

**MINUTES OF THE MEETING
OF THE
ASSEMBLY COMMITTEE ON WAYS AND MEANS**

**Seventy-Third Session
May 20, 2005**

The Committee on Ways and Means was called to order at 3:39 p.m., on Friday, May 20, 2005. Chairman Morse Arberry Jr. presided in Room 3137 of the Legislative Building, Carson City, Nevada. [Exhibit A](#) is the Agenda. All exhibits are available and on file at the Research Library of the Legislative Counsel Bureau.

COMMITTEE MEMBERS PRESENT:

Mr. Morse Arberry Jr., Chairman
Ms. Chris Giunchigliani, Vice Chairwoman
Mr. Mo Denis
Mrs. Heidi S. Gansert
Mr. Lynn Hettrick
Mr. Joseph M. Hogan
Mrs. Ellen Koivisto
Ms. Sheila Leslie
Mr. John Marvel
Ms. Kathy McClain
Mr. Bob Seale
Mrs. Debbie Smith
Ms. Valerie Weber

COMMITTEE MEMBERS ABSENT:

Mr. Richard Perkins

STAFF MEMBERS PRESENT:

Mark Stevens, Assembly Fiscal Analyst
Mark Krmpotic, Senior Program Analyst
Leslie Johnstone, Program Analyst
Mindy Braun, Education Program Analyst
Anne Bowen, Committee Secretary
Connie Davis, Committee Secretary

Chairman Arberry noted that the following closing report regarding the Department of Public Safety had been presented to the members of the Committee on Ways and Means.

THE JOINT SUBCOMMITTEE ON PUBLIC SAFETY, NATURAL RESOURCES AND TRANSPORTATION HAS COMPLETED ITS REVIEW OF THE BUDGETS FOR THE DEPARTMENT OF PUBLIC SAFETY AND DEVELOPED THE FOLLOWING CLOSING RECOMMENDATIONS. THE SUBCOMMITTEE'S CLOSING ACTIONS RESULTED IN AN OVERALL INCREASE TO THE GENERAL FUND OF \$1,463,125 IN FY 2006 AND \$2,115,135 IN FY 2007 WHEN COMPARED TO THE GOVERNOR'S RECOMMENDED BUDGET.

DIRECTOR'S OFFICE – PUBLIC SAFETY (BA 201-4706) PS-1

THE SUBCOMMITTEE CONCURRED WITH THE GOVERNOR'S RECOMMENDATION TO IMPLEMENT THE DEPARTMENT OF PUBLIC SAFETY MODEL. THIS PROPOSAL WOULD IMPLEMENT A UNIFIED PERSONNEL CLASS SERIES FOR ALL SWORN POSITIONS IN THE DEPARTMENT BY GROUPING POSITIONS WITH SIMILAR RESPONSIBILITY LEVELS INTO A SINGLE CLASSIFICATION. THE COST OF THIS RECOMMENDATION TOTALS \$332,434 IN FY 2006 AND \$331,292 IN FY 2007 TO IMPLEMENT PAY INCREASES FOR SELECTED POSITIONS IN EACH DIVISION OF THE DEPARTMENT. THIS RECOMMENDATION IS INTENDED TO EXPAND CAREER OPPORTUNITIES BY FACILITATING THE TRANSFER OF EMPLOYEES BETWEEN VARIOUS DIVISIONS.

THE SUBCOMMITTEE SUPPORTED A RECOMMENDED REVISION TO THE METHODOLOGY USED BY THE DEPARTMENT TO ALLOCATE EXPENSES FROM THE DIRECTOR'S OFFICE, ADMINISTRATIVE SERVICES AND OFFICE OF PROFESSIONAL RESPONSIBILITY ACCOUNTS TO ALL DIVISIONS AND PROGRAMS. THE REVISED METHODOLOGY HAS BEEN PROPOSED WITH THE AIM OF RECEIVING FEDERAL CERTIFICATION TO MAXIMIZE THE RECOVERY OF FEDERAL FUNDING TO SUPPORT INDIRECT COSTS OF THE DEPARTMENT.

DIGNITARY PROTECTION (101-4738) PS-61

THE SUBCOMMITTEE CONCURRED WITH THE GOVERNOR'S RECOMMENDATION TO ADD TWO HIGHWAY PATROL TROOPER POSITIONS TO INCREASE SECURITY TO THE GOVERNOR AND FIRST LADY. IN APPROVING THE POSITIONS, THE SUBCOMMITTEE DID NOT CONCUR WITH A RECOMMENDED INCREASE IN OVERTIME FUNDING OF \$15,294 EACH YEAR, SINCE THE NEW POSITIONS SHOULD PROVIDE RELIEF FOR EXISTING POSITIONS PROVIDING SECURITY TO THE GOVERNOR AND FIRST LADY.

THE SUBCOMMITTEE APPROVED THE TRANSFER OF FIVE CAPITOL POLICE OFFICER POSITIONS PROVIDING 24-HOUR, SEVEN-DAYS-PER-WEEK SECURITY AT THE GOVERNOR'S MANSION TO THE CAPITOL POLICE ACCOUNT. THE SUBCOMMITTEE INCREASED THE TRANSFER BY \$15,733 EACH YEAR TO INCLUDE OVERTIME INCURRED BY THESE POSITIONS IN FY 2004.

HIGHWAY PATROL (201-4713) PS-72

THE SUBCOMMITTEE APPROVED THE GOVERNOR'S RECOMMENDATION TO APPROPRIATE \$86,000 FROM THE HIGHWAY FUND IN FY 2006 TO CONTRACT WITH AN OUTSIDE CONSULTANT TO DEVELOP A STAFFING FORMULA/METHODOLOGY FOR SWORN POSITIONS WITHIN THE NEVADA HIGHWAY PATROL. THE DEPARTMENT INTENDS ON PARTNERING INTERNAL STAFFING EXPERTS IN THE HIGHWAY PATROL WITH AN EXTERNAL ENTITY MORE ADEPT AT STATISTICS ON NATIONWIDE RESEARCH TO OBJECTIVELY CREATE THE FORMULA.

