

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

**Seventy-Third Session  
May 19, 2005**

The Committee on Ways and Means was called to order at 7:57 a.m., on Thursday, May 19, 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. Richard Perkins  
Mr. Bob Seale  
Mrs. Debbie Smith  
Ms. Valerie Weber

**STAFF MEMBERS PRESENT:**

Mark Stevens, Assembly Fiscal Analyst  
Steve Abba, Principal Deputy Fiscal Analyst  
Mindy Braun, Education Program Analyst  
Michael J. Chapman, Program Analyst  
Jeffrey A. Ferguson, Program Analyst  
Tracy Raxter, Program Analyst  
Leslie Johnstone, Program Analyst  
Rick Combs, Program Analyst  
Bob Atkinson, Senior Program Analyst  
Lila Clark, Committee Attaché  
Susan Cherpeski, Committee Attaché

**Senate Bill 318 (1st Reprint): Provides funding for repair and maintenance of state park facilities and grounds. (BDR 35-467)**

Assemblyman Harry Mortenson, District No. 42, presented S.B. 318. Mr. Mortenson explained that S.B. 318 would allow the state to sell a small piece of property surrounded by land owned by the Bureau of Land Management (BLM). The land was of very little use to the state and could be sold for \$16 million to the BLM. That \$16 million would then be placed into a trust fund and the interest from that fund would be approximately \$240,000 per year to be used as funding for maintenance of state park facilities and grounds.

Mr. Mortenson remarked that state parks seemed to be at the bottom of the priority list for funding, and S.B. 318 would be a “bright spot” to help improve state parks. He assured the Committee that the legislation would not affect the rest of the budget and was meant as a supplement to, rather than a substitute for, any existing funding.

Joe Johnson, Toiyabe Chapter of the Sierra Club, spoke in support of S.B. 318 and encouraged the Committee to pass the bill.

Assemblyman Perkins questioned the location of the land that would be sold. Mr. Mortenson explained that the land was in the Red Rock conservation area and was surrounded by BLM land and the BLM would like to purchase the land and maintain it. He pointed out that the state did not use the land and could benefit from the sale.

Mr. Perkins clarified that it was a piece of property in the state inventory that would be sold to the federal government. Mr. Mortenson indicated that was correct.

As there was no further testimony, Chairman Arberry closed the hearing on S.B. 318 and opened the hearing on A.B. 422.

**Assembly Bill 422 (1st Reprint): Increases compensation of members of boards of trustees of school districts. (BDR 34-1173)**

Assemblyman Bob McCleary, District No. 11, presented A.B. 422. Mr. McCleary said it was his second term as an Assemblyman and he had discovered how expensive it was to serve in a public office. He opined that it should not cost that much money to serve in a public office, and A.B. 422 would increase compensation for members of school boards. The bill would not properly compensate them for their service, it was intended to offset expenses and to ensure that it did not cost them money to serve.

Mr. McCleary indicated that the bill would provide \$1,200 to members of the two school boards in areas with a population over 100,000. He noted that the members were currently being paid approximately \$500 because they were paid per meeting, although there were many subcommittee meetings that they attended and were not paid for attending. The rural school boards would receive \$600 with the discretion to raise that amount to \$1,200 if the school board so determined.

Chairman Arberry asked how the amount was determined. Mr. McCleary said there had not been a study, he had looked at the average salary, which was about \$500, and the amount of time spent serving, and he chose \$1,200 as the new level of compensation. He had spoken to members of school boards who had been concerned that a bigger increase might attract the wrong type of people rather than those who wanted to serve for the right reasons.

Norm Scoggin, President-elect, Nevada Association of School Boards, spoke in support of A.B. 422. He said that school board members were a very dedicated group of people who worked very hard and spent a great deal of time serving and were not properly compensated. He opined that anyone who did a job should be paid for that job.

Randy Robison, Executive Director, Nevada Association of School Boards, submitted [Exhibit B](#) and commented on the provisions of A.B. 422. Mr. Robison indicated that the exhibit contained a breakdown of the fiscal impact to local

school districts should the bill be passed. He supported the concept of the bill; however, he was concerned that it was an unfunded mandate. He urged the Committee to include funding if they chose to process the bill.

Mr. Robison added that the provision allowing the rural school boards to vote on the level of their own compensation was of great concern because it placed the school boards in the "untenable position" of giving themselves a raise at the expense of other programs or services. It was a difficult position to put the school boards in. He asked that the Committee be aware of those concerns as the bill was considered.

As there were no further questions or comments, Chairman Arberry closed the hearing on A.B. 422 and opened the hearing on S.B. 71.

**Senate Bill 71: Removes requirement for approval of salaries of executive staff of Public Employees' Benefits Program by Interim Retirement and Benefits Committee. (BDR 23-86)**

Mark Stevens, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, explained that S.B. 71 had been generated by the Interim Retirement and Benefits Committee. The bill would remove the requirement that the Interim Retirement and Benefits Committee approve the salary levels for positions within the Public Employees' Benefits Board.

Mr. Stevens explained that the positions within the Public Employees' Benefits Program were included in the unclassified pay bill. The unclassified pay bill then controlled the maximum salary for those positions, so it seemed redundant that the Interim Retirement and Benefits Committee would have to approve the salaries set for those positions, even though the unclassified pay bill controlled the maximum salaries.

Assemblyman Marvel agreed that it was a redundant and unnecessary measure.

Assemblywoman Giunchigliani asked if the bill would set a precedent.

Mr. Stevens pointed out that the only other group that the Interim Retirement and Benefits Committee approved the salaries for were the Public Employees' Retirement System. The Public Employees' Retirement System executive staff's salaries were not included in the unclassified pay bill.

Ms. Giunchigliani noted that page 3 of S.B. 71 said the salaries of the employees were exempt from the limitations set forth in *Nevada Revised Statutes* (NRS) 281.123. She questioned the limitations and indicated that she would review NRS 281 herself.

Chairman Arberry asked if anyone else wished to testify. There being no one, he declared the hearing on S.B. 71 closed and opened the hearing on S.B. 216.

**Senate Bill 216 (1st Reprint): Eliminates Division of Water Planning of State Department of Conservation and Natural Resources and transfers former duties of Division to newly created Water Planning Section. (BDR 18-469)**

Allen Biaggi, Director, Department of Conservation and Natural Resources, provided testimony on S.B. 216. Mr. Biaggi said that S.B. 216 would eliminate the Division of Water Planning and place those duties in the Water Planning Section. The fiscal note attached to the bill was amended to provide funding for the chief of the section and one administrative assistant II. The fiscal note

provided one-time expenses, such as furniture and computers, as well as fixed costs for those positions, of which salary was the largest component.

Mr. Biaggi noted that there were already two positions present in the Division of Water Resources, and those two positions, with an additional two positions, would be the core of the Water Planning Section. One of the duties of the section would be to provide data to the state engineer and to the general public with the ultimate goal to make the information available in electronic format on the state engineer's website. The Water Planning Section would also provide technical assistance, along with the aforementioned information, to any local groups who requested it. The Water Resources Planning and Development Advisory Board would be reactivated and the membership and duties of the Board were described in Section 9 of S.B. 216.

Assemblywoman Leslie requested a copy of Mr. Biaggi's remarks for further review. Mr. Biaggi agreed to provide that copy.

Chairman Arberry closed the hearing on S.B. 216 and opened the hearing on A.B. 411.

**Assembly Bill 411 (1st Reprint): Requires appropriate safety restraints in school buses. (BDR 34-260)**

Assemblyman Kelvin Atkinson, District No. 17, presented A.B. 411. Mr. Atkinson explained that during the previous summer he had attended a neighborhood meeting in his district, and several parents had discussed the issue of seatbelts on school buses. He indicated that he had researched but had been unable to find out why school buses were not equipped with seatbelts. There were six states that required seatbelts, and four more states considering legislation similar to A.B. 411.

Mr. Atkinson pointed out that there had been several school bus accidents in the past few months throughout the country, and there was a great difference between the safety of those students who were wearing seatbelts and those who were not. He remarked that opponents of A.B. 411 would present statistics about how the buses were built to withstand impact, but he did not think buses were built to withstand turnovers and in that type of accident the children were thrown around inside the bus.

Mr. Atkinson said he had read a newspaper article from Liberty, Missouri, where 23 students were hospitalized after their school bus crashed when entering an intersection. Two of the students suffered life-threatening injuries and several others were seriously hurt. The students were not wearing seatbelts. The Missouri Legislature had decided to address the issue in its next legislative session.

Mr. Atkinson stated that he did not want to consider legislation after something terrible had happened. There was a cost, but it was a good use of taxpayers' money. There had been a few compromises in A.B. 411. Initially the bill had stated that the buses would have to be retrofitted with seatbelts; however, that had created a prohibitive fiscal note, so that provision had been removed and replaced with a requirement that newly purchased school buses would have seatbelts beginning in 2007. That amendment had reduced the fiscal note.

Mr. Atkinson indicated that he had compiled research on recent school bus accidents and would be providing that research to the Committee at a later time. He concluded by relating a story about his daughter's experience on a

school bus. He said she had been trained to always wear her seatbelt. Three years earlier, she had gone on her first field trip on a school bus and when she came home, rather than talk about the field trip, she wanted to talk about the fact that the school bus did not have a seatbelt.

Mr. Atkinson said that most children had been trained to wear a seatbelt and were surprised when there was not one on the school bus. He pointed out that the only person who had a seatbelt was the driver.

Assemblyman Denis commented that putting seatbelts in new buses was not that expensive. Mr. Atkinson said that he had looked into the pricing of several options, and the prices ranged from \$1,500 to \$5,000 in addition to the cost of a new bus.

Michael Geeser, AAA Nevada, spoke in support of A.B. 411. Mr. Geeser said there had been great debate on whether or not seatbelts should be installed in school buses, but the fact was that the modern three-point seatbelts with lap and shoulder straps could fit all children. Much of the debate centered on studies that determined a child could be injured in a side-impact crash while wearing a lap belt. Placing three-point seatbelts on buses made sense.

Mr. Geeser added that if they did not have all the answers from previous studies, more studies should be done on the federal level. If at the end of those studies there were still no answers, then the state should err on the side of caution. The recent school bus accidents in Missouri and Florida underscored the need for safety. There was one person who wore a seatbelt on a school bus and that was the driver, and Mr. Geeser opined that if the driver should wear a seatbelt, so should the students.

Rose McKinney-James, representing the Clark County School District, addressed the Committee. Ms. McKinney-James recognized that the Committee was concerned with the fiscal impact of the measure, but it was important that the District's opposition to the bill was not singularly related to the additional cost associated with the installation of seatbelts. In fact, consistent with testimony that had been offered previously, it was a matter of students' safety. While that was more correctly a policy decision, it was important to place the bill in perspective.

Ms. McKinney-James indicated that the National School Bus Standards for the protection of children were very specific, requiring rigid structural integrity in the body joint strength, rollover protection, as well as high-backed padded seats properly spaced to provide impact protection and reduced body acceleration in the event of an accident. The National Highway Traffic Safety Administration was responsible for establishing motor vehicle safety standards to reduce the number of fatalities and injuries from motor vehicle crashes, including those involving school buses. Installing seatbelts in school buses was not a new idea. There was a wealth of research on whether such a requirement would improve safety. Surprisingly, no safety benefit had ever been proven. In fact, crash tests had shown that seatbelts could create more drawbacks than advantages.

Ms. McKinney-James said that common sense seemed to dictate that such findings could not be true. Few people traveled in a car or an airplane without fastening a seatbelt, but school buses were different. School buses were heavier, experienced less crash forces, and distributed crash forces differently than did passenger cars or light trucks. There was no federal requirement for seatbelts on large buses. State and localities were free to install them if they felt it was in the best interest of safety in their areas. However, the National

Academy of Science said that if seatbelts were to be beneficial “states and local school districts that require seatbelts on school buses must ensure not only that all school bus passengers wear seatbelts, but that they wear them correctly.” Ms. McKinney-James pointed out that was a challenge for any district in that the average school bus had only one adult available to supervise the activities on the bus. The bus driver was the only adult on the bus and could not be expected to ensure that each student was buckled in and that the belts were used correctly.

Ms. McKinney-James continued and said that rather than requiring seatbelts, the National Highway Transportation Safety Administration decided that the best way to provide crash protection to passengers was through a concept called “compartmentalization.” Compartmentalization required that the interior of a large bus provide the adequate protection so that children were protected without the need to “buckle up” using a protective envelope consisting of strong, closely-spaced seats that had high energy-absorbing seat backs. The effectiveness of compartmentalization had been confirmed in both the National Academy of Sciences and the National Highway Transportation Safety Administration studies.

Ms. McKinney-James said that most experts believed that compartmentalization was superior to seatbelts. On the other hand, small school buses, those with gross vehicle weight ratings less than 10,000 pounds, had to be equipped with lap or lap/shoulder belts at the designated seating positions, and that was how the school districts addressed issues related to the buses that transported the special needs students.

Ms. McKinney-James indicated that in 1999, a study by the United States National Transportation Safety Board suggested that adding seatbelts to school buses would cause additional head injuries and probably additional deaths in some crashes. It further stated that seatbelts, by holding a child’s pelvis firmly in place, allowed the torso to crack like a whip with the head striking a seat back with greater force than if the whole body had been thrown. They found the evidence ambiguous enough to avoid recommending seatbelts, but they were also not persuaded that endorsing seatbelts was a problem. Ms. McKinney-James pointed out that the lack of a finite position on the value of seatbelts was another challenge transportation officials faced.

Ms. McKinney-James said that six states required seatbelts on school buses; however, none had experienced a crash that would demonstrate any benefits of adding seatbelts to school buses. There was still no scientific evidence that lives would be saved. Seatbelts were designed for cars and had saved thousands of lives. School buses were designed with safety, but not seatbelts, in mind. They were not built like cars. Buses were much larger, higher, and heavier than other vehicles on the road, so they had a body on frame design. For seatbelts to enhance rider safety, the bus body would have to be reengineered with seatbelts integrated at the design stage. According to the National Highway Transportation Safety Administration, children were 16 times safer in a school bus than a passenger vehicle.

Ms. McKinney-James provided [Exhibit C](#) to the Committee, which contained much of the information she had presented. She indicated that she also had access to the seatbelt fact sheet, which was a safety sheet that was distributed to the members. With respect to the cost, the District had circulated a document previously that showed the cost of retrofitting and purchasing new buses would be approximately \$2 million. With the bill in its reprinted form, there would still be a cost for the purchase of new buses. The District

purchased approximately 100 new buses each year. The cost for the basic restraint in those new buses was approximately \$2,000 per bus, and if the three-point belt system was installed, those costs would increase.

Ms. McKinney-James added that there were also logistical issues to consider. If seatbelts were added to the new buses, that created problems of inequity for those students who rode older buses. She acknowledged that the Committee was concerned with the fiscal impact, but she felt that it was also a student safety issue and a policy issue, and one in which the information suggested that seatbelts did not enhance safety.

Assemblyman Seale asked if having older school buses without seatbelts and new buses with seatbelts would create a liability for the districts if there was an accident involving a bus without seatbelts.

Ms. McKinney-James responded that there might be a liability issue. She noted that there was language in the proposal that attempted to suggest that there would be no liability, but a legal analysis of the bill might show that liability could not be waived through such a measure.

Assemblywoman Leslie questioned the reason for the driver's seatbelt. Ms. McKinney-James explained that the driver was in the front of the bus away from the padded seats and that portion of the bus built with the notion of compartmentalization. The driver was seated close to the windshield and outside of the envelope.

Ms. Leslie asked if it was possible to purchase school buses with seatbelts. Ms. McKinney-James said it was possible and she indicated that she had been told that many of the buses were already seatbelt-ready.

Ms. Leslie opined that parents wanted seatbelts on school buses. Ms. McKinney-James agreed that parents felt that way, but the data suggested that seatbelts were not necessary.

Ms. Leslie pointed out that the data was inconclusive. Ms. McKinney-James said the data suggested that the design was important to safety and seatbelts did not enhance or increase the safety, which was the reason so many states had chosen not to install seatbelts.

Ms. Leslie questioned the position of the Parent Teacher Association (PTA) in regard to A.B. 411. Ms. McKinney-James indicated that she had been unable to find an official PTA position on the issue of seatbelts.

Assemblyman Perkins disagreed with Ms. McKinney-James and commented that he had experience with car accidents and, while compartmentalization added to the safety of the school bus, in a higher speed crash or a rollover there was not adequate protection. He added that it was important that seatbelts be used properly, but he thought the addition of seatbelts was a step in the right direction.

Mr. Perkins conceded that parents might be upset if their children were on a bus without seatbelts while other children were on buses with seatbelts; however, it had to start somewhere and eventually all the buses would have seatbelts. He said that the state was reducing its liability by increasing the number of safety devices, and over time all the buses would have seatbelts. A liability was not created by adding a safety device. The liability already existed because none of the buses had seatbelts.



Ms. Giunchigliani said the most important issue was to ensure the safety of the children on the buses. She commented that there would have been problems already if there really were a liability issue. She added that the studies she had seen indicated that the seatbelts could actually increase the chance of injury, and she was concerned.

Ms. Giunchigliani agreed that everyone should be wearing seatbelts when driving or riding in a car, but buses were designed for safety. Additionally, there was only one bus driver and it would be extremely difficult to ensure that all children were buckled in.

Ms. McKinney-James said the research was not conclusive; however, research indicated that children were far more likely to have accidents in and around the bus as pedestrians than they were to be in an accident on the bus. Research also indicated that the emphasis should be on training people from the standpoint of discipline and safety programs. She noted that A.B. 411 did include references to enhanced safety instruction, which the school districts were supportive of. She added that there had been indications that children could use the seatbelts as weapons or be injured tripping over the seatbelts.

Kurt Svare, Transportation Director, Transportation Department, Washoe County School District, addressed the Committee and submitted [Exhibit D](#). Mr. Svare remarked that he had worked with the District for many years and the seatbelt issue had been debated for a long time. He agreed that children's safety was the most important issue. He indicated that during his tenure, there had been two school buses involved in rollovers. One accident involved a bus with 63 students and the children were transported to the hospital, checked, and released, which showed how safe the school bus was. There had been another accident in December when a bus slid off the road and rolled over. The 23 children on the bus were not injured. Mr. Svare said that, as far as the Washoe County School District was concerned, the compartmentalization approach did provide safety.

Mr. Svare noted that the majority of tests over the years had tested lap belts, which were not safe, and if seatbelts were installed, they should be the three-point harness belts. The lap belts, with the way buses were designed with the compartmentalization and a 24-inch space between seats, acted as a pivot on the children's hips, causing their heads and necks to hit the seat in front of them. With the lap belts, the tests indicated that the impact was much more severe than it would be without the belts. He emphasized that if it was decided that seatbelts should be installed, then it should be the three-point harness system and should be retractable so as to avoid creating a tripping hazard.

Mr. Svare pointed out that there would be a high cost for those three-point harness systems. The buses would lose up to a third of the seating capacity because the bus could seat three in a seat on one side of the bus and only two in a seat on the other side. The best option would allow only two students to be seated in each seat on both sides of the bus. Currently, three children could sit in all the seats on both sides of the bus, so the loss of capacity would necessitate the purchase of more buses.

Mr. Svare agreed that safety was a serious issue, but the Washoe County School District had a good safety record. The pedestrian accidents were more troublesome; approximately 25 to 30 children were killed throughout the nation each year either by being hit by a car that did not stop for a bus or by the bus itself, which had happened in White Pine County earlier in the year. He stressed



that it was important to address that area of safety as well, and that could be done with safety training for all students.

Ms. Giunchigliani requested clarification of subsection 3 on page 2, which indicated that a parent or guardian had to submit a signed statement from a physician which indicated the physician had determined that the safety restraint was impractical or dangerous. She asked if that meant a parent could choose to not have his child use the seatbelt.

Assemblyman Hogan said it appeared from earlier testimony that in order to get the full value of seatbelts, the seatbelts should be incorporated in the design phase of new buses. He asked if the new buses had been redesigned for that purpose or were adjustments made so the seatbelts could be added as an after-market product.

Mr. Svare said that seatbelt-ready seats could be purchased and the floors of school buses had been reinforced to attach seatbelts to the floor. There had been changes to the design; however, one of the concerns was the spacing of the seats, which might need to be changed.

Ms. Leslie asked if the manufacturers were making new school buses that were designed differently with seatbelts. Mr. Svare said there were some companies that designed the seats with the three-point system. He had not seen evidence that the manufacturers of the buses had changed their design.

Ms. Leslie asked if Mr. Svare had spoken to transportation directors in states where they had seatbelts on buses. Mr. Svare said he had not.

Mike Mitchell, Director of Operations, Carson City School District, addressed the Committee. Mr. Mitchell said he had intended to testify against A.B. 411, and while he was no longer necessarily opposed to the bill, he was concerned that the costs would be prohibitive. The ramifications of the bill to the school districts were unknown. He indicated that he had visited the transportation "barn" and had spoken to the mechanics and the route driver coordinator, and they had raised issues that had not yet been discussed. Seating 60 to 70 children on the school bus and making sure each was buckled in would increase the amount of time, possibly by as much as 30 minutes, on a school bus route. There would then be issues with changing the route schedules, and starting the morning routes earlier and returning the children home later in the afternoon. However, the safety of the children was paramount.

Mr. Mitchell indicated that parents often called his office regarding safety on the school bus, and he was not sure that the seatbelts would make the buses safer, but it was better to err on the side of caution. He asked that the Committee be mindful of other possible consequences, cost, time and manpower, of passing A.B. 411.

Ms. Giunchigliani opined that if the Legislature decided that it was time to implement the policy, then money would have to be provided to the school districts. She remarked that it had been several years since she had been on a school bus, so it was good to be reminded what the costs might be. She asked if any of the school districts had seatbelt-ready seats.

Mr. Mitchell said that the Carson City School District did not have those seats, and he offered to take the Committee for a ride on a school bus.

Ms. Giunchigliani said she would like to see a new bus and an old bus for the purposes of comparison. It was important to understand what options were available.

