

MINUTES OF THE  
MEETING OF THE SENATE COMMITTEE  
ON FINANCE

SIXTY-FIRST SESSION  
NEVADA STATE LEGISLATURE  
May 19, 1981

The Senate Committee on Finance was called to order by Chairman Floyd R. Lamb, at 8:00 a.m., Tuesday, May 19, 1981, in Room 231 of the Legislative Building, Carson City, Nevada. Exhibit A is the Meeting Agenda.

COMMITTEE MEMBERS PRESENT:

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

STAFF MEMBERS PRESENT:

Ronald W. Sparks, Chief Fiscal Analyst  
Dan Miles, Deputy Fiscal Analyst  
Candace Chaney, Secretary

SENATE BILL NO. 692 - Makes appropriation to legislative fund for expenses involved in hosting meeting of National Conference of State Legislatures.

Senator Echols moved to amend Senate Bill No. 692 to remove the reference to the National Conference of State Legislatures and replace it with the Western Council of State Governments.

Senator Jacobsen seconded the motion.

The motion carried unanimously.

Senator Jacobsen moved a do pass on Senate Bill No. 692 as amended.

Senator Echols seconded the motion.

The motion carried unanimously.

SENATE BILL NO. 591 - Increases salaries of elected officers in executive department and authorizes future adjustments of those salaries.

Senator Gibson moved to amend Senate Bill No. 591 by the following:

1. To delete section seven.
2. Amend line thirteen to put language in the bill providing the Lieutenant Governor with the same salary as legislators during the legislative session.
3. To increase all elected official's salaries by 30% and to include legislators.
4. Amend line eighteen to increase travel allowances to 21¢ per mile per day.

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5. Amend line twenty-three to provide the Lieutenant Governor with the same per diem as legislator's during legislative session.

Senator Jacobsen seconded the motion.

The motion carried unanimously.

\*Senator Gibson moved to amend Senate Bill No. 591 to increase the Lieutenant Governor's salary to \$10,500.

Senator Echols seconded the motion.

The motion carried. (Senator Wilson voted "No")

Senator Echols moved to pass Senate Bill No. 591 as amended.  
Senator Jacobsen seconded the motion.  
The motion carried.

ASSEMBLY BILL NO. 473 - Creates office of advocate for customers of public utilities within Attorney General's office.

Mr. Chuck King representing the Central Telephone Company testified with regard to Assembly Bill No. 473. He noted, referring to page five of the bill, this portion called for raising the mil tax from four to five mils. Mr. King said for every  $\frac{1}{2}$  mil that was increased generated approximately \$353,000. His recommendation was to hold the mil tax to four mils.

Mr. King indicated there was quite a surplus presently at the Public Service Commission and felt the tax of four mils would be adequate.

Senator Wilson commented that he was somewhat nonplussed that a regulated business would come before the committee to tell them the mil tax should be limited to a certain cap because they would have a surplus. Senator Gibson remarked he did not see why they should have a surplus.

Mr. Larry Struve from the Attorney General's Office testified concerning Assembly Bill No. 473. The two subjects Mr. Struve specifically came to address were the \$20,000 in the budget relating to expert witnesses and the levy for the funding of the Consumer Advocate's budget.

Mr. Struve indicated the Consumer Advocate's office needed to obtain expert witness testimony with relevant evidence to present to the Public Service Commission to decide what was a fair rate of return. In order to obtain expert witnesses a substantial sum of money was necessary to bring in that kind of expert testimony. He noted a case where Sierra Pacific Power Company recently had to spend \$60,000 to retain outside consultants and experts to bring in before the Public Service Commission to defend their case.