THE SUBCOMMITTEE SUPPORTED THE GOVERNOR'S RECOMMENDATION TO REPLACE VEHICLES EACH YEAR, WITH REDUCTIONS OF 32 VEHICLES AND 2 MOTORCYCLES IN FY 2006 AND 30 VEHICLES IN FY 2007. REDUCTIONS SUPPORTED BY THE SUBCOMMITTEE PRIMARILY REFLECT THE REMOVAL OF

VEHICLES THE DEPARTMENT ANTICIPATED TO REQUIRE REPLACEMENT BASED ON THE ASSUMPTION THAT 29 OF THE DIVISION'S VACANCIES WOULD BE FILLED AND DRIVING A VEHICLE EACH YEAR OF THE BIENNIUM.

THE SUBCOMMITTEE CONCURRED WITH THE GOVERNOR'S RECOMMENDATION TO REPLACE ALL HANDGUNS FOR SWORN POSITIONS IN THE HIGHWAY PATROL, AT A COST OF \$207,000 IN FY 2006.

TRAINING DIVISION (101-3775) PS-135

THE SUBCOMMITTEE APPROVED THE GOVERNOR'S RECOMMENDATION TO ESTABLISH A TRAINING FACILITY WITH FOUR NEW POSITIONS IN LAS VEGAS TO PROVIDE BASIC ACADEMY AND CONTINUING EDUCATION TRAINING TO POSITIONS LOCATED IN LAS VEGAS. IN SO DOING, THE SUBCOMMITTEE APPROVED ADJUSTMENTS TO REFLECT OCCUPANCY AT A NATIONAL GUARD FACILITY THROUGH THE FIRST SIX MONTHS OF THE YEAR, OCCUPANCY AT A STATE-OWNED FACILITY FROM DECEMBER 2005 UNTIL OCTOBER 2006, AND OCCUPANCY AT LEASED SPACE THROUGH THE REMAINDER OF THE BIENNIUM. THE SUBCOMMITTEE ALSO APPROVED A LETTER OF INTENT TO THE DEPARTMENT TO PROVIDE REPORTS ON THE UTILIZATION OF THE NORTHERN AND SOUTHERN ACADEMIES OVER THE 2005-07 BIENNIUM, INCLUDING THE NUMBER OF CADETS TRAINED AT EACH LOCATION, IN-SERVICE TRAINING CLASSES AND NUMBER OF ATTENDEES AT EACH LOCATION, AND THE STATUS OF RECORDKEEPING FOR TRAINING RECEIVED FOR PEACE OFFICERS IN THE DEPARTMENT.

THE SUBCOMMITTEE CONCURRED WITH THE GOVERNOR'S RECOMMENDATION TO ADD 3.96 FTE AND FUNDING OF \$147,600 FOR A CONTRACTOR EACH YEAR TO ESTABLISH A BACKGROUND UNIT TO SCREEN AND PERFORM BACKGROUND CHECKS FOR PROSPECTIVE RECRUITS OF THE DEPARTMENT.

THE SUBCOMMITTEE DID NOT SUPPORT THE ADDITION OF A MANAGEMENT ANALYST POSITION TO PROVIDE FISCAL SUPPORT FOR THE TRAINING DIVISION, BUT INSTEAD APPROVED THE UPGRADE OF AN EXISTING ADMINISTRATIVE ASSISTANT POSITION TO A MANAGEMENT ANALYST TO PROVIDE THE NECESSARY FISCAL SUPPORT TO THE TRAINING DIVISION.

CRIMINAL HISTORY REPOSITORY (101-4709) PS-52

THE SUBCOMMITTEE SUPPORTED THE GOVERNOR'S RECOMMENDATION TO ADD SIX NEW POSITIONS, FOUR OF WHICH WOULD SUPPORT THE SEX OFFENDER REGISTRY PROGRAM, ONE POSITION TO SUPPORT THE CIVIL NAME CHECK PROGRAM, AND ONE POSITION TO PROVIDE FISCAL SUPPORT TO THE CRIMINAL HISTORY REPOSITORY.

THE SUBCOMMITTEE APPROVED DECREASES IN GENERAL FUNDS RECOMMENDED TO PROVIDE FOR BACKGROUND CHECKS FOR VOLUNTEERS OF NONPROFIT ORGANIZATIONS BY \$50,000 EACH YEAR, FOR A TOTAL OF \$25,000 IN EACH YEAR. IN APPROVING THIS RECOMMENDATION, THE SUBCOMMITTEE RECOMMENDED APPROPRIATIONS BE MADE TO THE CHILD VOLUNTEER BACKGROUND CHECKS TRUST ACCOUNT AND THAT THE ACCOUNT BE INCLUDED IN THE

APPROPRIATIONS ACT AND FUTURE EXECUTIVE BUDGET REQUESTS, WITH THE ABILITY TO CARRY FORWARD THE REMAINING BALANCE OF FUNDS SUBJECT TO IFC APPROVAL.

THE SUBCOMMITTEE APPROVED THE ADDITION OF COURT ASSESSMENTS TOTALING \$221,402 IN FY 2006 AND \$290,662 IN FY 2007 TO INCREASE FUNDING FOR NON-CIVIL FUNCTIONS OF THE REPOSITORY. ADDITIONAL COURT ASSESSMENTS RESULTED FROM REVISED PROJECTIONS DEVELOPED BY STAFF.

