

**MINUTES OF THE
SENATE COMMITTEE ON FINANCE**

**Seventy-third Session
March 14, 2005**

The Senate Committee on Finance was called to order by Chair William J. Raggio at 8:04 a.m. on Monday, March 14, 2005, in Room 2134 of the Legislative Building, Carson City, Nevada. [Exhibit A](#) is the Agenda. [Exhibit B](#) is the Attendance Roster. All exhibits are available and on file at the Research Library of the Legislative Counsel Bureau.

COMMITTEE MEMBERS PRESENT:

Senator William J. Raggio, Chair
Senator Bob Beers, Vice Chair
Senator Dean A. Rhoads
Senator Barbara Cegavske
Senator Bob Coffin
Senator Dina Titus
Senator Bernice Mathews

STAFF MEMBERS PRESENT:

Gary L. Ghiggeri, Senate Fiscal Analyst
Bob Guernsey, Principal Deputy Fiscal Analyst
Lorne J. Malkiewich, Director, Legislative Counsel Bureau
Jo Greenslate, Committee Secretary

OTHERS PRESENT:

Scott K. Sisco, Interim Director, Department of Cultural Affairs
John P. Comeaux, Director, Department of Administration
Cindy Edwards, Administrator, Buildings and Grounds Division, Department of Administration
Brad Valladon, Chief, Carson City, Capitol Police Division, Department of Public Safety
Mike Ebright, Acting Deputy Chief, Division of Parole and Probation, Department of Public Safety
Kathleen Harrington, Law Librarian, Supreme Court Law Library, Nevada Supreme Court
Douglas C. Thunder, Deputy Superintendent for Administrative and Fiscal Services, Department of Education
Daniel J. Klaich, Chief Counsel, System Administration Office, University and Community College System of Nevada

CHAIR RAGGIO:

The hearing is opened on Senate Bill (S.B.) 88.

SENATE BILL 88: Makes supplemental appropriation to Department of Cultural Affairs for unanticipated expenses for Fiscal Year 2004-2005 relating to storage of records for Nevada State Library and for unanticipated operating expenses for Fiscal Year 2004-2005 of Comstock Historic District. (BDR S-1188)

SCOTT K. SISCO (Interim Director, Department of Cultural Affairs):

I am present to request Senate Bill (S.B.) 88 be indefinitely postponed. During our budget hearings, we determined the Comstock Building will not open until after July 1, 2005; therefore, we will not need the supplemental appropriation. The second request was library money for storage space. Friday it was determined there was enough salary savings within Category 01 to transfer money to pay the \$90,000 bill.

CHAIR RAGGIO:

The Chair will accept a motion to indefinitely postpone S.B. 88.

SENATOR CEGAVSKE MOVED TO INDEFINITELY POSTPONE S.B. 88.

SENATOR BEERS SECONDED THE MOTION.

THE MOTION PASSED. (SENATOR TITUS WAS ABSENT FOR THE VOTE.)

CHAIR RAGGIO:

The hearing is opened on S.B. 94.

SENATE BILL 94: Makes appropriations to restore balance in Contingency Fund.
(BDR S-1203)

JOHN P. COMEAUX (Director, Department of Administration):

Senate Bill 94 would restore the balance in the Interim Finance Committee (IFC) Contingency Fund, provide an appropriation from the General Fund in the amount of \$12 million and an appropriation from the State Highway Fund in the amount of \$2 million. The act would become effective upon passage and approval. These amounts were in the fund for the interim between the 2003 and 2005 Legislative Sessions and the amounts seem adequate.

CHAIR RAGGIO:

A document prepared by the Fiscal Committee entitled "Interim Finance Committee Allocations During 2003-05 Biennium" ([Exhibit C](#)) indicates the available funds. Would staff provide the Committee a brief explanation of the document?

GARY L. GHIGGERI (Senate Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau):

I provided the Committee a detailed listing as outlined in [Exhibit C](#) of the funding available at the start of fiscal year (FY) 2003 and the allocations that were made from the Contingency Fund over the 2003-2005 biennium. Approximately \$15.6 million was allocated during the biennium and \$1.8 million was allocated from the Highway Fund. The total balance available in the General Fund portion at this time is \$133,621 and \$1,035,299 is available in the Highway Fund portion.

CHAIR RAGGIO:

I am unclear on the revisions. How did you determine those calculations?

MR. GHIGGERI:

In the reversions, approximately \$15.6 million is allocated. During FY 2004, \$19,838 was reverted during the fiscal year. At the close of FY 2004, an additional approximately \$1.4 million was reverted which results in the ending fund balance of \$133,621.

CHAIR RAGGIO:

Is that an offset?

