

**MINUTES OF THE
SENATE COMMITTEE ON FINANCE**

**Seventy-third Session
May 2, 2005**

The Senate Committee on Finance was called to order by Chair William J. Raggio at 8:06 a.m. on Monday, May 2, 2005, in Room 2134 of the Legislative Building, Carson City, Nevada. [Exhibit A](#) is the Agenda. [Exhibit B](#) is the Attendance Roster. All exhibits are available and on file at the Research Library of the Legislative Counsel Bureau.

COMMITTEE MEMBERS PRESENT:

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

GUEST LEGISLATORS PRESENT:

Senator John J. Lee, Clark Senatorial District No. 1
Senator Mike McGinness, Central Nevada Senatorial District
Assemblyman Chad Christensen, Assembly District No. 13
Assemblywoman Bonnie Parnell, Assembly District No. 40

STAFF MEMBERS PRESENT:

Gary L. Ghiggeri, Senate Fiscal Analyst
Bob Guernsey, Principal Deputy Fiscal Analyst
Sandra Small, Committee Secretary

OTHERS PRESENT:

Cindy Edwards, Administrator, Buildings and Grounds Division, Department of Administration
Michael J. Willden, Director, Department of Human Resources
Major Robert Wideman, Central Repository for Nevada Records of Criminal History, Department of Public Safety
Marc G. Warren, Senior Research Specialist, State Gaming Control Board
Clay Thomas, Deputy Director, Department of Motor Vehicles
Joseph Ward, Chief Deputy Attorney General, Office of the Attorney General
Randal Munn, Special Assistant Attorney General, Office of the Attorney General
Dale W. Liebherr, Chief Investigator, Office of the Attorney General
David R. Gamble, Department 1, Ninth Judicial District, District Courts of Nevada, Judicial Branch
Dan Holler, County Manager, Douglas County
Steve Thaler, Director, China Spring Youth Camp and Aurora Pines Girls Facility
Elwood L. Miller, Executive Coordinator, The Nevada Fire Safe Council
Ed Smith, Chairman of the Board of Directors, The Nevada Fire Safe Council
Gary Bishop, Vice President, Nevada Insurance Council
Becky Grismanauskas, Mount Charleston Town Board
Janice Roberts, Holbrook Highlands, Nevada Fire Safe Council Chapter

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Charleen Meena, Glenbrook, Nevada

Coe Swobe, Former Senator, Nevada At-Large Member, Tahoe Regional Planning Agency

Brian M. Patchett, President/Chief Executive Officer, Easter Seals Southern Nevada

Dean Heller, Secretary of State, Office of the Secretary of State

Dan Musgrove, Director, Intergovernmental Relations, Clark County

Larry Lomax, Registrar of Voters, Elections, Clark County

Kathleen Sandoval, Program Director, The Children's Cabinet

Leonard Pugh, Director, Department of Juvenile Services, Washoe County

Mary-Ann Brown, Executive Director, The Children's Cabinet

Thomas H. Gallagher, President and Chief Executive Officer, Summit Engineering Corporation

John J. Warwick, Ph.D., P.E., Executive Director, Division of Hydrologic Sciences, Desert Research Institute

James M. Thomas, Ph.D., Executive Director, Watershed Environmental Sustainability, Desert Research Institute

Dana Bilyeu, Executive Officer, Public Employees' Retirement Board, Public Employees' Retirement System

Scott K. Sisco, Interim Director, Department of Cultural Affairs

John P. Comeaux, Director, Department of Administration

CHAIR RAGGIO:

Wednesday at 5:30 p.m. in Room 2134, the Senate Committee on Finance will have a special meeting to allow persons, beginning with Legislators, then others, who have input on suggested reductions and the impact of those reductions to the *Executive Budget* and to present precise testimony and written detail as to potential reductions in the budget. Last session, we were criticized because people did not have the opportunity to present information about reductions to the budget. Please let Mrs. Marion Sandoval, Finance Committee Manager, know if you wish to testify.

Today we have 11 bills scheduled and budget closings. The bills, shown with asterisks on the agenda, are here for fiscal impact only. There will be a 15-minute limit on presentations for the other listed bills. We will open the hearing with Senate Bill (S.B.) 107.

SENATE BILL 107 (1st Reprint): Requires state and local governments to report certain information concerning capital improvements. (BDR 27-31)

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

Page 2, section 1, line 3, of S.B. 107 can be achieved without fiscal expense if the intent of the bill is to exclude any leased office space.

CHAIR RAGGIO:

The bill, in its original form, would have required state and local governments to report certain information concerning capital improvements. It had a significant fiscal impact on both the University and Community College System of Nevada (UCCSN) and the State Public Works Board. The amendment to the bill has allowed UCCSN to implement the legislation without additional cost. Is that correct? Is the Department of Administration indicating the fiscal impact has been removed from the Public Works Board?

MS. EDWARDS:
That is correct.

CHAIR RAGGIO:
The requirement of the Buildings and Grounds Division to report capital improvements for privately-owned offices is what you are referencing. The fiscal impact is \$79,000 in FY 2006 and \$87,000 in FY 2007. If we remove the reporting on privately-owned offices that are leased, are we removing this fiscal note?

MS. EDWARDS:
That is correct.

CHAIR RAGGIO:
We will close the hearing on S.B. 107 and go to S.B. 298. It is the Committee's understanding Dr. Carlos Brandenburg's wife died Friday. On Friday morning Dr. Brandenburg testified at a joint subcommittee meeting. Please convey to Dr. Brandenburg, on behalf of the Senate and this Committee, our sincere condolences.

SENATE BILL 298 (1st Reprint): Authorizes Director of Department of Human Resources under certain circumstances to take certain actions to facilitate enrollment of certain persons in Medicaid. (BDR 38-692)

MICHAEL J. WILLDEN (Director, Department of Human Resources):
The original version of the bill would have required the Director to enroll Supplemental Security Income (SSI) recipients in Medicaid. They are categorically eligible for Medicaid. There are approximately 5,000 SSI recipients who have not chosen to enroll in Medicaid. The fiscal note on the original bill would be \$4.4 million in General Funds for FY 2006 and \$5.8 million in FY 2007. We may not want to make that a mandatory provision. This reprint of the bill has authorizing legislation that says the Director may enroll those individuals or contract with the Commissioner of Social Security to do the eligibility and enrollment. We would only enroll them in Medicaid after the Director determines there are sufficient funds in the budget and brings that information to the IFC for concurrence. We went to the optional language for two reasons. We want to see the full impact of the Medicare Modernization Act which takes effect January 2006. It would also give us an opportunity to survey those 5,000 recipients.

CHAIR RAGGIO:
Are these people who would not otherwise be in the program?

MR. WILLDEN:
These individuals receive SSI, a federal cash payment program to low-income, disabled and aged people. There are about 30,000 SSI recipients in Nevada. The 5,000 individuals this bill targets have chosen not to enroll but are eligible. We believe they have not enrolled because they have not yet had a catastrophic issue. Medicaid is not a traditional insurance policy. When you are sick, you enroll. We think it would be good to enroll these people because we could provide primary care and case management for them. We need to understand the cost factors before we enroll them. The language of this bill is authorizing. We would not have a fiscal note unless we do more work. We will get the Medicare Modernization Act and approach the IFC if needed.

CHAIR RAGGIO:

Are you saying, since the bill is permissive, there is no known fiscal impact? What value is the bill if it is permissive? Do you anticipate there will be Medicaid funding available to accommodate the bill if you choose to implement it?

MR. WILLDEN:

There is Medicaid funding available through the normal 55-percent federal matching rate. If we choose to implement, the 55 percent would be available and the state would have to provide 45 percent in General Funds.

CHAIR RAGGIO:

At what point would the state have to match?

MR. WILLDEN:

The state would have to provide the 45-percent match once we choose to enroll the individuals.

CHAIR RAGGIO:

Would that be out of the authorized funds in the budget?

MR. WILLDEN:

That is correct. We would only come to the IFC if we determine there are no funds available within the authorized budget.

CHAIR RAGGIO:

Would you need a Letter of Intent?

MR. WILLDEN:

Section 1, subsection 2, of S.B. 298 states the Director cannot enter into such agreements without going to the IFC to determine there are adequate funds. We have used this language in the past.

CHAIR RAGGIO:

We will close the hearing on S.B. 298 and go to S.B. 304. The Attorney General indicated, on the original draft, a fiscal impact of almost \$1 million each year of the biennium to provide for 11 new staff and support costs.

SENATE BILL 304 (1st Reprint): Authorizes Attorney General to issue identity theft passports to victims of identity theft. (BDR 15-940)

SENATOR BEERS:

The original fiscal note was due to required background checks. They have been eliminated in the reprint.

CHAIR RAGGIO:

We will defer discussion on S.B. 304 until someone from the Attorney General's Office can testify. The information in the original fiscal note indicates Nevada ranks second, per capita, for identity theft for the calendar year 2004. Included in the cost estimate is \$250,000 in FY 2006 to implement a database to track the issued passports and \$100,000 in FY 2007 to maintain a security Web site.

SENATOR BEERS:

The bill provides for the issuance of an identify document to an identity theft victim.

CHAIR RAGGIO:

We will open the hearing on S.B. 341. Several Senators have agreed to combine their bill drafts into this bill. The Attorney General's Office advises that the amendment removed its fiscal note. Does the amendment remove Gaming Control Board's fiscal note? The Criminal History Repository indicated a fiscal note of \$248,000 in FY 2006 and the Department of Motor Vehicles (DMV) has a fiscal note attached to the original bill.

SENATE BILL 341 (1st Reprint): Makes various changes concerning sex offenders and offenders convicted of crimes against children. (BDR 14-678)

MAJOR ROBERT WIDEMAN (Central Repository for Nevada Records of Criminal History, Department of Public Safety):

The Department's fiscal impact pertains to issues of software changes and programming costs as it relates to the database for the sex offender registry and our ability to share that information with other entities on a close to real-time basis. There are costs we anticipate in the Nevada Criminal Justice Information System to increase the ability to share information quickly between law enforcement agencies that register sex offenders and the central database at the Criminal History Repository.

CHAIR RAGGIO:

Is the fiscal note still accurate?

MAJOR WIDEMAN:

Yes, the amounts are still accurate. In addition, the cost for software and programming for the Department of Motor Vehicles are such that we can bear them out of the reserve at the Criminal History Repository and do a consolidated software contract. That would change the impact to approximately \$300,000. The Repository's reserves can cover those costs. We would need authority to spend it.