TECHNOLOGY DIVISION (201-4733) PS-17

THE SUBCOMMITTEE APPROVED A REDUCTION IN THE NUMBER OF POSITIONS RECOMMENDED TO PROVIDE SUPPORT TO THE DEPARTMENT'S COMPUTER OPERATIONS CENTER FROM TWO POSITIONS TO ONE POSITION, BASED ON INFORMATION PROVIDED THAT THE DEPARTMENT WILL NO LONGER BE REQUIRED TO PROVIDE SUPPORT TO COMPUTER OPERATIONS OF THE DEPARTMENT OF MOTOR VEHICLES AFTER HOURS.

THE SUBCOMMITTEE APPROVED FUNDING OF \$300,000 TO DEVELOP AN IMPLEMENTATION PLAN FOR A MOBILE DATA COMMUNICATIONS SYSTEM.

EMERGENCY MANAGEMENT DIVISION (101-3673) PS-33

THE SUBCOMMITTEE SUPPORTED THE GOVERNOR'S RECOMMENDATION TO ESTABLISH A NEW BUDGET ACCOUNT FOR THE EMERGENCY MANAGEMENT DIVISION. THIS NEW ACCOUNT, EMERGENCY MANAGEMENT ASSISTANCE GRANTS 101-3674, WILL SERVE AS A "PASS-THROUGH" FOR ALL FEDERAL GRANT FUNDS RECEIVED BY THE STATE FOR EMERGENCY MANAGEMENT PURPOSES. THE EXISTING BUDGET, 101-3673, WILL REFLECT ADMINISTRATIVE AND OPERATING COSTS FOR THE EMERGENCY MANAGEMENT DIVISION ITSELF.

THE SUBCOMMITTEE APPROVED THE ESTABLISHMENT OF A SMALL OFFICE IN LAS VEGAS FOR TWO EMERGENCY MANAGEMENT DIVISION STAFF. THE NEW OFFICE WILL FACILITATE THE DIVISION'S INTERACTION AND COORDINATION OF PLANNING AND TRAINING EFFORTS WITH LOCAL JURISDICTIONS IN SOUTHERN NEVADA.

OFFICE OF HOMELAND SECURITY (BA 101-3675) PS-47

THE GOVERNOR RECOMMENDED, AND THE SUBCOMMITTEE APPROVED, THE TRANSFER OF THE OFFICE OF HOMELAND SECURITY FROM THE GOVERNOR'S OFFICE TO THE DEPARTMENT OF PUBLIC SAFETY BEGINNING IN THE NEXT BIENNIUM. THE OFFICE OF HOMELAND SECURITY IS INTENDED TO COMPLIMENT THE EFFORTS OF THE DEPARTMENT OF PUBLIC SAFETY, DIVISION OF EMERGENCY MANAGEMENT, AND PROVIDE SUPPORT TO THE NEVADA COMMISSION ON HOMELAND SECURITY, CREATED PURSUANT TO ASSEMBLY BILL 441 OF THE 2003 LEGISLATIVE SESSION.

THE SUBCOMMITTEE ALSO APPROVED THE TRANSFER AND RECLASSIFICATION OF A GRANTS AND PROJECTS ANALYST II AND AN ADMINISTRATIVE ASSISTANT IV FROM THE OFFICE OF THE GOVERNOR TO THE DEPARTMENT OF PUBLIC SAFETY. THESE POSITIONS WERE ORIGINALLY FUNDED THROUGH THE

STATE GENERAL FUND APPROPRIATION FROM ASSEMBLY BILL 441 OF THE 2003 LEGISLATIVE SESSION TO PROVIDE STAFF SUPPORT TO THE COMMISSION ON HOMELAND SECURITY. THE GOVERNOR RECOMMENDED, AND THE SUBCOMMITTEE APPROVED, THESE POSITIONS TO BE FUNDED 100 PERCENT WITH STATE GENERAL FUNDS.

THE SUBCOMMITTEE APPROVED THE GOVERNOR'S RECOMMENDATION FOR FIVE NEW POSITIONS FOR THE OFFICE OF HOMELAND SECURITY. THE POSITIONS INCLUDE A CHIEF OF HOMELAND SECURITY, A SENIOR ANALYST, AN INTELLIGENCE ANALYST, AN EXECUTIVE ASSISTANT TO THE CHIEF, AND A PROGRAM ASSISTANT FOR THE SENIOR ANALYST AND INTELLIGENCE ANALYST. FUNDING FOR ALL OF THE POSITIONS, EXCEPT THE PROGRAM ASSISTANT, WILL BE SPLIT BETWEEN FEDERAL FUNDS FROM THE STATE HEALTH DIVISION AND THE DIVISION OF EMERGENCY MANAGEMENT. THE PROGRAM ASSISTANT WAS APPROVED TO BE FUNDED WITH GENERAL FUNDS, WHICH REQUIRED AN ADDITIONAL \$22,405 IN FY 2006-07.

IN MAKING THESE DECISIONS, THE SUBCOMMITTEE APPROVED A LETTER OF INTENT REQUESTING THE DEPARTMENT OF PUBLIC SAFETY TO REVIEW THE DUTIES OF THE DIVISION OF EMERGENCY MANAGEMENT AND THE OFFICE OF HOMELAND SECURITY OVER THE 2005-07 BIENNIUM AND SUBMIT A PLAN TO COMBINE THE DUTIES, AS APPROPRIATE, TO IMPROVE THE EFFICIENCY OF THE OPERATIONS OF THE TWO PROGRAMS. IN ADDITION, THE SUBCOMMITTEE INDICATED THAT NO ADDITIONAL POSITIONS SHOULD BE REQUESTED IN THE FUTURE TO BE FUNDED WITH GENERAL FUNDS.