MR. GHIGGERI:

Yes. The allocations are summarized by department at the bottom of page 1 of [Exhibit C](#). The State Public Works Board received \$3.9 million, the Department of Education Distributive School Account received approximately \$2.7 million and the Division of Forestry received \$2.7 million for forestries.

CHAIR RAGGIO:

You need not go any further. We will make this part of the record. It is a total allocation of slightly over \$15.6 million from the General Fund portion and \$1.8 million from the Highway Fund. Is that correct?

MR. GHIGGERI:

That is correct.

CHAIR RAGGIO:

To what amount will this appropriation restore the fund at this point?

MR. COMEAUX:

It will restore the balance to approximately \$12 million available from the General Fund and, I believe, \$2 million from the Highway Fund. It is my understanding the funds available now will revert at the end of the year.

MR. GHIGGERI:

No, there is no reversion on the funds.

MR. COMEAUX:

It would be approximately \$3 million of Highway Funds.

MR. GHIGGERI:

If the Committee chooses to process the legislation, staff would recommend the Highway Fund portion be reduced to approximately \$965,000, which would give them a \$2 million balance over the biennium, which is what they have had historically.

CHAIR RAGGIO:

Are there any questions or comments on that suggestion?

MR. COMEAUX:

I have no objection.

CHAIR RAGGIO:

Is there any more testimony on [S.B. 94](#)? If not, the hearing is closed on [S.B. 94](#) and opened on [S.B. 97](#).

SENATE BILL 97: Makes appropriation for security enhancements in Attorney General's Office, Capitol Building and Supreme Court Building. (BDR S-1208)

CINDY EDWARDS (Administrator, Buildings and Grounds Division, Department of Administration):

The Buildings and Grounds Division is asking for a one-shot appropriation in the amount of \$447,000 for security enhancements to the Attorney General, Supreme Court and Capitol buildings. The card-access systems of the Attorney General and Supreme Court buildings are obsolete. The systems were installed in early 1990, and the software and equipment are no longer supported by the manufacturer. It is difficult to get parts for the systems at this point.

The Capitol building currently does not have a card-access system. The benefit of this system would be heightened security which would allow the Capitol Police greater control over access to the building and the constitutional officers. The current camera-security systems in the Capitol and Attorney General buildings consist of old black and white cameras that record on video home system (VHS) tapes. The tapes are grainy, black and white, and it is difficult to identify people and objects. The new high-resolution cameras would be color and digital and would resolve the problem. Additionally, cameras would be installed in the parking areas of the two buildings.

SENATOR COFFIN:

I am concerned about the Supreme Court because there are a lot of "wannabe's" and copycats floating around. Considering the death in Atlanta, Georgia, last week and Chicago, Illinois, two weeks ago, we should probably be briefed on what is being done. I assume we have increased security and physical presence at the building.

BRAD VALLADON (Chief, Carson City, Capitol Police Division, Department of Public Safety):

We make sure our officers are aware of what goes on nationally because it affects operations in other locations. Traditionally, the judicial branch of government suffers more assaults than any other and courts are definitely a target. We ask our officers to be aware and more vigilant during these periods.

SENATOR COFFIN:

Have you increased staff to a point that would make a justice comfortable?

CHIEF VALLADON:

We have not increased staff. The Supreme Court is reasonably secure, when they take the bench, that everyone going into the chamber is passed through a metal detector and subject to search. When the court is not on the bench, there is no security insofar as screening people coming into the building; however, the justices are on the third floor which is key-card access controlled. The public cannot get directly to the justices or staff without passing through a secured door.

SENATOR COFFIN:

Do the justices drive through and park underneath the building? Is there a vehicle near the entrance?

CHIEF VALLADON:

There is no vehicle near the entrance; however, it is key-card controlled with roll-up gates and no pedestrian access into the area.

SENATOR COFFIN:

That is good. I just wanted to make sure it was covered and everyone is on extra-special alert at this time. It is important for us.

CHAIR RAGGIO:

Senator Coffin's comments are timely. It appears the biggest risk is at trial court levels around the country. I am a former prosecutor and have always been concerned about threats. We do not worry about threats that are heard; however, the ones muttered under the breath that are not heard are a concern. There are many of those people out there. We need to be mindful of what goes on in trial courts, particularly criminal courts.

The hearing is closed on S.B. 97 and opened on S.B. 99.

SENATE BILL 99: Makes appropriation to Department of Administration for litigation costs incurred by Interstate Commission for Adult Offender Supervision. (BDR S-1214)

MR. COMEAUX:

Senate Bill 99 would provide an appropriation to the Department of Administration in the amount of \$3,000 to forward to the Interstate Commission for Adult Offenders Supervision (ICAOS). This would assist them in recovering litigation costs that came about as a result of a challenge from the state of Pennsylvania to the ICAOS adoption of several rules that concern the supervision of misdemeanants under the ICAOS.