CHAIR RAGGIO:

Are you saying you would not need an additional appropriation but only the authority to use reserves to cover the cost of S.B. 341?

MAJOR WIDEMAN:

That is correct.

CHAIR RAGGIO:

Is this staff's understanding?

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

Yes, it is.

SENATOR BEERS:

Will the Repository's reserve be adequate after this expenditure?

MR. GHIGGERI:

They are in the process of increasing their reserve.

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MAJOR WIDEMAN:

The reserve can comfortably handle this absent any changes in the economy.

MARC G. WARREN (Senior Research Specialist, State Gaming Control Board):
With the amendments in the first reprint, the Board can remove its fiscal note.

CLAY THOMAS (Deputy Director, Department of Motor Vehicles):
We have worked with the Department of Public Safety and have reached an agreement that if they can absorb the costs required for the DMV, we will withdraw our fiscal note.

JOSEPH WARD (Chief Deputy Attorney General, Office of the Attorney General):
I am here on behalf of Ms. Dorothy Nash-Holmes and the Nevada Department of Corrections. I have distributed Proposed Amendment to S.B. 341 ([Exhibit C](#)). The amendment will broaden the psychological review panel law, *Nevada Revised Statute* (NRS) 213.1214(5). It would add a new section 44 to the bill. The definition of sex offender would include that if a crime is determined to be sexually motivated, the offender will be required to go before the psychological review panel before being eligible for parole.

CHAIR RAGGIO:

Are you saying there needs to be an amendment to section 44?

MR. WARD:

No, it would be a new section 44. The current sections 44 and 45 would be sections 45 and 46. An example is a person convicted of kidnap and rape will plea to the kidnap, the rape is dismissed. Now the individual can avoid the psychological review panel before being paroled. This amendment will close that hole and is consistent with the definition of sex offenders in NRS 179.

CHAIR RAGGIO:

Does the amendment create a fiscal note?

MR. WARD:

No, it does not.

CHAIR RAGGIO:

Three of the sponsors of the bill are on this Committee. Do any of you object to the amendment?

SENATOR TITUS:

Ms. Dorothy Nash-Holmes contacted me and said this was an oversight. I suggested she bring it here as an amendment. I think it is a good idea.

SENATOR MATHEWS:

I agree.

SENATOR COFFIN:

What do you hope to accomplish with this amendment?

MR. WARD:

We hope to avoid situations where people who have committed sexually-motivated offenses can circumvent the process of being certified by the psychological review panel. There are sex offenders in prison who are there

because of a sexually-motivated offense but avoid the process in place for sex offenders.

SENATOR COFFIN:

Would passage of this bill require the prison to include the sexually-motivated offender in programs?

MR. WARD:

Yes, it would. There will be requirements that these people go through the same kind of classes as sex offenders so the review panel can certify them.

SENATOR COFFIN:

I would endorse the amendment if I knew the programs within the prison were as good as the programs available outside the institutions. All you do by delaying parole is delay arrival on the streets. If the program in the institution is not strong, there is no benefit to society.

MR. WARD:

That could be true for all sex offenders. This amendment puts another check in place to keep people with a high risk of recidivism from getting back on the streets and reoffending.

SENATOR COFFIN:

No matter how they get out, they are out. Can someone say to us that the programs inside the prison are as good as the programs outside the prison? The person outside, being supervised closely and involved in programs, may have a better chance of learning something.

MR. WARD:

I cannot debate whether programs are better inside or outside the prison. In any event, upon becoming eligible for parole, after being certified by the psychological review panel, they could be, as a condition of parole, subjected to some outside program.

SENATOR TITUS:

I support this amendment and appreciate the agencies coming forward and trying to work out this fiscal note. Even if it costs some money, it would be worth it. Considering what is happening in Florida, we need to close this loophole. Florida is using ankle bracelets on the serious offenders. That is expensive. We cannot move in that direction now.

CHAIR RAGGIO:

We will close the hearing on S.B. 341 and return to S.B. 304. Is the fiscal note on S.B. 304 still valid?

RANDAL MUNN (Special Assistant Attorney General, Office of the Attorney General):

We have not agreed to remove the fiscal note because we are looking at the definition of identity theft under section 1, paragraph 9(b), of S.B. 304. We have had discussions with staff to determine if the reprint eliminates the need for and cost of a background check. We believe verifying the identity of a person is a background check. Our suggestion, to reduce the fiscal note, is to change the language to, "verifying that the person is a victim of identity theft." We would then use the regulatory process to determine what would be done to

affirm the person is a victim. The intent of this legislation is to give a person evidence that they are an identity-theft victim and that evidence can be presented to law enforcement or a creditor.

CHAIR RAGGIO:

Senator Beers, can you give us the intent and expectations of the bill?

SENATOR BEERS:

The intent was to have minimal fiscal impact. A person who has filed an identity theft complaint with the local law enforcement could get a document to validate the individual is a victim.

CHAIR RAGGIO:

This bill was heard in the Senate Committee on Judiciary. Is this bill similar to what other jurisdictions are doing?

SENATOR BEERS:

There is recent attention to the problem. Some have used this solution.

CHAIR RAGGIO:

It seems that it would be a simple thing to do if someone has had their identity stolen. Why does it require the cumbersome process the Attorney General's Office (AG) is suggesting? Tell us again what your needs are. What kind of background check is necessary if law enforcement knows a person's identity has been stolen?

DALE W. LIEBHERR (Chief Investigator, Office of the Attorney General):

To do a background investigation on a person's identity requires verifying date of birth and social security number.

CHAIR RAGGIO:

How is that done? If I am the victim of identity theft, what do I need to do?

MR. LIEBHERR:

You would need to bring me a birth certificate and I would have to verify that with the place you were born. We would go to the DMV to verify your driver's license. We would have to verify your passport. It would take a lot to verify these documents. That is why the fiscal note is so high.

CHAIR RAGGIO:

Is there a way to cut through all of that?

MR. LIEBHERR:

No, there is not.

CHAIR RAGGIO:

Why would it require 11 staff? Are there that many cases of identity theft?

MR. LIEBHERR:

There were 2,935 complaints in calendar year 2004 of identity theft in Nevada.

SENATOR BEERS:

If we change page 2, line 32, of S.B. 304 to read, "by the Attorney General that verifies a person who is" deleting "the identity of" would that eliminate the fiscal effect?

MR. LIEBHERR:

Yes, it would.

MR. MUNN:

If we are going to verify the person is a victim of identity theft, we can do it with an administrative assistant, someone to manage the information flow coming in and issue these passports. We would also need the machinery and equipment to issue passports and track the victim. We do not want to put this information on our network and have it become part of another vehicle for theft. It should be a secure database.

SENATOR BEERS:

This bill does not require the maintenance of a database. This bill is not the vehicle to establish an identity theft unit.

MR. MUNN:

We would like to do this right. We suggest investigating all of the cases and determine the person's identity. That requires one and one-quarter cases each day for nine investigators.

CHAIR RAGGIO:

Is that based on 2,900 cases each year?

MR. MUNN:

That is correct. If we do not verify the person's identity, but only that they have filed a complaint with law enforcement, and we give them a passport indicating they are in the system and are not determining that this person is who they say they are, we can do it.

CHAIR RAGGIO:

Do you have a revised fiscal note for that scenario? If not, please submit one to staff indicating what you will do.

MR. MUNN:

Yes, we will.

SENATOR MATHEWS:

When someone of the opposite sex takes your identity, what happens? You should not have to have a birth certificate.

MR. MUNN:

We envision the requirements of S.B. 304 to be that we would have to verify you are the victim and are who you say you are.

SENATOR MATHEWS:

I went to the sheriff when my identity was stolen not to the AG.

MR. MUNN:

The intent of the bill is that you would go to the sheriff. The sheriff would process your application and submit the information to the AG for the issuance of a passport.

SENATOR BEERS:

The intent was that the police report would serve as verification of the identity of the victim. Issuing the passport would be a clerical function.

SENATOR COFFIN:

We need to do something. It takes a year to get your identity back. More than 3,000 people at any given time have been victims. I can see why you want more staff and I do not think there is anything wrong with that. I do not think the state is doing anything for the victims. You may want to diminish the fiscal impact to get this bill through, but a fiscal impact may be necessary for the state to do what it should.

SENATOR BEERS:

This bill is one of several addressing identity theft issues this session. This is not the only thing the state is doing to address the problem. Crimes are investigated and handled between local government and the victims. Perhaps this function is better off in the hands of local government.

CHAIR RAGGIO:

We will close the hearing on S.B. 304 and reopen the hearing on S.B. 341. Has the AG removed the fiscal note from S.B. 341?

MR. MUNN:

Yes, we have.

CHAIR RAGGIO:

We will close the hearing on S.B. 341 and open the hearing on S.B. 491. This bill would establish by statute the responsibility for funding the operation of China Spring and Aurora Pines youth facilities.

SENATE BILL 491 (1st Reprint): Revises provisions governing funding of regional facilities for detention of children. (BDR 5-281)

DAVID R. GAMBLE (Department 1, Ninth Judicial District, District Courts of Nevada, Judicial Branch):

The amendment to S.B. 491 reduces the fiscal note from an equal share to the historic share the state has paid since 1989. The state had paid 36.8 percent of the cost of the China Spring Youth Camp and the counties paid the remaining expenses. We have created a statewide budgeting board for China Spring Youth Camp and Aurora Pines Girls Facility.

CHAIR RAGGIO:

To what regional facilities does this bill apply?

JUDGE GAMBLE:

This bill impacts China Spring and Aurora Pines. Spring Mountain is seeking, and needs funding, as a separate measure.

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CHAIR RAGGIO:

Who has authorization or control over the budget for these camps?

JUDGE GAMBLE:

The Legislature has control over this budget.

SENATOR BEERS:

How are capital appropriations funded?

JUDGE GAMBLE:

The original S.B. 491 included capital appropriations. This first reprint is limited to operating funds. Capital improvements are requested as needed.

SENATOR BEERS:

In previous years, where have capital improvements been funded?

JUDGE GAMBLE:

The Legislature has funded much of the capital improvements at China Spring in the last 15 years. Douglas County continues to participate in the capital expenditures. Douglas County and the community created the camp. Since then, many of the capital improvements have been funded by individual appropriations at different sessions.