Assemblywoman Smith said the seatbelt issue had been debated for years. When she had first become active in the PTA, she had attended a convention and it had been an important issue to the parents at that time. She said she had seen the debate at the national level as well, and she would provide more information to the Committee.

Mrs. Smith said that the underlying issue was money, which was unfortunate as the issue should be safety rather than funding. She compared the situation to the situation with class-size reduction where there had not been statistics showing that class-size reduction worked, but it "felt like the right thing to do."

Mrs. Smith said that the argument about improper use was invalid, and liability was another argument that could not be used because there were old playgrounds and old parking lots that were unsafe at schools, but that did not prevent improvements at another location. She argued that the children might be more disciplined if they were buckled in. She asserted that installing seatbelts was the right thing to do.

Mr. Perkins asked if there had been any communication with school districts that had seatbelts on school buses as to whether it affected bus route schedules. Mr. Mitchell indicated that he had not spoken to anyone else, but it was a "gut feeling."

Mr. Perkins said it was disturbing that the conversation was being deflected to other issues, such as the fact that more children were hurt around a school bus than on a school bus, because that did not address the issue of safety on the bus, which was the intent of the bill. He added that the manufacturers would not be making seatbelt-ready seats if it would create additional liability. He concluded by stating that the policy should have been discussed in the Assembly Committee on Transportation and the discussion in the Assembly Committee on Ways and Means should focus on fiscal impact.

Ms. Giunchigliani inquired as to whether the individual school districts had submitted fiscal notes.

Keith Rheault, Superintendent of Public Instruction, Department of Education, commented on A.B. 411. Mr. Rheault said that he had additional information from the State Board of Education, and he had been directed to address the issue of authority being taken away from the State Board of Education and given to another entity.

Mr. Rheault pointed out that currently the State Board of Education set all school bus regulations, including safety standards, bus driver training, et cetera. In subsection 1(c) of Section 3, the inspections were performed by the Department of Public Safety, but the minimum specifications were set and regulated by the State Board of Education. The most recent issue similar to the school bus seatbelts was when the Legislature required a series of red flashing lights on the school buses, and in subsection 1(a) of Section 4, the regulation of those lights had been assigned to the State Board of Education. He stressed that rather than the Director of the Department of Public Safety adopting the regulations, it should be the State Board of Education. The Board met regularly with school bus transportation representatives, the Board developed the test for

the bus drivers and, for consistency's sake, the bus regulations should all fall within the purview of the State Board of Education.

Ms. Giunchigliani asked if Mr. Rheault could provide an amendment in writing. Mr. Rheault agreed and said the change was merely replacing the Director of the Department of Public Safety with the State Board of Education.

Ms. Giunchigliani noted that the bill referred to "the safety mechanism," and she asked if it was intended to be the three-point harness rather than the lap belt. Mr. Atkinson said that the language was intended to allow some flexibility because some school buses were already equipped with seatbelt-ready seats and those seats had to be used with a specific type of seatbelt.

Ms. Giunchigliani said that if seatbelts were installed, they should be the three-point harness, so perhaps the language should be more specific.

Assemblyman Denis commented that making the language too specific might preclude new systems currently worked on that might be better. Ms. Giunchigliani agreed and said that a minimum standard should be set, and then if a new, safer seatbelt was developed, that seatbelt could be used in the buses.

Ms. Leslie asked if there were new buses being manufactured with a different design and a seatbelt. Mr. Rheault said that a bus could be purchased with the seatbelts already installed.

Ms. Giunchigliani questioned the cost of one of those buses. Mr. Rheault said the cost was approximately \$2,000 in addition to the cost of the bus.

Mr. Svare addressed the question and said the cost of the three-point harness would be \$18,000 more per bus for an 84-passenger bus. Ms. Giunchigliani pointed out that \$18,000 was for the installation of the new seats. She asked what the cost of a new bus would be.

Mr. Svare explained that if a new bus had to be purchased, particularly as the capacity was being lessened, then the cost would be approximately \$75,000 to \$80,000 with an additional \$18,000 for the three-point seatbelt installation.

Ms. Giunchigliani requested clarification of the initial fiscal note. Mr. Svare explained that the fiscal note from the Washoe County School District was for retrofitting the old school buses with seatbelts, but that provision had been removed from the bill. He said the second part of the fiscal note had assumed \$6,500 per school bus for the installation of lap belts. Ms. Giunchigliani noted that the fiscal notes from the Washoe County School District and the Clark County School District were disparate and needed to be reexamined.

Mr. Atkinson thanked the Committee for their consideration of A.B. 411. He referred to the school bus accident in Missouri that he had mentioned earlier in which 2 children died and others were seriously injured, and said that there had been another bus accident in New York City where 44 children and 2 adults were on a bus that had rolled over, and they suffered minor neck and back injuries. He pointed out that New York required seatbelts.

Ms. Giunchigliani said that safety of children was paramount and the state should err on the side of safety.

Dr. Dotty Merrill, Assistant Superintendent, Public Policy, Accountability and Assessment, Washoe County School District, did not testify but provided [Exhibit E](#) for inclusion in the record.

As there was no further testimony, Chairman Arberry closed the hearing on [A.B. 411](#) and opened the hearing on [A.B. 524](#).

**[Assembly Bill 524](#): Makes various changes concerning Fund for a Healthy Nevada and provision of prescription drugs and pharmaceutical services by this State. (BDR 40-169)**

Mary Liveratti, Deputy Director, Department of Human Resources, presented [A.B. 524](#), which had been requested by the Department of Human Resources. The bill made various changes to the Senior Rx Program under the Fund for a Healthy Nevada. Ms. Liveratti indicated that the bill would do three things. First, it would increase the cap for administration of Senior Rx from 3 percent to 5 percent; second, it would allow the Senior Rx Program to be adapted to take advantage of the federal prescription program under Medicare Part D; and third, it made minor technical corrections.

Ms. Liveratti stated for the record that it was the intention to only increase the administrative cap imposed on the Senior Rx Program, not the other programs under the Fund for a Healthy Nevada. She pointed out that another bill, [A.B. 495](#), would also be requesting a 5 percent administrative cap for the Disability Rx Program.

Mr. Stevens remarked that the language in the bill might not indicate that the increase in the administrative cap would apply only to the Senior Rx Program.

Ms. Liveratti said she had been working on an amendment that would clarify the language. She offered to provide a copy of the amendment.

Ms. Giunchigliani pointed out that Section 7 on page 9 would be sufficient for the upcoming biennium, but then the language needed to be refined and the Interim Finance Committee did not need to continue approving the ongoing program.

Assemblywoman McClain questioned if the increase in the administrative cap would be used to fund a new position.

Ms. Liveratti said that the reason for the requested increase was that the executive internal audit performed in 2004 recommended that the program be converted from an insured product to a self-insured product. As of January 2005, the agency was managing the program rather than paying someone else to manage the program. In the budget request, there was a management analyst I position, and that position would have to be funded under the administrative cap.

Barry Gold, Associate State Director for Advocacy, American Association of Retired Persons (AARP), spoke in support of [A.B. 524](#). He indicated that the AARP of Nevada supported the bill because it enabled the state to take full advantage of the Medicare Part D federal funding combined with the Senior Rx Program. The Senior Rx Program was a model program across the country in providing prescription assistance for older adults. It was necessary to "wrap them around each other" so the same benefits would be received. He noted that not everyone on the Senior Rx Program would be eligible for Medicare

Part D, so the program needed to continue to work well for everyone while taking advantage of federal funding.

Chairman Arberry closed the hearing on A.B. 524 and opened the hearing on A.B. 274.

**Assembly Bill 274 (1st Reprint): Makes various changes concerning sex offenders and offenders convicted of crimes against children. (BDR 14-706)**

Assemblywoman Genie Ohrenschall, District No. 12, presented A.B. 274. Ms. Ohrenschall distributed Exhibit F and explained that a new fiscal note had been submitted that indicated there would be no fiscal impact. Ms. Ohrenschall made the following statement:

Assembly Bill 274 is an attempt to keep children safe from sexual predators. The bill amends several provisions of the *Nevada Revised Statutes* concerning sex offenders and offenders convicted of crimes against children. Specifically, A.B. 274 does five things.

First, it requires that sex offenders and offenders convicted of a crime against a child to register with each local jurisdiction in which they reside, and to notify each appropriate law enforcement agency if the offender establishes a new residence.

Second, it establishes additional criteria for the website information on sex offenders that can be published by the Attorney General's Office. That information includes a complete physical description, a current photograph, a complete address, and the offense that was committed.

Third, it provides penalties for violations of its provisions because many sex offenders have not updated their registration.

Fourth, it imposes a duty upon the Department of Corrections of local law enforcement to inform the offender of the duty to notify the appropriate law enforcement agency if the offender establishes a new residence.

Fifth, it expands the requirements for a sex offender to be assigned to a Tier 3 level of notification.

Currently, there are 9,634 known sex offenders and offenders convicted of crimes against children in the state of Nevada. Of the 5,073 "active" offender files, approximately 1,950 are not in compliance with the different registry requirements imposed on offenders.

Once you realize how many offenders are out there, and how many are in noncompliance, you can appreciate a program that can provide the public with as much information as possible about those offenders who are registered and who are being tracked.

Not only will A.B. 274 allow law enforcement to better track sex offenders, it will enable concerned parents and other citizens to better protect themselves and their children from sex offenders. By providing this level of information on the Internet, Nevada will

be joining a majority of other states, such as Arizona, California, Idaho, Oregon, Utah, and Washington.

This is very important because if parents know that there is an offender near where they will be, maybe they won't let the child walk to school or they will walk with the child. There are many things that having more knowledge can stimulate the parents in the community to do, which may be small but can make a big difference in terms of protecting children.

Assemblywoman Gansert commended Ms. Ohrenschall on the bill and noted that there was another bill with similar provisions, including some compliance language. She noted that approximately 50 percent of offenders were out of compliance, and it was important that Nevada was a safe haven for its children rather than for sex offenders.

Ms. Ohrenschall pointed out that A.B. 274 addressed compliance issues by ensuring that all offenders were considered at least a Tier 3 as far as notification.

Ms. McClain questioned the various tiers. Ms. Ohrenschall explained that the different tiers concerned the degree of notification that had to be provided to the community. A Tier 3 notification indicated that there had to be a picture and an address on the website, and it also imposed a duty on the sex offender to register, with threat of criminal penalties if he did not comply.

Ms. McClain asked for clarification regarding the tier classifications. Mrs. Gansert responded that there were four tiers, Tier 0, 1, 2, and 3, with Tier 3 being the most likely to re-offend. She said that currently the information was sorted through the Department of Public Safety, and during subcommittee hearings, there had been questions regarding the sorting and flagging of individuals upon notification.

Assemblywoman Weber asked which tier of offenders seemed to be the most often out of compliance. Ms. Ohrenschall said she did not have the statistics, but she thought that Tier 3 offenders seemed to be out of compliance most often.

Mrs. Gansert remarked that the provisions in A.B. 274 would expand and refine the definition of Tier 3. Currently, there were 66 Tier 3 offenders in the entire state due to the definition. She noted that one of the difficulties was how to classify the offenders and then ensure that they were in compliance.

Chairman Arberry asked the Office of the Attorney General to address the fiscal note.

Teri Sulli, Chief Financial Officer, Office of the Attorney General, explained that the original fiscal note had been based on the original language in the bill, which would place the Web-based system under the responsibility of the Attorney General's Office. However, with the amendment, that responsibility would stay within the Department of Public Safety, which eliminated the fiscal note for the Attorney General's Office.

Chairman Arberry noted that while there was no fiscal impact on the Attorney General's Office, the cost had merely shifted to another agency.



Ms. Ohrenschall interjected that the original bill had stated that the information needed to be on the Attorney General's website, but that had not been the intent. The intent had been to work with and refine the website already in existence. She pointed out that the difference might be that rather than a zip code for the offender, there would be an entire address. It was a matter of typing in more data.

Charles M. Moltz, Chief of Information Services, Office of the Attorney General, said that the figures provided by the Attorney General's Office were merely replicating what the Department of Public Safety currently had in place, so the Department of Public Safety was not creating a new website.

Sergeant Michelle Youngs, representing the Washoe County Sheriff's Office and the Nevada Sheriff's and Chief's Association, addressed the Committee. Sergeant Youngs expressed support for the bill and commended Ms. Ohrenschall for proposing the legislation.

Fritz Schlottman, Administrator, Offender Management Division, Department of Corrections, spoke in support of A.B. 274. Mr. Schlottman indicated that he had spoken with the medical director of the Department, and the director said that the Department of Corrections' success with programs for sex offenders was approximately 5 to 7 percent, which meant the system was essentially "putting the fox back in the henhouse." Therefore, he was in full support of notifying the community.

There being no further testimony, Chairman Arberry closed A.B. 274 and opened the hearing on A.B. 558.

**Assembly Bill 558: Makes appropriation for Rainbow Dreams Academy Charter School. (BDR S-1432)**

Diane Pollard, President, Anthony L. Pollard Foundation, presented A.B. 558. Ms. Pollard began her remarks with a PowerPoint presentation ([Exhibit G](#)). She stated:

Today I want to share with you a dream: the Rainbow Dreams Academy. I would like to give you a little history about the dream. It began as an after-school program at Kit Carson Elementary School and has grown into Rainbow Dreams Academy Charter School.

We have experienced a lot of successes with our approval from the Nevada Department of Education. We have plans to begin construction the fall of 2005 and open our doors the fall of 2006. Our mission is simple: to educate and prepare students to maximize their talents, to teach them to respect themselves and others, to take pride in their heritage in a safe and cooperative learning environment.

Our objectives are to empower children in their personal goals to be successful in school, to help motivate them, to foster cultural pride through educational programs and community programs, and to provide another educational resource for west Las Vegas and surrounding communities.

The population that we plan to serve will be full-day kindergarten and first and second grades during the first year, the school year

2006-2007. Then we would add a grade each year up to grade 5. Our program is dedicated to serving low-income, high-risk students and their parents with an after-school component that would be available to students and community. Our students will be selected through a random lottery selection.

Our community partners include the Kit Carson Elementary School, the City of Las Vegas, the west Las Vegas library, the University of Nevada, Las Vegas, Upward Bound Outreach program, the Nevada Partners, and the Andrew Agassi College Preparatory Academy.

Again, we plan to have a full-day kindergarten. We will emphasize early childhood reading, we plan for our students to be reading when they leave kindergarten. The demand is great in the area, there is a waiting list, there is a need in the community. We plan to incorporate African-American history and Hispanic-American history in our curriculum, and with small class sizes we feel we can do this. Kindergarten through second grade would have 16 students per teacher. Third through fifth grade would have 20 students per teacher. It is a unique curriculum for this group of at-risk students.

My husband and I have personally made a donation of \$560,000, and the Anthony L. Pollard Foundation, through private donations and partnerships, has raised \$1,917,000 for the success of this academy. We continue to apply for grants and are waiting for a grant through Clark County for the 2005-2006 year, which we expect to receive.

We are ready. We are in the process of demolishing buildings in the area. We feel that we can use the land as collateral to secure financing from the bank. The Foundation will be the long-term operator of the facility and maintain the facility. We do have the capacity to obtain \$2.4 million in construction loans, but we would like to be able to go in and do a turnkey.

The location is Lake Mead Boulevard and LaSalle Street. It will add to the community. In conclusion, we are asking that you please consider supporting our project. It would be an additional educational choice for the community, and an additional resource in that recreational and education corridor on Lake Mead Boulevard. We believe that with this addition, we can improve student achievement, and we will continue to maximize the private and public partnerships with the community.

Ms. Giunchigliani asked if Rainbow Dreams Academy was sponsored by the state or sponsored by the local school district. Ms. Pollard said the academy was sponsored by the Clark County School District.

Ms. Giunchigliani asked if the charter had been approved based on having the new building and receiving funding from the state. Ms. Pollard said the school was approved, and they were in the process of building.

Ms. Giunchigliani asked who the members of the Foundation were. Ms. Pollard said there was a governing board for the Rainbow Dreams Academy, which included Ms. Pollard, Priscilla Johnson, Sheri Sullivan, Jerome Young, Lance Brafford, and Linda Coombs.

Ms. Giunchigliani questioned the partnerships Ms. Pollard had mentioned with the Agassi school and Nevada Partners and asked if that was due to location. Ms. Pollard indicated that was correct. She explained that Rainbow Dreams Academy was near the Andre Agassi College Preparatory Academy and they had not wanted to give the impression the schools were competing. It had been decided that the two schools would be sister charter schools and work together on fund-raisers and activities of that nature.

Ms. Giunchigliani asked if the school would be able to open without receiving an appropriation from the state. Ms. Pollard said the school would open in the fall of 2006. The money would be helpful, but regardless, the school would open.

Ms. Giunchigliani remarked that it sounded like a wonderful program, but the state generally did not give money for construction to public schools in Clark County. It would set a precedent for other charter schools to request funding.

Assemblyman Denis noted that the PowerPoint presentation had indicated that the academy had received community development block grant (CDBG) funding, and he asked whether that money was program money or capital. Ms. Pollard indicated that the funding was for construction.

Ricci Rodriguez-Elkins, Executive Director, Center for Charter School Development, addressed the Committee. She indicated that she was present to represent Sierra Crest Academy, Esperanza Immersion Academy, Mariposa Academy of Language and Learning, Rainshadow Community Charter High School, Team A Academy, Daly Charter Elementary School, High Desert Montessori Elementary School, Coral Academy of Science, and Odyssey Virtual Learning Academies.

Ms. Rodriguez-Elkins said that, although it was exciting to see a new school being developed in Clark County to serve at-risk children, there was concern that the Committee was considering a bill that would make an appropriation for one school when the need of all public schools was so great. She pointed out that 18 of the state's 19 charter schools were required to fund their schools with no state appropriation for start-up or facilities costs. Because charter schools, unlike district schools, do not have tax-bonding authority, it was a great hardship, but the 18 operating public schools "begged, borrowed, and cajoled" cash donations and in-kind services for facilities development, furniture and equipment purchases, even textbooks and instructional materials.

Ms. Rodriguez-Elkins added that a few highly-motivated charter schools opened in basements, community centers, public gyms, and portable buildings. Only after two to three years of financial hardship and extreme sacrifice, had those schools been able to secure enough funding for adequate facilities, science labs, and libraries. She suggested that the \$1 million appropriation in A.B. 558 be reassigned to a bill that would serve all charter schools, including Rainbow Dreams Academy, by providing much needed funding to the already existing, but unfunded, charter school fund. The fund was intended to act as a stimulus fund for facilities, not to "bail out" troubled schools. After a two- to three-year period, successfully operating charter schools would be able to apply for low-interest loans, and in addition, the U.S. Department of Education had millions of dollars for facilities funding available to states with progressive laws in charter schools facilities funding. An appropriation of \$1 million would provide a leverage of ten times that amount.

Ms. Rodriguez-Elkins stated that she was opposed to A.B. 558 and the inequity and disparate treatment that it engendered. She asserted that it was more reasonable to appropriate money to the charter school fund for access and use by all schools rather than have each of Nevada's public schools approach the Legislature for separate appropriations.

Robert Moreno, student, Team A Charter High School, spoke in opposition to A.B. 558. Mr. Moreno made the following statement to the Committee:

Why would some charter schools receive so much money to open a new charter school? They are not the only ones in need. We need money also. I hope that we can make a difference for students of other charter schools that are not here today to say what their thoughts on this are. Rather than one school get the money, why don't we all split the money? I think that we all have a dream to get educations so that means that we should also split the money with all charter schools. Whether it's about making a school better or making a new school, I think that it's not fair for our fellow classmates. What I would like to see happen is that we all split the money and we all get an education.

Timothy Cheathon, student, Team A Charter High School, expressed opposition to A.B. 558. Mr. Cheathon said that similar issues had been discussed before, but still nothing had been done to help all charter schools. He asked that the Committee members use the power of the positions they had been given to help all children and young adults, who would be the future leaders of America and needed the best start possible. He said the responsibility was not solely that of the state, but of the students as well. It was up to the students to decide their futures with the education they received.

Mr. Cheathon said the Rainbow Dreams Academy was a good idea, but the focus should not be on one charter school. It should be on all charter schools.

Chairman Arberry closed the hearing on A.B. 558.

Assemblywoman Kathy McClain, District No. 15, Chairwoman of the Joint Subcommittee on General Government, read the Judicial Branch closing report into the record:

THE JOINT SUBCOMMITTEE ON GENERAL GOVERNMENT HAS COMPLETED ITS REVIEW OF 12 BUDGET ACCOUNTS FOR THE JUDICIAL BRANCH. THE FOLLOWING IS A DISCUSSION OF THE MAJOR ACTIONS TAKEN BY THE SUBCOMMITTEE WITH RESPECT TO THESE ACCOUNTS.

**ISSUES AFFECTING MULTIPLE ACCOUNTS**

THE BUDGET REQUEST SUBMITTED BY THE JUDICIAL BRANCH INCLUDED COURT ASSESSMENT REVENUE FOR THE JUDICIAL BRANCH TOTALING \$8,780,500 IN EACH YEAR OF THE 2005-07 BIENNIUM, WHICH WAS AN INCREASE OF APPROXIMATELY 7.6 PERCENT FROM THE AMOUNT COLLECTED DURING FY 2003-04 AND AN INCREASE OF APPROXIMATELY 1.8 PERCENT FROM THE AMOUNT BUDGETED FOR FY 2004-05. BASED ON COLLECTIONS FOR THE FIRST EIGHT MONTHS OF FY 2004-05, IT APPEARS THAT COLLECTIONS WILL TOTAL \$8.9 MILLION FOR THE YEAR, WHICH IS APPROXIMATELY 4.1 PERCENT MORE THAN WAS BUDGETED BY THE 2003 LEGISLATURE FOR FY 2004-05 AND APPROXIMATELY 1.6 PERCENT MORE THAN THE AMOUNT INCLUDED IN

THE EXECUTIVE BUDGET FOR EACH YEAR OF THE 2005-07 BIENNIUM.