INVESTIGATIONS DIVISION – NARCOTICS CONTROL (101-3744)
PS-106

THE SUBCOMMITTEE CONSIDERED UPDATED INFORMATION REGARDING A DRAMATIC REDUCTION IN FY 2005-06 AND POTENTIAL ELIMINATION IN FY 2006-07 OF FEDERAL GRANT FUNDS PREVIOUSLY DIRECTED TO THE NARCOTICS CONTROL TASK FORCES. INFORMATION PROVIDED TO THE SUBCOMMITTEE ALSO INDICATED THAT FEDERAL FORFEITURE MONIES WOULD NO LONGER BE ELIGIBLE TO MATCH THE FEDERAL GRANTS. THE SUBCOMMITTEE DID NOT CONCUR WITH THE GOVERNOR'S BUDGET AMENDMENT TO PLACE \$100 IN GENERAL FUNDS IN THE BUDGET TO PROVIDE ACCESS TO THE IFC CONTINGENCY FUND. INSTEAD, THE SUBCOMMITTEE APPROVED THE ADDITION OF \$3.4 MILLION IN GENERAL FUNDS OVER THE BIENNIUM FOR THIS PROGRAM TO MAKE UP FOR FUNDING SHORTFALLS AND CONTINUE ALL SIX TASK FORCES INTO THE NEXT BIENNIUM. THE SUBCOMMITTEE ALSO APPROVED ADDING LANGUAGE TO THE APPROPRIATIONS ACT INDICATING THAT GENERAL FUNDS ARE TO BE REVERTED SHOULD GRANT FUNDS BECOME AVAILABLE IN EXCESS OF THE LEVEL APPROVED FOR THIS BUDGET.

THE SUBCOMMITTEE APPROVED RESERVING THE FEDERAL FORFEITURE MONIES IN THE FORFEITURE ACCOUNT THAT HAD BEEN RECOMMENDED FOR TRANSFER TO THE NARCOTICS CONTROL BUDGET, AND THAT A LETTER OF INTENT BE ISSUED TO DIRECT THE DEPARTMENT TO PURSUE FEDERAL APPROVAL FOR USE OF THE FORFEITURE FUNDS TOWARD NARCOTICS CONTROL AS IN THE PAST.

PAROLE AND PROBATION (101-3740) PS-113

THE SUBCOMMITTEE CONCURRED WITH THE GOVERNOR'S RECOMMENDATION TO ADD 27 NEW POSITIONS TO MEET LEGISLATIVELY APPROVED CASELOAD-TO-OFFICER RATIOS. THIS RECOMMENDATION REFLECTED A BUDGET AMENDMENT RECEIVED FROM THE GOVERNOR AFTER REVISED CASELOADS WERE DEVELOPED IN FEBRUARY 2005 BY JFA ASSOCIATES. SEVEN OF THE POSITIONS WILL BE ASSIGNED TO THE RENO DISTRICT OFFICE, WITH THE REMAINING 20 POSITIONS TO BE LOCATED IN THE LAS VEGAS AREA. NEW POSITIONS FOR PAROLE AND PROBATION HAVE NOT BEEN RECOMMENDED BY THE GOVERNOR TO ADDRESS WORKLOAD SINCE THE 1999 SESSION.

EXPANSION OF THE RESIDENTIAL CONFINEMENT PROGRAM WAS APPROVED BY THE SUBCOMMITTEE AS RECOMMENDED BY THE GOVERNOR, WITH A GENERAL FUND COST OF APPROXIMATELY \$623,000 OVER THE BIENNIUM. THE PROGRAM EXPANSION WILL INCLUDE A CHANGE IN POLICY TO ALLOW A "BLENDED" FUNDING APPROACH. UNDER THIS APPROACH, OFFENDERS WHO ARE OTHERWISE ELIGIBLE FOR THE PROGRAM, EXCEPT FOR THEIR ABILITY TO PAY SUPERVISION FEES, WILL BE SUPPORTED BY GENERAL FUNDS FOR A PERIOD OF 30 DAYS. AT THAT POINT, IF THEY HAVE NOT OBTAINED A JOB OR OTHER FINANCIAL RESOURCES TO PAY FOR THE PROGRAM, THEY WILL BE RE-EVALUATED AND CONTINUED FOR ANOTHER 30 TO 60 DAYS IF THEY ARE FOLLOWING OTHER PROGRAM REQUIREMENTS. AT THE POINT WHERE THEY ARE ABLE TO PAY SUPERVISION FEES, THE DIVISION WILL ATTEMPT TO RECOVER THE GENERAL FUND COSTS PAID ON THEIR BEHALF WHEN THEY FIRST ENTERED THE PROGRAM. ONE NEW PAROLE AND PROBATION OFFICER WAS APPROVED BY THE SUBCOMMITTEE TO MEET THE ESTIMATED NEW RESIDENTIAL CONFINEMENT CASELOAD OF 30 OFFENDERS.

FIRE MARSHAL (101-3816) PS-168

THE SUBCOMMITTEE SUPPORTED THE GOVERNOR'S RECOMMENDATION TO AUGMENT THE NATIONAL FIRE INCIDENT REPORTING SYSTEM EFFORT BY THE FIRE MARSHAL'S OFFICE. THIS INCLUDED ADDITIONAL TRAVEL FUNDS TO CONDUCT TRAINING THROUGHOUT THE STATE AND FUNDING FOR A NEW SOFTWARE PACKAGE THAT WILL ENABLE 24/7 INCIDENT REPORTING AND ENHANCED FUNCTIONALITY COMPARED TO THE CURRENT REPORTING SYSTEM.

THE SUBCOMMITTEE DID NOT APPROVE FUNDING OF \$301,631 RECOMMENDED BY THE GOVERNOR OVER THE BIENNIUM FOR A PROPOSED FIRE PREVENTION TRAINING PROGRAM SUPPORTED BY ONE NEW POSITION. WHILE THE PROPOSAL APPEARED WELL INTENTIONED, TO PROVIDE FIRE PREVENTION AWARENESS TO YOUNG CHILDREN AND ELDERLY ADULTS, THE SUBCOMMITTEE WAS CONCERNED ABOUT THE PROPOSED SCOPE AND POTENTIAL DUPLICATION OF EFFORTS OF LOCAL JURISDICTIONS.