CHAIR RAGGIO:

What is in the budget for the operation of China Spring and Aurora Pines?

MR. GHIGGERI:

The Joint Subcommittee on Human Resources/K-12 reviewed the budget last week. The funding was recommended to be increased from the level recommended by the Governor to the historic funding levels of about \$162,000 each year of the biennium.

CHAIR RAGGIO:

What is that percentage level?

MR. GHIGGERI:

That amount would be 36.8 percent funded by the state with the balance funded by the counties.

CHAIR RAGGIO:

Is that what you understand, Judge Gamble?

JUDGE GAMBLE:

Yes, it is.

SENATOR TITUS:

What bill was it that Judge Gamble and Mr. Kirby L. Burgess, Director, Juvenile Justice Services for Clark County, testified about last week?

JUDGE GAMBLE:

China Spring budget is part of the Division of Child and Family Services' budget process. The hearings in the Subcommittee are on the budget that has been recommended by the Governor and enhancements we have requested from the Legislature. Spring Mountain is not included in the legislative budget oversight

process, but they are seeking funding. The budgeting process and S.B. 491 have been on parallel tracks. We went to the Senate Judiciary Committee first. They passed it, and it was referred to the Senate Committee on Finance because of the fiscal note.

SENATOR TITUS:

Will passage of S.B. 491 affect the Spring Mountain appropriation?

JUDGE GAMBLE:

It will not.

DAN HOLLER (County Manager, Douglas County):

Senate Bill 491 will eliminate the debate over the allocation of the final budget. There are 16 counties involved in the funding of China Spring. There are a number of capital improvement projects that Douglas County funds.

STEVE THALER (Director, China Spring Youth Camp and Aurora Pines Girls Facility):

I concur with the testimony of Judge Gamble and Mr. Holler.

CHAIR RAGGIO:

China Spring and Aurora Pines were created as an alternative to sending young offenders to the existing state placement centers which are near capacity. The counties, particularly Clark County in establishing the Spring Mountain Girl's Facility, carry a heavy burden for these facilities. The judges who deal with youthful offenders prefer a less-severe placement. If these facilities were not being operated by the counties, the state would have full responsibility for these offenders. We overlook the fact that, but for these facilities, the state's financial burden would be excessive. We need to remind ourselves that these facilities serve an important function.

We will close the hearing on S.B. 491 and open the hearing on S.B. 497. For those of you who came in late, we are allotting 15 minutes on all bills. Those who need to testify on this bill need to know we have a five-minute film ([Exhibit D](#), original is on file at the Research Library).

SENATE BILL 497: Makes appropriation for community protection and fire safety. (BDR S-1411)

SENATOR JOHN J. LEE (Clark Senatorial District No. 1):

Nevada is consistently among the nation's top five states in terms of acres burned each year. We are also the leader in population growth. That means wildfires will increase. In 1999, 120 Nevadans from across the state in all walks of life met in Carson City to discuss what should be done about the wildfire threat. The consensus of the group was to create an independent organization that would pull the resources of the stakeholders to assist Nevada's fire hazard communities. That organization is the Nevada Fire Safe Council (NFSC), a nonprofit organization. It has funded the removal of tons of wildfire fuel from around Nevada communities, acquired \$4.5 million in federal grants for use in reducing wildfire threats in Nevada and generated more than \$400,000 of in-kind contributions. My goal today is to bring you an awareness of what we need to do to solve these issues.

ELWOOD L. MILLER (Executive Coordinator, The Nevada Fire Safe Council):
We have a short media video clip, [Exhibit D](#), to show you.

The NFSC began full operation on January 1, 2002. It is a private nonprofit corporation that operates statewide to assist Nevada communities threatened by wildfire. We have an elected 13-member board of directors who come from all over the State of Nevada. We have 1,600 volunteer members across the state. We have 26 local community chapters. We have three full-time staff assisting the communities and three contract part-time staff. We have relied completely on federal grants coming from the U.S. Department of the Interior, the Bureau of Land Management (BLM), the U.S. Forest Service (USFS) and the Nevada Division of Forestry (NDF). Last fall, our federal partners, who are supportive of the work we do, said they were not sure they could continue support. We are here to ask your assistance in keeping this vital program alive. Our total operating budget is \$385,000. Those funds cover everything in our operating budget including personnel, travel, offices, utilities, insurance and bonding. We currently administer a little over \$1 million in grants.

CHAIR RAGGIO:

Are these all federal grants? Have you had recent confirmation that your grants will be affected?

MR. MILLER:

We think the program will be affected. We do not have any up-to-date information. We are asking the state to do two things: keep the organization afloat by funding operating expenses, and establish a \$1 million per year fund to support cost share incentive grants to conduct fuel reduction efforts and perform project work in the communities. We know from experience that grass-root support and incentive grants, to do work on private land, are critically important. It is essential that project work be done on a community-wide basis. Based on our experience, the \$1 million per year for project work is what our staff can handle. We are involved in 16 projects at the community level to reduce the fire threat by performing fuel reduction and fuel-modification work.

ED SMITH (Chairman of the Board of Directors, The Nevada Fire Safe Council):

I have spent most of the past 17 years addressing the issue of Nevadans living in high-fire-hazard areas. I think I have taught more wildfire-threat-reduction classes to Nevada home owners than any other person in our state. Based on this experience, I believe the NFSC is the only long-term effective solution to Nevadans living more safely in high-fire-hazard areas. Because of NFSC, BLM, USFS, NDF, home owners and local fire services meet monthly concerning how they can best assist Nevada's communities at risk. This is the best example of federal, state, local and private cooperation that I am aware of in our state. Because of NFSC, real grass-roots efforts are happening. Nevada property owners are flocking together to address the problem confronting them at their community level. It is true that this is their problem to solve. Often the problem is too big to tackle alone. They need help to get organized, get started, to learn what to do and acquire funding for big projects. The NFSC has managed to bring in a substantial amount of federal support. This has not been a free ride for Nevada communities. Nevada property owners have stepped up to the plate. We can document over \$400,000 of in-kind effort home owners have put into these projects. Despite our best prevention efforts, much of the state will continue to burn. Nevadans will continue to live in these high-fire-hazard areas. These Nevadans can only live safely in these high-fire-hazard environments by

working together to create fire-safe communities. I would like you to support S.B. 497 because it will save the lives of Nevadans and reduce the potential loss of homes.

CHAIR RAGGIO:

Is the NFSC statewide or are you referring to the Tahoe Basin?

MR. SMITH:

It is definitely a statewide organization. Our board members and chapters are located throughout the state. I have provided you with a handout which includes a map showing the chapter locations ([Exhibit E](#)).

CHAIR RAGGIO:

Mr. Miller has indicated both the California and Nevada sides of the Tahoe Basin are involved. Is that correct?

MR. SMITH:

Yes, that is correct. About six months ago, the California Tahoe Basin communities approached NFSC wanting to come under our umbrella. There is a strong feeling the Tahoe Basin needed to be managed as a whole and not California versus Nevada. The NFSC opted to change its bylaws to allow the California communities of the Tahoe Basin to affiliate with NFSC.

CHAIR RAGGIO:

Has a similar proposal for funding been submitted to California?

MR. SMITH:

No, it has not.

CHAIR RAGGIO:

It would be appropriate to do so. Two-thirds of the Basin is in California.

MR. SMITH:

That is true. El Dorado County has provided funding for their communities within the Tahoe Basin as have local fire districts.

CHAIR RAGGIO:

The Committee will need your entire NFSC budget and the proposals for expenditures. Your budget should show other revenue sources.

MR. SMITH:

I will make that available.

SENATOR COFFIN:

Arsonists cause the worst problems because they know where to go to create the most damage. We should have senior citizens parked at the entrances and exits to the fire-prone areas to write down license numbers and the description of automobiles. Sit there all day and take a picture of each car that goes through. If a fire starts, you can look back to find who did not belong in the area. We do not keep track of arsonists as well as we keep track of sex offenders. Do we prohibit arsonists from going into high-fire areas? I do not think we do. If an arsonist thinks he or she might be noticed, they are less likely to go into an area. You could set up a photographic system akin to the red-light runners. We live with lightning strikes. We cannot stop those. We can cut down

on the other risks if we use our ingenuity, creativity and the energy of people who care about this. I think there is no one better than an observer to deter a criminal.

MR. SMITH:

We have not addressed that. Having a community-level NFSC chapter is the perfect vehicle to accomplish your suggested tasks.

SENATOR COFFIN:

An arsonist usually enters a domain long before they get near the community. If NFSC chapters work as well as the Neighborhood Watch program, you will still let a lot of people slip through. People will be shy of taking photographs of others unless they have the power of the law behind them. We do not want to make vigilantes out of them, but why not enlist them in that way?

GARY BISHOP (Vice President, Nevada Insurance Council):

The Nevada Insurance Council (NIC) was formed by Nevada Insurance Carriers to improve insurance education and public safety. I also act as the NIC liaison and I am an elected board member of NFSC. Today I want to talk about the partnership undertaken with NFSC and public education for fire safety. Through the NIC and individual company donations, we have provided a portion of the monies required for the NFSC's education programs. The NFSC serves a critical function of empowering individual property owners and their neighbors through chapter development and education. It supports the steps required to remove and reduce natural fuels. It provides fact sheets, in case of fire, with vital information on how to act and what to do. I have provided you with a copy of my testimony and a fact sheet titled Living With Fire ([Exhibit F](#)).

SENATOR MIKE MCGINNESS (Central Nevada Senatorial District):

I saw a full presentation when I was an interim committee member of Senator Rhoads' Public Lands Committee. In my district there are about 40 dots on the map in [Exhibit E](#) indicating wildland/urban interface communities. This map highlights the statewide nature of this problem. I urge your consideration of S.B. 497.

ASSEMBLYMAN CHAD CHRISTENSEN (Assembly District No. 13):

I represent the Mt. Charleston area and have a number of constituents in the high-fire-hazard area. I support S.B. 497 as a preventative measure. The NFSC addresses both physical and mental change: the physical, by removing the brush and providing breaker areas so the fire does not spread as much, and the education side to teach home owners to be prepared in the event of a fire.

ASSEMBLYWOMAN BONNIE PARNELL (Assembly District No. 40):

All of the Waterfall Fire area was in Assembly District No. 40. On behalf of all the residents who cannot be here, I urge your support of S.B. 497.