The ICAOS plan is to seek reimbursement from Pennsylvania in the event the ICAOS prevails for reimbursement for their legal costs which they expect to total as much as \$100,000. However, they indicate that some of their other activities, most notably the deployment of their planned information system, could be delayed while they are waiting for this to be settled. In September 2003, they sent a request to the Governor for this additional amount to assist them and the Governor is recommending it.

CHAIR RAGGIO:

Are there questions or any further testimony on S.B. 99?

MIKE EBRIGHT (Acting Deputy Chief, Division of Parole and Probation, Department of Public Safety):

Mr. Comeaux summarized S.B. 99 effectively. The state of Tennessee also filed some litigation against the ICAOS; consequently, there are some additional charges. They feel confident the courts will again rule in favor of the ICAOS.

CHAIR RAGGIO:

Has Pennsylvania lost the court case?

MR. EBRIGHT:

Yes; however, Tennessee has filed an appeal to the decisions under different reasoning.

CHAIR RAGGIO:

What does it state for a rules violation? Is it all part of the compact?

MR. EBRIGHT:

Yes, it is. It is a majority vote by the states who are members of the same body; therefore, they are essentially suing themselves.

CHAIR RAGGIO:

I guess it was because they changed some misdemeanor rule by teleconference and they did not like the procedure.

The hearing is closed on S.B. 99 and opened on S.B. 100.

SENATE BILL 100: Makes appropriation to Supreme Court of Nevada for remodeling costs. (BDR S-1217)

KATHLEEN HARRINGTON (Law Librarian, Supreme Court Law Library, Nevada Supreme Court):

Senate Bill 100 pertains to the law library rather than the Supreme Court. We request remodel of two attorney briefing rooms into a conference room which would give the law library two conference rooms and one attorney briefing room. Currently, the library's conference room is used mainly by the court settlement judges, the court, attorneys for arbitration and mediation conferences, and state agencies for meetings, training sessions and personnel hearings.

We continued to have requests to use the conference room when it is available from mid-June 2004 to February 2005. We kept statistics on how many times the room was not available because of previous bookings, and there were 169 times the room could not be used.

CHAIR RAGGIO:

Will there be rooms for attorneys?

MS. HARRINGTON:

There is still one attorney briefing room on the southeast side of the building.

CHAIR RAGGIO:

Is that used for attorneys when they prepare for a hearing?

MS. HARRINGTON:

It is usually used by attorneys to make telephone calls. Most of the time, when they come to court for an oral hearing, they sit in the main part of the library.

CHAIR RAGGIO:

Is there any other place for them?

MS. HARRINGTON:

There will still be one room available.

CHAIR RAGGIO:

Which side gets to use it? Do they flip a coin? The idea was there would be a place for attorneys before they present at hearings.

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MS. HARRINGTON:

There is a place on the second floor; therefore, two rooms are available for them.

CHAIR RAGGIO:

The hearing is closed on S.B. 100 and opened on S.B. 101.

SENATE BILL 101: Makes appropriation to Legislative Counsel Bureau.
(BDR S-1218)

LORNE J. MALKIEWICH (Director, Legislative Counsel Bureau):

Senate Bill 101 is an appropriation of \$1,557,077, included on page 15 in the introduction to the *Executive Budget*, for the Legislative Counsel Bureau (LCB). It is three separate appropriations rolled together by the budget office.

The first appropriation of \$130,842 is the cost of producing out-of-print publications. We are required, by statute, to print the *Nevada Reports* and *Nevada Revised Statutes*. When out of print, they must be reproduced. A determination is made every two years as to which ones will be reprinted. This time the cost of reprinting those that are out of print or in short supply is \$130,842.

CHAIR RAGGIO:

What is the cost of a set of *Nevada Reports*?

MR. MALKIEWICH:

I would have to check with the Division of Publications, but I think every volume is in the range of \$50 to \$55 and there are over 100 volumes of *Nevada Reports*. There is a lower charge for some of the smaller, older volumes; however, in any event, the cost is substantial.

The costs are set by statute to approximate the cost of printing the reports. It is not a profit maker, it just offsets the costs.

CHAIR RAGGIO:

Is the information technology upgrade over \$1 million?

MR. MALKIEWICH:

You received a handout entitled "FY 2006-2007 Information Technology Projects Appropriation" ([Exhibit D](#)) which is a proposal brought forward every year because we are never sure of information technology needs from year to year. Rather than building it into the budget, it is done as a separate one-shot appropriation. The information was developed through the Legislative Commission's Subcommittee on Information Technology. Senator Coffin and Senator Rhoads are members of the Subcommittee and participated in putting the proposal together. It was reviewed by the Subcommittee and the Legislative Commission.