PAROLE BOARD (101-3800) PS-188

THE SUBCOMMITTEE CONSIDERED AND APPROVED THE GOVERNOR'S RECOMMENDATION TO ADD FOUR NEW POSITIONS TO THE PAROLE BOARD. THE POSITIONS CONSIST OF ONE PROGRAM OFFICER AND THREE ADMINISTRATIVE

ASSISTANTS. THE ADMINISTRATIVE ASSISTANTS ARE INTENDED TO ADDRESS THE BOARD'S RECORDS MANAGEMENT WORKLOAD, WHICH HAS INCREASED SINCE THE BOARD WAS LAST AUTHORIZED NEW POSITIONS IN 1997. THE PROGRAM OFFICER IS RECOMMENDED TO SUPPORT THE PARDONS BOARD, WHICH CURRENTLY DOES NOT HAVE DEDICATED STAFF SUPPORT. THE PAROLE BOARD CHAIRMAN INDICATED THAT THE NEW POSITIONS WILL ALLOW THE BOARD TO MEET PROJECTED WORKLOAD INCREASES WITHOUT ADDITIONAL COMMISSIONER POSITIONS.

THE SUBCOMMITTEE ALSO REVIEWED ALL REMAINING BUDGETS FOR THE DEPARTMENT (101-3674 EMERGENCY MANAGEMENT ASSISTANCE; 101-3743 DIVISION OF INVESTIGATIONS; 101-4687 TRAFFIC SAFETY; 101-4688 HIGHWAY SAFETY PLANNING & ADMIN; 101-4703 FORFEITURES; 101-4708; JUSTICE ASSISTANCE ACT; 101-4736 JUSTICE GRANT; 201-4689 BICYCLE SAFETY PROGRAM; 201-4691; MOTORCYCLE SAFETY PROGRAM; 201-4707 OFFICE OF PROFESSIONAL RESPONSIBILITY; 201-4714 ADMINISTRATIVE SERVICES; 201-4721 HIGHWAY SAFETY GRANTS; 201-4729 EMERGENCY RESPONSE COMMISSION; 710-4727 CAPITOL POLICE) AND RECOMMENDS THAT THESE BUDGETS ARE CLOSED WITH TECHNICAL ADJUSTMENTS.

ASSEMBLYMAN MARVEL MOVED TO APPROVE THE CLOSING REPORT FOR THE BUDGET ACCOUNTS WITHIN THE DEPARTMENT OF PUBLIC SAFETY.

ASSEMBLYMAN HETTRICK SECONDED THE MOTION.

Assemblyman Seale asked if a member of the Joint Subcommittee on Public Safety, Natural Resources, and Transportation was present who could comment regarding the report.

Chairman Arberry said he recalled there had been something in the report that required amending.

Assemblywoman Giunchigliani explained that Budget Account 101-3744, Investigations Division-Narcotics Control, needed adjustment because the Byrne Grant had ended. She commented that she had no problem with aiding the rural counties with narcotics control, but did not believe \$3 million in General Funds was needed to maintain the function. The policy had always been "if the grant went away, the program went away," according to Ms. Giunchigliani.

Assemblywoman Gansert stated that from testimony heard in the Subcommittee on Public Safety, Natural Resources, and Transportation, most of the dollars were going to the rural areas, and then significant funding had been shifted to Homeland Security. She said she recalled that last session the rural counties had received severe cuts in the form of losing 16 positions in the Investigations Division. Mrs. Gansert said the Investigations Division had indicated that the \$3.4 million General Fund appropriation was the minimum amount of funding with which the Division could operate.

Assemblyman Denis agreed that \$3.4 million had been discussed as the minimum amount of operational funding.

Ms. Giunchigliani asked staff what the original budget had been for Budget Account 3744 and why Homeland Security dollars were not used for the account.

Leslie Johnstone, Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, stated that Homeland Security dollars were not eligible for narcotics control. That funding was targeted toward risk assessment and deterring terrorism.

Ms. Giunchigliani asked how many narcotics control task forces there were, and how many were being funded in Budget Account 3744. Ms. Johnstone replied there were six narcotics control task forces and the General Fund dollars would continue all six. Ms. Giunchigliani said perhaps that was the problem and asked why all six were being funded.

Mrs. Gansert commented that what had been explained to the Subcommittee on Public Safety, Natural Resources, and Transportation was that if a task force was removed from an area, such as Winnemucca, the methamphetamine labs would then move to Winnemucca. If a task force was removed from an area, drug activity would shift to that area.

Chairman Arberry suggested removing Budget Account 3744 from consideration until Monday and closing the rest of the budget accounts in the closing report.

ASSEMBLYWOMAN GIUNCHIGLIANI MOVED TO APPROVE THE CLOSING REPORT FOR THE BUDGET ACCOUNTS WITHIN THE DEPARTMENT OF PUBLIC SAFETY WITH THE EXCEPTION OF BUDGET ACCOUNT 101-3744.

ASSEMBLYMAN HETTRICK SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblywoman Koivisto, Assemblywoman Leslie, Assemblywoman McClain, Assemblyman Perkins, Assemblywoman Smith, and Assemblywoman Weber were not present for the vote.)

ASSEMBLYWOMAN GIUNCHIGLIANI MOVED FOR THE INTRODUCTION OF A BILL DRAFT REQUEST ADDRESSING THE REBATE OF SURPLUS GENERAL FUNDS.

ASSEMBLYWOMAN SMITH SECONDED THE MOTION.

THE MOTION CARRIED WITH ASSEMBLYMAN MARVEL VOTING NO. (Assemblywoman Koivisto, Assemblywoman Leslie, Assemblywoman McClain, Assemblyman Perkins, Assemblywoman Smith, and Assemblywoman Weber were not present for the vote.)