BECAUSE IT APPEARS, HOWEVER, THAT THE NUMBER OF ASSESSMENTS COLLECTED IN FY 2004-05 WILL BE LESS THAN THE NUMBER RECEIVED DURING FY 2003-04, THE SUBCOMMITTEE RECOMMENDS APPROVING ONLY MODEST INCREASES IN ADMINISTRATIVE ASSESSMENT REVENUES IN FY 2005-06 AND FY 2006-07. THE SUBCOMMITTEE RECOMMENDS ASSESSMENT REVENUES TOTALING APPROXIMATELY \$9.0 MILLION IN FY 2005-06 AND \$9.1 MILLION IN FY 2006-07, WHICH IS AN INCREASE OF APPROXIMATELY 2.6 PERCENT MORE THAN THE AMOUNT INCLUDED IN THE COURT'S BUDGET REQUESTS FOR FY 2005-06 AND APPROXIMATELY 3.5 PERCENT MORE THAN THE AMOUNT INCLUDED IN THE COURT'S BUDGET REQUESTS FOR FY 2006-07.

THE JUDICIAL BRANCH BUDGETS INCLUDE A REQUEST TO REMOVE 16 PROFESSIONAL SENIOR MANAGEMENT POSITIONS FROM THE UNCLASSIFIED PAY BILL AND TO CHANGE THOSE POSITIONS TO "NON-CLASSIFIED." THE BUDGETS INCLUDED A REQUEST TO POOL THE PERSONNEL EXPENDITURES FOR 8 OF THE 16 POSITIONS IN THE SUPREME COURT ACCOUNT (BA 1494) AND TO AUTHORIZE THE COURT TO ESTABLISH THE SALARY OF THE POSITIONS WITHOUT LEGISLATIVE APPROVAL AND TO ELIMINATE AND CREATE NEW POSITIONS WITH THE FUNDING AVAILABLE WITHIN THE SUPREME COURT ACCOUNT. TO ENSURE THAT THE LEGISLATURE MAINTAINS CONTROL OVER THE MAXIMUM SALARIES FOR THE COURT'S PROFESSIONAL SENIOR MANAGEMENT POSITIONS AND TO ENSURE THAT THE LEGISLATURE DOES NOT LOSE THE ABILITY TO ENSURE THAT THE SALARIES FOR SIMILAR POSITIONS IN THE EXECUTIVE BRANCH ARE SET AT A COMPARABLE LEVEL WITH THE SALARIES FOR JUDICIAL BRANCH POSITIONS, THE SUBCOMMITTEE RECOMMENDS NOT REMOVING THE COURT'S PROFESSIONAL SENIOR MANAGEMENT POSITIONS FROM THE UNCLASSIFIED PAY BILL. THE SUBCOMMITTEE RECOMMENDS THAT THE COMMITTEE CONSIDER THE SALARY INCREASES REQUESTED BY THE COURT FOR THE 16 POSITIONS WHEN THEY CONSIDER THE GOVERNOR'S UNCLASSIFIED PAY PROPOSAL.

**SUPREME COURT (101-1494) COURTS - 2**

THE SUBCOMMITTEE RECOMMENDS APPROVAL OF THE COURT'S REQUEST FOR THREE NEW POSITIONS, INCLUDING A COURT DOCUMENT SPECIALIST, A FACILITY MANAGER AND AN ATTORNEY FOR THE COURT'S CIVIL DIVISION. THE SUBCOMMITTEE, HOWEVER, DOES NOT RECOMMEND APPROVAL OF A REQUEST FOR A NEW ELECTRONICS TECHNICIAN POSITION BASED ON THE COURT'S INDICATION THAT IF THE FACILITY MANAGER POSITION IS APPROVED, THE REQUEST FOR THE ELECTRONICS TECHNICIAN POSITION CAN BE WITHDRAWN.

THE SUBCOMMITTEE RECOMMENDS APPROVAL OF THE COURT'S AMENDED REQUEST FOR FUNDING FOR PHASE II OF THE COURT'S E-COURT INITIATIVE. PHASE II OF THE INITIATIVE IS TO CONSIST OF AN INTEGRATED ELECTRONIC FILING AND PUBLIC ACCESS SYSTEM THAT WILL ALLOW FOR THE FILING OF DOCUMENTS AND THE VIEWING OF CASE INFORMATION VIA

THE INTERNET. THROUGH THE USE OF AN INTRANET, THE SYSTEM WILL ALLOW THE COURT TO DISTRIBUTE, EDIT, SIGN AND FILE ORDERS AND OPINIONS ELECTRONICALLY. BASED ON UPDATED INFORMATION FROM THE COURT, THE EXPENDITURES FOR THE SYSTEM HAVE BEEN REVISED TO \$169,500 IN FY 2005-06 AND TO \$173,550 IN FY 2006-07. THE SUBCOMMITTEE ALSO RECOMMENDS FUNDING \$35,000 OF THE EXPENDITURES IN EACH YEAR FROM THE \$50 TECHNOLOGY FEE THAT WAS APPROVED BY THE 2003 LEGISLATURE THROUGH THE ENACTMENT OF SB 106.

ALTHOUGH THE COURT HAD PROJECTED THAT IT WOULD MOVE INTO THE REGIONAL JUSTICE CENTER IN LAS VEGAS DURING THE CURRENT BIENNIUM, THE COURT NOTIFIED THE SUBCOMMITTEE THAT THE MOST RECENT PROJECTED MOVE-IN DATE IS NOW OCTOBER 1, 2005. BASED ON THE REVISED MOVE-IN DATE, THE SUBCOMMITTEE RECOMMENDS ADJUSTING FY 2005-06 RENTAL EXPENDITURES FOR THE REGIONAL JUSTICE CENTER. THE SUBCOMMITTEE ALSO RECOMMENDS THAT A SEPARATE ONE-SHOT APPROPRIATION TOTALING \$194,204 FOR THE MOVING AND FURNISHINGS EXPENDITURES FOR THE REGIONAL JUSTICE CENTER BE INCLUDED IN THE APPROPRIATIONS ACT FOR THE 2005-07 BIENNIUM. AN APPROPRIATION TOTALING \$205,000 WAS APPROVED IN THE BUDGET FOR THE 2003-05 BIENNIUM, BUT WILL REVERT ON JUNE 30, 2005.

**ADMINISTRATIVE OFFICE OF THE COURTS (101-1483)  
COURTS -12**

THE SUBCOMMITTEE RECOMMENDS THAT PROFESSIONAL SERVICES EXPENDITURES IN THE BASE BUDGET SHOULD BE DECREASED FROM \$94,841 IN EACH FISCAL YEAR OF THE 2005-07 BIENNIUM TO \$60,647 IN FY 2005-06 AND TO \$63,679 IN FY 2006-07. THE RECOMMENDED REDUCTIONS ARE BASED ON THE FACT THAT \$94,841 WAS SIGNIFICANTLY MORE THAN HAD BEEN APPROVED BY THE LEGISLATURE FOR PROFESSIONAL SERVICES EXPENDITURES IN RECENT BIENNIA.

THE SUBCOMMITTEE ALSO RECOMMENDS DENYING THE REQUEST TO TRANSFER A JUDICIAL BRANCH AUDITOR POSITION FROM THE AOC BUDGET TO THE DIVISION OF ANALYSIS AND PLANNING BUDGET. THE POSITION WAS APPROVED BY THE 2003 LEGISLATURE IN THE AOC ACCOUNT. IF THE POSITION WAS TRANSFERRED TO THE DIVISION OF PLANNING AND ANALYSIS ACCOUNT, THE FUNDING FOR THE POSITION WOULD CHANGE FROM ADMINISTRATIVE ASSESSMENT REVENUES TO GENERAL FUND APPROPRIATIONS. THE SUBCOMMITTEE DETERMINED THAT THE POSITION IS MOST APPROPRIATELY FUNDED WITH COURT ADMINISTRATIVE ASSESSMENT REVENUES IN THE AOC ACCOUNT.

**DIVISION OF PLANNING AND ANALYSIS (101-1484) COURTS – 18**

THE SUBCOMMITTEE RECOMMENDS APPROVAL OF THE NEW RURAL COURTS COORDINATOR POSITION REQUESTED BY THE COURT AND RECOMMENDED BY THE INTERIM STUDY OF THE CRIMINAL JUSTICE SYSTEM IN RURAL NEVADA AND TRANSITIONAL HOUSING FOR RELEASED OFFENDERS (SCR 32). THE DUTIES OF THE POSITION WILL INCLUDE WRITING AND ADMINISTERING GRANTS, LOCATING SOURCES OF FUNDING FOR LOCAL COURT NEEDS, COORDINATING CIRCUIT



COUNSELING SERVICES AND COORDINATING SPECIALTY COURT SERVICES.

**UNIFORM SYSTEM OF JUDICIAL RECORDS (101-1486) COURTS - 24**

THE SUBCOMMITTEE RECOMMENDS THE APPROVAL OF A NEW DATABASE MANAGEMENT SPECIALIST POSITION TO PROVIDE IN-HOUSE SUPPORT FOR THE MULTI-COUNTY INTEGRATED JUSTICE INFORMATION SYSTEM, WHICH IS AN ELECTRONIC DATA EXCHANGE SYSTEM THAT WILL ALLOW DIFFERENT GOVERNMENTAL AND COURT COMPUTER SYSTEMS TO EXCHANGE INFORMATION, WHILE ALLOWING THE PARTICIPATING GOVERNMENTAL AND COURT ENTITIES TO CONTROL THE DATA THAT IS SHARED WITH OTHER ENTITIES. THE NEW POSITION WILL ACT AS THE PROGRAM ADMINISTRATOR TO MAINTAIN AND ADVANCE THE FUNCTIONALITY OF THE SYSTEM.

**SPECIALTY COURT (101-1495) COURTS – 35**

BASED ON REVISED PROJECTIONS OF THE TOTAL NUMBER OF ASSESSMENTS THAT WILL BE RECEIVED DURING THE 2005-07 BIENNIUM AND THE REVISED PROJECTIONS OF THE PERCENTAGE OF THOSE TOTAL ASSESSMENTS THAT WILL INCLUDE THE \$7 ASSESSMENT FOR SPECIALTY COURT OPERATIONS, THE SUBCOMMITTEE RECOMMENDS INCREASING THE ADMINISTRATIVE ASSESSMENT REVENUES PROJECTED TO BE RECEIVED IN THIS ACCOUNT BY \$152,990 IN EACH FISCAL YEAR OF THE 2005-07 BIENNIUM. THE SUBCOMMITTEE ALSO RECOMMENDS REDUCING THE RESERVE IN THE ACCOUNT TO 10 PERCENT OF THE PROJECTED ADMINISTRATIVE REVENUE FOR THE ACCOUNT BY THE END OF THE 2005-07 BIENNIUM. THE SUBCOMMITTEE'S RECOMMENDATIONS WOULD INCREASE THE FUNDS AVAILABLE FOR ALLOCATION TO SPECIALTY COURT PROGRAMS BY APPROXIMATELY \$722,000 OVER THE BIENNIUM.

**RETIRED JUSTICE DUTY FUND (101-1496) COURTS – 40**

THE SUBCOMMITTEE RECOMMENDS APPROVAL OF THE COURT'S REQUESTED EXPENDITURE OF \$1.4 MILLION IN FY 2005-06 AND \$1.6 MILLION IN FY 2006-07 TO ENHANCE THE SENIOR JUSTICE/SENIOR JUDGE PROGRAM. THE EXECUTIVE BUDGET INCLUDED GENERAL FUND APPROPRIATIONS TOTALING \$1.2 MILLION IN FY 2005-06 AND \$1.8 MILLION IN FY 2006-07 IN ADDITION TO THE FEE REVENUES ALREADY FUNDING THE ACCOUNT, BUT THE COURT INDICATED THAT ITS REQUEST WAS TO FUND THE PROGRAM WITH \$3.0 MILLION IN GENERAL FUNDS OVER THE 2005-07 BIENNIUM AND TO TRANSFER THE EXISTING COURT ADMINISTRATIVE ASSESSMENT AND FILING FEE REVENUE TO THE SPECIALTY COURT ACCOUNT. THE SUBCOMMITTEE DOES NOT RECOMMEND TRANSFERRING THE ADMINISTRATIVE ASSESSMENT AND FILING FEE REVENUE CURRENTLY RECEIVED IN THIS ACCOUNT TO THE SPECIALTY COURT ACCOUNT. INSTEAD, THE SUBCOMMITTEE RECOMMENDS USING THE EXISTING ASSESSMENT AND FEE REVENUES TO REDUCE THE GENERAL FUND APPROPRIATION NECESSARY TO FUND THE ENHANCED SENIOR JUSTICE/SENIOR JUDGE PROGRAM TO \$1,011,307 IN FY 2005-06 AND TO \$1,228,784 IN FY 2006-07.

**OTHER JUDICIAL BRANCH BUDGET ACCOUNTS**

THE SUBCOMMITTEE ALSO REVIEWED THE BUDGETS FOR THE DISTRICT JUDGE/SURVIVING SPOUSE PENSION ACCOUNT, THE JUDICIAL EDUCATION ACCOUNT, THE DISTRICT JUDGE'S SALARY ACCOUNT, THE JUDICIAL TRAVEL AND SUPPORT ACCOUNT, THE JUDICIAL SELECTION ACCOUNT AND THE LAW LIBRARY ACCOUNT. THE SUBCOMMITTEE RECOMMENDS CLOSING THESE ACCOUNTS WITH TECHNICAL ADJUSTMENTS RECOMMENDED BY FISCAL STAFF.

OVERALL, THE RECOMMENDATIONS OF THE SUBCOMMITTEE DECREASE THE GENERAL FUND SUPPORT IN THESE BUDGETS BY \$940,312 IN FY 2005-06 AND BY \$1,211,051 IN FY 2006-07. HOWEVER, THE SUBCOMMITTEE'S RECOMMENDATION REGARDING MOVING AND EQUIPMENT EXPENDITURES FOR THE COURT'S MOVE TO THE REGIONAL JUSTICE FACILITY IN LAS VEGAS WILL RESULT IN THE ADDITION OF \$194,204 IN ONE-SHOT FUNDS NOT INCLUDED IN THE EXECUTIVE BUDGET.

Ms. Leslie disclosed that she worked in the specialty court program for the District court in Reno; however, her position was funded through Washoe County, not state funds, and she would be voting on the budget.

Ms. Leslie commended the Joint Subcommittee on General Government for the way in which the specialty court funds were distributed.

Mr. Marvel asked how the court administrative assessments were collected as there had been issues with the procedure. Rick Combs, Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, said that, as a result of the audit the previous session, the court had requested a Judicial Branch Auditor position to help standardize procedures and ensure assessments were being collected appropriately. He noted that the position was never filled, which the court indicated was due to the revenue from the administrative assessments being insufficient. Part of the Subcommittee's decision-making process had been reviewing those professional services costs, and those professional services costs had been reduced so there would be enough money in the account, if managed appropriately, to fund that position.

Mr. Marvel asked if the court had made any progress in standardizing the collections. Mr. Combs said the court had indicated that without that position there had not been any progress, but that issue had not been discussed in detail.

ASSEMBLYMAN MARVEL MOVED TO APPROVE THE CLOSING REPORT FOR THE JUDICIAL BRANCH.

ASSEMBLYWOMAN KOIVISTO SECONDED THE MOTION.

MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

\* \* \* \* \*

Assemblywoman Sheila Leslie, District No. 27, Chairwoman of the Joint Subcommittee on Human Resources, read the following closing report into the record:

THE JOINT SUBCOMMITTEE ON K-12/HUMAN RESOURCES HAS COMPLETED ITS REVIEW OF 9 BUDGET ACCOUNTS FOR THE DIRECTOR'S OFFICE OF THE DEPARTMENT OF HUMAN RESOURCES. THE FOLLOWING IS A DISCUSSION OF THE MAJOR ACTIONS TAKEN BY THE SUBCOMMITTEE WITH RESPECT TO THESE ACCOUNTS.

**DHR ADMINISTRATION (101-3150) HR ADMIN -1**

THE SUBCOMMITTEE RECOMMENDS APPROVAL OF THE GOVERNOR'S RECOMMENDATION FOR A NEW PUBLIC INFORMATION OFFICER FOR THE DEPARTMENT OF HUMAN RESOURCES. THE SUBCOMMITTEE ALSO RECOMMENDS THE APPROVAL OF TWO NEW POSITIONS TO DEVELOP A STATEWIDE SUICIDE AWARENESS AND PREVENTION PROGRAM. THE 2003 LEGISLATURE ESTABLISHED THE PROGRAM THROUGH THE ENACTMENT OF SB 49, BUT THE MAXIMUM FUNDING APPROVED TO FUND THE NEW POSITIONS NEVER MATERIALIZED. THE SUBCOMMITTEE DOES NOT, HOWEVER, RECOMMEND THE APPROVAL OF \$18,600 RECOMMENDED IN EACH YEAR OF THE BIENNIUM FOR CONTRACT SERVICES EXPENDITURES FOR A PART-TIME CLERICAL POSITION TO SUPPORT THE SUICIDE AWARENESS AND PREVENTION PROGRAM.

**DEVELOPMENTAL DISABILITIES (101-3154) HR ADMIN - 9**

THE SUBCOMMITTEE APPROVED \$45,509 IN ADDITIONAL GENERAL FUNDS RECOMMENDED IN THE BASE BUDGET IN EACH YEAR OF THE BIENNIUM FOR THE MATCHING REQUIREMENT FOR THE FEDERAL DEVELOPMENTAL DISABILITIES GRANT. THE SUBCOMMITTEE'S APPROVAL WAS SUBJECT TO THE RECEIPT OF A FORMAL OPINION FROM THE FEDERAL ADMINISTRATION ON DEVELOPMENTAL DISABILITIES INDICATING THAT THE DEPARTMENT'S PAST PRACTICE OF USING PERSONAL ASSISTANCE SERVICES EXPENDITURES IN THE COMMUNITY BASED SERVICES ACCOUNT IS NOT AN APPROPRIATE SOURCE OF IN-KIND MATCH FOR THE GRANT. THE LETTER RECEIVED FROM THE COMMISSIONER OF THE ADMINISTRATION OF DEVELOPMENTAL DISABILITIES IS INCLUDED ON PAGES 17-18 OF THIS CLOSING DOCUMENT. ALTHOUGH IT DOES NOT SPECIFICALLY STATE THAT THE DEPARTMENT CANNOT USE PAS SERVICES AS AN IN-KIND MATCH FOR THE FEDERAL DEVELOPMENTAL DISABILITIES GRANT, IT APPEARS TO EXPRESS CONCERNS THAT THE CURRENT PRACTICE OF THE DEPARTMENT IS NOT APPROPRIATE UNDER THE TERMS OF THE GRANT.

THE SUBCOMMITTEE RECOMMENDS APPROVAL OF THE REQUEST INCLUDED IN THE EXECUTIVE BUDGET TO TRANSFER A REHABILITATION PROGRAM SPECIALIST II POSITION FROM THE COMMUNITY BASED SERVICES BUDGET ACCOUNT (BA 3266) TO THIS ACCOUNT.

**COMMUNITY BASED SERVICES (101-3266) HR ADMIN - 14**

THE SUBCOMMITTEE RECOMMENDS APPROVAL OF THE RECOMMENDATION OF THE GOVERNOR AND THE LEGISLATIVE COMMITTEE ON PERSONS WITH DISABILITIES TO PROVIDE ADDITIONAL GENERAL FUNDS TO SERVE 44 ELIGIBLE NEW PERSONAL ASSISTANCE SERVICES CLIENTS AT THE BEGINNING OF FY 2005-06 AND 59 NEW ELIGIBLE CLIENTS AT THE BEGINNING OF FY 2006-07, WITH AN ADDITIONAL 15

CLIENTS BECOMING ELIGIBLE DURING EACH OF THE NEXT TWO FISCAL YEARS.

THE SUBCOMMITTEE ALSO RECOMMENDS APPROVAL OF ADDITIONAL GENERAL FUNDS TO PROVIDE TRAUMATIC BRAIN INJURY REHABILITATION SERVICES FOR INDIGENT PERSONS. BASED ON A RECOMMENDATION FROM THE LEGISLATIVE COMMITTEE ON PERSONS WITH DISABILITIES, THE GOVERNOR RECOMMENDED \$450,292 IN EACH FISCAL YEAR. BASED ON THE CURRENT WAITING LIST FOR THE PROGRAM AND A REVISED COST PER CASE, THE SUBCOMMITTEE RECOMMENDS REDUCING THE GENERAL FUND APPROPRIATION TO \$277,844 IN EACH FISCAL YEAR, WHICH IS SUFFICIENT TO PROVIDE SERVICES FOR 67 ADDITIONAL INDIGENT PERSONS.

THE SUBCOMMITTEE RECOMMENDS APPROVAL OF THE RECOMMENDATION OF THE GOVERNOR AND THE LEGISLATIVE COMMITTEE ON PERSONS WITH DISABILITIES FOR GENERAL FUNDS TO FUND ADDITIONAL INDEPENDENT LIVING SERVICES AS NECESSARY TO REDUCE THE WAITING LIST FOR THE PROGRAM TO NOT MORE THAN 90 DAYS. BASED ON THE NUMBER OF PEOPLE CURRENTLY WAITING FOR SERVICES, THE SUBCOMMITTEE RECOMMENDS REDUCING THE APPROPRIATION FROM \$297,011 IN FY 2005-06 AND \$301,444 IN FY 2006-07 AS RECOMMENDED BY THE GOVERNOR TO \$242,422 IN EACH YEAR OF THE BIENNIUM.

THE SUBCOMMITTEE RECOMMENDS APPROVING A RATE INCREASE FOR PERSONAL ASSISTANCE SERVICES PROVIDERS THAT WAS RECOMMENDED BY THE GOVERNOR AND THE LEGISLATIVE COMMITTEE ON PERSONS WITH DISABILITIES, BUT RECOMMENDS THAT THE INCREASE BE PHASED IN DURING THE 2005-07 BIENNIUM BY INCREASING THE RATE TO \$17.75 PER HOUR IN FY 2005-06 AND TO \$18.50 PER HOUR IN FY 2006-07. THE EXECUTIVE BUDGET RECOMMENDS INCREASING THE RATE IN THIS ACCOUNT TO \$18.50 PER HOUR IN FY 2005-06.