The intended uses are detailed in the [Exhibit D](#) handout; however, because information technology changes so rapidly, the Legislative Commission's Subcommittee oversees actual expenditures during the interim and makes adjustments. The second intended expenditure is approximately \$1 million. The overall appropriation has been in the \$600,000 to \$700,000 range over the last

few biennia, rising to approximately \$1.3 million. Therefore, this is a normal appropriation for this purpose.

CHAIR RAGGIO:
Was any of this in the budget presented earlier?

MR. MALKIEWICH:
No. Because this amount fluctuates from session to session, we traditionally do it as a one-shot appropriation separate from the LCB budget.

The third item is \$333,000 for building improvements, including an emergency generator. This is part of a long list of capital improvement projects proposed by the budget subcommittee. Due to concerns regarding availability of money for capital improvements, the budget committee recommended cutting the appropriation back substantially. All that remains is \$335,000, \$115,000 of which is for minor building safety projects, including sandblasting and resealing some air-conditioning towers, replacing and repairing treads and tiles on fire escapes, installing a battery pack and converter in one of the fan rooms, and re-siding the screen walls and roof of the old building.

The second component of \$220,000 is for an emergency generator for the State Printing Office which will only be necessary if a warehouse is not built nor the State Printing Office expanded. That project was not approved.

A number of other proposals were brought to the subcommittee, including architectural and engineering costs for remodeling the Assembly Chambers, adding a warehouse next to the Printing Office, which could be used by the Printing Office and LCB staff, and possible conversion of the north stairwell into office space.

CHAIR RAGGIO:
Conversion of what stairwell into office space?

MR. MALKIEWICH:
We want to take out the stairs and turn the area into office space. We have two stairwells within a few feet of each other, one in the old building and one in the new building, and the one in the new building is not needed.

CHAIR RAGGIO:
Are you talking about office space that has been suggested out here?

MR. MALKIEWICH:
No, but if you were to do that, it might be in conjunction with this proposal. Frankly, I think building out this area makes more sense than going into the stairwell; however, it is not included in this proposal. You may want to consider adding these projects later.

I also talked to the budget subcommittee about the future need for a staff office building. The response was to do some master planning and observe the capitol complex for the next few years. When the Capital Apartments property was purchased, the idea was to eventually take down the Sedway Office Building and turn two of the lots into a large parking lot and the other two lots into a staff building.

CHAIR RAGGIO:

I never heard a suggestion to take down the Sedway building. Whose idea was that?

MR. MALKIEWICH:

It was my suggestion.

CHAIR RAGGIO:

I never heard that suggestion. We spent all that money to fix the Sedway Building and now you want to tear it down? If we do anything, we will add on to it.

MR. MALKIEWICH:

That is one of the reasons the budget subcommittee suggested some master planning. We are not looking for construction dollars. We could add another building. My idea was the Sedway Building lot and the parking lot to the south would be a good place for a parking garage because it would be right across the street from the parking garage at the back of the Legislative building. The large parking lot on the vacant lot where the apartments were would make a potential staff office building which would be directly across from the Legislative building.

CHAIR RAGGIO:

Are you considering moving staff out of the Legislative building altogether?

MR. MALKIEWICH:

If there was a large enough office building, we would be able to move a good portion of staff out of the Legislative building during Session which would make more room for the Legislature as well. We are talking about several years down the road.

CHAIR RAGGIO:

I do not want to fund that project at this time. It is down the road and not something we should be doing in the next couple of years.

MR. MALKIEWICH:

At this point there is no planning money in the appropriations.

CHAIR RAGGIO:

You are asking for something to knock out a stairwell or convert the open area into offices. I do not want to go on record in support of that in the near future.

MR. MALKIEWICH:

Those proposals are not in the budget, they are just proposals mentioned for the future.

CHAIR RAGGIO:

I will let the Committee express whether or not they think it advisable. At this point, I would not recommend it.

SENATOR MATHEWS:

I am searching for the list of capital improvement projects and cannot find it.

MR. MALKIEWICH:

The only ones included in this budget are the \$335,000 building improvements and emergency generator, included in S.B. 101, which is \$115,000 for minor building improvements and \$220,000 for an emergency generator. The rest was for the Committee's information.

SENATOR MATHEWS:

How do we accomplish repairs for committee rooms and chambers? I am referring to the chairs which cannot be adjusted up and down. Are they ever checked during the interim? I have observed a lot of little things that need to be done in terms of maintenance. We sit here a long time. I am tall and need my chair raised higher.

MR. MALKIEWICH:

The staff can repair the chairs.

