0
	Total	<u>1</u>

<u>EUREKA</u>		
89821	Beowawe	0
89821	Crescent Valley	0
89316	Eureka	0
	Total	<u>0</u>

<u>HUMBOLDT</u>		
89404	Denio	0
89414	Golconda	0
89421	McDermitt	1
89425	Orovada	0
89426	Paradise Valley	0
	Sulphur	
89438	Valmy	0
89445	Winnemucca	37
	Total	<u>38</u>

<u>LANDER</u>		
89310	Austin	0
89820	Battle Mountain	10
	Total	<u>10</u>

<u>LINCOLN</u>		
89001	Alamo	18
89008	Caliente	2
89008	Carp	0
89017	Hiko	0
89042	Panaca	2
89043	Pioche	0
	Total	<u>22</u>

<u>LYON</u>		
89403	Dayton	42
89408	Fernley	88
89428	Silver City	1
89429	Silver Springs	3
89430	Smith	0
89443	Weed Heights	0
89444	Wellington	0
89447	Yerington	6
	Total	<u>140</u>

<u>MINERAL</u>		
89416	Babbitt	0
89415	Hawthorne	6
89420	Luning	0
89422	Mina	0
89427	Schurz	0
	Total	<u>6</u>

<u>NYE</u>		
89003	Beatty	0
89314	Duckwater	0
89049	Fish Lake Valley	0
89409	Gabbs	0
89023	Jackass Flats	0
89020	Lathrop Wells	0
89022	Manhattan	0
89023	Mercury	0
	Nyala	
89045	Round Mountain	0
89049	Tonopah	2
	Total	<u>2</u>

<u>PERSHING</u>		
89418	Imay	0
89419	Lovelock	3
	Total	<u>3</u>

<u>STOREY</u>		
89440	Virginia City	2
	Total	<u>2</u>

<u>WASHOE</u>		
89501	Reno	1
89502	"	69
89503	"	88
89504	"	0
89505	"	2
89506	"	270
89507	"	2
89509	"	15
89510	"	1
89511	"	3
89512	"	109
89513	"	2
89523	"	2
		<u>564</u>

89431	Sparks	291
89402	Crystal Bay	0
89405	Empire	0
89412	Gerlach	0
89450	Incline Village	0
89424	Nixon	0
89436	Steamboat	1
89442	Wadsworth	0
89439	Verdi	0
	Total	<u>856</u>

WHITE PINE

89311	Baker	0
89301	Cherry Creek	0
89315	East Ely	1
89301	Ely	8
89317	Lund	0
89318	McGill	6
89319	Ruth	<u>4</u>
	Total	<u>19</u>

GRAND TOTAL 4,344

A - Full
A - Green
A - White

MULTI-UNITS FINANCED THROUGH

12/31/80

673

	NEW PROJECTS PENDING			UNDER CONSTRUCTION			COMPLETED PROJECTS			10	11	
	1 No. Loans	2 Units	3 Loan Totals	4 No. Loans	5 Units	6 Loan Totals	7 No. Loans	8 Units	9 Loan Totals			
RURAL												
Carson							2	180	4,878,500	2	180	4,878,500
Churchill				1	100	2,841,500				1	100	2,841,500
Douglas												
Elko												
Esmeralda												
Eureka												
Humboldt	1	24	650,000							1	24	650,000
Lander	1	28	658,200							1	28	658,200
Lincoln							1	30	752,000	1	30	752,000
Lyon												
Mineral				1	2	25,000				1	2	25,000
Nye												
Pershing												
Storey							1	12	164,948	1	12	164,948
White Pine												
	2	52	1,308,200	2	102	2,866,500	4	222	5,795,448	8	376	9,959,948
Clark	2	129	3,513,400	1	208	6,729,840	7	818	15,525,200	10	1155	25,768,440
Washoe	1	62	1,835,000				1	208	3,513,510	2	270	5,348,510
TOTALS	5	243	6,656,600	3	310	9,596,340	12	1,248	24,834,158	20	1,801	41,087,098