**HEALTHY NEVADA FUND (262-3261) HR ADMIN - 22**

THE SUBCOMMITTEE RECOMMENDATIONS FOR THE HEALTHY NEVADA FUND ACCOUNT RESULT IN SIGNIFICANT REDUCTIONS TO THE FUNDING INCREASES RECOMMENDED FOR THE SENIOR RX PROGRAM IN THE EXECUTIVE BUDGET. ALTHOUGH THE GOVERNOR HAD RECOMMENDED \$1.8 MILLION IN FY 2005-06 AND \$3.2 MILLION IN FY 2006-07 FOR ANNUAL INFLATIONARY INCREASES OF 15 PERCENT FOR PRESCRIPTION DRUG COSTS FOR THE PROGRAM, THE SUBCOMMITTEE RECOMMENDS REDUCING THE INFLATIONARY INCREASES BY APPROXIMATELY \$1.6 MILLION IN FY 2005-06 AND BY APPROXIMATELY \$2.2 MILLION IN FY 2006-07 BASED ON THE INFLATION RATES USED IN THE BUDGETS FOR MEDICAID AND THE DIVISION OF MENTAL HEALTH AND DEVELOPMENTAL SERVICES BUDGETS (11.6 PERCENT IN FY 2005-06 AND 10.7 PERCENT IN FY 2006-07). THE SUBCOMMITTEE ALSO RECOMMENDS USING REVISED ENROLLMENT GROWTH RATES OF 5.6 PERCENT IN FY 2005-06 AND 5.3 PERCENT IN FY 2006-07 FOR THE PROGRAM. THE EXECUTIVE BUDGET WAS BASED ON ENROLLMENT GROWTH PROJECTIONS OF 11 PERCENT, 10.9 PERCENT AND 9.8 PERCENT FOR FY 2004-05, FY 2005-06 AND FY 2006-07 RESPECTIVELY. THE REVISED GROWTH RATES

REDUCE EXPENDITURES BY \$608,584 OVER THE 2005-07 BIENNIUM.

THE SUBCOMMITTEE RECOMMENDS NOT APPROVING A DECISION UNIT TO ADD \$69,667 IN FY 2005-06 AND \$104,209 IN FY 2006-07 FOR PROJECTED INCREASES IN THE UTILIZATION OF THE SENIOR RX PROGRAM BECAUSE IT WAS DETERMINED THAT INCREASED UTILIZATION WAS ALREADY ACCOUNTED FOR IN THE INFLATIONARY ADJUSTMENTS APPROVED BY THE SUBCOMMITTEE. THE SUBCOMMITTEE ALSO RECOMMENDS REDUCING EXPENDITURES FOR THE SENIOR RX PROGRAM BY \$279,201 IN FY 2005-06 AND \$58,773 IN FY 2006-07 TO ACCOUNT FOR THE RECEIPT OF REBATES ON PRESCRIPTION DRUGS DURING THE 2005-07 BIENNIUM. THE REBATES WERE NOT INCLUDED IN THE EXECUTIVE BUDGET BECAUSE THE CONTRACT WITH THE NEW PHARMACY BENEFITS MANAGER FOR THE PROGRAM HAD NOT BEEN FINALIZED AT THE TIME THE BUDGET WAS CONSTRUCTED.

THE SUBCOMMITTEE RECOMMENDS APPROVAL OF A NEW MANAGEMENT ANALYST POSITION FOR THE SENIOR RX PROGRAM AS RECOMMENDED BY THE GOVERNOR. THE NEW POSITION WILL ASSIST THE DEPARTMENT WITH ITS INCREASED WORKLOAD RESULTING FROM THE CHANGE FROM A FULLY INSURED PROGRAM TO A SELF-INSURED PROGRAM BEGINNING JANUARY 1, 2005. ALTHOUGH THE SUBCOMMITTEE APPROVED FUNDING THE POSITION WITH GENERAL FUNDS DURING THE 2005-07 BIENNIUM, THE SUBCOMMITTEE REQUESTS A LETTER OF INTENT INDICATING THAT THE DEPARTMENT SHOULD ATTEMPT TO FUND THE POSITION WITH TOBACCO REVENUES IN FUTURE BIENNIA.

DUE TO THE PRESCRIPTION DRUG BENEFIT COVERED BY MEDICARE PART D BEGINNING JANUARY 1, 2006, THE SENIOR RX PROGRAM WILL NEED TO BE RECONFIGURED DURING THE 2005-07 BIENNIUM TO PROVIDE WRAP AROUND COVERAGE FOR MEDICARE PART D BENEFICIARIES. DURING THE SESSION THE DIRECTOR OF THE DEPARTMENT REQUESTED THAT ANY REDUCTIONS IN GENERAL FUND APPROPRIATIONS FOR THE SENIOR RX PROGRAM BE RESERVED FOR THE USE OF THE DEPARTMENT AS IT RESPONDS TO THE IMPACTS OF MEDICARE PART D ON THE PROGRAM. BASED ON THE FACT THAT THE DEPARTMENT DID NOT PROVIDE THE SUBCOMMITTEE WITH DETAILED INFORMATION SUGGESTING THAT MEDICARE PART D COULD RESULT IN ADDITIONAL COSTS TO THIS PROGRAM AND BASED ON THE CONSERVATIVE EXPENDITURE REDUCTIONS THAT HAVE BEEN RECOMMENDED FOR PRESCRIPTION DRUG REBATES, THE SUBCOMMITTEE RECOMMENDS NOT RESERVING FUNDING IN THIS ACCOUNT TO ADDRESS POSSIBLE IMPACTS OF MEDICARE PART D. THE SUBCOMMITTEE RECOMMENDS, HOWEVER, THAT THE DEPARTMENT BE GIVEN THE AUTHORITY TO TRANSFER GENERAL FUND APPROPRIATIONS BETWEEN FISCAL YEARS UPON THE APPROVAL OF THE GOVERNOR AND THE INTERIM FINANCE COMMITTEE. THE SUBCOMMITTEE FURTHER RECOMMENDS THAT THE INTERIM FINANCE COMMITTEE CREATE A SUBCOMMITTEE TO KEEP ABREAST OF THE IMPACTS OF MEDICARE PART D DURING THE 2005-07 BIENNIUM.

THE SUBCOMMITTEE APPROVED THE GOVERNOR'S RECOMMENDATION TO EXPEND TOBACCO SETTLEMENT FUNDS TOTALING \$468,156 IN FY 2005-06 AND \$465,227 IN FY 2006-07 TO PROVIDE DISABLED INDIVIDUALS WITH A PRESCRIPTION DRUG BENEFIT. THE DISABILITY RX PROGRAM WAS CREATED BY THE 2001 LEGISLATURE USING 2.5 PERCENT OF THE TOBACCO SETTLEMENT FUNDS ALLOCATED TO THE HEALTHY NEVADA FUND, BUT THE TITLE XIX WAIVER REQUIRED FOR THE PROGRAM WAS NOT OBTAINED FROM THE FEDERAL GOVERNMENT. ASSEMBLY BILL 495 WOULD REMOVE THE REQUIREMENT FOR THE WAIVER AND ALLOW THE PROGRAM TO COMMENCE DURING FY 2005-06. THE SUBCOMMITTEE REQUESTS A LETTER OF INTENT TO REQUIRE QUARTERLY REPORTS TO THE INTERIM FINANCE COMMITTEE REGARDING THE DEVELOPMENT OF THE PROGRAM AND ITS COORDINATION WITH THE MEDICARE PART D BENEFIT.

**HR, GRANTS MANAGEMENT UNIT (101-3195) HR ADMIN – 30**

THE EXECUTIVE BUDGET INCLUDED \$943,976 IN UNALLOCATED TITLE XX GRANT FUNDS. ON MAY 9, 2005, THE DEPARTMENT NOTIFIED THE SUBCOMMITTEE THAT AN ADDITIONAL \$1.4 MILLION IN TITLE XX FUNDS WOULD BE BALANCED FORWARD FROM THE CURRENT BIENNIUM TO THE 2005-07 BIENNIUM. OF THE \$2.3 MILLION IN UNALLOCATED TITLE XX FUNDS, THE SUBCOMMITTEE RECOMMENDS USING 50 PERCENT TO INCREASE FUNDING FOR GRANTS TO NON-STATE COMMUNITY BASED ORGANIZATIONS OVER THE NEXT FOUR YEARS AND RECOMMENDS USING THE REMAINING 50 PERCENT TO OFFSET THE GENERAL FUND NEED IN THE AGING SERVICES DIVISION EPS/HOMEMAKER ACCOUNT (BA 3252), THE DCFS WASHOE COUNTY CHILD WELFARE INTEGRATION ACCOUNT (BA 3141) AND THE MHDS SOUTHERN NEVADA ADULT MENTAL HEALTH SERVICES ACCOUNT (BA 3161) DURING THE 2005-07 BIENNIUM.

THE SUBCOMMITTEE RECOMMENDS APPROVAL OF THE GOVERNOR'S RECOMMENDATION FOR \$100,000 IN GENERAL FUNDS AND \$100,000 IN GIFTS AND DONATIONS REVENUES FOR THE ESTABLISHMENT OF A STATEWIDE PROBLEM GAMBLING PROGRAM SUBJECT TO THE MONEY COMMITTEES' CONSIDERATION OF SB 357. THE BILL WOULD ESTABLISH A REVOLVING ACCOUNT TO SUPPORT PROGRAMS FOR THE PREVENTION AND TREATMENT OF PROBLEM GAMBLING. THE DEPARTMENT HAS INDICATED THAT IT WOULD ONLY NEED FUNDING FOR ITS ADMINISTRATIVE COSTS IF SB 357 IS ENACTED. THE SUBCOMMITTEE RECOMMENDS AUTHORIZING FISCAL STAFF TO REDUCE THE APPROPRIATION FROM \$100,000 IN EACH YEAR OF THE BIENNIUM TO \$29,575 IN FY 2005-06 AND \$20,612 IN FY 2006-07 IF SB 357 IS ENACTED.

**HR, PUBLIC DEFENDER (101-1499) PUB DEF -1**

DUE TO AN OVERSIGHT IN THE EXECUTIVE BUDGET, POST-CONVICTION RELIEF EXPENDITURES, WHICH ARE REQUIRED TO BE FUNDED WITH GENERAL FUND APPROPRIATIONS, WERE FUNDED PARTIALLY WITH COUNTY FEE REVENUE. ALTHOUGH A BUDGET AMENDMENT WAS SUBMITTED TO INCREASE THE GENERAL FUND APPROPRIATION FOR THE BUDGET BY \$397,029 IN EACH YEAR OF THE BIENNIUM, THE SUBCOMMITTEE DETERMINED THAT THE STATE HAS BEEN SUBSIDIZING SERVICES PROVIDED BY THE OFFICE THAT SHOULD BE PAID BY THE COUNTIES. TIME RECORDS



PROVIDED BY THE PUBLIC DEFENDER'S OFFICE INDICATE THAT ON AVERAGE, THE OFFICE HAS SPENT APPROXIMATELY 80 PERCENT OF ITS TIME ON DUTIES THAT SHOULD BE FUNDED BY THE COUNTIES AND APPROXIMATELY 20 PERCENT OF ITS TIME ON DUTIES THAT SHOULD BE FUNDED BY THE STATE.

BECAUSE THE PUBLIC DEFENDER WAS STATUTORILY REQUIRED, NOT LATER THAN DECEMBER 1, 2004, TO PROVIDE THE COUNTIES PARTICIPATING IN THE OFFICE'S SERVICES WITH AN ESTIMATE OF THE COST FOR THOSE SERVICES DURING THE 2005-07 BIENNIUM, THE SUBCOMMITTEE DID NOT BELIEVE IT WOULD BE APPROPRIATE TO REQUIRE THE COUNTIES TO PAY 80 PERCENT OF THE NON POST-CONVICTION RELIEF EXPENDITURES FOR THE OFFICE DURING THE 2005-07 BIENNIUM. INSTEAD, THE SUBCOMMITTEE RECOMMENDS FUNDING NON POST-CONVICTION RELIEF EXPENDITURES FOR FY 2005-06 USING AN ALLOCATION PERCENTAGE OF 53 PERCENT COUNTY FEES AND 47 PERCENT GENERAL FUNDS. FOR FY 2006-07 THE SUBCOMMITTEE RECOMMENDS APPLYING AN ALLOCATION PERCENTAGE OF 65 PERCENT COUNTY FEES AND 35 PERCENT GENERAL FUNDS. THE SUBCOMMITTEE ALSO REQUESTS A LETTER OF INTENT NOTIFYING THE PARTICIPATING COUNTIES OF THE EXPECTATION THAT THEY WILL FUND FULLY THE SERVICES THEY RECEIVE FROM THE OFFICE BEGINNING WITH THE 2007-09 BIENNIUM.

**OTHER DEPARTMENT OF HUMAN RESOURCES ACCOUNTS**

THE SUBCOMMITTEE ALSO REVIEWED THE BUDGETS FOR THE BLUE CROSS/BLUE SHIELD SETTLEMENT ACCOUNT, THE CHILDREN'S TRUST FUND AND THE INDIAN AFFAIRS COMMISSION. THE SUBCOMMITTEE RECOMMENDS CLOSING THESE ACCOUNTS WITH TECHNICAL ADJUSTMENTS RECOMMENDED BY FISCAL STAFF.

OVERALL, THE RECOMMENDATIONS OF THE SUBCOMMITTEE DECREASE THE GENERAL FUND SUPPORT IN THESE BUDGETS BY \$1,412,275 IN FY 2005-06 AND BY \$1,447,878 IN FY 2006-07.

Ms. Leslie noted that the position mentioned in the Healthy Nevada Fund, Budget Account 262-3261, was one of the exceptions to the general rule of trying to eliminate reliance on tobacco money. That position directly related to a tobacco-funded program, so it seemed appropriate to use that funding source.

Ms. McClain pointed out that there was a bill that had an increase in the administrative cap, which would fund the position. Ms. Leslie agreed and explained that the position would be funded through the General Fund currently, but would be funded through tobacco funds later.

Mr. Combs explained that the administrative cap increase was not necessary to fund the position because there was insufficient tobacco revenue to fund the position, so it was considered outside the administrative cap because it was being funded through the General Fund. The recommendation was, since it was necessary to administer the Senior Rx Program, that when there was sufficient tobacco money available and room under the administrative cap, the position would be funded with tobacco revenue at that point.

Ms. Leslie added that she wanted to urge the Interim Finance Committee to form a subcommittee to review the Senior Rx Program.

Ms. McClain asked if the 2.5 percent of the tobacco money that had not been used would be transferred into the Senior Rx Program and the Disability Rx would remain the same. Mr. Combs indicated that there had not been any final decisions regarding how Disability Rx would be administered; however, there was a possibility that the same pharmacy benefits manager would be used, as it would be a similar program and that would keep the administrative costs down. He added that the funding would not be combined. The statute still required that only 2.5 percent be used for Disability Rx and 30 percent for Senior Rx.

Ms. McClain asked if funding would be sufficient for everyone that could qualify. Mr. Combs said that would be unclear until the program was running and applications were being accepted. He noted that there was money remaining from the last biennium because a waiver issue had prevented expenditures.

Ms. McClain pointed out that the Senior Rx Program always projected 10,000 members the first year and 12,000 the next year, but there had never been more than 9,000 enrollees. She remarked that since the program was in-house, there should be enough money in the Senior Rx Program without using General Fund monies.

Mr. Combs said the average for FY2005 had been 9,053 enrollees, which fluctuated from month to month, but that was the number used to ensure there was enough funding. He noted that was a reduction from what had been included in The Executive Budget, and there had been reductions to various decision units for the same reason.

Ms. McClain said the number of enrollees as of March 2005 was 8,800, so the estimate of 9,000 was reasonable. She added that she had seen information that assumed 10,000 and 12,000 enrollees, which was not reasonable. She pointed out that the benefits paid in the month of March cost \$4,262 per member, and she suspected that many people used the program for insurance purposes and, while some had large claims, others did not use it at all. She repeated that there was sufficient funding in the Senior Rx Program.

Ms. Leslie agreed and said that the budget had been reduced for that reason. She pointed out that with the Medicare Part D program starting, there would be confusion with senior citizens having to choose between 40 different options. She opined that it might generate more interest in the Senior Rx Program, so the Subcommittee had tried to be judicious about not cutting the program too much because there were so many unknowns. She reiterated that there should be a subcommittee to study the program.

Ms. Leslie emphasized that she did not want Nevada's senior citizens to be hurt by the new federal program which might not benefit them as much as Senior Rx in its current form. Ms. McClain agreed that the Medicare Part D program would create confusion and said she would be willing to serve on a subcommittee.

Assemblywoman Koivisto referred to community-based services and asked how many people would be on the waiting list after the addition of 44 new personal assistance services (PAS) clients in FY2006 and 59 in FY2007. Mr. Combs replied that he was not sure what the number was, but the goal had been to ensure wait time of less than 90 days, and that would be accomplished with the funding in the budget.

ASSEMBLYWOMAN MCCLAIN MOVED TO APPROVE THE CLOSING REPORT FOR THE DEPARTMENT OF HUMAN RESOURCES.

ASSEMBLYWOMAN GIUNCHIGLIANI SECONDED THE MOTION.

MOTION CARRIED. (Mr. Perkins and Mrs. Smith were not present for the vote.)

BUDGET CLOSED.

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Assemblywoman McClain, Chairwoman of the Joint Subcommittee on Public Safety, Natural Resources, and Transportation, read the following closing for the Committee's consideration:

**VOLUME III – WILDLIFE** THE JOINT SUBCOMMITTEE FOR PUBLIC SAFETY, NATURAL RESOURCES AND TRANSPORTATION DEVELOPED RECOMMENDATIONS FOR THE BUDGETS OF THE DEPARTMENT OF WILDLIFE (NDOW), INCLUDING THE BOATING PROGRAM, TROUT MANAGEMENT AND OBLIGATED RESERVE. THE SUBCOMMITTEE'S RECOMMENDATIONS FOR NDOW RESULTS IN GENERAL FUND SAVINGS OF \$253,725 IN FY 2005-06 AND \$124,638 IN FY 2006-07.

**WILDLIFE (101-4452) WILDLIFE-1:** THE GOVERNOR'S RECOMMENDED BUDGET, ALTHOUGH BALANCED, RECOMMENDED A MINIMAL RESERVE LEVEL OF \$52,680 AT THE END OF FY 2006-07 THAT WAS CONSIDERED INSUFFICIENT TO MAINTAIN ONGOING OPERATIONS. IN RESPONSE TO THE SUBCOMMITTEE'S DIRECTION, THE DEPARTMENT SUBMITTED A NUMBER OF SUGGESTED MODIFICATIONS IN ORDER TO IMPROVE THE AGENCY'S BUDGETED ENDING RESERVE BALANCE. BASED UPON THESE SUGGESTIONS, WITH MINOR MODIFICATIONS RECOMMENDED BY STAFF, THE SUBCOMMITTEE CLOSED THE WILDLIFE ACCOUNT AS FOLLOWS:

- INCREASE THE FY 2005-06 RESERVE BALANCE FORWARD BY \$447,709 BASED UPON THE AGENCY'S REVISED REVENUE PROJECTIONS AND EXPENDITURE REDUCTION ACTIONS TAKEN IN FY 2004-05.
- REDUCE TRANSFERS FROM THE BOATING PROGRAM ACCOUNT (BA 4456) BY \$100,000 EACH YEAR IN ORDER TO IMPROVE THE BUDGETED ENDING RESERVE BALANCE IN THAT ACCOUNT.
- ESTABLISH VACANCY SAVINGS OF \$200,000 EACH YEAR IN THE PERSONNEL CATEGORY.
- ELIMINATE THE PURCHASE OF 13 VEHICLES BUDGETED IN MODULE E-710 IN FY 2006-07 AT A COST OF \$484,577.

IN ADDITION, THE SUBCOMMITTEE VOTED TO RESTORE TRANSFERS OF LODGING TAX RECEIPTS FROM THE COMMISSION ON TOURISM OF \$200,000 EACH YEAR THAT WERE ELIMINATED FROM THE DEPARTMENT'S BUDGET IN THE 2003-05 BIENNIUM. INCORPORATING THESE ACTIONS,

PARTIALLY OFFSET WITH INCREASES IN THE STATEWIDE COST ALLOCATION PLAN AND THE ATTORNEY GENERAL'S COST ALLOCATION PLAN EXPENDITURES TOTALING \$281,896, INCREASES THE PROJECTED ENDING RESERVE BALANCE TO \$1.3 MILLION AT THE END OF FY 2006-07. THIS RESERVE LEVEL, ALTHOUGH NOT OPTIMAL, IS A SUBSTANTIAL IMPROVEMENT OVER THE AMOUNT RECOMMENDED BY THE GOVERNOR.

THE GOVERNOR'S BUDGET RECOMMENDED GENERAL FUND APPROPRIATIONS TOTALING \$2.93 MILLION IN THE FY 2005-07 BIENNIUM, AN INCREASE OF \$1.58 MILLION, OR 117 PERCENT, WHEN COMPARED TO THE 2003-05 LEGISLATIVELY APPROVED APPROPRIATIONS OF \$1.35 MILLION. THE REASONS BEHIND THE RECOMMENDED INCREASE ARE PRIMARILY THREE-FOLD:

- APPROPRIATIONS TOTALING \$228,363 REPRESENTING 50 PERCENT OF THE RECOMMENDED COST FOR DEFERRED MAINTENANCE ITEMS INCLUDING FACILITY ROOF REPAIRS AND REPLACEMENTS; RESIDENCE CARPET AND LINOLEUM REPLACEMENTS; HVAC CLEANING AND MAINTENANCE; AND BUILDING EXTERIOR REPAIRS, REPLACEMENTS AND REFINISHING.
- APPROPRIATIONS TOTALING \$1.0 MILLION AS REIMBURSEMENT TO NDOW FOR THE DIFFERENCE BETWEEN THE FULL VALUE AND THE DISCOUNTED VALUE OF LOW-COST LICENSES AND TAGS SOLD TO SENIOR CITIZENS, YOUTH, SERVICEMEN, DISABLED CITIZENS AND NATIVE AMERICANS.
- AN APPROPRIATION OF \$300,000 IN FY 2005-06 TO FUND FIVE PROJECTS FOR SAGE GROUSE HABITAT IMPROVEMENTS.