The staffing needs of the Consumer Advocate's office was also addressed by Mr. Struve. He noted the six positions requested by the agency and their equivalent positions in the Public Service Commission:

1. Director of the CA office (\$40,280) = Chief Staff Attorney (\$40,280)
2. CA Staff Attorney (\$37,000) = Asst. Chief Staff Attorney (\$34,942)
3. Utility Rate Specialist (\$34,600) = Chief Economist (\$37,500)
4. Certified Public Accountant (\$34,600) = Senior Auditor (\$34,942)
5. Administrative Secretary (\$20,000)
6. Senior Legal Stenographer (\$15,346 - Unclassified)

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Mr. Struve said \$20,000 was inserted in the budget between passage and approval in July 1 of this year to accommodate two major rate cases that were currently pending. This was where the expert testimony was submitted and became part of the record. In order for the Consumer Advocate to have the chance to participate, if the witnesses could be found and relevant evidence to present, there needed to be some money in the budget to retain those expert witnesses.

ASSEMBLY BILL NO. 473

Senator Gibson moved to amend Assembly Bill No. 473 to provide for the following:

1. To set the mil tax for the Public Service Commission at 3.5 mils with the total for the Public Service Commission and the Consumer Advocate office to be set at 4.25 mils.
2. To restore the \$20,000 for witness fees for the current fiscal year.

Senator Echols seconded the motion.

The motion carried unanimously.

Senator McCorkle moved to amend Assembly Bill No. 473 to provide for a "Sunset" provision.

Senator Echols seconded the motion.

The motion carried. (Senator Wilson voted "No")

Mr. Fred Hellerby of the Nevada Hospital Association and Assemblyman Roger Bremner presented a proposal concerning the University and nursing programs. Mr. Bremner indicated the Assembly Ways and Means Committee had plugged in \$33,000 for the first year of the biennium and \$67,000 for the second year of the biennium into the University System budget for nursing.

Mr. Bremner noted there had been conferences with the Board of Regents and Mr. Hellerby of the Nevada Hospital Association. The Board of Regents had given their guarantee that discretionary funds would be in the same amount available that was aforementioned. The Hospital Association had agreed to match those monies with \$100,000 in each year of the biennium. The monies were to be used for nursing programs.

Mr. Hellerby addressed the critical nursing shortage in the State. He felt this program would obtain as many nurses possible in the shortest period of time with the use of Associate Degree programs. In addition to the money, the Hospital Association would use their own nurses and facilities for the training period of the program. By the second year, this program would turn out more than a 100 nurses which would be a good start in resolving the problem. The programs would basically start with the community college systems.

UNIVERSITY BUDGET

Senator Glaser moved to reopen the University budget.

Senator Jacobsen seconded the motion.

The motion carried unanimously.

\*Senator Glaser moved to amend the University budget to provide expansion of the nursing program.

Senator Jacobsen seconded the motion.

The motion carried unanimously.

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The State will provide \$33,000 for the first year and \$67,000 for the second year to be matched by a like amount of Board of Regents discretionary funds and \$100,000 each year of the biennium from the Hospital Association.

NEVADA STATE PRISON (Pg.637) (See Exhibit B.)

Senator Glaser moved to reopen and amend the Nevada State Prison budget to add 16 Correctional Officers.

Senator Jacobsen seconded the motion.

The motion carried. (Senator McCorkle voted "No")

HONOR CAMPS (Pg.651) and HONOR CAMP - FORESTRY (Pg. 838)


Senator Jacobsen moved to reopen and amend the HONOR CAMPS and HONOR CAMP - FORESTRY budgets to add 108 inmates from the Southern Desert Correctional Center.

Senator Glaser seconded the motion.

The motion carried unanimously.

There being no further business, the meeting adjourned at 10:20 a.m.

Respectfully submitted by:

  
Candace L. Chaney, Secretary

APPROVED BY:

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Senator Floyd R. Lamb, Chairman

DATE: \_\_\_\_\_

SENATE AGENDA

COMMITTEE MEETINGS

Committee on FINANCE , Room 231 .

Day TUESDAY , Date MAY 19, 1981 , Time 4:00 p.m.

1. Committee Work Session.

## Exhibit B

**THIS EXHIBIT IS MISSING FROM BOTH THE ORIGINAL  
MINUTES AND THE MICROFICHE.**