SENATOR MATHEWS:

I wondered whether there was a regular maintenance schedule on these items.

MR. MALKIEWICH:

If you notice broken chairs, please bring it to our attention and they will be fixed. We check during the interim, but there are many chairs in the building.

SENATOR MATHEWS:

What kind of authority do we have concerning the staff in our office? Do we make the schedule or do others make the schedule?

MR. MALKIEWICH:

You should speak with the Secretary of the Senate who hires all session employees. There are rules that apply to standards of employment.

SENATOR COFFIN:

On page 4 of Exhibit D, under the Legal Division, I have a question regarding laptop computers. The appropriation was to satisfy all the divisions within the building. The bid was approximately \$1,600 to \$1,700 which I thought included everything. I was surprised to see 15 extra laptop computers outside that appropriation at a cost of \$2,250 each.

MR. MALKIEWICH:

This is prior to the 2007 Legislative Session. Although we do not know what will be purchased for the 2007 Legislative Session, this is an expenditure the Legal Division wanted to build into the budget. Should it be unnecessary, the \$33,750 component would either not be spent or used for another purpose. As I mentioned earlier, information technology needs are difficult to project. The key number is \$88,850 for Legal Division projects. The staff finds it helpful to have the same type of laptop computers as those used by the Legislators. If Legislators have questions, the staff is using the same machine and can help more expeditiously.

SENATOR COFFIN:

Is this just for the Legal Division?

MR. MALKIEWICH:

Yes, it is for the attorneys in the Legal Division when they are in committee meetings.

SENATOR COFFIN:

I understand the reason you put a cushion in the budget; however, some individuals prefer to have their own type of machine. We confronted that during the bidding process.

MR. MALKIEWICH:

The choice of machine is an issue. At this point, we have no idea whether or not we will buy new machines for the 2007 Legislative Session or stay with the ones from this Session.

SENATOR COFFIN:

I think we can assume we will not buy new laptop computers for the Legislators because the existing ones should be good for four more years.

MR. MALKIEWICH:

In the 2003 Legislative Session, new laptop computers were not purchased; however, they were upgraded. It is quite possible more memory and speed for the processor will be purchased for the 2007 Legislative Session.

CHAIR RAGGIO:

I will ask Senators Beers, Coffin and Rhoads, as a Subcommittee, to work with the staff to consider the amounts in S.B. 101. Are any positions requested?

MR. MALKIEWICH:

No.

CHAIR RAGGIO:

I will ask the Subcommittee and staff to peruse S.B. 101 and make any needed adjustments.

The hearing is closed on S.B. 101 and opened on S.B. 108.

SENATE BILL 108: Makes supplemental appropriation to Department of Education for unanticipated expenses for Fiscal Year 2004-2005 relating to Individuals with Disabilities Education Act. (BDR S-1227)

DOUGLAS C. THUNDER (Deputy Superintendent for Administrative and Fiscal Services, Department of Education):

Senate Bill 108 is in the same budget account as the Individuals with Disabilities Education Act (IDEA) and IDEA supports half of it. This is the *Nevada Revised Statute* (NRS) 395 program that requires the Department of Education to provide educational services for all children, including those who may have to be transported out of state or other districts to receive individual services.

CHAIR RAGGIO:

Is this for the current year? How many students are under this program?

MR. THUNDER:

Currently there are a total of five students, four out of state and one in state. There is the possibility of a couple of additional students that are still in the negotiation process.

CHAIR RAGGIO:

Other than students in this State, is this a situation in which students cannot be accommodated?

MR. THUNDER:

Yes. The out-of-state students tend to be quite expensive and the program has been drastically reduced. Four or five Legislative Sessions ago, the cost of this program was millions of dollars. Most of the students educated out of state have been brought back, which reduced the numbers.

CHAIR RAGGIO:

Does the State pay half?

MR. THUNDER:

Yes, IDEA and the State divide the costs for students both in and out of Nevada.

CHAIR RAGGIO:

Is there a suggestion the supplemental appropriation can be reduced?

MR. GHIGGERI:

That is the staff recommendation at this point.

MR. THUNDER:

We can live with it. Two contracts are still in the process of final negotiation. Depending upon the services required for those students, the costs could rise. It is possible we may have to return and request again if the cost exceeds \$87,590.

CHAIR RAGGIO:

Are two applications pending for out-of-state students?

MR. THUNDER:

That is correct.

CHAIR RAGGIO:

Are you saying you would return should the contracts come to fruition? Could this appropriation be reduced to \$87,590 at this time?

MR. THUNDER:

Yes, at the current time.

CHAIR RAGGIO:

I know it is a difficult program to manage and we appreciate your efforts. These situations are not easy.