THE SUBCOMMITTEE CLOSED NDOW'S BUDGET APPROVING THESE THREE DECISION MODULES, BUT REPLACED GENERAL FUND APPROPRIATIONS WITH QUESTION 1 BOND PROCEEDS AND INTEREST OF \$228,363 IN THE 2005-07 BIENNIUM FOR THE DEFERRED MAINTENANCE ITEMS/PROJECTS, AND REDUCED GENERAL FUND APPROPRIATIONS BY \$150,000 IN FY 2005-06 FOR THE SAGE GROUSE PROJECTS THAT ARE REPLACED WITH TRANSFERS OF UPLAND GAMEBIRD FEES FROM THE OBLIGATED RESERVE ACCOUNT. THESE CLOSING ACTIONS REDUCE 2005-07 BIENNIAL GENERAL FUND APPROPRIATIONS FROM \$2.93 MILLION AS RECOMMENDED BY THE GOVERNOR TO \$2.56 MILLION, AN INCREASE OF 89.1 PERCENT WHEN COMPARED TO GENERAL FUND APPROPRIATIONS TOTALING \$1.35 MILLION IN THE 2003-05 BIENNIUM.

THE SUBCOMMITTEE CLOSED THE REMAINDER OF THE WILDLIFE ACCOUNT AS RECOMMENDED BY THE GOVERNOR WITH TECHNICAL ADJUSTMENTS NOTED BY FISCAL STAFF.

**WILDLIFE BOATING PROGRAM (101-4456) WILDLIFE-15:** SIMILAR TO THE WILDLIFE ACCOUNT AS PREVIOUSLY DISCUSSED, THE GOVERNOR PRESENTED A BUDGET THAT WAS ALSO BALANCED BUT WITH A MINIMAL ENDING RESERVE OF \$45 AT THE END OF FY 2006-07. IN RESPONSE TO THE SUBCOMMITTEE'S DIRECTION, THE DEPARTMENT SUBMITTED THREE BUDGET MODIFICATIONS IN ORDER TO IMPROVE THE AGENCY'S PROJECTED ENDING RESERVE BALANCE IN THIS

ACCOUNT. BASED UPON THESE SUGGESTIONS, WITH MODIFICATIONS AND CORRECTIONS RECOMMENDED BY STAFF, THE SUBCOMMITTEE CLOSED THE BOATING PROGRAM ACCOUNT AS FOLLOWS:

- DECREASE THE FY 2005-06 RESERVE BALANCE FORWARD BY \$63,507 BASED UPON THE AGENCY'S REVISED REVENUE PROJECTIONS AND EXPENDITURE ACTIONS TAKEN IN FY 2004-05.
- AS PREVIOUSLY NOTED, REDUCE TRANSFERS TO THE WILDLIFE ACCOUNT (BA 4456) BY \$100,000 EACH YEAR IN ORDER TO IMPROVE THE BUDGETED ENDING RESERVE BALANCE IN THIS ACCOUNT.
- ELIMINATE THE PURCHASE OF A 25' REPLACEMENT BOAT FOR LAKE TAHOE RECOMMENDED IN MODULE E-710 AT A COST OF \$160,475.

THE SUBCOMMITTEE'S CLOSING ACTIONS IMPROVES THE BUDGETED RESERVE BALANCE IN FY 2006-07 FROM \$45 AS RECOMMENDED BY THE GOVERNOR TO \$297,013.

THE SUBCOMMITTEE CLOSED THE REMAINDER OF THE BOATING PROGRAM ACCOUNT AS RECOMMENDED BY THE GOVERNOR WITH TECHNICAL ADJUSTMENTS NOTED BY FISCAL STAFF.

**WILDLIFE TROUT MANAGEMENT (101-4454) WILDLIFE-21:** THE EXECUTIVE BUDGET CONTINUES THE STATEWIDE HATCHERY REFURBISHMENT PROJECT APPROVED BY THE 2001 LEGISLATURE UTILIZING \$17.6 MILLION IN GENERAL OBLIGATION BONDS THAT ARE PAID BACK THROUGH TROUT STAMP REVENUES AND FEDERAL DINGELL-JOHNSON FUNDS. THE PROJECT ALSO UTILIZES \$5 MILLION IN QUESTION 1 BOND FUNDS AND INTEREST EARNINGS. THE SUBCOMMITTEE CLOSED THIS ACCOUNT AS RECOMMENDED BY THE GOVERNOR.

**WILDLIFE OBLIGATED RESERVE (101-4458) WILDLIFE-23:** AS NOTED EARLIER, THE SUBCOMMITTEE VOTED TO TRANSFER \$150,000 IN UPLAND GAMEBIRD FEES FROM THIS ACCOUNT TO THE WILDLIFE ACCOUNT IN SUPPORT OF SAGE GROUSE HABITAT PROJECTS IN FY 2005-06.

Mr. Marvel expressed concern about the sage grouse. Ms. McClain indicated that the Subcommittee had heard testimony regarding the situation with the sage grouse, and the Subcommittee had voted to replace \$150,000 in the General Fund with upland game fees.

Mr. Marvel asked if that would harm the sage grouse preservation. Mark Stevens, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, pointed out that the Governor had recommended an expenditure of \$300,000 for sage grouse preservation. The Subcommittee had not changed the expenditure amount, they had merely changed the mix of revenue that would support that amount.

Assemblyman Perkins asked, in regard to the reduction of General Fund and the sage grouse situation, how those funds would have been used had they been left in the account.

Ms. McClain indicated that those funds would have been used for a guzzler program in the south, which had to do with collecting water for wild birds. Some of those funds that were being diverted to offset the General Fund would have been used for that program.

Mr. Perkins said the guzzlers were water collection devices for the maintenance of the birds in southern Nevada and as arid as southern Nevada was, without those guzzlers the gamebird population could be significantly reduced.

Mr. Marvel agreed with Mr. Perkins and said he knew of the guzzler program, and the guzzlers maintained the chukar habitat and was critical to the upland gaming programs.

Chairman Arberry pointed out that the budget had been increased by approximately 89.1 percent in the General Fund.

ASSEMBLYWOMAN GIUNCHIGLIANI MOVED TO APPROVE THE  
CLOSING REPORT FOR THE DEPARTMENT OF WILDLIFE.

ASSEMBLYMAN HOGAN SECONDED THE MOTION.

MOTION CARRIED WITH MR. MARVEL AND MR. PERKINS  
VOTING NO. (Ms. Leslie was not present for the vote.)

BUDGET CLOSED.

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Assemblywoman Chris Giunchigliani, District No. 9, Chairwoman of the Joint Subcommittee on K-12, read the following report for the Committee's consideration:

THE JOINT SUBCOMMITTEE ON K-12/ HUMAN RESOURCES COMPLETED ITS REVIEW OF THE 18 BUDGET ACCOUNTS FOR THE DEPARTMENT OF EDUCATION. THE CLOSING ACTIONS OF THE SUBCOMMITTEE RESULTED IN AN INCREASE IN THE AMOUNT OF GENERAL FUND SUPPORT IN THOSE ACCOUNTS IN THE AMOUNT OF \$1,053,807 FOR FY 2005-06 AND \$1,428,508 IN FY 2006-07. THE FOLLOWING HIGHLIGHTS THE MORE SIGNIFICANT CLOSING RECOMMENDATIONS OF THE SUBCOMMITTEE.

**OTHER STATE EDUCATION PROGRAMS (101-2699)**

THE SUBCOMMITTEE APPROVED \$9.95 MILLION, AS RECOMMENDED BY THE GOVERNOR, FOR EDUCATIONAL TECHNOLOGY. THE FUNDS ARE APPROVED TO BE UTILIZED FOR TECHNOLOGY INFRASTRUCTURE (\$4,825,000), HIGH QUALITY CONTENT MATERIAL (\$1,990,000), PROFESSIONAL DEVELOPMENT (\$1,492,500), TECHNICAL SUPPORT (\$796,000), PILOT PROJECTS FOR BEST PRACTICES IN EDUCATIONAL TECHNOLOGY (\$696,500), AND AN EVALUATION OF EDUCATIONAL TECHNOLOGY IN NEVADA (\$150,000). THE FUNDS FOR THE EVALUATION OF EDUCATIONAL TECHNOLOGY WERE APPROVED BY THE SUBCOMMITTEE TO BE MOVED TO THE BUDGET ACCOUNT OF THE LEGISLATIVE COUNSEL BUREAU TO BE COMBINED WITH \$50,000 ALREADY IN THAT BUDGET ACCOUNT TO BE USED TO OBTAIN A CONTRACTOR FOR THE EVALUATION.



AS RECOMMENDED BY THE GOVERNOR, THE SUBCOMMITTEE APPROVED \$200,000 IN EACH FISCAL YEAR OF THE BIENNIUM TO SUPPORT ONGOING MAINTENANCE AND SUPPORT OF THE SAIN PROGRAM (SYSTEM FOR ACCOUNTABILITY INFORMATION IN NEVADA). THESE FUNDS WILL BE UTILIZED TO CONTINUE THE CONTRACT WITH OTIS EDUCATIONAL SYSTEMS AND TO SUPPORT THE SAIN ADVISORY COMMITTEE.

THE SUBCOMMITTEE APPROVED FUNDING OF \$70,000 IN EACH FISCAL YEAR OF THE BIENNIUM TO CONTINUE REIMBURSEMENT COSTS FOR TEACHERS WHO SUCCESSFULLY COMPLETE THE NATIONAL BOARD CERTIFICATION PROGRAM. THIS ACTION REQUIRED AN ADDITIONAL \$18,571 IN GENERAL FUND FOR EACH FISCAL YEAR OF THE 2005-07 BIENNIUM. THE ADDITIONAL FUNDING IS NEEDED TO SUPPORT THE PROJECTED REIMBURSEMENT OF 40 TEACHERS.

THE SUBCOMMITTEE APPROVED THE RECOMMENDATION OF THE GOVERNOR TO HAVE LICENSING FEES FOR PRIVATE SCHOOLS BE PLACED IN THIS BUDGET ACCOUNT, RATHER THAN IN THE GENERAL FUND AS REQUIRED BY NRS 394.331. THIS RECOMMENDATION WAS APPROVED TO ALLOW THE DEPARTMENT TO OBTAIN ASSISTANCE FOR COMPLETION OF INSPECTIONS OF BOTH PRIVATE AND EXEMPT SCHOOLS. THE SUBCOMMITTEE REQUESTED A LETTER OF INTENT REQUESTING THAT THE DEPARTMENT USE THE FUNDS TO HIRE A CONTRACTOR IN LIEU OF HIRING A .25 FTE EMPLOYEE. A BILL DRAFT REQUEST IS BEING SUBMITTED BY THE ASSEMBLY COMMITTEE ON WAYS AND MEANS TO AMEND NRS 394.331 TO ALLOW THE FUNDS TO BE DEPOSITED IN THIS ACCOUNT.

THE SUBCOMMITTEE APPROVED THE CONTINUATION OF THE TEACHER SIGNING BONUS PROGRAM. ALTHOUGH THE GOVERNOR RECOMMENDED \$5.1 MILLION IN EACH FISCAL YEAR OF THE BIENNIUM FOR THIS PROGRAM, NEW PROJECTIONS FROM THE DEPARTMENT SHOWED A POTENTIAL SHORTFALL IN FUNDS OF \$938,000 IN FY 2005-06 AND \$1.24 MILLION IN FY 2006-07. THE SUBCOMMITTEE APPROVED THE ADDITIONAL FUNDS, BRINGING THE TOTAL AMOUNT APPROVED TO \$6.05 MILLION IN FY 2005-06 AND \$6.35 MILLION IN FY 2006-07. NOTE: SUPPLEMENTAL FUNDING FOR FY 2004-05 OF \$436,000 IS BEING CONSIDERED IN SENATE BILL 511.

THE SUBCOMMITTEE APPROVED FUNDING OF \$482,671 IN FY 2005-06 AND \$515,393 IN FY 2006-07 FOR LEA LIBRARY BOOKS, INSTEAD OF THE GOVERNOR RECOMMENDED \$346,203 IN EACH FISCAL YEAR. THE AMOUNTS APPROVED BY THE SUBCOMMITTEE INCLUDE AN INFLATION FACTOR OF 3 PERCENT BEGINNING WITH FY 2004-05 AS THE BASE YEAR.

THE SUBCOMMITTEE ALSO APPROVED FUNDING OF \$50,000 IN EACH FISCAL YEAR OF THE BIENNIUM FOR THE PEER MEDIATION PROGRAM, INSTEAD OF THE GOVERNOR RECOMMENDED \$49,803 IN FY 2005-06. THE SUBCOMMITTEE ALSO AUTHORIZED THE DEPARTMENT TO UTILIZE 5 PERCENT OF THE FUNDS FOR TECHNICAL SUPPORT OF THE PROGRAM. IN APPROVING THESE FUNDS, THE SUBCOMMITTEE APPROVED

A LETTER OF INTENT INDICATING THAT AS PART OF THE FUNDING FOR TECHNICAL SUPPORT, A PRELIMINARY REPORT SHOWING THE EFFECTIVENESS OF THE PROGRAM DURING THE 2005-07 BIENNIUM SHOULD BE SUBMITTED TO THE LEGISLATIVE COMMITTEE ON EDUCATION DURING THE INTERIM, WITH A FINAL REPORT SUBMITTED TO THE 2007 LEGISLATURE.

OTHER ACTIONS BY THE SUBCOMMITTEE INCLUDE THE APPROVAL OF FUNDS, AS RECOMMENDED BY THE GOVERNOR, FOR PUBLIC BROADCASTING, WITH A LETTER OF INTENT NOTING THESE FUNDS ARE TO BE UTILIZED TO SUPPORT EDUCATIONAL SERVICES ONLY. THE SUBCOMMITTEE ALSO APPROVED FUNDS, AS RECOMMENDED BY THE GOVERNOR, TO CONTINUE THE SCHOOL COUNSELOR AND PSYCHOLOGIST NATIONAL BOARD CERTIFICATION PROGRAM THAT WAS APPROVED FOR THE FIRST TIME BY THE 2003 LEGISLATURE. FUNDS FOR THIS PROGRAM ARE UTILIZED TO ADD A FIVE PERCENT SALARY INCREASE FOR ALL SCHOOL COUNSELORS AND SCHOOL PSYCHOLOGISTS WHO HOLD NATIONAL CERTIFICATION.

**EDUCATION STATE PROGRAMS (101-2673)**

THE EXECUTIVE BUDGET INCLUDED TWO RECOMMENDATIONS REGARDING CHARTER SCHOOL CONSULTANTS FOR THE DEPARTMENT. THE EXISTING CHARTER SCHOOL CONSULTANT POSITION IS CURRENTLY FUNDED WITH 50 PERCENT GENERAL FUND SUPPORT AND 50 PERCENT FEDERAL FUNDING. BECAUSE THE FEDERAL GRANT IS NOT BEING RENEWED IN THE UPCOMING BIENNIUM, THE GOVERNOR RECOMMENDED AND THE SUBCOMMITTEE CONCURRED, THAT THE POSITION BE FUNDED WITH 100 PERCENT GENERAL FUND SUPPORT. IN ADDITION, THE GOVERNOR RECOMMENDED A SECOND CHARTER SCHOOL CONSULTANT TO BE FUNDED WITH 100 PERCENT GENERAL FUND. THE SUBCOMMITTEE APPROVED THE POSITION, BUT WITH THE UNDERSTANDING THAT THE POSITION WOULD BE DEDICATED TO CHARTER SCHOOL ISSUES ONLY 25 PERCENT OF THE TIME, WITH THE REMAINING 75 PERCENT BEING A SOCIAL STUDIES CONSULTANT.

THE GOVERNOR'S RECOMMENDATION ALSO INCLUDED A NEW EDUCATION CONSULTANT TO PROVIDE GUIDANCE AND TECHNICAL SUPPORT TO NON-TITLE I SCHOOLS AND DISTRICTS FAILING TO MAKE ADEQUATE YEARLY PROGRESS. THE SUBCOMMITTEE APPROVED THIS POSITION, CONTINGENT ON APPROVAL OF THE \$50 MILLION EACH YEAR RECOMMENDED IN THE REMEDIATION TRUST FUND.

**PROFICIENCY TESTING (101-2697)**

THE SUBCOMMITTEE DID NOT APPROVE STATE GENERAL FUNDS OF \$63,800 IN FY 2005-06 AND \$80,193 IN FY 2006-07 FOR A NEW 1.0 FTE EDUCATION CONSULTANT POSITION FOR THE WRITING EXAMINATION. INSTEAD, THE SUBCOMMITTEE APPROVED THIS NEW POSITION AND RELATED COSTS TO BE FUNDED WITH FEDERAL FUNDS THROUGH THE TITLE VI GRANT, WHICH IS INCLUDED IN BA 2713 – IASA TITLES II, IV, V, AND VI. THIS DECISION WAS MADE DUE TO THE SHIFT IN FOCUS OF THE EXAMINATION FROM DIAGNOSTIC TO ONE OF ACCOUNTABILITY SINCE THE EXAMINATION IS NOW UTILIZED AS PART OF ADEQUATE YEARLY PROGRESS. FURTHER, THE

FEDERAL STATE ASSESSMENT GRANT WAS SPECIFICALLY PROVIDED BY THE FEDERAL GOVERNMENT TO ASSIST STATES IN DEVELOPING AND ADMINISTERING EXAMINATIONS UNDER THE NCLBA.

WITH REGARD TO THE HIGH SCHOOL PROFICIENCY EXAMINATION (HSPE), THE SUBCOMMITTEE APPROVED A LETTER OF INTENT TO THE DEPARTMENT ASKING THAT AN ANNUAL REPORT BE SUBMITTED TO THE INTERIM FINANCE COMMITTEE AND THE LEGISLATIVE COMMITTEE ON EDUCATION SHOWING THE PASSING RATES ON THE HSPE BY DIFFERENT POPULATIONS OF PUPILS. IN ADDITION, THE SUBCOMMITTEE REQUESTED THAT THE DEPARTMENT PROVIDE ANY REVISED PLAN BY THE STATE BOARD OF EDUCATION TO INCREASE THE PASSING RATE ON THE MATHEMATICS PORTION OF THE EXAMINATION.

**TEACHER EDUCATION AND LICENSING (101-2705)**

THE SUBCOMMITTEE APPROVED THE REVENUE PROJECTIONS OF THE DEPARTMENT FOR THIS ACCOUNT, INCLUDING THE PROJECTED LICENSING RESERVE OF \$64,620 IN FY 2005-06 AND \$16,126 IN FY 2006-07. THE SUBCOMMITTEE ALSO APPROVED A LETTER OF INTENT TO THE DEPARTMENT REQUESTING THAT THE COMMISSION ON PROFESSIONAL STANDARDS RAISE FEES, IF NECESSARY, TO SUPPORT THIS BUDGET ACCOUNT IN LIEU OF APPROACHING THE IFC FOR A CONTINGENCY FUND ALLOCATION. IN ADDITION, THE SUBCOMMITTEE REQUESTED THAT ANY IMPROVEMENTS MADE TO THE TEACHER LICENSURE DATABASE BE CONTINGENT UPON THE LICENSING RESERVE MAINTAINING A BALANCE OF AT LEAST \$80,000 IN EACH FISCAL YEAR OF THE BIENNIUM.

**ELEMENTARY AND SECONDARY EDUCATION – TITLES II, V, AND VI (101-2713)**

THE SUBCOMMITTEE AUTHORIZED FEDERAL TITLE VI FUNDING OF \$600,000 IN EACH FISCAL YEAR FOR SUPPORT OF THE SAIN PROGRAM; THIS IS IN ADDITION TO THE STATE GENERAL FUNDS OF \$200,000 IN EACH FISCAL YEAR APPROVED BY THE SUBCOMMITTEE FOR THE SAIN PROGRAM THROUGH THE OTHER STATE EDUCATION PROGRAMS BUDGET ACCOUNT (BA 2699). THESE FUNDS WILL BE UTILIZED FOR CONTRACTING SERVICES FOR ENHANCED WEB REPORTING, DEPARTMENT TECHNICAL SUPPORT, AND FUNDING FOR A 1.0 FTE DATABASE MANAGER II. THIS POSITION WAS ORIGINALLY AUTHORIZED BY THE 2003 LEGISLATURE AS A COMPUTER SYSTEMS PROGRAMMER II BUT WAS NOT FILLED DURING THE 2003-05 BIENNIUM. BASED UPON OUTSIDE REVIEWS OF THE DEPARTMENT'S TECHNOLOGY PROGRAM, IT WAS RECOMMENDED THAT THE AUTHORIZED POSITION BE RECLASSIFIED TO A DATABASE MANAGER II.

THE SUBCOMMITTEE DID NOT APPROVE A NEW POSITION, AS RECOMMENDED BY THE GOVERNOR, FOR TEST SECURITY. THIS DECISION WAS BASED UPON INFORMATION RECEIVED FROM THE DEPARTMENT INDICATING THAT THE RECOMMENDED POSITION WAS NOT NECESSARY AT THIS TIME DUE TO A SIMILAR POSITION BEING APPROVED BY THE IFC IN SEPTEMBER 2004.

THE SUBCOMMITTEE DID APPROVE AUTHORITY FOR THE DEPARTMENT TO UTILIZE FEDERAL TITLE VI FUNDS TO HIRE A

NEW 1.0 FTE WRITING EXAMINATION CONSULTANT AND RELATED COSTS. AS PREVIOUSLY NOTED, THIS POSITION WAS RECOMMENDED BY THE GOVERNOR TO BE FUNDED WITH GENERAL FUNDS THROUGH THE PROFICIENCY TESTING BUDGET ACCOUNT (BA 2697).

