

**MINUTES OF THE
SENATE COMMITTEE ON GOVERNMENT AFFAIRS**

**Seventy-third Session
March 7, 2005**

The Senate Committee on Government Affairs was called to order by Chair Warren B. Hardy II at 2:10 p.m. on Monday, March 7, 2005, in Room 2149 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 Warren B. Hardy II, Chair
Senator Sandra Tiffany, Vice Chair
Senator William J. Raggio
Senator Dina Titus
Senator Terry Care
Senator John Lee

COMMITTEE MEMBERS ABSENT:

Senator Randolph J. Townsend (Excused)

STAFF MEMBERS PRESENT:

Kim Guinasso, Committee Counsel
Michael Stewart, Committee Policy Analyst
Tonya Cort, Committee Secretary

OTHERS PRESENT:

Carlos Brandenburg, Ph.D., Administrator, Division of Mental Health and Developmental Services, Department of Human Resources
Barbara Jackson, Division of Mental Health and Developmental Services, Department of Human Resources
Joseph Tyler, Division of Mental Health and Developmental Services, Department of Human Resources
Cindy Edwards, Administrator, Buildings and Grounds Division, Department of Administration

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Terry Savage, Director, Chief Information Officer, Department of Information Technology
Daniel J. Klaich, Chief Counsel, University and Community College System of Nevada
Larry Johnson, President, Coalition for Nevada's Wildlife
Daryl E. Capurro, Managing Director, Nevada Motor Transport Association, Incorporated
Kim Huys, Acting Chief Deputy Controller, Office of the State Controller
Gerald A. Lent, Nevada Hunters Association
Joel Blakeslee, Director, Coalition for Nevada's Wildlife
Randal Munn, Special Assistant Attorney General, Office of the Attorney General
Bill Bradley, Board of Wildlife Commissioners

CHAIR HARDY:

We will open the hearing on Senate Bill (S.B.) 131.

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

CARLOS BRANDENBURG, PH.D. (Administrator, Division of Mental Health and Developmental Services, Department of Human Resources):

I am here today to provide testimony on S.B. 131 ([Exhibit C](#)). As you know, Senator Townsend was appointed by President George W. Bush to sit on the President's New Freedom Commission on Mental Health. As a result of the Commission, eight recommendations were brought up; S.B. No. 301 of the 72nd Session was introduced to propose how Nevada was going to implement those recommendations the President's plan had set forth. What you see before you is S.B. 131, which resulted from one of the recommendations that came out of S.B. No. 301 of the 72nd Session. Senator Townsend wanted me to relay to the Committee that this bill goes to the heart of Goal 2 of the President's recommendation. Goal 2 basically says the consumer and family members need to be actively involved in the treatment and in the service delivery program. At the current time, the Commission on Mental Health and Developmental Services has an eight-member Commission that is appointed by the Governor. This Commission provides policy oversight to the Division and consists of members from psychiatry, general medicine, psychiatric nurses, psychology, social work, marriage and family therapy, and mental health and developmental services. We are asking to increase this Commission to include

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either a current or former recipient of mental health services provided by the State. It is extremely important to have a consumer involved in the Commission for the development of policies and programs.

SENATOR RAGGIO:

Presently, under the makeup of the Mental Health Commission, is there a current or former recipient of mental health services who was appointed?

DR. BRANDENBURG:

No sir. The representative, either from the mental health or developmental service professions, is usually a family member or someone who has an explicit interest in either mental health or developmental services. Historically, we have never had an actual consumer on the Commission.

SENATOR RAGGIO:

This bill does have a fiscal note because of adding an additional representative. Can that be accommodated within your proposed budget without having to add something?

DR. BRANDENBURG:

No. I wish I could accommodate that, but what this bill does is provide for the in-state travel, and the per diem is currently only for the eight members.

SENATOR RAGGIO:

We are looking at something like \$6,000 to \$7,000 a year?

DR. BRANDENBURG:

The fiscal note is about \$2,300.

CHAIR HARDY:

The fiscal note I have is \$6,300 for the biennium.

BARBARA JACKSON (Division of Mental Health and Developmental Services,
Department of Human Resources):

I introduce myself as a grandmother, a mother, a great-grandmother, an advocate, a consumer and an employee of the State of Nevada. The reason I am doing that is so you will know and see what your money and contribution have made for the consumers of Nevada. At one time, I was unable to work, and for ten years straight, I did not work. Through self-help programs and the State, I

am now working and have been working for the last several years. I am asking you to put a consumer on the Commission because we have something to contribute. My recovery, which is not over yet and will be with me for the rest of my life, is a combination of things: the monies that come from the Legislature, the program that Dr. Brandenburg administers, and my contributions to see about my health, to see about my exercise, to take an interest in my community and to help someone along with myself. I volunteer in my community; I vote every year; and I take an interest in everything from civil rights to issues for children. I am here to ask that S.B. 131 happens because we contribute to what we need. I can tell you better what I need than someone else can. I have worked as a peer counselor, and I am presently director of drop-in center. I am in constant communication with other mental health consumers. They will tell me what they want before they will tell someone else. You will notice consumers in their communities contributing, and I will guarantee you the budget will go down.