The hearing is closed on S.B. 108 and opened on S.B. 128.

SENATE BILL 128: Makes appropriation to Trust Fund for the Education of Dependent Children. (BDR S-214)

SENATOR TITUS:

This trust fund was first created by A.B. No. 443 of the 68th Session. It pays registration fees, laboratory fees, text book expenses and material costs in the university and college system for dependent children of police officers or firemen killed in the line of duty. Twenty thousand dollars was appropriated to the trust fund for those purposes in the original bill. During the 1995 and 1997 Legislative Sessions, only \$3,308 of the fund was spent, and the remainder went back to the General Fund at the end of the year. In the 1997 Legislative Session, another \$33,308 was appropriated. The annual payments range from a low of \$61 to a high of \$8,425; however, they spiked in FY 2004. Consequently, there is only \$2,654 remaining in the fund for the balance of FY 2005.

I had hoped an appropriation could be put into the fund to continue paying the services and expenses for the children of slain peace officers to attend the university or community colleges.

CHAIR RAGGIO:

Is the fund used only for that purpose?

SENATOR TITUS:

Yes.

DANIEL J. KLAICH (Chief Counsel, System Administration Office, University and Community College System of Nevada):

I would like to thank Senator Titus for testifying before the Committee. In 1997, the fund was expanded to cover the dependents of slain volunteer ambulance drivers and their attendants, as well as Nevada Highway Patrol dependents. We expect fund expenditures for the current fiscal year to be the same as 2004 which is approximately \$12,000 to \$14,000. Currently, eight students are in the program.

CHAIR RAGGIO:

The hearing is now closed on S.B. 128. Senate Bill 88 was withdrawn and indefinitely postponed.

Should it be processed, S.B. 94 would be amended with respect to the Highway Fund; therefore, the hearing is reopened on S.B. 94.

SENATE BILL 94: Makes appropriations to restore balance in Contingency Fund. (BDR S-1203)

MR. GHIGGERI:

The legislation has a \$2 million Highway Fund appropriation. Our records indicate there is approximately \$1,035,299; therefore, we recommend the appropriation be reduced to fund the difference between the two which is approximately \$965,000.

CHAIR RAGGIO:

The Chair will accept a motion to amend and do pass S.B. 94 as recommended by staff.

SENATOR RHOADS MOVED TO AMEND AND DO PASS S.B. 94.

SENATOR COFFIN SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

CHAIR RAGGIO:

The hearing is reopened on S.B. 97.

SENATE BILL 97: Makes appropriation for security enhancements in Attorney General's Office, Capitol Building and Supreme Court Building. (BDR S-1208)

MR. GHIGGERI:

Information Systems staff indicates funding will provide \$82,000 for the Attorney General's Office which would replace the card-access system and closed-circuit television system; funding provided for the Capitol building would be \$145,000 to replace the closed-circuit television system and install the new card-access system; and funding provided for the Supreme Court of \$150,000 will provide for the replacement of the card-access system. This is a grand total of approximately \$377,000. The original request had a 15-percent contingency amount included which would reduce the amount in S.B. 97 from \$447,655 to \$433,550. Items were requested that were not recommended in the *Executive Budget*; therefore, the contingency amount is slightly overstated.

CHAIR RAGGIO:

Would the staff recommendation be \$433,550?

MR. GHIGGERI:

That is correct.

CHAIR RAGGIO:

The Chair will accept a motion to amend and do pass S.B. 97 with the amount of \$433,550.

SENATOR COFFIN MOVED TO AMEND AND DO PASS S.B. 97.

SENATOR MATHEWS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

CHAIR RAGGIO:

The hearing is reopened on S.B. 99.

SENATE BILL 99: Makes appropriation to Department of Administration for litigation costs incurred by Interstate Commission for Adult Offender Supervision. (BDR S-1214)

MR. GHIGGERI:

This appropriation has not yet been assessed; however, it could potentially be assessed. It would not be known until September 2005. Staff defers to the Committee as to whether or not to process S.B. 99 or provide funding from the Interim Finance Committee (IFC) at the time the assessment is made.

CHAIR RAGGIO:

It says any remaining balance would not be committed for expenditures; therefore, if it is not committed, it would revert back. I do not think we need to put a \$3,000 item on the IFC. The Chair will accept a motion to do pass S.B. 99.

SENATOR BEERS MOVED TO DO PASS S.B. 99.

SENATOR RHOADS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

CHAIR RAGGIO:

The hearing is reopened on S.B. 100.

SENATE BILL 100: Makes appropriation to Supreme Court of Nevada for remodeling costs. (BDR S-1217)

SENATOR BEERS:

Since the Supreme Court building sits virtually unused, except for the time the Legislature is in session, I do not think it makes sense to put General Funds into modifications. My understanding is the building is only used for pre-conference meetings.