MR. MILLER:

We have three citizens who would like to address the committee.

BECKY GRISMANAUSKAS (Mount Charleston Town Board and NFSC Member):

I was unprepared for the fire in 2002. The NFSC came to Mt. Charleston and taught us how to take care of our own property. They taught us to step up to the plate and take responsibility for our fuel reduction. We had another major fire last year. I knew what to do. I learned how to shut off my propane and

power. There are many people the NFSC needs to reach. Please consider passing S.B. 497. Mt. Charleston has over two million visitors each year.

JANICE ROBERTS (Holbrook Highlands NFSC Chapter Member):

I moved to Nevada from Southern California in 2000. We live in a high-fire-danger area. I learned about the council in 2001. We have formed a chapter and used grant funds to pay to clear properties. My husband and I could not afford to do this work without the help of NFSC. There is still a lot of work to do. I support S.B. 497.

CHARLEEN MEENA (Glenbrook, Nevada):

With the help of NFSC, we have cleared a 300-foot perimeter around our community. We did have an arsonist last summer who came in and started fires after the clearing was completed. Thanks to the NFSC and all their education programs, we have an evacuation program and a 911 reverse program. Members of NFSC alerted the proper authorities, the highway was closed and both state and local fire departments were on site. Even though the arsonist started three fires, the worst was a three-acre area. The citizens were able to put the fires out collectively and get authorities to Glenbrook. The arsonist lit fires one after the other. We knew what to do, and we knew we had a safe zone around our community. The difference with other programs is they talk about doing projects. The NFSC gets the funds to the citizens, and the citizens do their part and allow access for the government agencies. Without the NFSC, none of us who are willing to volunteer and make this a safer state has the vehicle to do so. I urge you to support S.B. 497.

SENATOR COFFIN:

Do you see yourself taking a day, during fire season, to sit and record or photograph the license plates and descriptions of automobiles coming into your community?

MS. MEENA:

I live in a gated community where that is done automatically. I am not lucky enough to be retired. This arsonist came in by foot. We find that citizens, who are members of chapters, are more alert and know what to look for. We have had people come into the community by boat and start fires. There are many ways determined people can enter a community. We can save lives and homes through defensible space, perimeters and by being more alert through education. We need the NFSC to bridge the gap between government and citizens.

CHAIR RAGGIO:

We will make any written testimony part of the record. I have letters from Rick and Carol Athenour and Mr. Robert G. Polansky ([Exhibit G](#)) in support of S.B. 497.

COE SWOBE (Former Senator, Nevada At-Large Member, Tahoe Regional Planning Agency):

We have experienced great things from the NFSC. They have the fire districts working together in Nevada and California. They are doing a great job in getting rid of the forest fuels. I urge support for S.B. 497.

CHAIR RAGGIO:

Are there grants available through the Tahoe Regional Planning Agency (TRPA)?

MR. SWOBE:

There have been grants through the TRPA that we get from the federal government. There is a partnership between TRPA, NFSC and the USFS. The California side of the Tahoe Basin has shown a great deal of interest in NFSC.

CHAIR RAGGIO:

Please provide the budget information, including cost sharing referenced in the bill, and any in-kind matches. This committee will consider S.B. 497.

We will open the hearing on S.B. 499.

SENATE BILL 499: Makes appropriation to Easter Seals Southern Nevada for construction of new facility. (BDR S-1409)

BRIAN M. PATCHETT (President/Chief Executive Officer, Easter Seals Southern Nevada):

Easter Seals of Southern Nevada serves children and adults with disabilities. The needs of southern Nevada include early intervention services for children, adult day services, vocational rehabilitation, assistive technology and other services. In trying to meet those needs, we have quickly run out of space. We propose constructing a new facility on our existing land to house an assistive-technology center. Assistive technology is technology that helps people with disabilities to be able to receive an education and become employed. The technology includes screen enlargement for someone with a visual disability or a communication device for someone who is unable to speak. We are proposing the expansion of our adult day services which serves the most severely disabled adults in our community. We would like to expand our therapy services for children and adults and provide early-intervention services. There is a waiting list in Clark County of over 500 children. There are probably more than that between the ages of birth and three who need services.

We propose to establish a program for adults with disabilities for job development and placement. I have been working in the field of disability services for 17 years and have seen a tremendous need in southern Nevada. There are thousands of people with disabilities not getting services. Easter Seals has the reputation of being a high-quality provider of services. Roughly 87 to 89 percent of every dollar goes directly to providing surrogate programs and services in southern Nevada. I urge your support for S.B. 499. I have provided you with material about the Easter Seals programs ([Exhibit H](#)).

CHAIR RAGGIO:

We have not had an opportunity to review your material. Is the present facility on property, at 6200 West Oakey in Las Vegas, which is leased from the state?

MR. PATCHETT:

That is correct.

CHAIR RAGGIO:

What is the total cost to demolish the old building and building the new facility?

MR. PATCHETT:

The two parts of the project are the new facility and expansion of the child-care center. The cost is approximately \$4 million.

CHAIR RAGGIO:

What kind of lease arrangement do you have with the state?

MR. PATCHETT:

The current lease goes through 2013 with the option to renew. The lease is \$1, and in 2013, we would propose continuing that lease or pay fair-market value.

CHAIR RAGGIO:

This organization was formerly the Nevada Association for the Handicapped. Why did it become Easter Seals of Southern Nevada?

MR. PATCHETT:

Easter Seals has been around since 1919. It has experience and the reputation for serving children and adults with disabilities. We get name recognition, technical support and assistance from affiliates around the country.

CHAIR RAGGIO:

Do you receive funding through the National Easter Seals Association?

MR. PATCHETT:

Easter Seals helps us with direct mailing. If we paid for our own mailing, it would be more expensive.

CHAIR RAGGIO:

You indicate that Easter Seals is the only licensed child-care provider for children with disabilities. How many are you serving?

MR. PATCHETT:

That is correct. We are licensed to serve 62 children. The expansion will allow us to serve 120 children.

CHAIR RAGGIO:

We require a copy of your total budget to include not only the construction project, but the entire budget, so we can determine your funding sources. Are there any contemplated funding sources for this building project other than the state?

MR. PATCHETT:

We are in the process of putting together a capital campaign.

CHAIR RAGGIO:

We cannot promise anything at this time. If this bill is processed in some measure, would you be able to obtain matching grants?

MR. PATCHETT:

Yes, we could.

CHAIR RAGGIO:

How long have you been associated with Easter Seals?

MR. PATCHETT:

I have been with Easter Seals of Southern Nevada for ten months and with Easter Seals for ten years.

CHAIR RAGGIO:

How long have you been in Nevada and where are you from?

MR. PATCHETT:

I moved here from Arizona and have been in Nevada for ten months.

SENATOR TITUS:

I visited the Easter Seals center and met Mr. Patchett. This is a great project and they provide wonderful services. If you had to scale this request back, is there anything else you could do for a lesser amount of money that would make a difference?

MR. PATCHETT:

If we were looking for funds outside a capital investment, I would look at the child-care center, which will cost \$180,000 to refurbish, to add four classrooms and remodel the center of the building for an indoor playroom. We could also look at startup funds for therapy services for ages birth to five years in the amount of \$80,000.

SENATOR TITUS:

Would that allow you to accommodate more children?

MR. PATCHETT:

Yes, it would. We provide training to other child-care centers, but that program has not been successful, which is one of the reasons we are planning to expand.

CHAIR RAGGIO:

Do you have paid staff as well as volunteers?

MR. PATCHETT:

We have about 100 paid staff.

SENATOR CEGAVSKE:

I have toured Easter Seals. What they are doing there is incredible.

SENATOR COFFIN:

Opportunity Village has told me there is nothing for the handicapped to do other than work. There is no day care. I thought we had something for them.

MR. PATCHETT:

We provide a service on a small scale. We also provide respite and day service and are planning more recreation-based services.

CHAIR RAGGIO:

We will close the hearing on S.B. 499 and open the hearing on S.B. 500.

SENATE BILL 500: Makes appropriation to Future Stars of America to contract with instructors, rent space for classrooms and build community awareness of program. (BDR S-1420)

CHAIR RAGGIO:

Does anyone know who introduced this bill? We will defer any testimony on S.B. 500 since there is no one here to testify. We will open the hearing on S.B. 501. This bill requests a \$15 million appropriation.

SENATE BILL 501: Makes appropriation for purchase of voting machines for Clark County. (BDR S-1418)

DEAN HELLER (Secretary of State, Office of the Secretary of State):

The Committee has received a copy of my PowerPoint presentation, Secretary of State S.B. 501 ([Exhibit I](#), original is on file at the Research Library). I want to impress upon you the problems other states have had during the last election. We want to ensure Nevada does not have similar problems. There was a lot of scrutiny in the 2004 presidential election because of the 2000 presidential election. Nevada is moving in the right direction. Nevada has been conditioned to believe elections are not an exact science. I am here to tell you they are an exact science. The chief executive officer for DeBolt voting machines said concerns have been reduced by having touch screens with voter-verifiable paper receipts. All the major manufacturers are developing a voter-verifiable paper trail. We have both machines here today. The full-faced machine does not have a voter-verifiable paper trail. The smaller one was used in 16 of 17 counties. All counties, except Clark, had the voter-verifiable paper.

CHAIR RAGGIO:

Are both machines touch screen?

MR. HELLER:

Yes, they are. About 50 percent of the voters in Clark County did not vote on a machine with an auditable paper trail. We can audit results on the machines with the voter-verifiable paper receipts. We audited results in Washoe County and Carson City.

CHAIR RAGGIO:

Was there funding available under Help America Vote Act (HAVA) for some of these machines?

MR. HELLER:

That is correct. The manufacturer of the full-faced machines said their machines could be retrofitted, prior to the next election, to have a verifiable-paper trail. Based on that information, we spent the federal dollars on the voter-verifiable machines for 16 of the 17 counties. Unfortunately, two-thirds of the machines in Clark County are the full-faced machines.

CHAIR RAGGIO:

Who manufactures the machines?

MR. HELLER:

Sequoia Voting Systems manufacture both machines.

CHAIR RAGGIO:

You mentioned there is some activity in Congress on this issue.

MR. HELLER:

United States Senators Harry Reid and John Ensign are cosponsoring legislation and Senator Hillary Clinton and Congressman Rush Holt have legislation with companion bills on the House side. There are 11 states with laws requiring a paper-trail on voting machines. Similar bills are pending in 20 other states.