Assembly Bill 154 (1st Reprint): Revises provisions governing statewide system of accountability for school districts and public schools and makes appropriations. (BDR 34-484)

Mark Stevens, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, explained that A.B. 154 was a legislative Committee on Education bill that changed certain areas of the accountability program. Exhibit B, Proposed Amendment to A.B. 154(R1), had been provided to the members of the Committee. Mr. Stevens stated there was a Joint Subcommittee recommendation to transfer private school licensing fees from the General Fund to the Department of Education budget, and it appeared that the bill would be a good vehicle to accomplish that.

Assemblywoman Smith commented that the amendment she had proposed was to collect substitute teacher information because currently there was no way of knowing where and how many substitute teachers were being utilized in schools.

ASSEMBLYWOMAN SMITH MADE A MOTION TO AMEND AND DO PASS A.B. 154.

ASSEMBLYMAN DENIS SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblywoman Koivisto, Assemblywoman Leslie, Assemblywoman McClain, Assemblyman Perkins, and Assemblywoman Weber were not present for the vote.)

Assembly Bill 560: Revises provisions governing millennium scholarships. (BDR 34-1424)

Mr. Stevens explained that A.B. 560 was the Millennium Scholarship bill. The current bill provided for a \$100 million, one-shot appropriation with no ongoing funds. The Governor recommended that \$7.6 million in unclaimed property receipts be deposited in the Millennium Scholarship Fund each year, from this year forward. Mr. Stevens said that the recommendation was not included in A.B. 560. The bill also transferred responsibility for administration of the program from the Treasurer's Office to the University and Community College System, according to Mr. Stevens.

Mr. Stevens said the proposed amendments to A.B. 560 that he was aware of were to reduce the one-shot General Fund appropriation to \$35 million, and to include language that would transfer \$7.6 million per year in unclaimed property revenues to the Millennium Scholarship Fund beginning in FY2006.

Ms. Giunchigliani pointed out in Section 1 of A.B. 560 that the term "Board of Regents," should be changed to "Department of Administration." The second amendment would be to reduce the proposed \$100 million one-shot appropriation to \$35 million and the unclaimed property receipts would be deposited in the Millennium Scholarship Fund.

Mr. Seale commented that he had some concerns with transferring the administration of the Millennium Scholarship Fund from the Treasurer's Office to any other entity as it was already encapsulated in the Treasurer's Office. Most of the administrative duties had to do with the items that were not being transferred. Mr. Seale said, to his knowledge, there had been no problems with the administration of the Millennium Scholarship Fund, and noted that moving the scholarship fund would move it away from the administration of the Prepaid Tuition Fund. Mr. Seale said it would make more sense to leave the administration where it was.

Chairman Arberry said he was under the impression that the idea was to give some of that authority to the Board of Regents since they were the ones dealing with scholarships and currently the authority was all with the Treasurer's Office.

Mr. Seale responded that he did not know that was true; the Board of Regents handled policy, but the Treasurer's Office handled the administration of the program, not the policy. If it was a policy issue, Mr. Seale indicated he had no problem, but he believed it concerned just the administrative duties such as moving money and investment activity. Because there was some interplay between the Millennium Scholarship Fund, College Savings, and Prepaid Tuition, it made more sense to Mr. Seale to leave the administration with the Treasurer's Office.

Ms. Giunchigliani stated that she had been the one who had proposed giving the authority to the Board of Regents because they determined policy and the Treasurer's Office had been recommending changing grade point averages and other items that were not within their purview. She said that was why she had made the initial change, but in consulting with the Governor he had requested she change the request to the Department of Administration and she had complied.

Assemblyman Marvel said he was in favor of retaining the \$100 million one-shot appropriation.

Ms. Giunchigliani said she had a concern with using General Fund dollars for the scholarship.

Mr. Hettrick requested a clarification that the proposed amendment would be to eliminate the authority of the Board of Regents and place that authority in the Department of Administration in Section 1 of A.B. 560.

Mrs. Gansert said she was in support of Mr. Seale regarding the Treasurer's Office function. Since the Treasurer received the dollars and also administered the unclaimed property it made sense to leave the administration with that office.

Mr. Stevens explained that the Treasurer would actually be investing the funds and would control the incoming funds, but the staff that actually administered the program would be the Department of Administration. The Department of Administration would not invest the money that came in from the Tobacco Settlement funds; the Treasurer would retain that function. The overall administration of the program that was currently handled by the Treasurer's Office would become the responsibility of the Department of Administration.

Mrs. Gansert said her only other concern would be the duplication of administrative functions.

Ms. Giunchigliani said it was her understanding that no additional staff would be required and there would be no duplication of functions.

Assemblyman Marvel asked if the budgets would have to be changed if the administrative functions were moved.

Mr. Stevens indicated that staff was contained within the Millennium Scholarship budget and currently received 2 percent of the balance in the Trust Fund. If the transfer was ultimately approved, that budget would be transferred to the Department of Administration.

Mr. Marvel asked if Mr. Seale was aware of how many people in the Treasurer's Office administered the Millennium Scholarship Fund.

Mr. Seale replied there was one full-time employee who administered that activity, but there were other activities that were small functions of the investment and disbursement of funds. Mr. Seale reiterated that he believed the best solution was to leave the Millennium Scholarship Fund administration with the Treasurer's Office.

Mr. Seale addressed the \$100 million one-shot General Fund appropriation and stated that while it was a very large amount it did not get the program where it should be. He believed a better plan would be to make an endowment to the program.

Mrs. Smith asked if the summer program would be included in the academic requirements for the scholarship because the way it was being handled, the student paid and when the class was successfully completed the student was reimbursed. If it was prepaid and included in the eligibility a student could lose the Millennium Scholarship over a summer school class, according to Mrs. Smith. Mrs. Smith wondered if the Subcommittee should clarify how that should be done.