MR. GHIGGERI:

That is correct; however, I cannot speak to the use of the Supreme Court building.

SENATOR COFFIN:

My understanding is, two rooms for attorneys are being lost. Are these what would be called green rooms in other businesses for opposing or appealing counsel? I guess they need separate rooms to prepare their cases. How many rooms does that leave them?

CHAIR RAGGIO:

It is my understanding the rooms are not used that much and then only to make telephone calls. Another room is available in any event.

MR. GHIGGERI:

Information gathered for backup indicated requests for the existing conference room in the Supreme Court building were denied 169 times last year because it was unavailable.

CHAIR RAGGIO:

One of the considerations would be separation of Legislative and Supreme Court functions.

SENATOR COFFIN:

Rooms are needed for attorneys in the Supreme Court building because urgencies occur around the court at the time of appeals. It would be a mistake to take away the opportunity for last-minute consultations in exchange for training in the building.

CHAIR RAGGIO:

I request Senators Beers and Coffin to discuss the situation further to determine an alternative.

SENATOR BEERS:

I think we increased their operating budget 29 percent in this biennium over the previous biennium. Perhaps they could find some savings in their existing budget to fund this project.

CHAIR RAGGIO:

I request Senator Coffin and yourself to meet with them and come back to the Committee with recommendations. Therefore, S.B. 100 will be put on hold at this time.

The hearing is reopened on S.B. 108.

SENATE BILL 108: Makes supplemental appropriation to Department of Education for unanticipated expenses for Fiscal Year 2004-2005 relating to Individuals with Disabilities Education Act. (BDR S-1227)

CHAIR RAGGIO:

This is a supplemental appropriation and is not included in the budget. Is it just a supplemental? Is the Department of Education requesting it if the Committee amends the bill?

MR. GHIGGERI:

That is correct. They submitted the request for the supplemental after the budget was put together.

CHAIR RAGGIO:

The Chair would accept a motion to amend and do pass S.B. 108 with the amendment for \$87,590. The motion to amend and do pass would be with the understanding that if additional applications are approved or required, they can come back to the Committee for an additional amount.

SENATOR CEGAVSKE:

The amount in the bill is \$116,316. What was the amount you quoted?

CHAIR RAGGIO:

The amount I quoted was \$87,590. There are five applications, one is in state, two are pending but not yet approved; therefore, the amount, with federal matching funds, is \$87,590.

SENATOR CEGAVSKE MOVED TO AMEND AND DO PASS
S.B. 108.

SENATOR RHOADS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

CHAIR RAGGIO:

At this time, S.B. 128 will be held because it is an appropriation not included in the budget.

The hearing is opened on S.B. 122.

SENATE BILL 122: Authorizes certain public employees with active military service to purchase additional years of service in Public Employees' Retirement System. (BDR 23-630)

CHAIR RAGGIO:

Senate Bill 122 was heard in this Committee on March 9, 2005. It was suggested credit be given for months instead of years, as well as amending the bill to a limit of service. How would you define the issue?

MR. GHIGGERI:

Page 2, line 25 of S.B. 122, indicates a change from years to months. There was a desire during testimony the legislation be limited to the period beginning with the date proclaimed by President Bush for the current Operation Enduring Freedom military campaign which is reflected on pages 2 and 5 of S.B. 122. Additionally, staff indicated, on page 6 of S.B. 122, the legislation be effective on passage and approval.

CHAIR RAGGIO:

The Public Employees Retirement System (PERS) representatives were not enamored with S.B. 122. Did we do the same thing for Operation Desert Storm?

MR. GHIGGERI:

That is correct. Operation Desert Storm, NRS 286.479, provides credit for military service during the Persian Gulf crisis, approved by the Legislature in 1991.

SENATOR BEERS:

If this was already enacted for a previous effective date, would it be automatically applicable to Operation Enduring Freedom?

MR. GHIGGERI:

The statute, NRS 286.479, limits the applicability to the Persian Gulf crisis.

SENATOR BEERS:

Does converting this to months substantially increase the workload at PERS?

MR. GHIGGERI:

The PERS representatives did not indicate so.

CHAIR RAGGIO:

They were concerned it would give people the opportunity to buy service even if they only had a few years of public sector service. I do not think it was a question of cost, but rather a question of whether or not it was good policy.

MR. GHIGGERI:

The suggestion, on pages 2 and 5 of S.B. 122, limits it to this item.

SENATOR BEERS:

If an individual has 24 months, can it be processed as 2 years?

MR. GHIGGERI:

I am not a PERS representative; therefore, I cannot answer that question.