**CONTINUING EDUCATION (101-2680)**

THE SUBCOMMITTEE APPROVED THE CREATION OF A NEW POSITION IN THIS BUDGET USING EXISTING FUNDING. CURRENTLY, THE DEPARTMENT PAYS A CONTRACTOR TO MANAGE THE ADULT HIGH SCHOOL DIPLOMA PROGRAM, WITH FUNDING FROM THE DISTRIBUTIVE SCHOOL ACCOUNT. THE DEPARTMENT EXPRESSED A DESIRE TO ADD AN EDUCATIONAL CONSULTANT POSITION FOR THE ADULT HIGH SCHOOL DIPLOMA PROGRAM IN LIEU OF CONTRACTING FOR THOSE SERVICES. THE NEW POSITION DOES NOT REPRESENT AN INCREASE IN GENERAL FUND SUPPORT FOR THE DEPARTMENT, SINCE EXISTING ADMINISTRATION FUNDS UTILIZED OUT OF THE DSA WOULD BE TRANSFERRED TO THIS BUDGET.

**INDIVIDUALS WITH DISABILITIES EDUCATION (IDEA) (101-2715)**

THE SUBCOMMITTEE APPROVED THE GOVERNOR'S RECOMMENDATION FOR THE ADDITION OF A SPECIAL EDUCATION CONSULTANT POSITION TO THIS BUDGET. THE NEW POSITION IS ENTIRELY FUNDED BY THE IDEA GRANT, AND WOULD FOCUS ON SPECIAL EDUCATION IN CHARTER SCHOOLS.

THE SUBCOMMITTEE CONSIDERED THE NRS 395 BUDGET FOR THE 2005-07 BIENNIUM, IN LIGHT OF THE FACT THAT A SUPPLEMENTAL APPROPRIATION WAS APPROVED FOR THAT PROGRAM FOR FY 2005. BECAUSE AN ADDITIONAL CHILD WAS PLACED IN THE NRS 395 PROGRAM TO RECEIVE OUT-OF-DISTRICT SPECIAL EDUCATION SERVICES, THE 2005 LEGISLATURE APPROVED AN ADDITIONAL \$87,590 IN GENERAL FUND SUPPORT IN SENATE BILL 108, TO BRING THE TOTAL GENERAL FUND SUPPORT OF THE PROGRAM FOR THE CURRENT FISCAL YEAR TO \$280,000. THE SUBCOMMITTEE DID NOT RECOMMEND ADDING ADDITIONAL GENERAL FUND SUPPORT TO THE BUDGET TO MATCH THE FY 2005 LEVEL. INSTEAD, THE SUBCOMMITTEE APPROVED THE NRS 395 BUDGET AS RECOMMENDED BY THE GOVERNOR, WITH THE INTENT THAT THE DEPARTMENT WOULD APPROACH THE INTERIM FINANCE COMMITTEE TO REQUEST AN ALLOCATION FROM THE CONTINGENCY FUND IF IT BECOMES NECESSARY IN ORDER FOR THE DEPARTMENT TO FULFILL THE GENERAL FUND OBLIGATIONS TO THE PROGRAM DURING THE 2005-07 BIENNIUM.

**OTHER ACCOUNTS WITH NO MAJOR CLOSING ISSUES**

THE SUBCOMMITTEE ALSO REVIEWED THE BUDGETS FOR THE FOLLOWING ACCOUNTS: EDUCATION STAFFING SERVICES, EDUCATION SUPPORT SERVICES, DRUG ABUSE EDUCATION, SCHOOL HEALTH EDUCATION – AIDS, GEAR UP, DISCRETIONARY GRANTS – UNRESTRICTED, DISCRETIONARY GRANTS – RESTRICTED, IMPROVING AMERICA'S SCHOOLS – TITLE I, STUDENT INCENTIVE GRANTS, CAREER AND TECHNICAL EDUCATION, AND NUTRITION EDUCATION. THE SUBCOMMITTEE RECOMMENDED THAT THESE ACCOUNTS BE

CLOSED AS RECOMMENDED BY THE GOVERNOR, WITH MINOR  
TECHNICAL ADJUSTMENTS BY STAFF.

Mr. Marvel asked how many students were out of state on the NRS 395  
program. Ms. Giunchigliani said there were very few children on the program.

ASSEMBLYMAN MARVEL MOVED TO APPROVE THE CLOSING  
REPORT FOR THE DEPARTMENT OF EDUCATION.

ASSEMBLYWOMAN SMITH SECONDED THE MOTION.

MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

\* \* \* \* \*

Assemblywoman McClain read the following closing report for the Committee's  
consideration:

THE JOINT SUBCOMMITTEE ON PUBLIC SAFETY, NATURAL  
RESOURCES AND TRANSPORTATION DEVELOPED  
RECOMMENDATIONS FOR 28 BUDGETS WITHIN THE  
DEPARTMENT OF CORRECTIONS. THE ASSEMBLY  
SUBCOMMITTEE'S RECOMMENDATIONS RESULT IN A GENERAL  
FUND DECREASE OF \$1,149,696 MILLION IN FY 2005-06 AND A  
GENERAL FUND DECREASE OF APPROXIMATELY \$2,890,210  
MILLION IN FY 2006-07 AS COMPARED TO THE GOVERNOR'S  
RECOMMENDED BUDGET.

THE DEPARTMENT'S BUDGET IS PRIMARILY DRIVEN BY THE  
PROJECTED NUMBER OF INMATES TO BE HOUSED.  
THE EXECUTIVE BUDGET PROVIDED FUNDING TO HOUSE AN  
AVERAGE OF 11,502 INMATES IN FY 2005-06 AND 11,828  
INMATES IN FY 2006-07. THE BUDGET, AS MODIFIED BY THE  
SUBCOMMITTEE, WILL PROVIDE FUNDING TO HOUSE AN  
AVERAGE OF 11,465 INMATES IN FY 2005-06 AND 11,896  
INMATES IN FY 2006-07. THIS BUDGET MODIFICATION WAS THE  
RESULT OF AN UPDATED PROJECTION OF THE INMATE  
POPULATION BY JFA ASSOCIATES IN MARCH 2005. AS OF  
JULY 2005, THE DEPARTMENT WILL NO LONGER BE HOUSING  
INMATES FROM WASHINGTON OR WYOMING.

**HIGH DESERT STATE PRISON (101-3762) CORRECTIONS-41:**  
THE SUBCOMMITTEE SUPPORTED AN AMENDMENT FROM THE  
GOVERNOR TO ADD 18 NEW CORRECTIONAL OFFICER  
POSITIONS TO STAFF HOUSING UNIT #8 AT HIGH DESERT. THIS  
HOUSING UNIT IS WHERE INMATES FROM WASHINGTON AND  
WYOMING HAVE PREVIOUSLY BEEN CONFINED. TWO NEW  
CORRECTIONAL OFFICER POSITIONS TO STAFF A NEW GUN  
RAIL POST WERE ALSO RECOMMENDED. THE SUBCOMMITTEE  
CONCURRED WITH THE GOVERNOR'S RECOMMENDATION TO  
ADD TWO NEW POSITIONS IN THE INTAKE UNIT AT HIGH  
DESERT IN ORDER TO ADDRESS WORKLOAD DEMANDS IN  
THAT UNIT.

THE SUBCOMMITTEE SUPPORTED THE GOVERNOR'S  
RECOMMENDATION TO ADD 17 NEW CORRECTIONAL  
POSITIONS FOR THE DEPARTMENT'S PROPOSED

IMPLEMENTATION OF THE "UNIT MANAGEMENT CONCEPT." THE RECOMMENDED STAFFING WOULD PROVIDE A HIGHER LEVEL OF SECURITY IN EACH HOUSING UNIT AT THE FACILITY.

**CASA GRANDE TRANSITIONAL HOUSING (101-3760)**

**CORRECTIONS-93:** THE NEW CASA GRANDE TRANSITIONAL HOUSING FACILITY BUDGET WAS BASED UPON CONSTRUCTION BEING COMPLETED BY OCTOBER 2005. UPDATED INFORMATION PROVIDED TO THE SUBCOMMITTEE INDICATED THAT THE FACILITY WOULD NOT BE READY FOR OCCUPANCY UNTIL DECEMBER 2005. THE DEPARTMENT SUBMITTED A REVISED HOUSING PLAN THAT PROVIDED FOR 400 INMATES TO BE RELOCATED INTO CASA GRANDE AT THE BEGINNING OF DECEMBER. THE SUBCOMMITTEE WAS CONCERNED ABOUT THE DEPARTMENT'S ABILITY TO ASSIMILATE THAT NUMBER OF INMATES IN A SHORT PERIOD OF TIME AND TO SUCCESSFULLY MEET THE EMPLOYMENT GOAL OF FINDING A JOB WITHIN 30 DAYS FOR ALL INMATES AT CASA GRANDE. THE SUBCOMMITTEE APPROVED A MORE GRADUAL APPROACH TO RELOCATING INMATES TO CASA GRANDE, AT A RATE OF APPROXIMATELY 50 INMATES EVERY TWO WEEKS. BUDGET ADJUSTMENTS RESULTING FROM THAT ACTION WERE THEN APPROVED FOR INCORPORATION INTO THE FINANCIAL PLAN FOR THE NEW FACILITY. THE STAFFING PATTERN AND BASIC STRUCTURE OF THE BUDGET FOR CASA GRANDE REMAIN CONSISTENT WITH THOSE APPROVED BY THE INTERIM FINANCE COMMITTEE IN JUNE 2004.

**SOUTHERN NEVADA CORRECTIONAL CENTER (101-3715)**

**CORRECTIONS-77:** THE SUBCOMMITTEE APPROVED THE GOVERNOR'S RECOMMENDATION THAT THE SOUTHERN NEVADA CORRECTIONAL CENTER BE USED TO HOUSE "YOUTHFUL OFFENDERS" BEGINNING AUGUST 2006. THE POPULATION INCLUDES INMATES UP TO 23 OR 24 YEARS OLD AND WILL NOT INCLUDE SERIOUS VIOLENT OFFENDERS. THE GOVERNOR'S PROPOSED STAFFING FOR SNCC WAS A CONCERN TO THE SUBCOMMITTEE, SINCE IT REPRESENTED A 34 PERCENT INCREASE OVER THE STAFFING LEVEL APPROVED BY THE 1999 LEGISLATURE. LCB FISCAL ANALYSIS STAFF PROVIDED AN ALTERNATIVE STAFFING PLAN THAT WAS LARGELY ACCEPTED BY THE SUBCOMMITTEE, WITH ONE SIGNIFICANT DIFFERENCE. THE SUBCOMMITTEE APPROVED THE DEPARTMENT'S REQUEST FOR A GENERAL FUND APPROPRIATION OF \$837,500 TO ACQUIRE ELECTRONIC EQUIPMENT TO AUGMENT SECURITY AT THE FACILITY. THE SUBCOMMITTEE RECOMMENDS THE APPROPRIATION TO THE INTERIM FINANCE COMMITTEE FOR TRANSFER TO THE DEPARTMENT AFTER IFC APPROVES A DETAILED COST PROPOSAL PROVIDED BY THE DEPARTMENT FOR THE EQUIPMENT. THE SUBCOMMITTEE'S ACTION TO REQUIRE ADDITIONAL REVIEW WAS DUE TO THE LATENESS IN HAVING THE PROPOSAL PRESENTED FOR CONSIDERATION BY THE SUBCOMMITTEE. THE SUBCOMMITTEE APPROVED THE TRANSFER OF ONE WARDEN POSITION FROM THE DIRECTOR'S OFFICE BUDGET TO SNCC, RATHER THAN ADDING A NEW WARDEN POSITION FOR THE FACILITY AS RECOMMENDED BY THE GOVERNOR. AS A RESULT OF THESE ACTIONS, AUTHORIZED POSITIONS AT SNCC WILL TOTAL 167 RATHER THAN THE 193 THAT WERE RECOMMENDED BY THE GOVERNOR.

THE SUBCOMMITTEE ALSO APPROVED A REDUCTION IN EQUIPMENT COSTS FOR SNCC TOTALING \$84,703 LESS THAN THE AMOUNT RECOMMENDED BY THE GOVERNOR. THE ACTION WAS DUE TO A REDUCTION IN THE NUMBER OF VEHICLES CONSIDERED NECESSARY AND ALSO A REDUCTION IN EQUIPMENT PRICES FOR CONSISTENCY WITH OTHER SIMILAR ITEMS IN THE BUDGET.

STAFF HAS NOTED THAT AN ADJUSTMENT TO THE ACTIONS TAKEN BY THE SUBCOMMITTEE IS NECESSARY TO INCREASE THE GENERAL FUND EXPENSE IN FY 2006-07 BY \$234,000 FOR RURAL AREA DIFFERENTIAL PAY AT THIS FACILITY FOR THE APPROVED POSITIONS. FUNDING FOR THIS COST WAS NOT INCLUDED IN THE GOVERNOR'S BUDGET.

SOUTHERN NEVADA WOMEN'S CORRECTIONAL FACILITY (101-3761) CORRECTIONS-87: THE SUBCOMMITTEE APPROVED A REDUCTION IN GENERAL FUND EXPENSE OF APPROXIMATELY \$4.2 MILLION FOR THE BIENNIUM FOR DEBT PAYMENTS ON THE SOUTHERN NEVADA WOMEN'S FACILITY. THE DEBT PAYMENTS WILL BE MADE FROM SAVINGS REALIZED IN THE TREASURER'S RECENT BOND REFUNDING. THE SUBCOMMITTEE CONCURRED WITH THE ADDITION OF EIGHT NEW CORRECTIONAL OFFICER POSITIONS AT THE FACILITY. THE DEPARTMENT HAD IDENTIFIED SECURITY ISSUES THAT WERE NOT PROVIDED FOR IN THE PROPOSAL APPROVED BY THE INTERIM FINANCE COMMITTEE IN JUNE 2004 TO TAKE OVER OPERATION OF THE FACILITY FROM A PRIVATE VENDOR. THE POSITIONS WILL PROVIDE ADDITIONAL SECURITY IN THE CENTRAL CONTROL UNIT, IN THE GATEHOUSE, AT THE SALLY PORT, AND IN THE MENTAL HEALTH UNIT.

THE SUBCOMMITTEE ALSO APPROVED \$500,000 FOR THE BIENNIUM TO FUND TRANSITIONAL SERVICES TO FEMALE INMATES. THE SERVICES ARE TO BE PERFORMED BY THE EVOLVE PROGRAM OPERATED BY THE CITY OF LAS VEGAS. A TOTAL OF \$250,000 IS RECOMMENDED FOR EACH YEAR OF THE BIENNIUM IN A SEPARATE BUDGET CATEGORY IN THE SOUTHERN NEVADA WOMEN'S ACCOUNT FOR THIS PURPOSE.

**PRISON MEDICAL CARE (101-3706) CORRECTIONS-18:** THE SUBCOMMITTEE APPROVED THE GOVERNOR'S RECOMMENDATION TO ADD 22.51 FTE TO STAFF THE MEDICAL UNIT AT THE SOUTHERN NEVADA CORRECTIONAL CENTER BEGINNING AUGUST 2006. CONSIDERATION WAS GIVEN BY THE SUBCOMMITTEE TO THE GOVERNOR'S RECOMMENDED INFLATIONARY INCREASES IN THE MEDICAL CARE BUDGET. WHILE THE SUBCOMMITTEE AGREED THAT INFLATIONARY EXPENSES SHOULD BE INCLUDED IN THE BUDGET, A GENERAL FUND SAVINGS WOULD RESULT BY APPLYING THE FIVE-YEAR AVERAGE MEDICAL CPI RATHER THAN PROJECTED INCREASES BY THE CENTER FOR MEDICARE AND MEDICAID SERVICES (CMS) AS RECOMMENDED BY THE GOVERNOR. AS A RESULT, GENERAL FUND COSTS WERE REDUCED BY A TOTAL OF \$867,000 OVER THE BIENNIUM FOR THIS PURPOSE.

**NDOC DIRECTOR'S OFFICE (101-3710) CORRECTIONS-1:** STAFFING PROPOSED BY THE GOVERNOR FOR THE SOUTHERN NEVADA CORRECTIONAL CENTER WAS APPROVED BY THE SUBCOMMITTEE. THIS REPRESENTS SIX NEW POSITIONS TO STAFF ADMINISTRATIVE SUPPORT FUNCTIONS FOR

ACCOUNTING, PERSONNEL, CLASSIFICATION, AND INVESTIGATIONS. EQUIPMENT FOR THE FACILITY TOTALING \$168,740, IN ADDITION TO THAT PROVIDED FOR IN THE INSTITUTION'S BUDGET, WAS APPROVED BY THE SUBCOMMITTEE. THE SUBCOMMITTEE REMOVED COMPUTER EQUIPMENT DESIGNATED FOR THE VOCATIONAL EDUCATION PROGRAM AT THE FACILITY, SINCE FUNDING WAS APPROVED BY THE K-12 SUBCOMMITTEE FROM THE DISTRIBUTIVE SCHOOL ACCOUNT.

DEFERRED MAINTENANCE PROJECTS FOR THE ENTIRE DEPARTMENT WERE CONSIDERED IN THIS ACCOUNT AND APPROVED BY THE SUBCOMMITTEE AS RECOMMENDED BY THE GOVERNOR. THE AMENDED TOTAL FOR DEFERRED MAINTENANCE PROJECTS IS \$3.5 MILLION OVER THE BIENNIUM. THE SUBCOMMITTEE NOTED THAT BUDGET AMENDMENT #52 REDUCED THE GENERAL FUND COST IN THIS ACCOUNT BY \$400,000 FOR REALLOCATION TO THE CAPITAL IMPROVEMENT PROJECT PROGRAM. THAT FUNDING WILL BE USED TO COMPLETE SEWAGE TREATMENT POND RENOVATIONS NECESSARY AT THE SOUTHERN NEVADA CORRECTIONAL CENTER PRIOR TO ITS OPENING IN AUGUST 2006.

THE SUBCOMMITTEE APPROVED THE ADDITION OF SIX POSITIONS RECOMMENDED BY THE GOVERNOR FOR ASSIGNMENT TO THE DEPARTMENT'S NEW OFFENDER MANAGEMENT INFORMATION SYSTEM. APPROVAL OF THESE POSITIONS IS SUBJECT TO THE APPROVAL OF FUNDING FOR THE NEW SYSTEM IN THE INFORMATION TECHNOLOGY ACCOUNT. THE EFFECTIVE DATE FOR ALL SIX POSITIONS WAS MODIFIED BY THE SUBCOMMITTEE TO OCTOBER 2005, WHICH REPRESENTS THE SCHEDULED START DATE FOR THIS PROJECT.

**CORRECTIONAL PROGRAMS (101-3711) CORRECTIONS-26:** A SIGNIFICANT REDUCTION IN FEDERAL GRANT FUNDS FOR TWO SUBSTANCE ABUSE PROGRAMS IN THIS BUDGET ACCOUNT WAS CONSIDERED BY THE SUBCOMMITTEE. THE SUBCOMMITTEE APPROVED THE GOVERNOR'S RECOMMENDATION TO ADD \$1.1 MILLION IN GENERAL FUNDS OVER THE BIENNIUM TO REPLACE ALL FEDERAL GRANT DOLLARS PREVIOUSLY ALLOCATED TO THE OASIS (OFFENDERS ACTING IN SOLIDARITY TO INSURE SOBRIETY) PROGRAM AT THE SOUTHERN DESERT CORRECTIONAL CENTER. BUDGET AMENDMENT #55 WAS ACCEPTED BY THE SUBCOMMITTEE TO PROVIDE A FUNDING MIX OF FEDERAL GRANT MONIES, TRANSFERS FROM THE INMATE WELFARE ACCOUNT, AND GENERAL FUNDS TO CONTINUE THE WINGS (WILLING INMATES IN NEVADA GAINING SOBRIETY) PROGRAM AT THE NORTHERN NEVADA CORRECTIONAL CENTER. THE GENERAL FUND COST FOR THE WINGS PROGRAM WAS APPROVED AT \$24,050 FOR THE BIENNIUM BY THE SUBCOMMITTEE.

THE GOVERNOR'S RECOMMENDATION TO CONTINUE THE GOING HOME PREPARED PROGRAM AT THE SOUTHERN DESERT CORRECTIONAL CENTER AFTER THE FEDERAL GRANT EXPIRES IN JUNE 2006 WAS ALSO APPROVED BY THE SUBCOMMITTEE. THE GENERAL FUND COST TO CONTINUE THIS PROGRAM IS \$136,000 IN FY 2006-07.



THE SUBCOMMITTEE CONCURRED WITH THE GOVERNOR'S RECOMMENDATION TO ADD THIRTEEN NEW POSITIONS IN THE CORRECTIONAL PROGRAMS BUDGET FOR THE SOUTHERN NEVADA CORRECTIONAL CENTER IN AUGUST 2006.

**LOVELOCK CORRECTIONAL CENTER (101-3759)**

**CORRECTIONS-70:** THE SUBCOMMITTEE CONCURRED WITH THE GOVERNOR'S RECOMMENDATION TO ADD ONE NEW CORRECTIONAL OFFICER POSITION AT THIS FACILITY TO FUNCTION AS A DRILL INSTRUCTOR FOR THE "STRUCTURED LIVING PROGRAM." THE STRUCTURED LIVING PROGRAM HAS BEEN OPERATING AT LOVELOCK FOR SEVERAL YEARS, BUT HAS NOT HAD A DEDICATED POSITION TO SERVE AS ITS DRILL INSTRUCTOR. FUNDING OF \$145,803 TO REPLACE EQUIPMENT WAS APPROVED BY THE SUBCOMMITTEE AS RECOMMENDED BY THE GOVERNOR.

**SOUTHERN DESERT CORRECTIONAL CENTER (101-3738)**

**CORRECTIONS-62:** THE SUBCOMMITTEE CONCURRED WITH THE GOVERNOR'S RECOMMENDATION TO ADD THREE NEW CORRECTIONAL OFFICER POSITIONS TO STAFF THE SEGREGATION HOUSING UNIT AT SOUTHERN DESERT. THE FACILITY HAS EXPERIENCED A NEED TO INCREASE STAFFING IN THIS AREA DUE TO INMATE/STAFF SECURITY CONCERNS. THE RESTORATION OF ONE MAINTENANCE WORKER POSITION THAT WAS ELIMINATED DURING THE PREVIOUS SESSION WAS ALSO APPROVED BY THE SUBCOMMITTEE AS RECOMMENDED BY THE GOVERNOR.