Ms. Giunchigliani stated she did not want any students losing their eligibility over a summer school class. She said the argument had been made, and properly so, that the students should be allowed to continue to take their core academics in the summer so they could get degrees more quickly. Summer school would not be counted as a semester, according to Ms. Giunchigliani, because a student could attend two summer schools with that time period.

Mrs. Smith said the summer school issue needed to be clarified if the Committee did not want it to affect eligibility, and in that case a student attending summer school would have to continue to pay for those classes up front.

Ms. Giunchigliani said the language would have to note that the "two strikes and you are out" clause was not tied to summer school.

Mr. Seale commented that there had been testimony to the effect that summer school did not apply to restrictions regarding classes.

Mrs. Gansert asked if the funding from unclaimed property was a fixed amount or if it would be different each year.

Mr. Stevens replied that the recommendation from the Governor had been for a fixed amount of \$7.6 million per year and he anticipated that it would be the same in A.B. 560.

ASSEMBLYMAN HETTRICK MADE A MOTION TO AMEND AND
DO PASS A.B. 560.

ASSEMBLYWOMAN GIUNCHIGLIANI SECONDED THE MOTION.

THE MOTION CARRIED WITH ASSEMBLYMAN MARVEL VOTING
NO. (Assemblyman Perkins was not present for the vote.)

Mr. Stevens requested clarification of the language addressing the summer school issue.

Ms. Giunchigliani said the language would be inserted on page 6, subsection 4, after subsection b. The language would state summer school classes were exempt from being considered for the "two strikes you are out" restriction.

Mrs. Smith commented that she did not know if it was the Committee's job to clarify, but wanted to know if students would still be required to pay up front for summer school classes, and Chairman Arberry responded that they would.

Assembly Concurrent Resolution 10: Directs Legislative Commission to conduct interim study on adequacy of school finance in Nevada. (BDR R-1199)

Mr. Stevens stated that A.C.R. 10 was a resolution that would conduct an interim study on adequacy of school finance.

Ms. Giunchigliani said the funding for A.C.R. 10 would be used to hire a consultant and there was money in the Interim Education budget that could be utilized. The study would be conducted to determine what the needs were for Nevada's schools.

ASSEMBLYWOMAN GIUNCHIGLIANI MADE A MOTION TO DO
PASS A.C.R. 10.

ASSEMBLYMAN DENIS SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblyman Perkins was not present
for the vote.)

Senate Bill 328: Makes various changes related to public retirement systems. (BDR 23-82)

Mr. Stevens explained that S.B. 328 was the bill requested by the Public Employees' Retirement System (PERS) Board. The bill included provisions to strike the social security number from information available to individuals and had a number of technical clean-up provisions relating to the judicial retirement system.

Chairman Arberry stated a proposed amendment to S.B. 328 had been provided to the Committee members.

Ms. Giunchigliani said the amendment should not be in Section 1 of the bill, but in Section 3. The amendment was a policy statement that from the present time, only newly elected judges or appointees would begin to contribute to the PERS system, similar to other public employees. The amendment would not affect any currently sitting judges.

ASSEMBLYWOMAN KOIVISTO MADE A MOTION TO AMEND AND
DO PASS S.B. 328.

ASSEMBLYWOMAN GIUNCHIGLIANI SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblyman Perkins was not present for the vote.)

Senate Bill 365 (1st Reprint): Establishes and encourages use of certain systems and programs relating to public safety. (BDR 40-286)

Mr. Stevens explained that S.B. 365 would establish a statewide mapping system for public buildings. There was no specific funding tied to the legislation but Mr. Stevens believed there were grants that could be used for that purpose. There had been discussion in Committee that certain portions of the bill could be changed. Senator Nolan had provided Mr. Stevens with two or three suggestions if the Committee was inclined to pass S.B. 365 out today. Mr. Stevens said the first one was to change the language that indicated the "State Emergency Response Commission" to the "Homeland Security Commission."

Mr. Stevens said the second change Senator Nolan had suggested was language that indicated the Homeland Security Commission must coordinate with other state agencies including the Public Works Board. There had been discussion about a new system that the Public Works Board had received funding for in the upcoming biennium concerning placing all blueprints on an electronic format.

Mr. Stevens said the final suggestion was that language that indicated that after activation of the system all new Public Works projects must submit plans to be incorporated into the system before beginning the project.

Ms. Giunchigliani said she had a question regarding Section 1, line 1, which read "that to the extent money is made available," and asked if no money became available would the State become obligated. She commented that too often no money was received and General Funds ended up being expended.

Ms. Giunchigliani further requested clarification of the coordination of mapping with the Public Works Division.

Mr. Stevens explained that the Public Works Division would take their existing plans in hard copy blueprints and have them transferred to an electronic format. S.B. 365 would require the same electronic format for the blueprints of other public buildings.

Ms. Giunchigliani stated there should be some language in the bill that required the Homeland Security Commission to coordinate with the Public Works Division so there would be one mapping system instead of competing pieces.

Mr. Marvel asked if it would be only public buildings that were mapped, or all buildings.

Ms. Giunchigliani said she believed the mapping would begin with public buildings, but the private sector would be included at a later date.

Chairman Arberry asked how the Homeland Security Commission could be sure the casinos would be willing to relinquish plans to their buildings.

Mrs. Gansert brought up the problem of amended plans to buildings after the original plans had been filed, as well as confidentiality of the plans. She believed it was a concern having all of those plans in one area.

Ms. Giunchigliani referred to page 2, lines 25 through 30 of the bill, and stated that it read, "if a state agency or political subdivision uses its own building mapping system before the Commission establishes one, they may continue to use it unless money is made available for the State agency or political subdivision to update or modify its system for inclusion as necessary in the statewide system." Ms. Giunchigliani asked if that would bring a unified system or keep competing pieces in place.