SENATOR COFFIN:

In the March 9 hearing regarding this issue, the point was made by a letter writer that good-of-the-service discharges, or releases from active duty, are good for the U.S. Department of Defense budget. An attempt is made to shortchange a person to limit the budget; therefore, people are discharged a few days short of a year and they lose the whole year. The idea is to prorate service to take advantage of the system which makes sense. If a person served from 350 to 360 days out of the year, why not change it to months in order that he or she could receive eleven-twelfths of what they earned? They are buying it at the existing rate; therefore, it is not a gift, it is a benefit. Senator Beers would probably be familiar with that process.

In regard to Senator Beers' comment that the legislation for Operation Desert Storm should qualify this issue, perhaps we should not just think about Legislative Session law for addressing these kinds of needs, but consider the possibility that this issue affects people in between conflicts who have undergone similar kinds of inconvenience for the good of the service. Perhaps it should stand alone or be a systemic change.

CHAIR RAGGIO:

There was a concern it was too open. It could go back to the Civil War and that was not the intention.

SENATOR COFFIN:

There were a lot of those things. There was Panama, Grenada and Bosnia.

CHAIR RAGGIO:

I think the purpose of S.B. 122 was to try to make it consistent with what was done for those in Operation Desert Storm. I would agree with the amendment if the bill is processed.

Senator Coffin is referring to the letter writer from Henderson who suggested if a person had two years and eleven months, he or she could only buy two years; therefore, he said it should be months instead of years. That is addressed by the amendment.

SENATOR TITUS:

I spoke to Assemblyman Mo Denis about a similar bill coming out of the Assembly. They like S.B. 122 better; therefore, we could process this bill and forget about that one.

SENATOR BEERS MOVED TO AMEND AND DO PASS S.B. 122.

SENATOR CEGAVSKE SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

CHAIR RAGGIO:

The hearing is opened on S.B. 92.

SENATE BILL 92: Makes supplemental appropriations to Department of Public Safety for unanticipated operating expenses of Nevada Highway Patrol and for dignitary protection. (BDR S-1193)

Senate Bill 92 was heard in Committee March 7, 2005. After hearing the bill, it was indicated amendments were necessary in both sections 1 and 2 of S.B. 92. Is that correct?

MR. GHIGGERI:

That is correct. During testimony, staff indicated the appropriation in section 1 of S.B. 92 could be eliminated pending discussion with the agency. Staff has met with the agency and they concurred the appropriation listed in section 1 of S.B. 92 can be eliminated.

The appropriation in section 2 of S.B. 92 should be increased from \$28,710 to \$38,000, and the description for the use should be expanded to include unanticipated out-of-state travel, in-state travel and operating expenses.

CHAIR RAGGIO:

It was my understanding a suggestion was made to reduce the appropriation in section 1 of S.B. 92 to approximately \$690,000. Are you now indicating it can be eliminated altogether?

MR. GHIGGERI:

That is correct. Staff met with the agency and it was indicated they have sufficient salary saving and will not need salary adjustment money. They could process a work program to move funding from the salary category to cover their shortfalls in other areas of the budget.

CHAIR RAGGIO:

Is that Highway funds?

MR. GHIGGERI:

That is correct.

CHAIR RAGGIO:

Mr. Comeaux, is there an objection to processing S.B. 92 in that manner?

MR. COMEAUX:

There is no objection.

CHAIR RAGGIO:

The Chair will accept a motion to amend and do pass S.B. 92 to delete section 1 and change the amount in section 2 to \$38,000.

SENATOR RHOADS MOVED TO AMEND AND DO PASS S.B. 92.

SENATOR MATHEWS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

CHAIR RAGGIO:

The hearing is opened for introduction of Bill Draft Request (BDR) S-517 which is a request by the Nevada Supreme Court to make an appropriation to the State Board of Examiners for the sum of \$8 million for construction of a new White Pine County courthouse.

BILL DRAFT REQUEST S-517: Makes an appropriation for a new courthouse in White Pine County. (Later introduced as Senate Bill 183.)

MR. GHIGGERI:

This legislation is in the *Executive Budget* and an appropriation for the construction of a courthouse in White Pine County. The only change from what is represented in the *Executive Budget* to this appropriation is a change in the effective date from July 1, 2005, to passage and approval.

The Chair will accept a motion to introduce BDR S-517.

SENATOR RHOADS MOVED TO INTRODUCE BDR S-517.

SENATOR COFFIN SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR RAGGIO:

There being no further business to come before the Committee, the hearing is adjourned at 9:10 a.m.

RESPECTFULLY SUBMITTED:

Barbara Moss,
Committee Secretary

APPROVED BY:

Senator William J. Raggio, Chair

DATE: _____