CHAIR RAGGIO:

Is there some proposed funding in Congress to pay for these machines?

MR. HELLER:

Yes, there is. We do not know if that legislation will pass before the next election. Georgia had electronic voting machines prior to HAVA. Georgia was reimbursed for the cost of those voting machines. I would lobby our delegation to ensure that Nevada would be reimbursed.

SENATOR BEERS:

Is it true that both of these machines comply with HAVA?

MR. HELLER:

Yes, they do.

SENATOR BEERS:

One of the alternatives before us would be to continue use of the full-faced machines until either the federal government comes up with funding to get new ones or we replace them as they break.

MR. HELLER:

I do not understand that as an alternative.

SENATOR BEERS:

We are already complying with the federal law.

MR. HELLER:

That is correct.

SENATOR BEERS:

Then, that is the standard we must reach. Therefore, one of the alternatives is to allow these fully-compliant machines to continue in use until they break and then instruct Mr. Larry Lomax to replace them with voter-verifiable paper-trail machines.

MR. HELLER:

That would be an irresponsible position to take. One of the things I have guaranteed the voters in this state is that they have the right to know their votes are counted correctly. That is the reason I introduced the voter-verifiable paper-trail machines. If we do not replace the full-faced machines, we will have a system where recounts are not possible. You could not do recounts in Clark County. You are saying it is not necessary to do recounts in Clark County or to guarantee the accuracy of their votes.

SENATOR BEERS:

How did we do the recount in the Reid/Ensign senate race?

MR. HELLER:

We did not do it. I can show you a piece of paper that prints out from the back of the machine.

SENATOR BEERS:

Are we able to do an audit on the machine?

MR. HELLER:

No, you are not able to audit the machine. My position is if the voters cannot verify through their receipt, we have garbage in garbage out. You will never be able to determine if there is an issue with the programming or accuracy of the machine if the voter cannot verify his/her vote. You pacify the voters by saying you are doing a recount, but it is not really a recount.

SENATOR BEERS:

We have taken a fully-funded mandate and turned it into an unfunded-federal mandate. That is the problem we face. Every tax dollar comes from a family that could use the money for their own life.

MR. HELLER:

Are you saying the burden of life is placed on these machines?

SENATOR BEERS:

No, the burden of life is placed on how we manage to take a federally-funded mandate and spend all the money without achieving the goals of the mandate.

MR. HELLER:

My point is that I believe your constituency has a right to know their votes are counted accurately. It will cost \$15 for each eligible voter. I do not think that is a big problem to solve. We can solve the problem here today.

SENATOR BEERS:

It is too bad we have taken a fully-funded federal mandate and blown all the money without accomplishing the goal.

MR. HELLER:

Tell me how the money was blown. You audit where the funds are spent. If you are accusing us of blowing money, please let me know how I did that.

SENATOR BEERS:

We were ahead of the curve, nationally, then HAVA passed based on problems that occurred in other states. The HAVA came with a great deal of money to create a statewide voter database. We already had 70 percent of the state's voters on a database, but we went with a different solution. The rest of the goal was to put in place HAVA-compliant voting machines which you said we have accomplished. We had pending federal money that would allow us to upgrade those machines to the next generation. The legislature has pressing needs around real services to the people. We need to balance these needs. You said one solution here is to continue using the HAVA-compliant voting machines and as they become obsolete, upgrade them.

MR. HELLER:

I have not considered that as a solution. My position remains the same. We are ahead of the curve with these electronic voting machines. The Help America

Vote Act does not go far enough. Nevada is on the cutting edge. I am trying to raise voter confidence in this state. We are not doing that right now. Until we can raise voter confidence, our elections are at risk. Voters need to be able to verify their vote.

SENATOR CEGAVSKE:

We reassured our constituents when we received the first Sequoia voting machines paid for by the taxpayers. I am concerned about taking taxpayer dollars again and throwing the machines away. I am comfortable with the machines in Clark County. I like the machine. It is unfortunate that Sequoia, the company who produced both of these machines and is profiting from them, could not develop a mechanism to have a paper trail on the existing machines. I understand it will be ten years before we are asked to update the newest machines. I have been told that behind the Clark County large full-faced voting machines there is a recorded program with all the voter data. I have a hard time, after telling our voters that these machines are safe and secure, now telling them that they are not. What makes them noncompliant?

MR. HELLER:

The question is, what happens if the cartridge on the back of the machine fails?

SENATOR CEGAVSKE:

We will talk to the Clark County Clerk about that problem. We have been told for so many years that the machines are good and that we are getting the necessary information. After putting millions of dollars into the old Sequoias, are we now being told the cartridge is not reliable? What is Sequoia's liability in this situation?

MR. HELLER:

We did have a cartridge fail in Nye County. The machine had a voter-verifiable printer so that information could be used, but we were able to redact the information off the cartridge. I am fiscally responsible. Part of that responsibility is assuring accuracy. Fiscal responsibility is accuracy, reliability and confidence. I would not want to put a price on fiscal responsibility when it comes to democracy. It is a small price to pay to raise confidence and reliability.

DAN MUSGROVE (Director, Intergovernmental Relations, Clark County):

The voters want the ability to verify their own votes. Previously, voters trusted the machines. The paper trail restores confidence. All counties have the voter-verifiable machines except the 740 machines in Clark County. We do not want the Clark County voters treated any differently than the rest of the state. We support S.B. 501. We think it is important to have a statewide consistent voting system.

CHAIR RAGGIO:

Who can verify the cost? The request is for \$15 million for the purchase of machines.

LARRY LOMAX (Registrar of Voters, Elections, Clark County):

The price is based on a two-for-one replacement because it takes longer to vote on the voter-verifiable paper-trail machine. The price includes support equipment.

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CHAIR RAGGIO:

Is Sequoia the only company that produces this machine?

MR. LOMAX:

Once you select a vendor, it becomes a lifetime relationship because you have to be able to tabulate the votes. No vendor system supports another vendor's system.

CHAIR RAGGIO:

Does the existing machine in Clark County have a paper trail?

MR. LOMAX:

It has paper trail, but it is not a voter-verifiable paper trail. We can print out all of the ballots after the election which is how we do a recount.

CHAIR RAGGIO:

How many machines would be required?

MR. LOMAX:

We would require 4,400 machines.

CHAIR RAGGIO:

What is the cost of the machines?

MR. LOMAX:

The machines are \$2,700 each plus \$500 for each printer.

CHAIR RAGGIO:

Is there any salvage value in the old machines?

MR. LOMAX:

We are not aware of any salvage value.

SENATOR BEERS:

The older voting machine lights up each choice the voter makes. There is no reason a voter should think that paper is better than the lit screen. I have not received constituent input on either of these machines.

SENATOR TITUS:

During the last election, you had one new machine at each polling place. If people wanted to see a paper trail, they could vote on the new machine. Do you have any information on how many people chose the voter-verifiable machine?

MR. LOMAX:

I could get the information. Most people voted on the older machines because there were more of them.

SENATOR TITUS:

Are we going to get federal money for new machines? What if we had two machines at each polling place, how many machines would you need?

MR. LOMAX:

The real issue is not incrementing them in. We received complaints because we did not have the paper trail and the rest of the state did. We responded that

Clark County would be converted by 2006. It is difficult to train poll workers to operate two kinds of machines and program those machines.

SENATOR TITUS:

I do not like the idea of throwing away the machines in Clark County and saying they are not safe after telling the voters they are safe. Can Clark County fund the machines?

MR. MUSGROVE:

Clark County has limited resources. We paid for voting machines once. You would be asking only Clark County taxpayers to fund two types of voting machines. This is a state mandate that we believe in. Absent federal funds, you would be asking Clark County to pay for something for which the rest of the counties did not pay.

SENATOR TITUS:

It sounds like the Secretary of State put the emphasis on the rest of the state and ignored Clark County.

MR. MUSGROVE:

Clark County believed that Sequoia would be able to retrofit the existing machines. Clark County had electronic voting machines and the ability to have a machine at every polling place. Mr. Heller felt if the Clark County machines could be retrofitted, we would be consistent throughout the state by 2006. It turned out that it will cost more to retrofit than to buy new machines. Why not have one type of voting machine throughout Nevada that is voter verifiable? You do not want to have a machine with a take-home receipt because the employer may want to see that receipt. That puts a burden on the voter we do not want.

CHAIR RAGGIO:

The counties used to purchase their own voting machines. Last session we authorized the federal funding requested by the Secretary of State. The voting machines, for all but Clark County, were purchased with federal funds. You are asking that the state pay for Clark County machines. What would be wrong with the Legislature authorizing these funds contingent upon the availability of federal funding?

SENATOR MATHEWS:

It is true that the machines can be retrofitted, but it would be costly?

MR. LOMAX:

Sequoia determined the machine would be more expensive to retrofit than replace. Sequoia did not pursue the technology. We do not have an option to retrofit.

CHAIR RAGGIO:

We will close the hearing on S.B. 501 and open the hearing on S.B. 507.

SENATE BILL 507: Makes appropriation to Nevada's Safe Place for continuation of outreach programs for youth under 21 years of age. (BDR S-1427)

KATHLEEN SANDOVAL (Program Director, The Children's Cabinet):

Safe Place offers a community collaboration model that provides help and safety to children. Children needing help can go to businesses, community buildings or buses with Safe Place signs and within minutes can be connected with the Nevada Partnership for Homeless Youth in southern Nevada and The Children's Cabinet in northern Nevada to receive support services. Since 2002, 135 youth have accessed Safe Place sites presenting problems of abuse and neglect, runaway and homeless issues, family problems, feeling unsafe, mental health problems and school issues. These young people receive counseling, support, and are reunited with their families when possible. Outreach materials have been received by 65,087 youth to learn about Safe Place and how it can help a youth in a critical time. There are 488 Safe Place sites in Nevada. Our current business partners include Terrible Herbst, McDonalds, The Regional Transportation Commission in Washoe County and 7-Eleven. We want to make certain that any youth in crisis can easily get immediate help and safety. Our goal is that every child in Nevada knows what the yellow and black Safe Place sign means. We encourage other businesses, organizations, legislators and community members across Nevada to help us reach this goal.

SENATOR CEGAVSKE:

Safe Place has done a wonderful job getting the community involved. You see Safe Place signs in both northern and southern Nevada. In Clark County we have a large number of runaway homeless children. Thank you for all you do.