THE SUBCOMMITTEE ALSO REVIEWED ALL REMAINING BUDGETS FOR THE DEPARTMENT (101-3716 WARM SPRINGS CORRECTIONAL CENTER; 101-3717 NORTHERN NEVADA CORRECTIONAL CENTER; 101-3718 NEVADA STATE PRISON; 101-3722 STEWART CONSERVATION CAMP; 101-3723 PIOCHE CONSERVATION CAMP; 101-3724 NORTHERN NEVADA RESTITUTION CENTER; 101-3725 INDIAN SPRINGS CONSERVATION CAMP; 101-3739 WELLS CONSERVATION CAMP; 101-3741 HUMBOLDT CONSERVATION CAMP; 101-3747 ELY CONSERVATION CAMP; 101-3748 JEAN CONSERVATION CAMP; 101-3749 SILVER SPRINGS CONSERVATION CAMP; 101-3751 ELY STATE PRISON; 101-3752 CARLIN CONSERVATION CAMP; 101-3754 TONOPAH CONSERVATION CAMP; 240-3708 OFFENDERS' STORE FUND; 240-3763 INMATE WELFARE ACCOUNT; 525-3719 PRISON INDUSTRIES; 525-3727 PRISON DAIRY) AND RECOMMENDS THAT THESE BUDGETS BE CLOSED AS RECOMMENDED BY THE GOVERNOR, WITH ADJUSTMENTS FOR INMATE POPULATION CHANGES AND MINOR TECHNICAL ADJUSTMENTS.

Chairman Arberry asked what had been discussed during the hearing regarding the 17 new correctional positions for the unit management at High Desert State Prison. Ms. McClain said the discussion was about the post staffing concept as opposed to the unit management concept. The concern with the unit management concept was that it set a precedent for all the other prisons. Through testimony and the discussion some members of the Subcommittee were convinced that the new way was the right way; however, it had not been a unanimous vote.

Chairman Arberry agreed that setting a precedent was a concern, and he was not sure that was the direction the Committee should take.

Mr. Marvel questioned the prisoner projections for the upcoming biennium. Ms. McClain said the updated projections, as of March 2005, were that there would be 11,465 prisoners in FY2006 and 11,896 in FY2007.

Assemblyman Hogan responded to Chairman Arberry's earlier question regarding the discussion on staffing and said the need for the additional staffing was unique to the High Desert State Prison facility and was based largely on a different configuration of the housing units and the post position between the wings. Mr. Hogan said he had been persuaded by the testimony that there would be a considerable gain in the security level, and during the discussion, the Department of Corrections had indicated that there would not be subsequent requests for similar staffing.

Ms. Giunchigliani asserted that the facility being discussed was no different from the facility in Lovelock. She remarked that she had "never been so lobbied on a public building by staff while on duty" than she had been with that particular issue and it was offensive. She opined that the current staffing procedure was sufficient, and the new staffing method was "just another way to get additional funding."

Chairman Arberry indicated that he would accept a motion to accept the report with the removal of the 17 positions for the unit management concept.

ASSEMBLYWOMAN GIUNCHIGLIANI MOVED TO APPROVE THE  
CLOSING REPORT WITH THE REMOVAL OF THE 17 POSITIONS  
FOR THE UNIT MANAGEMENT CONCEPT.

ASSEMBLYWOMAN LESLIE SECONDED THE MOTION.

MOTION CARRIED WITH MR. HETTRICK, MR. HOGAN,  
MR. MARVEL, AND MS. WEBER VOTING NO. (Mr. Perkins was  
not present for the vote.)

BUDGET CLOSED.

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Assemblywoman McClain read the following closing report for the Committee's consideration:

**VOLUME III – CONSERVATION AND NATURAL RESOURCES** THE  
JOINT SUBCOMMITTEE FOR PUBLIC SAFETY, NATURAL  
RESOURCES AND TRANSPORTATION DEVELOPED  
RECOMMENDATIONS FOR THE BUDGETS OF THE TAHOE  
REGIONAL PLANNING AGENCY (TRPA) AND THE DEPARTMENT  
OF CONSERVATION AND NATURAL RESOURCES (DCNR)  
INCLUDING: THE DIRECTOR'S OFFICE (ADMINISTRATION),  
NATURAL HERITAGE, CONSERVATION DISTRICTS, HEIL WILD  
HORSE, STATE LANDS, NEVADA TAHOE REGIONAL PLANNING  
AGENCY, STATE PARKS, WATER RESOURCES, AND FORESTRY.

THE SUBCOMMITTEE'S RECOMMENDATIONS FOR DCNR  
RESULTS IN GENERAL FUND SAVINGS OF \$176,617 IN  
FY 2005-06 AND \$490,504 IN FY 2006-07. FOR TRPA, THE  
SUBCOMMITTEE'S RECOMMENDATIONS RESULT IN GENERAL  
FUND SAVINGS OF \$27,682 IN FY 2005-06 AND \$28,959 IN

FY 2006-07. A SUMMARY OF CLOSING ACTIONS IS ATTACHED TO THE CLOSING PACKET.

**DCNR DIRECTOR'S OFFICE (101-4150) DCNR-1:** THE SUBCOMMITTEE APPROVED BUDGET OFFICE AMENDMENT #69 REDUCING GENERAL FUND APPROPRIATIONS BY \$295,880 FOR DEFERRED MAINTENANCE PROJECTS FOR THE WINNEMUCCA FACILITY, ALONG WITH AN ADDITIONAL \$18,500 REDUCTION FOR AN ADA PROJECT CURRENTLY UNDERWAY. THE SUBCOMMITTEE AGREED WITH THE GOVERNOR'S RECOMMENDATION TO TRANSFER OPERATIONAL AND BUDGETARY RESPONSIBILITY FOR THE FACILITY TO THE DIVISION OF STATE LANDS.

**NEVADA NATURAL HERITAGE (101-4101) DCNR-8:** THE SUBCOMMITTEE APPROVED THE CONTINUATION OF AN ENVIRONMENTAL SCIENTIST III POSITION FOR DEVELOPING AND MAINTAINING A WETLANDS DATABASE INVENTORY AND A STATEWIDE WETLANDS CONSERVATION PLAN REQUIRED BY THE NATIONAL PARKS SERVICE IN ORDER TO MAINTAIN ELIGIBILITY FOR FEDERAL LAND AND WATER CONSERVATION FUNDS. IN APPROVING THE POSITION, THE SUBCOMMITTEE REPLACED GENERAL FUND APPROPRIATIONS OF \$45,918 IN FY 2005-06 WITH TRANSFERS OF QUESTION 1 FUNDS FROM THE DEPARTMENT OF WILDLIFE (NDOW) THAT SUPPORTS ONE-HALF OF THE POSITION'S COSTS IN ORDER TO PREPARE A WETLANDS PRIORITY CONSERVATION PLAN THAT WILL BE INCORPORATED INTO NDOW'S COMPREHENSIVE WILDLIFE CONSERVATION PLAN. THE POSITION WAS APPROVED TO CONTINUE IN FY 2006-07 ALTHOUGH THERE MAY NOT BE SUFFICIENT L&WCF MONIES AVAILABLE TO SUPPORT ONE-HALF OF THE POSITION'S COSTS. THE AGENCY HAS THE OPTION OF APPROACHING THE BOARD OF EXAMINERS AND THE INTERIM FINANCE COMMITTEE TO SEEK CONTINGENCY FUNDS TO CONTINUE THE POSITION IF WARRANTED AND AFTER ALL OTHER REVENUE RESOURCES ARE EXHAUSTED.

**STATE LANDS (101-4173) DCNR-28:** THE SUBCOMMITTEE APPROVED THE GOVERNOR'S RECOMMENDATION FOR A NEW LAND AGENT I POSITION WITH ASSOCIATED STAFFING COSTS. THE DIVISION PROCESSES AN AVERAGE OF 400 LAND PROJECTS/TRANSACTIONS EACH YEAR WITH A CONSISTENT BACKLOG OF 250 PROJECTS/TRANSACTIONS, AND INDICATES THOSE PROJECTS AND TRANSACTIONS HAVE INCREASED IN DIFFICULTY AND COMPLEXITY. THE DIVISION'S GOAL IS TO COMPLETE ACQUISITIONS AND DISPOSALS OF PROPERTY WITHIN SIX MONTHS, AND TO COMPLETE LEASE AND EASEMENT TRANSACTIONS WITHIN THREE MONTHS.

**STATE PARKS (101-4162) DCNR-40:** THE SUBCOMMITTEE APPROVED A NUMBER OF DEFERRED MAINTENANCE PROJECTS FOR THE DIVISION'S FACILITIES STATEWIDE, BUT REDUCED FUNDING BY A TOTAL OF \$32,600 FOR PROJECTS THAT ARE EITHER ALREADY UNDERWAY OR WILL BE INCORPORATED IN OTHER NON-GENERAL FUND PROJECTS. THE SUBCOMMITTEE APPROVED THE GOVERNOR'S RECOMMENDATION FOR A NEW PARK RANGER II POSITION, THREE SEASONAL PARK AID POSITIONS AND ONE SEASONAL MAINTENANCE WORKER POSITION WITH ASSOCIATED STAFFING COSTS TO SUPPORT A 70-UNIT CAMPGROUND EXPANSION AND RELATED FACILITIES AT BIG BEND OF THE

COLORADO STATE RECREATION AREA. THE SUBCOMMITTEE APPROVED USER FEE REVENUE AND EXPENDITURE REDUCTIONS TOTALING \$127,447 IN FY 2006-07 ASSOCIATED WITH THE REVISED FEBRUARY 2007 OPENING DATE FOR THE EXPANDED FACILITY.

THE SUBCOMMITTEE RECOMMENDS THE COMMITTEE INTRODUCE LEGISLATION THAT WOULD AMEND SECTION 4 OF CHAPTER 536 (1997), AS LAST AMENDED BY SECTION 1 OF CHAPTER 430 (S.B. 502 – 2003) EXTENDING THE REVERSION DATE OF GENERAL FUND APPROPRIATIONS FOR IMPROVEMENTS AT FORT CHURCHILL – BUCKLAND STATION PHASE II TO JUNE 30, 2007. IN ADDITION, THE SUBCOMMITTEE RECOMMENDS THE COMMITTEE INTRODUCE LEGISLATION TO AMEND SECTION 1 OF CHAPTER 586 (2001 AUTHORIZATIONS ACT) AND SECTION 17 OF CHAPTER 328 (2003 AUTHORIZATIONS ACT) AUTHORIZING STATE PARKS TO BALANCE FORWARD LODGING TAX RECEIPTS FROM THE COMMISSION ON TOURISM FOR THE SAND HARBOR MAINTENANCE BUILDING AND ROADWAY/PARKING RENOVATION PROJECTS.

**ENVIRONMENTAL PROTECTION ADMINISTRATION (101-3173)**

**DCNR-63:** THE BUDGETS FOR THE NEVADA DIVISION OF ENVIRONMENTAL PROTECTION CONTAINED A NUMBER OF ERRORS AND OMISSIONS RELATED TO THE AGENCY'S INDIRECT COST (IDC) TRANSFERS. THESE ERRORS AND OMISSIONS WERE CORRECTED BY STAFF, WITH CONCURRENCE FROM THE BUDGET OFFICE AND THE DIVISION. THE SUBCOMMITTEE APPROVED STAFF'S REVISIONS FOR THE ADMINISTRATION BUDGET, AS WELL AS THE DIVISION'S OTHER BUDGETS. THE SUBCOMMITTEE ALSO APPROVED THE TRANSFER OF 3.0 FTE INFORMATION TECHNOLOGY POSITIONS FROM OTHER DIVISION BUDGETS TO THE ADMINISTRATION BUDGET IN ORDER TO CONSOLIDATE INFORMATION TECHNOLOGY FUNCTIONS.

**DEP AIR QUALITY (101-3185) DCNR-73:** THE SUBCOMMITTEE APPROVED \$220,000 IN EACH YEAR OF THE BIENNIUM FOR CONTRACTS TO CONDUCT ADDITIONAL AMBIENT AIR QUALITY MONITORING IN THE PAHRUMP VALLEY, AND TO PREPARE A PLAN FOR SUBMISSION TO THE EPA TO BRING THE VALLEY INTO COMPLIANCE WITH FEDERAL AIR QUALITY STANDARDS. THE PAHRUMP VALLEY CURRENTLY DOES NOT MEET THE FEDERAL STANDARDS FOR PARTICULATE MATTER (PM-10). THE SUBCOMMITTEE ALSO APPROVED THE GOVERNOR'S RECOMMENDATION TO ADD \$100,000 IN EACH YEAR OF THE BIENNIUM TO BOOST THE AIR QUALITY ACCOUNT'S RESERVE LEVELS. FUNDING FOR THIS RECOMMENDATION IS THROUGH TRANSFERS OF \$75,000 IN EACH YEAR OF THE BIENNIUM FROM THE DMV POLLUTION CONTROL ACCOUNT, AND \$25,000 IN EACH YEAR FROM PERMIT AND LICENSING FEES.

**DEP WATER PROGRAMS (101-3186 & 101-3197) DCNR-80 &**

**DCNR-97:** THE SUBCOMMITTEE APPROVED THE GOVERNOR'S RECOMMENDATION TO TRANSFER THE DRINKING WATER STATE REVOLVING LOAN PROGRAM FROM THE SAFE DRINKING WATER ACT BUDGET (BA 3211) TO THE WATER POLLUTION CONTROL BUDGET. INCLUDED IN THIS TRANSFER IS 5.0 FTE POSITIONS AND REVENUES AND EXPENDITURES TOTALING \$3.3 MILLION IN EACH YEAR OF THE BIENNIUM. TO ADDRESS CASELOAD, THE SUBCOMMITTEE ALSO APPROVED THE

ADDITION OF THREE NEW POSITIONS IN THE WATER POLLUTION CONTROL BUDGET—ONE ADMINISTRATIVE ASSISTANT III IN CARSON CITY, ONE ENVIRONMENTAL SCIENTIST III IN CARSON CITY, AND AN ADMINISTRATIVE ASSISTANT II IN LAS VEGAS.

**DEP WASTE MANAGEMENT, CORRECTIVE ACTIONS, FEDERAL FACILITIES (101-3187 & 101-3198) CNR-109 & CNR-123:** THE SUBCOMMITTEE APPROVED THE GOVERNOR'S RECOMMENDATION TO ELIMINATE THE FEDERAL FACILITIES BUDGET (BA 3198), AND TRANSFER THE EPA ONE-STOP GRANT FUNCTIONS TO THE ADMINISTRATION BUDGET (BA 3173), AND THE BALANCE OF THE ACCOUNT'S REVENUES AND EXPENDITURES—including 14.0 FTE POSITIONS—to THE WASTE MANAGEMENT AND FEDERAL FACILITIES BUDGET. THIS RECOMMENDATION REVERSES THE LEGISLATIVELY APPROVED RECOMMENDATION FROM THE 2003-05 EXECUTIVE BUDGET TO CREATE THE BUREAU OF FEDERAL FACILITIES BUDGET. THE REVERSAL IS RECOMMENDED BECAUSE THE TIMING OF THE COLLECTION OF FEDERAL FUNDS OWED THE DIVISION FROM THE DEPARTMENT OF ENERGY CREATED SERIOUS CASH FLOW PROBLEMS FOR THE NEW BUDGET.

**DIVISION OF FORESTRY (101-4195) DCNR-144:** THE SUBCOMMITTEE VOTED TO RESTORE FUNDING FOR BASE SEASONAL SALARIES THAT WERE OMITTED FROM THE GOVERNOR'S BUDGET. THE SUBCOMMITTEE APPROVED A NUMBER OF DEFERRED MAINTENANCE PROJECTS AT THE WESTERN REGION HEADQUARTERS, MINDEN AIR OPERATIONS, LEE CANYON FIRE STATION, AND AT THE DIVISION'S ELKO FACILITIES. THE SUBCOMMITTEE AUTHORIZED FISCAL STAFF TO ELIMINATE A FIRE SPRINKLER SYSTEM AND AN ASPHALT RESEALING PROJECT AT THE WESTERN REGION HEADQUARTERS SHOULD THE LEGISLATURE APPROVE THESE PROJECTS IN THE CIP BUDGET. THE SUBCOMMITTEE APPROVED THE GOVERNOR'S RECOMMENDATION TO APPROVE TWO FULL-TIME PERMANENT AND TWO SIX-MONTH SEASONAL FIRE DISPATCHER POSITIONS FOR THE ELKO AND MINDEN DISPATCH CENTERS IN RESPONSE TO OVERTIME ISSUES EXPERIENCED BY NDF.

THE SUBCOMMITTEE VOTED TO ADD GENERAL FUND APPROPRIATIONS OF \$162,460 IN FY 2005-06 AND \$33,800 IN FY 2006-07 THAT WILL BE UTILIZED TO REHABILITATE A MILITARY-SURPLUS HELICOPTER CURRENTLY OWNED BY NDF. THE HELICOPTER WILL INCREASE NDF'S FLEET FROM TWO TO THREE HELICOPTERS AND WILL ALLOW THE DIVISION FLEXIBILITY TO KEEP TWO HELICOPTERS IN THE AIR INSTEAD OF ONE AT A GIVEN MOMENT, ESPECIALLY DURING PEAK FIRE SEASON.

**FORESTRY FIRE SUPPRESSION (101-4196) DCNR-159:** THE SUBCOMMITTEE DID NOT APPROVE THE GOVERNOR'S RECOMMENDATION TO ESTABLISH PRIOR YEAR REIMBURSEMENT AND PRIOR YEAR CLAIMS AUTHORITY IN THIS ACCOUNT DUE TO CONCERNS REGARDING THE LACK OF LEGISLATIVE OVERSIGHT AND THE POTENTIAL FOR SETTING PRECEDENT IN ESTABLISHING STALE CLAIMS AUTHORITY IN THE EXECUTIVE BUDGET.

**FORESTRY CONSERVATION CAMPS (101-4198) DCNR-164:** THE SUBCOMMITTEE APPROVED THE GOVERNOR'S RECOMMENDED REORGANIZATION OF THE CAMP PROGRAM THAT ELIMINATES THE ASSISTANT CAMP SUPERVISORS FROM EACH OF THE TEN CAMPS AND ESTABLISHES FOUR SECTIONS THAT ARE SUPERVISED BY NEW SECTION CHIEF POSITIONS. THE SUBCOMMITTEE ALSO APPROVED A NEW CONSERVATION STAFF SPECIALIST WHO IS CHARGED WITH IMPLEMENTING AND COORDINATING TRAINING PROGRAMS FOR CAMP STAFF, AND A PROGRAM OFFICER II POSITION WHO WILL PROVIDE PROGRAM AND ADMINISTRATIVE SUPPORT TO THE CURRENT CAMP COORDINATOR AND THE NEW CONSERVATION STAFF SPECIALIST POSITION. THE SUBCOMMITTEE DID NOT CONCUR WITH THE GOVERNOR'S RECOMMENDATION TO REDUCE CAMP REVENUES ASSOCIATED WITH PROJECTS AS THE DIVISION INDICATED THAT THE REORGANIZATION WILL NOT REDUCE THE NUMBER OF INMATE CREWS IN THE FIELD. GENERAL FUND APPROPRIATIONS WERE DECREASED AN ADDITIONAL \$70,343 IN FY 2005-06 AND \$69,280 IN FY 2006-07 ASSOCIATED WITH THE CAMP REORGANIZATION. THE SUBCOMMITTEE ALSO AGREED WITH THE GOVERNOR'S RECOMMENDATION FOR AN ADDITIONAL \$40,000 EACH YEAR FOR INCREASED CREW TRAINING IN INMATE SUPERVISOR TRAINING, FIRST RESPONDER/CPR, ROOKIE WILDLAND FIREFIGHTING AND INTERMEDIATE FIRE BEHAVIOR, BASIC INCIDENT COMMAND AND OTHER SIMILAR TRAINING OPPORTUNITIES.

**FORESTRY INTERGOVERNMENTAL AGREEMENTS (101-4227) DCNR-171:** AS NOTED EARLIER, THE SUBCOMMITTEE VOTED TO INCREASE THE ADMINISTRATIVE ASSESSMENTS TO THE FIRE PROTECTION DISTRICTS IN SUPPORT OF NDF POSITION AND OPERATING COSTS IN THE FORESTRY ACCOUNT BY \$43,973 TO \$330,000 IN EACH YEAR OF THE 2005-07 BIENNIUM.

**TAHOE REGIONAL PLANNING AGENCY (101-4204) CNR-180:** THE SUBCOMMITTEE RECOMMENDS APPROVAL OF FUNDING TO IMPLEMENT THE FINDINGS OF A SALARY COMPARABILITY STUDY FOR EMPLOYEES OF THE TAHOE REGIONAL PLANNING AGENCY (TRPA). THE FINDINGS OF THE SALARY COMPARABILITY STUDY INDICATE TRPA'S SALARIES WERE LOWER WHEN COMPARED TO SIMILAR POSITIONS IN STATE GOVERNMENT IN CALIFORNIA AND NEVADA. THE FUNDING APPROVED PROVIDES FOR AN ACROSS-THE-BOARD SALARY ADJUSTMENT OF EIGHT PERCENT.

THE SUBCOMMITTEE RECOMMENDS APPROVAL OF GENERAL FUNDS IN THE AMOUNT OF \$200,000 EACH FISCAL YEAR TO CONTINUE THE PATHWAY 2007 PROGRAM, A THREE-PHASE PROGRAM OF THRESHOLD RESEARCH, SYNTHESIS AND PLAN DEVELOPMENT. THE FUNDING RECOMMENDED WILL COMPLETE THE THIRD PHASE OF THE SIX-YEAR PROGRAM AND WILL PROVIDE A CURRENT SET OF ENVIRONMENTAL THRESHOLD ATTAINMENT STANDARDS AND AN UPDATED 20-YEAR REGIONAL PLAN FOR THE TAHOE BASIN.