Mr. Hettrick stated his interpretation was that the various agencies were supposed to supply plans to the Homeland Security Commission so they would have the plans available for emergency responders, but they were not prohibited from continuing to keep the plans for their own use. The agencies would not have to go to the single database when they already had the plans.

Mr. Stevens said he was not certain how the confidentiality issue needed to be addressed in S.B. 365 and he did not know what to tell the bill drafters to put in the bill.

Chairman Arberry suggested that the Legal Division provide the Committee with an opinion on the confidentiality issue.

ASSEMBLYWOMAN GIUNCHIGLIANI MOVED AMEND AND DO PASS S.B. 365 CHANGING THE STATE EMERGENCY RESPONSE COMMISSION TO THE HOMELAND SECURITY COMMISSION, ADDING THAT THE HOMELAND SECURITY COMMISSION MUST COORDINATE WITH OTHER STATE AGENCIES, INCLUDING THE PUBLIC WORKS DIVISION. AFTER ACTIVATION OF THE SYSTEM ALL NEW PUBLIC WORKS PROJECTS WOULD SUBMIT THEIR PLANS AND AMENDMENTS INTO THE SYSTEM BEFORE BEGINNING THE PROJECTS, AND ADD LANGUAGE TO DEAL WITH CONFIDENTIALITY AND ACCESS.

ASSEMBLYMAN HETTRICK SECONDED THE MOTION.

Mr. Hettrick suggested that when the bill was submitted to the Legal Division for drafting, the terminology should be "as built" rather than "plans and amendments" in order to have plans of the building as ultimately constructed.

THE MOTION CARRIED. (Assemblyman Perkins was not present for the vote.)

Senate Bill 438: Authorizes justices of the peace and municipal judges to participate in Judicial Retirement Plan under certain circumstances. (BDR 1-217)

Mr. Stevens stated that S.B. 438 was the bill that would allow the municipal judges and justices of the peace to be included within the Judicial Retirement Plan. Those positions were currently enrolled in the Public Employees' Retirement System.

Ms. Giunchigliani noted that only newly elected or appointed municipal judges and justices of the peace would be affected by the bill.

ASSEMBLYWOMAN GIUNCHIGLIANI MOVED AMEND AND DO
PASS S.B. 438.

ASSEMBLYMAN SEALE SECONDED THE MOTION.

THE MOTION PASSED. (Assemblyman Perkins was not present for
the vote.)

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**Senate Bill 460 (1st Reprint): Revises provisions governing class-size reduction.
(BDR 34-1091)**

Mr. Stevens explained that S.B. 460 would revise provisions governing class-size reduction programs. Included in the bill would be the flexibility language that currently existed for the rural areas. The bill would also extend that flexibility to the urban districts if they so chose.

Ms. Giunchigliani commented that in her opinion Section 5 should be deleted because it allowed flexibility for every district instead of keeping it for the rural counties. In Sections 2 and 3 where subsection a and b were located, subsection a in both sections would apply to districts over 100,000, and subsection b, rural counties would have access to both subsection a or subsection b. Ms. Giunchigliani said the Legal Division should draft the bill to say that any district under 100,000 could choose to stick to the current plan or initiate their own flexible plan, but for districts with 100,000 and over they would have to continue with subsection a. Ms. Giunchigliani continued and said her amendment would also delete subsection 5.

ASSEMBLYWOMAN KOIVISTO MOVED AMEND AND DO PASS
S.B. 460.

ASSEMBLYWOMAN McCLAIN SECONDED THE MOTION.

Mr. Seale asked if there was any fiscal impact attached to S.B. 460.

Ms. Giunchigliani replied that there was not, the bill addressed only the policy side.

THE MOTION CARRIED. (Assemblyman Perkins was not present
for the vote.)

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Mr. Stevens explained that there had been a request to add two steps to the current salaries for all non-classified, statutory positions at the Public Employees' Retirement System (PERS). Exhibit C, entitled "PERS Current Salaries for all Non-Classified, Statutory Positions," was presented to the Committee. The PERS budget had been closed except for that particular issue, according to Mr. Stevens.

Mr. Stevens noted that the current salaries for the PERS staff were outlined in Exhibit C.

Mr. Seale asked what the purpose was of [Exhibit C](#) and what was being requested of the Committee.

Mr. Hettrick stated as he recalled there had been a proposal in the PERS budget to raise salaries and there had been a question about what the current salaries were so the Committee could compare what was presently being paid to what was suggested in the proposal. Mr. Hettrick asked if [Exhibit C](#) listed the current salaries.

Mr. Stevens said [Exhibit C](#) listed the current salaries. He further stated he had the salary ranges available but did not know if the Committee had those figures and he could discuss those with the Committee or he could provide background information and it could be discussed in Committee on Monday.

ASSEMBLYWOMAN GIUNCHIGLIANI MOVED TO ACCEPT THE
PUBLIC EMPLOYEES' BUDGET AS PRESENTED.

ASSEMBLYMAN HETTRICK SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblyman Perkins was not present
for the vote.)

Chairman Arberry adjourned the meeting at 4:29 p.m.

RESPECTFULLY SUBMITTED:

Anne Bowen
Committee Secretary

APPROVED BY:

Assemblyman Morse Arberry Jr., Chairman

DATE: _____

EXHIBITS

Committee Name: Committee on Ways and Means

**Date: May 20, 2005
a.m./p.m.**

Time of Meeting: XX:XX

Bill	Exhibit	Witness / Agency	Description
	A		Agenda
A.B. 154	B	Assemblywoman Debbie Smith	Proposed Amendment to <u>A.B. 154</u> Submitted to Committee on Ways and Means
	C	Mark Stevens, Assembly Fiscal Analyst	PERS Current Salaries for all Non-Classified, Statutory Positions