CHAIR RAGGIO:

How would the \$250,000 appropriation be utilized?

MS. SANDOVAL:

Safe Place is a statewide program. We also offer assistance in the rural areas. The plan is to split the money evenly between the north and south to provide Safe Place services. We are requesting that our community partners match the appropriation. The program is in operation 24 hours a day, 7 days a week. The funds will be used to fund the 800 numbers for youth to access.

CHAIR RAGGIO:

How is the program currently funded?

MS. SANDOVAL:

Our community partners provide funding; however, we do not have the staff we need to be available to all the youth accessing Safe Place.

CHAIR RAGGIO:

Is there a proposed budget?

MS. SANDOVAL:

We will provide a budget. One of our goals is to provide consistent case management to those accessing Safe Place.

LEONARD PUGH (Director, Department of Juvenile Services, Washoe County):

I am here in support of S.B. 507. We provide the shelter in northern Nevada for the runaway youths brought in through this program. Often youth are resistant or hesitant to seek help through us because we are viewed as law enforcement. Youths know The Children's Cabinet is a private nonprofit organization and will provide a case manager.

MARY-ANN BROWN (Executive Director, The Children's Cabinet):

I am often asked how I help children and families. Project Safe Place is one of the ways. It gives the general public, who feel unprepared and unskilled, something they can do to help children in crisis. It gets the youth into programs to prevent further abuse and neglect. We support S.B. 507.

CHAIR RAGGIO:

We will close the hearing on S.B. 507 and open the hearing on S.B. 506.

SENATE BILL 506: Makes appropriation to Desert Research Institute for purchase of equipment and services to analyze groundwater yields in arid basins. (BDR S-1425)

THOMAS H. GALLAGHER (President and Chief Executive Officer, Summit Engineering Corporation):

I am a member of the Desert Research Institute Foundation Board. The funds requested in S.B. 506 are not a part of the priorities of UCCSN. It should be a priority of the State of Nevada. The purpose of the appropriation is onetime funding to give the Desert Research Institute (DRI) the ability to secure state-of-the-art equipment to provide studies of how much water is available in the numerous arid basins across Nevada, the actual flow of the water and the annual sustainability of the resource. With the rapid growth in the state, this knowledge is critical since water is one of our most valuable resources. I have provided you with a copy of my prepared statement Senate Finance Committee Presentation, May 2, 2005, ([Exhibit J](#)).

CHAIR RAGGIO:

The Committee is in recess at 10:51 a.m. and will reconvene at 4:30 p.m. We will have the Economic Forum information by then. If there is additional testimony on S.B. 506, you can either provide a written copy or be here at that time.

This Committee is reconvened at 4:47 p.m. We have been waiting for the Economic Forum report. Staff, can you give us some preliminary information from the Economic Forum?

MR. GHIGGERI:

You have received a copy of General Fund Revenues – Economic Forum May 2, 2005, Forecast ([Exhibit K](#)). The Forum is still meeting. The Economic Forum has increased the revenue projections for FY 2005 approximately \$85.6 million, FY 2006 approximately \$95.1 million and for FY 2007 approximately \$85 million.

CHAIR RAGGIO:

We will continue the hearing on S.B. 506. The Committee needs to know more about the equipment being considered.

JOHN J. WARWICK, PH.D., P.E. (Executive Director, Division of Hydrologic Sciences, Desert Research Institute):

I am here on behalf of DRI President, Dr. Stephen G. Wells, to clarify how new equipment for quantifying groundwater resources might be of value to the State of Nevada. It is important to note that DRI did not initiate this proposal since it deviates from the mutually agreed to UCCSN priority list. The DRI's top priority remains acquiring funding for a cave building on the Reno campus.

From 1960 to 1974, the State of Nevada, in concert with the U.S. Geological Survey, published a series of reports estimating the long-term amounts of groundwater discharge in basins throughout the State. Such estimates are essential for making informed decisions that affect economic development while protecting our water resources for future generations of Nevadans. Recent developments in field instrumentation, remote sensing and computer modeling now allow scientists to more accurately estimate the amount of long-term available groundwater resources within our State. While application of these newer techniques will result in refined estimates, some degree of uncertainty will remain. These refined estimates may be significantly different from those made over four decades ago.

The DRI has significant expertise in applying these new techniques. The acquisition of additional equipment would augment DRI's capabilities to participate in future studies aimed at improving our estimates of available groundwater resources. If this bill is passed, DRI would deploy the equipment from both our Las Vegas and Reno campuses thereby allowing us to address this critical issue throughout the State of Nevada.

JAMES M. THOMAS, PH.D. (Executive Director, Watershed Environmental Sustainability, Desert Research Institute):

The state-of-the-art equipment, requested in S.B. 506, will allow us to make actual measurements needed to determine water budgets for basins and areas throughout Nevada. In the past, this was accomplished by mapping plants while driving through a basin and assigning a water use value to the plants. Measurements using the new instrumentation, combined with satellite pictures, will allow scientists at DRI to update 30- to 45-year-old estimates of groundwater resources. The new water budgets developed using this equipment will be much more accurate. Furthermore, these new water budgets will provide a range of values that will reflect natural conditions.

CHAIR RAGGIO:

When was that last study done?

DR. THOMAS:

The last study was completed in 1974.

CHAIR RAGGIO:

You have outlined the required equipment in [Exhibit J](#).

MR. GALLAGHER:

Yes, that equipment will be deployed across the state. The research and studies will be privately funded by people who want to know what the resources are in certain areas of the state.

CHAIR RAGGIO:

What amount of private funding are you anticipating?

MR. GALLAGHER:

We are looking at three basins in northern Nevada now that are of interest. It will take over two years and cost several million dollars to perform the studies to determine the discharge from those basins.

SENATOR BEERS:

Is there an NRS that points to the 30- to 40-year-old studies as an authoritative source for the amount of water we have in Nevada?

DR. THOMAS:

The state engineer provides water rulings based on these old studies. The studies are referred to as the reconnaissance series. We can update that series using modern methods by measuring the water vapor to calculate the water budgets from actual measurements.

SENATOR BEERS:

A constituent is concerned if we include water that is exiting these basins through evaporation and then allocate it and use it, we would turn all the vegetation in the basin to dust.

DR. THOMAS:

The state water laws are written on sustainable yield. That means whatever is recharged on an average annual basis is what is allocated in a basin. That does not have any allocation for plants. Natural vegetation would take over if water was captured that sustains phreatophytic vegetation. That does not mean there would be no vegetation, the vegetation type would change.

SENATOR BEERS:

How were these measures done 30 or 40 years ago?

DR. THOMAS:

Literally, they drove by on available highways at approximately 60 miles per hour and outlined, as they drove by, phreatophyte areas then said that these plants at these densities use 0.1 feet per year. There were no measured values at that time. A phreatophyte is a plant that uses ground water.

SENATOR BEERS:

They were not measuring the rainfall to determine the amount of water in a basin.

DR. THOMAS:

They make a determination by measuring the discharge because we do not know how much rainfall becomes ground water. The best way was to go to a basin and estimate what the area was that was discharging the precipitation that became ground water. That estimate would become the recharge estimate based on the discharge.

SENATOR BEERS:

Is the equipment you are proposing to purchase used anywhere else in the world?

DR. THOMAS:

The equipment is used throughout the world. We currently have a study in northern Nevada using two pieces of this equipment defining a water budget in that basin. We will use this equipment, if it becomes available, in eastern Nevada where we will have an ongoing study with the U.S. Geological Survey to define water resources in eastern and southern Nevada.

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SENATOR BEERS:

Have you made any preliminary findings in your small test area that we might use to roughly estimate where we go with this in five years?

DR. THOMAS:

We have collected data since late last summer. We have preliminary numbers from that. We have not extrapolated them yet through the basin. When we do, we will determine a sustainable yield for that basin.

SENATOR BEERS:

Did you just tell me that you do not have any answers yet?

DR. THOMAS:

That is correct.

CHAIR RAGGIO:

Senate Bill 506 requests \$1 million for equipment and services. Mr. Gallagher has indicated, in Exhibit J, that the equipment will total \$1 million and that funding for services, personnel and ongoing studies will be provided by private enterprise or government entities wishing to determine the sustainable yield. Is it correct that the equipment will be used throughout the state?

MR. GALLAGHER:

That is correct. The services included in S.B. 506 are for satellite imagery that is outsourced.

SENATOR MATHEWS:

Will you be able to do a water inventory for the state?

DR. WARWICK:

This type of equipment will facilitate that endeavor. To do a water inventory for the state would be a long and expensive enterprise. It took about 14 years to do the inventory 30 to 40 years ago using a method that was quick but probably inaccurate. It would take a few years to accomplish an inventory.

SENATOR COFFIN:

In southern Nevada, we commit to getting some water out of the valleys, but we do not want to mine the water. What can we do about the existence of phreatophytes? Some you could just pull out; others are invasive. They get into places where they are not native. Can the satellites tell us more about that type of vegetation and how it is changing?

DR. THOMAS:

The micromet towers are more than weather stations. They measure the energy budget we use to calculate our evapotranspiration. It is not as simple as setting out a rain gauge. We have infrared gas analyzers on this tower. We are working on a project in northern Nevada using detailed satellite imagery which has resolution down to about three feet. With that, we are mapping plant densities. The density of the plant is a key to how much ground water is being used by these plants. You can see the change in density over time.

SENATOR COFFIN:

Rainfall is hard to gauge. Do you see value in examining the tree rings in our various valleys?

DR. THOMAS:

We have researchers at DRI who look at tree rings and growth and look at precipitation patterns over time. The tree rings change over decades and even longer time scales. It all factors into the climate changes we are hearing about today.

SENATOR COFFIN:

I hope we can build on the work done in the past. They did a lot more than drive by those valleys.

DR. THOMAS:

I do not want to leave you with the idea that great science was not done. They did an excellent job, with the tools they had, in defining Nevada's water resources.

CHAIR RAGGIO:

We will close S.B. 506. The Committee requested Ms. Dana Bilyeu to give additional information on S.B. 369 and S.B. 485.