THE SUBCOMMITTEE ALSO RECOMMENDS APPROVAL OF GENERAL FUNDS IN THE AMOUNT OF \$300,000 FOR FY 2007 FOR TRPA TO PURCHASE AND IMPLEMENT AN OFF-THE-SHELF GIS PARCEL-BASED PERMITTING SYSTEM. THE SYSTEM IS WEB-BASED AND WILL ALLOW THE TRPA TO TRACK AND MANAGE ALL OF THE AGENCY'S LAND USE AND COMMUNITY

DEVELOPMENT ACTIVITIES, INCLUDING PERMITS, INSPECTIONS, PROJECT PLANS, AND CODE ENFORCEMENT. THE SUBCOMMITTEE RECOMMENDS THE FUNDING BE PLACED IN RESERVE AND A LETTER OF INTENT BE ISSUED INSTRUCTING TRPA THE FUNDING CANNOT BE SPENT UNTIL THE INTERIM FINANCE COMMITTEE GRANTS APPROVAL TO PROCEED WITH THE PROJECT. THE IFC'S APPROVAL WILL BE CONTINGENT OF CALIFORNIA'S PARTICIPATION IN FUNDING THE PROJECT AND TRPA PROVIDING AN IMPLEMENTATION PLAN THAT INCLUDES DEFINITIVE ESTIMATES FOR EACH COMPONENT OF THE PROJECT'S COST.

THE SUBCOMMITTEE VOTED TO CLOSE THE FOLLOWING DCNR ACCOUNTS AS RECOMMENDED BY THE GOVERNOR WITH MINOR OR TECHNICAL ADJUSTMENTS:

- DIVISION OF CONSERVATION DISTRICTS (101-4151) DCNR-18
- HEIL WILD HORSE BEQUEST (607-4156) DCNR-23
- NEVADA TAHOE REGIONAL PLANNING AGENCY (101-4166) DCNR-38
- DIVISION OF WATER RESOURCES (101-4171) DCNR-55
- DEP WATER PLANNING CAPITAL IMPROVEMENT (101-4155) CNR-101
- DEP WATER QUALITY PLANNING (101-3193) DCNR-91
- DEP SAFE DRINKING WATER ACT (101-3211) DCNR-101
- MINING REGULATION/RECLAMATION
- DEP STATE ENVIRONMENTAL COMMISSION (101-4149) DCNR-142
- FORESTRY NURSERIES (257-4235) DCNR-176

ASSEMBLYWOMAN GIUNCHIGLIANI MOVED TO APPROVE THE CLOSING REPORT FOR THE DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES.

ASSEMBLYWOMAN LESLIE SECONDED THE MOTION.

MOTION CARRIED. (Mr. Hogan was not present for the vote.)

BUDGET CLOSED.

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Chairman Arberry indicated that the Committee would consider bills.

**Senate Bill 48: Makes various changes relating to collection of debts owed to State. (BDR 31-165)**

Mark Stevens, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, explained that the bills they would consider were not exempt and action needed to be taken if the Committee wished to process the bills.

Mr. Stevens explained that S.B. 48 lowered the threshold for debt collection from \$200 to \$100.

ASSEMBLYWOMAN GIUNCHIGLIANI MOVED DO PASS S.B. 48.

ASSEMBLYMAN MARVEL SECONDED THE MOTION.

MOTION CARRIED UNANIMOUSLY.

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**Senate Bill 89 (1st Reprint): Makes supplemental appropriation to Department of Human Resources for unanticipated shortfall in money for Fiscal Year 2004-2005 resulting from increased cost of maintenance of effort requirement for Substance Abuse Prevention and Treatment Block Grant. (BDR S-1190)**

Mr. Stevens pointed out that S.B. 89 was exempt and therefore did not need to be processed immediately. He explained that it was a supplemental appropriation that had been included in The Executive Budget. The Senate Committee on Finance had reduced the supplemental appropriation amount by approximately \$300,000 utilizing MAXIMUS funds in lieu of General Funds.

Ms. Leslie said she had discussed this issue with Senator Raggio and she had been unable to convince him to leave the funding in place.

Mr. Hettrick thanked Ms. Leslie for her persistence with Senator Raggio. He said the problem was that Senator Raggio did not recognize the fact that some of the MAXIMUS funding was promised to various groups and people in the prior session. Those groups had spent their money on the assumption that they would be receiving that funding; however, Senator Raggio wanted to use that money to reduce the General Fund appropriation. He opined that it was the wrong thing to do, but he did not see any other option.

Chairman Arberry agreed to hold the bill to allow for more discussion.

**Senate Bill 112: Requires State Controller to apply fee for returned checks to other methods of payment that are returned or dishonored. (BDR 31-164)**

Mr. Seale said that he had a question during the original hearing of the bill as to whether or not the legislation was necessary, but he did not think processing it would create any problems.

Ms. Giunchigliani asked if July 1, 2005, was an appropriate effective date or whether it should be upon passage and approval.

Mr. Stevens noted that the difference would be approximately three weeks. Ms. Giunchigliani agreed that July 1, 2005, would be appropriate.

ASSEMBLYWOMAN GIUNCHIGLIANI MOVED DO PASS S.B. 112.

ASSEMBLYWOMAN SMITH SECONDED THE MOTION.

MOTION CARRIED UNANIMOUSLY.

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**Senate Bill 384 (1st Reprint): Revises provisions relating to Department of Public Safety. (BDR 23-404)**

ASSEMBLYMAN SEALE MOVED DO PASS S.B. 384.

ASSEMBLYWOMAN WEBER SECONDED THE MOTION.



MOTION CARRIED UNANIMOUSLY.

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**Senate Bill 401 (1st Reprint): Makes various changes concerning provision of certain transportation services. (BDR 38-1395)**

ASSEMBLYWOMAN LESLIE MOVED DO PASS S.B. 401.

ASSEMBLYMAN SEALE SECONDED THE MOTION.

MOTION CARRIED UNANIMOUSLY.

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Chairman Arberry indicated the Committee would hear more subcommittee reports.

Assemblywoman McClain read the subcommittee closing report for the Department of Information Technology into the record:

THE JOINT SUBCOMMITTEE ON GENERAL GOVERNMENT HAS COMPLETED ITS REVIEW OF THE BUDGETS FOR THE DEPARTMENT OF INFORMATION TECHNOLOGY (DOIT) AND HAS MADE THE FOLLOWING RECOMMENDATIONS FOR THE DEPARTMENT'S 2005-07 BIENNIUM BUDGET.

**DOIT DIRECTOR'S OFFICE (BA 721-1373) DOIT-1:** THE SUBCOMMITTEE APPROVED FIVE OF THE NINE NEW POSITIONS RECOMMENDED BY THE GOVERNOR FOR THE DEPARTMENT'S SECURITY UNIT. THE POSITIONS APPROVED BY THE SUBCOMMITTEE WILL ALLOW FOR STAFFING IN THE AREAS OF DISASTER RECOVERY PLANNING, SECURITY AWARENESS TRAINING, SECURITY PROGRAM ASSESSMENTS, AND SECURITY ACCREDITATION PROGRAM DEVELOPMENT, THEREBY ASSISTING IN MITIGATING VULNERABILITIES WITH THE STATE'S TECHNOLOGY UTILIZATION. THE SUBCOMMITTEE DID NOT CONCUR WITH THE GOVERNOR'S RECOMMENDATION TO ADD A NEW POSITION IN THE DEPARTMENT'S RATE DEVELOPMENT UNIT AS DOCUMENTATION PROVIDED BY THE DEPARTMENT DID NOT INDICATE AN INCREASE IN WORKLOAD TO JUSTIFY ADDITIONAL STAFFING. THE SUBCOMMITTEE DID APPROVE FUNDING OF \$5,000 PER YEAR FOR AN ANNUAL REVIEW OF THE RATE MODEL BY AN OUTSIDE CONTRACTOR. THE SUBCOMMITTEE DID NOT APPROVE THE GOVERNOR'S RECOMMENDATION TO ESTABLISH A NEW ENTERPRISE IT ASSESSMENT FOR COSTS OF THE CHIEF INFORMATION OFFICER (CIO) FUNCTION, BASED ON INSUFFICIENT IDENTIFICATION OF AUTHORITY AND FUNCTIONAL RESPONSIBILITIES FOR THE CIO TO JUSTIFY THE ALLOCATION OF COSTS FOR THAT FUNCTION.

**DOIT PLANNING AND RESEARCH UNIT (BA 721-1370) DOIT-11:** THE SUBCOMMITTEE APPROVED THE REALLOCATION OF TWO EXISTING PROJECT MANAGEMENT POSITIONS AND THE TRANSFER OF AN EXISTING DATABASE MANAGEMENT POSITION IN THE APPLICATION DESIGN AND DEVELOPMENT UNIT TO STAFF A NEW PROJECT OVERSIGHT UNIT TO PROVIDE OVERSIGHT OF INFORMATION TECHNOLOGY PROJECTS OF

STATE AGENCIES. THE SUBCOMMITTEE APPROVED THE ELIMINATION OF A PROJECT MANAGEMENT POSITION APPROVED BY THE 2003 LEGISLATURE, AS FEDERAL FUNDS WERE NO LONGER AVAILABLE TO SUPPORT THE POSITION. THE SUBCOMMITTEE DID NOT CONCUR WITH THE GOVERNOR'S RECOMMENDATION TO ESTABLISH A NEW ASSESSMENT TO FUND THE PROJECT OVERSIGHT UNIT, BUT RECOMMENDED THE COSTS BE FUNDED THROUGH DIRECT BILLINGS FOR ACTUAL HOURS OF SERVICE PROVIDED FOR INDIVIDUAL INFORMATION TECHNOLOGY PROJECTS. THE SUBCOMMITTEE DID APPROVE THE GOVERNOR'S RECOMMENDATION TO FUND A NEW MANAGEMENT ANALYST POSITION TO PROVIDE RESEARCH AND ADMINISTRATIVE SUPPORT FOR THE PLANNING AND RESEARCH UNIT AND TO SUPPORT THE EIGHT STATEWIDE INFORMATION TECHNOLOGY POLICY COMMITTEES.

**DOIT APPLICATION DESIGN AND DEVELOPMENT UNIT (BA 721-1365) DOIT-19:** THE SUBCOMMITTEE APPROVED THE RECOMMENDATION OF THE GOVERNOR TO TRANSFER 33 POSITIONS DEDICATED TO THE NOMADS PROGRAM TO THE WELFARE DIVISION, AND 2 POSITIONS DEDICATED TO THE UNITY PROGRAM TO THE CHILD AND FAMILY SERVICES DIVISION. THIS RECOMMENDATION WAS INCLUDED IN THE REPORT OF THE INFORMATION TECHNOLOGY OPTIMIZATION STUDY THAT WAS COMPLETED DURING THE 2003-05 INTERIM. THE SUBCOMMITTEE DID NOT CONCUR WITH THE GOVERNOR'S RECOMMENDATION TO CHANGE THE BILLING METHODOLOGY FOR HOURLY BILLABLE SERVICES. THE SUBCOMMITTEE FELT THIS PROPOSAL TO CHARGE STATE AGENCIES THE BUDGET AMOUNT INSTEAD OF AN AMOUNT REPRESENTING ACTUAL HOURS WORKED, WITH A RECONCILIATION IN THE SUBSEQUENT BIENNIUM, WAS NOT NECESSARY, AS THE DEPARTMENT HAD MADE A CONCERTED EFFORT TO IDENTIFY PROJECTED UTILIZATION OF SERVICES FOR THE 2005-07 BIENNIUM. THE SUBCOMMITTEE DID APPROVE THE GOVERNOR'S RECOMMENDATION TO ESTABLISH TRAINING FUNDING AT \$1,450 PER POSITION IN EACH YEAR OF THE BIENNIUM. THE SUBCOMMITTEE NOTED THAT DUE TO REVENUE SHORTFALLS IN THIS ACCOUNT DURING THE PREVIOUS TWO FISCAL YEARS, EXPENDITURES FOR TRAINING WERE CURTAILED.

**DOIT COMPUTING DIVISION (BA 721-1385) DOIT-30:** THE SUBCOMMITTEE APPROVED THE ADDITION OF 1.5 FTE COMPUTER SYSTEMS PROGRAMMER POSITIONS TO SUPPORT THE INTERNET SERVICES SECTION AND TO ADDRESS WORKLOAD IN MAINFRAME PERFORMANCE MONITORING AND SYSTEMS PROGRAMMING. THE SUBCOMMITTEE DIRECTED THE DEPARTMENT TO REQUEST APPROVAL FROM THE INTERIM FINANCE COMMITTEE FOR AN ADDITIONAL COMPUTER SYSTEMS PROGRAMMER POSITION, FUNDED FROM RESERVES, TO SUPPORT THE LINUX OPERATING SYSTEM ENVIRONMENT ON THE MAINFRAME COMPUTER ONCE A USER BASE HAS BEEN DEVELOPED FOR THIS SERVICE. THE SUBCOMMITTEE CONCURRED WITH THE GOVERNOR'S RECOMMENDATION TO APPROVE FUNDING FOR A VIRTUAL TAPE STORAGE FACILITY TO SERVE AS A SECOND DISASTER RECOVERY SITE. IN APPROVING THIS DECISION UNIT, THE SUBCOMMITTEE RECOMMENDED THE APPROXIMATE \$1.9 MILLION GENERAL FUND PORTION OF THE PROJECT FUNDING BE REPAID

THROUGH COMPUTING DIVISION CHARGES IN A FOUR-YEAR PERIOD INSTEAD OF THE EIGHT YEARS RECOMMENDED BY THE GOVERNOR.

THE SUBCOMMITTEE APPROVED FUNDING OF \$528,584 OVER THE 2005-07 BIENNIUM TO EXPAND THE MAINFRAME CAPACITY. THE RECOMMENDED FUNDING INCLUDES THE COSTS FOR ACTIVATING AN ADDITIONAL PROCESSOR AND FOR ADDITIONAL SOFTWARE LICENSING COSTS. THE DEPARTMENT'S CAPACITY PLANNING INDICATES THAT MAINFRAME UTILIZATION IS EXPECTED TO REACH 85 PERCENT OF CURRENT CAPACITY IN MARCH 2006. THE SUBCOMMITTEE DID NOT CONCUR WITH THE GOVERNOR'S RECOMMENDATION FOR FUNDING OF \$437,500 FOR A SINGLE SIGN-ON/AUTHENTICATION PROGRAM TO ALLOW USERS OF MULTIPLE STATE COMPUTER SYSTEMS TO HAVE ONE USER IDENTIFICATION AND PASSWORD FOR THE SIGN-ON PROCESS. THE SUBCOMMITTEE HAD CONCERNS ABOUT THE DEPTH OF THE ANALYSIS REGARDING THE NUMBER OF USERS AND SYSTEMS APPLICATIONS FOR THE SINGLE SIGN-ON APPLICATION AND THE DEGREE OF ANALYSIS PERFORMED ON OTHER AUTHENTICATION TECHNOLOGIES THAT MAY BE AVAILABLE.

IN ADDITION, THE SUBCOMMITTEE DID NOT CONCUR WITH THE GOVERNOR'S RECOMMENDATION FOR FUNDING OF \$137,000 OVER THE 2005-07 BIENNIUM FOR STANDBY PAY FOR COMPUTER FACILITY STAFF. THE SUBCOMMITTEE DID NOT FEEL THE DEPARTMENT PROVIDED SUFFICIENT JUSTIFICATION FOR BUDGETING STANDBY PAY FOR 24-HOUR, SEVEN-DAYS-A-WEEK COVERAGE OF ALL SEVEN FUNCTIONAL AREAS WITHIN THE FACILITY, EXCLUSIVE OF THE SYSTEMS OPERATION UNIT. ALSO, THE SUBCOMMITTEE NOTED THE DEPARTMENT COULD CONTINUE TO UTILIZE CALLBACK PAY AS NEEDED FOR PROVIDING SERVICES AT THE FACILITY.

**DOIT DATA COMMUNICATIONS AND TECHNICAL SERVICES (BA 721-1386) DOIT 45:** THE SUBCOMMITTEE APPROVED THE RECOMMENDATION OF THE GOVERNOR TO TRANSFER 10 TECHNICAL SERVICES POSITIONS DEDICATED TO THE UNITY PROGRAM TO THE CHILD AND FAMILY SERVICES DIVISION. THIS RECOMMENDATION WAS INCLUDED IN THE REPORT OF THE INFORMATION TECHNOLOGY OPTIMIZATION STUDY THAT WAS COMPLETED DURING THE 2003-05 INTERIM. THE SUBCOMMITTEE DID NOT CONCUR WITH THE GOVERNOR'S RECOMMENDATION TO ADD A NEW POSITION FOR IMPLEMENTING AND MAINTAINING SERVICE LEVEL AGREEMENTS WITH STATE AGENCIES AND FOR PROVIDING FINANCIAL AND MANAGEMENT ANALYSIS OF COMPUTING, DATA COMMUNICATION AND TECHNICAL SERVICES OPERATIONS. BASED ON AN APPARENT DUPLICATION OF FUNCTIONS PERFORMED BY OTHER STAFF AND LACK OF A SUFFICIENT INCREASE IN WORKLOAD TO JUSTIFY ADDITIONAL STAFFING, THE SUBCOMMITTEE DID NOT FEEL THE POSITION WAS ADEQUATELY JUSTIFIED.

**DOIT TELECOMMUNICATIONS (BA 721-1387) DOIT-53:** THE SUBCOMMITTEE APPROVED THE BUDGET OF THE TELECOMMUNICATIONS UNIT AS RECOMMENDED BY THE GOVERNOR, WITH TECHNICAL ADJUSTMENTS AS RECOMMENDED BY STAFF. THE BUDGET AS RECOMMENDED

INCLUDES NEW AND REPLACEMENT EQUIPMENT TOTALING \$917,500 TO KEEP THE STATE TELECOMMUNICATIONS SYSTEM OPERATIONAL AND FOR ENHANCEMENTS TO THE SYSTEM TO ALLOW FOR INCREASES IN THE NUMBER OF STATE AGENCIES CONNECTED TO THE SYSTEM AND FOR NEW TECHNOLOGIES.

**DOIT COMMUNICATIONS (BA 721-1388) DOIT-60:** THE SUBCOMMITTEE APPROVED FUNDING OF \$687,897 FOR NEW AND REPLACEMENT EQUIPMENT FOR OPERATION AND MAINTENANCE OF THE STATE'S MICROWAVE COMMUNICATION SYSTEM. IN APPROVING THE EQUIPMENT FUNDING, THE SUBCOMMITTEE APPROVED THE REPLACEMENT OF ONLY ONE VEHICLE, INSTEAD OF THREE VEHICLES AS RECOMMENDED BY THE GOVERNOR, AS THE SUBCOMMITTEE NOTED THAT THE AGENCY PREVIOUSLY RECEIVED AND EXPENDED FUNDING FOR REPLACEMENT OF TWO OF THE VEHICLES IN THE 2003-05 BIENNIUM. THE SUBCOMMITTEE ALSO APPROVED THE RECLASSIFICATION OF FOUR COMMUNICATION SYSTEMS SPECIALISTS II POSITIONS TO THE COMPUTER NETWORK SPECIALIST I CLASSIFICATION AND THE RECLASSIFICATION OF A MAINTENANCE REPAIR TECHNICIAN TO THE DEVELOPMENT TECHNICIAN CLASSIFICATION.

ASSEMBLYMAN SEALE MOVED TO APPROVE THE CLOSING REPORT FOR THE DEPARTMENT OF INFORMATION TECHNOLOGY.

ASSEMBLYWOMAN SMITH SECONDED THE MOTION.

MOTION CARRIED. (Mr. Perkins and Ms. Leslie were not present for the vote.)

BUDGET CLOSED.

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Chairman Arberry indicated the Committee would consider A.B. 338.

**Assembly Bill 338 (1st Reprint):** Makes various changes relating to insurance.  
(BDR 57-232)

Mr. Stevens indicated that the Committee needed to decide whether to pass the bill with the amendments being proposed by the agency. He noted that there was also an amendment proposed by the Joint Subcommittee on General Government to clean up some language related to the insurance recovery fee of \$15 dollars that was assessed. He pointed out that there were provisions in the bill that the agency felt strongly about, but could potentially impact General Fund revenues in the insurance premium tax area in the current biennium.

Ms. Giunchigliani said the agency amendments were needed policy-wise. She suggested that the funding be debated with the Senate at a later time. She said the bill should be passed but the bill should be amended to remove the funding and to make the technical adjustments that had been proposed.

ASSEMBLYWOMAN GIUNCHIGLIANI MOVED TO AMEND AND DO PASS A.B. 338.

ASSEMBLYWOMAN KOIVISTO SECONDED THE MOTION.

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

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Ms. Giunchigliani asked that the Committee considering requesting a bill draft for the Legislative Commission to contract with a consultant to conduct a study on children placed in the physical custody of governmental entities that had been subject to a court order.

ASSEMBLYWOMAN LESLIE MOVED TO REQUEST A BILL DRAFT  
REQUEST FOR THE STUDY.

ASSEMBLYWOMAN GIUNCHIGLIANI SECONDED THE MOTION.

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

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Chairman Arberry thanked the Committee for their hard work. The meeting was adjourned at 12:01 p.m.

RESPECTFULLY SUBMITTED:

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Susan Cherpeski  
Committee Attaché

APPROVED BY:

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Assemblyman Morse Arberry Jr., Chairman

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

<u>EXHIBITS</u>			
<b>Committee Name:</b> <u>Committee on Ways and Means</u>			
<b>Date:</b> <u>May 19, 2005</u>		<b>Time of Meeting:</b> <u>7:30 a.m.</u>	
Bill	Exhibit	Witness / Agency	Description
	A		Meeting Agenda
AB 422	B	Randy Robison/NV Association of School Boards	Letter and Fiscal Note (2 pages)
AB 411	C	Rose McKinney-James/CCSD	Information packet (3 pages)
AB 411	D	Kurt Svare/WCSD	Information packet (5 pages)
AB 411	E	Dotty Merrill/WCSD	Letter and Summary of Research (2 pages)
AB 274	F	Assemblywoman Genie Ohrenschall	Fiscal note (2 pages)
AB 558	G	Diane Pollard/Rainbow Dreams Academy	PowerPoint Presentation (7 pages)