SENATE BILL 369: Makes various changes regarding judiciary. (BDR 1-525)

SENATE BILL 485: Repeals prospective expiration of provisions governing allowances paid to certain retired employees who fill positions for which critical labor shortage exists. (BDR S-1107)

DANA BILYEU (Executive Officer, Public Employees' Retirement Board, Public Employees' Retirement System):

I have drafted amendments for both S.B. 369 ([Exhibit L](#)) and S.B. 485 ([Exhibit M](#)). Based on the research I conducted with the actuary this morning and over the weekend, we came to some conclusions about both the critical labor shortage provisions for the Judicial Retirement System, S.B. 369, and the critical labor shortage extension for the regular Public Employees' Retirement System (PERS) fund, S.B. 485. The actuary has indicated if, instead of taking the sunset off these two bills, we extend the sunset to July 1, 2009, and allow our actuary to conduct additional experience reviews, then PERS would be satisfied that both of these fiscal notes could be abated for the period of the experience review. In other words, the contribution rate impact I had indicated to you, in previous testimony on S.B. 485, and the fiscal note attached to S.B. 369 could be put into abeyance until those experience reviews are completed before the 2009 Legislative Session.

CHAIR RAGGIO:

The proposed amendments to S.B. 369 and S.B. 485 would require experience studies and a sunset date of June 30, 2009.

MS. BILYEU:

That is correct.

CHAIR RAGGIO:

Will the Committee look at S.B. 485 which we heard on April 11, 2005. The amendment we just received will remove the sunset.

SENATOR RHOADS MOVED TO AMEND AND DO PASS S.B. 485.

SENATOR COFFIN SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR RAGGIO:

We heard S.B. 107 this morning with an amendment.

MR. GHIGGERI:

This morning an amendment was suggested to remove the provision requiring the Buildings and Grounds Division to gather information on capital improvements to leased office space. They indicated if that portion of the legislation is eliminated, their fiscal note could be removed.

CHAIR RAGGIO:

Senator Titus, you are the sponsor of this bill. Do you agree with the amendment?

SENATOR TITUS:

Is it correct that Buildings and Grounds would still do the report on other capital improvements but not on the leased offices?

CHAIR RAGGIO:

There would be no fiscal impact if the leased office space reporting is removed.

SENATOR TITUS:

Yes, I will support the amendment.

SENATOR TITUS MOVED TO AMEND AND DO PASS S.B. 107.

SENATOR BEERS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR RAGGIO:

Please look at S.B. 341. This is the first reprint of the bill dealing with sex offenders and offenders committing crimes against children. We looked at the fiscal note. An amendment was proposed this morning to add subsection (o). Is there any objection to that amendment?

SENATOR TITUS:

That amendment was brought by Ms. Dorothy Nash-Holmes to have sex offenders go through the psychological panel.

SENATOR TITUS MOVED TO AMEND AND DO PASS S.B. 341.

SENATOR COFFIN SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR RAGGIO:

Senator Titus, will you discuss S.B. 341 on the floor of the Senate?

SENATOR TITUS:

I will do that.

CHAIR RAGGIO:

Can we look at S.B. 34? This bill was heard on April 20, 2005.

SENATE BILL 34 (1st Reprint): Decreases fees for issuance and renewal of noncommercial drivers' licenses. (BDR 43-241)

MR. GHIGGERI:

This bill has a fiscal impact on the Highway Fund based on the fiscal note of \$172,000 in FY 2006 and \$177,000 in FY 2007. The legislation, as drafted, would be effective on passage and approval. If the Committee desires to approve this legislation, staff recommends that the effective date be July 1, 2005, to allow the department to make whatever changes are needed to implement the legislation.

CHAIR RAGGIO:

If we make it effective immediately, there would be a reduction in revenue in FY 2005 of about \$167,000.

SENATOR COFFIN:

This is an unusual bill. The DMV brought the bill and the Senate Committee on Transportation and Homeland Security heard it. The idea was to increase the fees because the money was needed to maintain the grant ratio.

CHAIR RAGGIO:

My understanding was they wanted the fees to be changed because it is not possible to make change at the kiosks.

SENATOR COFFIN:

That is correct, but are we going to drain enough money out of the Highway Fund and increase DMV expenses enough to need a bill to increase fees? I think we should not recommend this bill yet, but wait until we see what else impacts the Highway Fund.

CHAIR RAGGIO:

We will hold the bill if you wish. I think the collateral issue is that there has been a strong commitment not to raise fees, even if it is 50 cents. Senator Coffin will let me know when we can release the hold on S.B. 34.

SENATOR COFFIN:

We should ask DMV for an impact study on their budget for all the bills affecting them this session.

CHAIR RAGGIO:

We will look at S.B. 100. This appropriation is in the budget for conversion of offices at the Nevada Supreme Court.

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

MR. GHIGGERI:

If the Committee approves this legislation, staff recommends amending the bill to state the funds will be used for remodeling and furnishings of the conference room.

CHAIR RAGGIO:

There was a subcommittee of Senator Beers and Senator Coffin to review this request. Do you have any recommendations on S.B. 100?

SENATOR BEERS:

I understood that the Nevada Supreme Court was going to do the remodeling out of its existing budget. They have not contacted me to have the subcommittee meet.

CHAIR RAGGIO:

Sierra Builders indicated a cost of \$12,000 and \$7,800 for furnishings for the conference room.

SENATOR COFFIN:

I want to be sure the contractor is experienced with court work.

CHAIR RAGGIO:

Does the Committee wish to hold this bill? We will hold S.B. 100 for a limited time. The Committee will look at S.B. 101 which is included in the budget. Senators Beers, Coffin and Rhoads were reviewing this request. Do you have a report?

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

SENATOR COFFIN:

We urge the Committee to recommend S.B. 101.

SENATOR COFFIN MOVED TO DO PASS S.B. 101.

SENATOR RHOADS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

CHAIR RAGGIO:

We will now look at S.B. 102 which was heard on March 28, 2005. The appropriation is included in the *Executive Budget* for \$126,000.

SENATE BILL 102: Makes appropriation to Office of Veterans' Services to pay for construction costs of shelter to protect state-owned vehicles. (BDR S-1219)

MR. GHIGGERI:

When this legislation was heard, the Committee asked for written estimates for the work. The Nevada State Veterans' Home has received two written estimates, one for \$53,000 and the other for \$55,000. The Office of Veterans'

Services does not wish to have the appropriation reduced below \$100,000. Staff does not know why they need funds in excess of the estimates.

CHAIR RAGGIO:
Do we have documentation on the estimates?

MR. GHIGGERI:
Mr. Bob Guernsey has provided the Committee with a copy of a memorandum dated April 24, 2005, ([Exhibit N](#)) which includes a copy of the estimates.

BOB GUERNSEY (Principal Deputy Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau):
I have been in contact with the Veterans' Home on a number of occasions. They have had difficulty getting bids for construction of the shelter. Mr. Fulkerson is reluctant to accept a bid that low and has requested the Committee approve an appropriation of \$100,000.

CHAIR RAGGIO:
This [Exhibit N](#) includes a memorandum from Mr. Darrel L. Hansen of the State Veterans' Home stating his reluctance to accept the lowest bid.

SENATOR COFFIN:
I do not blame Mr. Fulkerson for being nervous about the low bid. The vehicle storage will be next to a power supply and the soil is untested. They may have to tear up asphalt to build the vehicle shelter.

SENATOR COFFIN MOVED TO AMEND THE APPROPRIATION AS RECOMMENDED BY STAFF TO \$100,000 AND DO PASS S.B. 102.

SENATOR RHOADS SECONDED THE MOTION.

SENATOR BEERS:
I would recommend \$100 for windshield shades for administrators. I will vote no on this bill.

CHAIR RAGGIO:
The motion is troublesome because we have no basis for the \$100,000. Can we authorize the amount of the estimate and have them come back if it is not enough?

SENATOR COFFIN:
The Veterans' Home has six vehicles. The ones to be sheltered are vans and transit buses. These vehicles, left out in the open, can reach over 100 degrees inside. They can leave the vehicles running with the air-conditioning on or try to keep them covered. The vehicles are damaged from the sun. The vehicles are expanded on the top with fiberglass so people can walk in them.

CHAIR RAGGIO:
There is no issue here as to the need for the structure, it is a question of the appropriate amount of funding. If we authorize the amount and they run short, can they come back to the IFC?

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SENATOR CEGAVSKE:

Are there other agencies we have built vehicle shelters for because the vehicles get too hot?

MR. GHIGGERI:

The only funding I recall was covered parking for the Highway Patrol in southern Nevada.

SENATOR CEGAVSKE:

Every agency will come in asking for covered parking.

CHAIR BEERS:

I am confident that by rolling down the windows, the vehicle will be the same temperature it would be if it were parked under covered parking by the time it moves from the parking space to the front door of the facility. It still will be over 100 degrees in those vehicles in the summer in Las Vegas under covered parking.

SENATOR TITUS:

I support building this cover. We might give them \$60,000 because, with inflation, by the time they build this, it will cost more than the estimates. If \$60,000 is not enough, they can come to the IFC.

THE MOTION FAILED. (SENATORS RAGGIO, BEERS, CEGAVSKE, TITUS AND MATHEWS VOTED NO.)

SENATOR TITUS MOVED TO AMEND THE APPROPRIATION TO \$60,000 WITH A LETTER OF INTENT IF FUNDS ARE INSUFFICIENT TO BUILD THE STRUCTURE, THE AGENCY CAN GO BEFORE THE IFC TO REQUEST A SUPPLEMENTAL APPROPRIATION AND DO PASS S.B. 102.

SENATOR COFFIN SECONDED THE MOTION.

THE MOTION CARRIED. (SENATORS BEERS AND CEGAVSKE VOTED NO.)

CHAIR RAGGIO:

The Committee heard S.B. 104 on March 28, 2005. This appropriation is in the *Executive Budget*.

SENATE BILL 104: Makes appropriation to Department of Corrections for purchase of replacement vehicles. (BDR S-1222)

MR. GHIGGERI:

The analyst assigned to the Department of Corrections has reviewed this request and concurs with the funding recommended.

SENATOR BEER MOVED TO DO PASS S.B. 104.

SENATOR MATHEWS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

CHAIR RAGGIO:

The Committee heard S.B. 131 on March 29, 2005. This bill increases the number of commissioners to nine and requires one member to be a current or former recipient of services.

SENATE BILL 131: Increases number of members of Commission on Mental Health and Developmental Services. (BDR 18-279)

MR. GHIGGERI:

The cost of S.B. 131 is \$3,154 per year assuming 12 meetings each year. The fiscal note for the first year could be reduced by 25 percent since the new commissioner would not be appointed until October 2005. Staff also recommends the commission use existing funding or approach the IFC for additional funding if necessary.

CHAIR RAGGIO:

That seems like a reasonable suggestion. The cost is nominal. The commission could use existing resources and approach the IFC if funds are insufficient.

SENATOR RHOADS MOVED TO DO PASS S.B. 131 WITH INSTRUCTIONS THAT IF FUNDS ARE INSUFFICIENT, THE AGENCY IS AUTHORIZED TO GO TO THE IFC FOR SUPPLEMENTAL FUNDING.

SENATOR COFFIN SECONDED THE MOTION.

THE MOTION CARRIED. (SENATOR BEERS VOTED NO.)

CHAIR RAGGIO:

The Committee heard S.B. 195 on April 26, 2005. At that time, Clark County did not agree to assume any expenses. Since then, a compromise has been reached to support an amendment for four judges including one for family court and one for district court. Clark County will provide the county share of the funding necessary for four judges.

SENATE BILL 195: Increases number of district judges in Eighth Judicial District. (BDR 1-524)

MR. GHIGGERI:

If the Committee processes this legislation, an amendment would be necessary. The Legal Division is drafting an amendment to reduce the number of judges to four. The amendment reduces the appropriation from \$608,405 to \$335,105. That cost reflects the reduced cost for PERS benefits.

CHAIR RAGGIO:

Is it correct that the compromise was reached with the expectation that the legislature will fund a request for a senior judge program?

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MR. GHIGGERI:

If that is correct, the issue will be discussed in the Joint Subcommittee on General Government meeting tomorrow.

SENATOR BEERS MOVED TO AMEND, BY REDUCING THE NUMBER OF JUDGES FROM EIGHT TO FOUR, AND DO PASS S.B. 195.

SENATOR CEGAVSKE SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

CHAIR RAGGIO:

The Committee heard S.B. 315 on April 20, 2005.

SENATE BILL 315 (1st Reprint): Provides for regulation of certain business brokers and revises provisions governing disclosures in certain real estate transactions. (BDR 54-1135)

MR. GHIGGERI:

The fiscal note for this legislation required the addition of staff. The subcommittee closed the Real Estate budget last Friday with two added positions. The administrator of the Real Estate Division sent an e-mail indicating the fiscal note on S.B. 315 can be removed.

CHAIR RAGGIO:

Is that what the Joint Subcommittee on General Government understands?

SENATOR BEERS:

Yes, it is.

SENATOR BEERS MOVED TO DO PASS S.B. 315.

SENATOR CEGAVSKE SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

CHAIR RAGGIO:

Senator Rhoads has agreed to look at S.B. 400 and report to the Committee on licensing for off-road vehicles.

SENATE BILL 400: Provides for regulation of off-road vehicles. (BDR 43-426)

MR. GHIGGERI:

Mr. Scott K. Sisco has been sitting through seven or eight committee meetings waiting for his budget closings.

CULTURAL AFFAIRS

Nevada State Library – Budget Page CULTURAL-18 (Volume I)
Budget Account 101-2891

MR. GUERNSEY:

My comments on the budget for the Nevada State Library are on pages 1 and 2 of Nevada Legislative Counsel Bureau, Budget Closing Action Detail Report ([Exhibit O](#)). The only technical adjustment staff is recommending is additional Title I grant funds. A separate subcommittee will consider the funding for classified positions moving to unclassified.

CHAIR RAGGIO:

How many proposals are there for additional library funding? Senate Bill 289 has additional funding for bookmobiles.

SENATE BILL 289: Makes appropriation to Division of State Library and Archives of Department of Cultural Affairs for operation of bookmobiles in rural counties. (BDR S-959)

MR. GUERNSEY:

The most significant request is for library collection funding.

CHAIR RAGGIO:

Does Assembly Bill (A.B.) 129 make an appropriation to the State Library?

ASSEMBLY BILL 129: Makes appropriation to Division of State Library and Archives of the Department of Cultural Affairs for grants to local libraries for library collections. (BDR S-1113)

MR. GUERNSEY:

That is correct.

SENATOR MATHEWS:

Is the collection money handled by the Department of Education?

MR. GUERNSEY:

It is normally distributed, by formula, through the State Library Services. These funds are separate from the Department of Education.

CHAIR RAGGIO:

There was a request by the Library for \$1.2 million. Is that what is in A.B. 129?

MR. GUERNSEY:

That is correct. The Library would like \$600,000 each year rather than the one-shot appropriation of \$1,241,690.

SENATOR TITUS:

This appropriation for the library books is similar to one we used to do for the Humanities Committee. We appropriate it every year in a separate bill. I would support putting it in budget Category 27 instead of coming back each session with a bill.

CHAIR RAGGIO:

The issue is that there is not an appropriation in the budget for this purpose.

MR. GUERNSEY:

That is correct.

CHAIR RAGGIO:

To do what you are recommending would be to add \$1.2 million to this budget.

SENATOR BEERS:

Did we do this last session?

SENATOR MATHEWS:

My recommendation is to add the \$600,000, each year of the biennium, to the budget rather than an appropriation through a bill every session.

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

This is one of the items that was cut from our budget during the last Legislative Session. The Governor stated that if you add this to our budget, he will support it.

CHAIR RAGGIO:

The problem is that we need to get a budget amendment from the Governor. Mr. Comeaux, has the Governor indicated he would submit a budget amendment?

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

The Governor has not indicated that to me. We are meeting tomorrow at 10:00 a.m. to review the Economic Forum report.

SENATOR MATHEWS:

Could we recommend that you mention to the Governor that we would like to make this a budget item?

CHAIR RAGGIO:

In some of the joint subcommittee meetings, we have added items to what we are calling a high-priority list.

SENATOR MATHEWS:

Would a high-priority list be one-shot funds?

CHAIR RAGGIO:

No, not necessarily. The joint subcommittees have looked at measures such as continued funding for autism. There is no assurance that items on a priority list will be funded, but it is one way of indicating our preference.

The Chair recommends we close the budget, as recommended by the Governor, and add \$1.2 million over the biennium on a high-priority list to be considered at a later time.

SENATOR BEERS MOVED TO CLOSE THE BUDGET ACCOUNT 101-2891 AS RECOMMENDED BY STAFF WITH TECHNICAL ADJUSTMENTS AND ADD \$1.2 MILLION OVER THE BIENNIUM ON A HIGH-PRIORITY LIST TO BE CONSIDERED AT A LATER TIME.

SENATOR CEGAVSKE SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

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CHAIR RAGGIO:
Staff will add this item to the high-priority list.

SENATOR MATHEWS:
Do you think we can get a budget amendment tomorrow?

CHAIR RAGGIO:
If the Governor's Office comes back with some budget amendments, we will look at all of them. If this amendment is there, we can reconsider our action on this budget.

Archives and Records – Budget Page CULTURAL-24 (Volume I)
Budget Account 101-1052

MR. GUERNSEY:
My comments on the budget for Archives and Records are on pages 3 through 5 of [Exhibit O](#). Budget amendment No. 22 recommends a General Fund appropriation of \$100,000 per year to microfilm state records.

MR. SISCO:
This budget amendment provides an ongoing budget within the Records Center so we can create space for continued receipt of state records.

SENATOR BEERS:
Would it be better to have the \$200,000 in the first year of the biennium and carry forward any balance?

MR. SISCO:
We have added \$100,000 to the Base Budget because we are planning to process 2.1 million records each year. This is the workflow we can handle.

CHAIR RAGGIO:
Is it possible to get the \$200,000 in the first year of the biennium?

MR. GUERNSEY:
That would be possible with a special provision in the appropriation act to carry the unused portion forward. Otherwise, the funds revert to the General Fund at the end of each fiscal year.

CHAIR RAGGIO:
What does staff recommend?

MR. SISCO:
We have laid off 7 of 12 employees in micrographics. We employ prisoners. We can handle the workflow as presented to you.

CHAIR RAGGIO:
Are you saying you do not need the flexibility? Can you use the entire \$100,000 in the first year?

MR. SISCO:
Yes, we can.

SENATOR BEERS:

The budget amendment suggested the funds were needed because six constitutional officers would be turning over eight years of records at the same time. Mr. Sisco seems to be approaching the workload as a routine matter rather than a onetime event.

MR. SISCO:

The constitutional officers all leaving made us realize the situation we will be in next year. That made us review our workflow and our capabilities. The flexibility of having more funds available in the first year might help us, but we see this as an ongoing event. We anticipate storing records in the additional space we were given. If you would like us to have some flexibility by giving us the \$200,000 in the first year, we can do that.

SENATOR BEERS:

I was actually giving you the flexibility of not spending it all in the first year and spending the balance in the second year. It sounds like your preference is to take the \$100,000 each year.

CHAIR RAGGIO:

We are not going to deal with the capital improvement project in this budget at this time.

MR. GUERNSEY:

The capital improvement project provides funding for design through construction documents for the remodel of the State Museum in Lorenzi Park.

CHAIR RAGGIO:

Does the funding cover the continued use of the facility?

MR. SISCO:

Yes, it does.

SENATOR COFFIN:

We have not received any special budget requests from Archives and Records.

MR. SISCO:

That is correct. There is not a need at this time.

SENATOR COFFIN:

Most agencies made requests. Is it the Chair's intention to take the requests with the budget or wait until the end of the session because these are one-shot items? It appears there is no reason not to close Archives and Records budget.

SENATOR BEERS MOVED TO CLOSE BUDGET ACCOUNT 101-1052, INCLUDING BUDGET AMENDMENT NO. 22, AS RECOMMENDED BY STAFF.

SENATOR COFFIN SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

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CHAIR RAGGIO:
Staff will distribute a letter received dated April 28, 2005, from the Seventh Judicial District Court ([Exhibit P](#)) regarding S.B. 372. This letter provides information requested by the Committee.

SENATE BILL 372: Makes appropriation for construction of regional juvenile detention facility in Ely, Nevada. (BDR S-1233)

CHAIR RAGGIO:
I am appointing Senators Beers, Coffin and myself to a subcommittee to review unclassified salaries. We will be looking at those soon. There being no further business at this time, the Committee is adjourned at 6:09 p.m.

RESPECTFULLY SUBMITTED:

Sandra Small,
Committee Secretary

APPROVED BY:

Senator William J. Raggio, Chair

DATE: _____