SENATOR LEE:

Senate Bill 131 states "a current or former recipient of mental health services provided by the State" or any agency thereof. I thought that was bland, but when you mentioned you volunteer back to the system, then it made sense to me. Dr. Brandenburg, are we looking for people who are volunteering back into the system to pull from? If so, should we put something like that in the text to give the Governor some guidance, or do you like it the way it is? The volunteering aspect enlightens me with regard to this bill.

DR. BRANDENBURG:

We have no objections to the term "volunteering." What we really wanted as a Commission was to make sure the individual the Governor appointed was a recipient of service, either an active or former recipient. Volunteering stipulates the person would be volunteering, but a lot of our consumers, even though they have been volunteers, may not volunteer. Therefore, you may narrow the pool down. I would like to leave it open enough so if they are volunteering that can be considered, but even if they do not volunteer, they will still be considered.

CHAIR HARDY:

My vice chair, Senator Tiffany, who has lost her voice, requested that I ask, other than an individual's personal experience, do you see any other benefit to this individual serving on the board?

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MS. JACKSON:

Yes, I see the Commission being able to move forward much more quickly and more informatively with the input of a consumer.

JOSEPH TYLER (Division of Mental Health and Developmental Services, Department of Human Resources):

I have been a National Alliance for the Mentally Ill (NAMI) of Northern Nevada representative since 1991, when I attended my first NAMI California State Convention. Consumers of mental services, such as myself, will bring experience, education and know-how to the Commission. I will read from my prepared testimony ([Exhibit D](#)).

CHAIR HARDY:

We will now close the hearing on S.B. 131 and open the hearing on Assembly Bill (A.B.) 29.

ASSEMBLY BILL 29: Revises jurisdiction and duties of Buildings and Grounds Division of Department of Administration. (BDR 27-411)

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

Assembly Bill 29 is basically a housecleaning bill. In the 2001 Legislative Session, A.B. 569 exempted certain professional and occupational boards from the State's financial and administrative provisions. Since these boards are exempt from these provisions, they should also be exempted from the Buildings and Grounds Division assigning them State-owned or leased office space. Our division should only provide services to the executive and administrative officers, departments and agencies within the State budget application.

CHAIR HARDY:

As I understand it, these buildings are largely exempted because of their enterprise nature?

MS. EDWARDS:

That is correct.

CHAIR HARDY:

We will now close the hearing on A.B. 29 and open the hearing on S.B. 130.

SENATE BILL 130: Revises provisions governing organization and duties of Department of Information Technology. (BDR 19-608)

TERRY SAVAGE (Director, Chief Information Officer, Department of Information Technology):

I can propose two short amendments to Senate Bill 130. If you look on page 4, line 14, I propose to reinstate the exemption for the University and Community College System of Nevada, so they would continue to be exempt. I also propose to add an exemption for all the constitutional officers. If you notice in the existing statute, the only constitutional officer exempted is the Controller. As a practical matter, we have been treating all of the constitutional officers as exempt. It is our intent to continue that practice, and we need to have this provision included in the legislation.

CHAIR HARDY:

Okay, that helps just a little bit. Now, could you spend some time speaking to why it is important that those who currently have exemptions no longer have exemptions?

MR. SAVAGE:

I should clarify that I had a conversation at the Governor's Office last week to make sure we were still in sync on this. The plan is, assuming this bill passes, we will grant an executive exemption to all the agencies that are currently exempt. The intent is to change nothing in the short term. What we do want to do, however, is study the underlying economics of providing information technology (IT) services. If, in fact, the Governor determines an agency is not exempt and should be, or vice versa, then the agency would have the opportunity to make those changes in the interest of efficiency. The main point of doing this is to give the Governor the authority to maximize the efficiency of IT production, particularly when you are talking about shared services such as the network, the computer facility and things like that. If you exempt some significant user base, you do not get the economy of scale. If you exempt federally funded agencies, that increases the cost to the General Fund. I have written a paper on that which I can supply if the Committee has interest. The actual problem we are trying to fix is the inability to configure the provision of IT services to maximize the efficiency of providing the service.

CHAIR HARDY:

Is there some incentive for the departments that currently have the option to use to consider those economies of scale? Why are we forcing the issue? It seems to me it would be an independent decision each department head could make if there was that kind of savings.

MR. SAVAGE:

Conceptually, that would be possible. As a practical matter, people, and managers in particular, focus on their own, individual departments as opposed to the State picture. It is possible if you have a shared service that a rational manager can decrease his or her department's cost while at the same time, increasing the cost to the taxpayer. Imagine there is a shared service that ten agencies use, and they pay \$10,000 each. It is a high fixed cost, and there is not a lot of variable cost. If somebody pulls out, the cost of providing that service to the remaining nine does not change very much. Those are the kinds of services that really make sense to centralize, such as infrastructure. The kinds of things that make sense to decentralize are hourly billable services such as programmers and personal computer technicians for whom, if you do not need the individual, the fixed cost is small.

CHAIR HARDY:

One of things I have not gone back and researched is the thought process behind allowing these individual groups to have the option to opt out. There are reasons these services were declined that transcend cost. The one that comes to mind for me is the Department of Wildlife and the wildlife hunting tag draw. That is something I am very familiar with, how that Department went through the growing pains and everything that has occurred there within the last few years. We have gone beyond those issues and concerns, and I would hate to see that undone. I can tell you right now I will not vote to undo it. We need to be sensitive to that.

MR. SAVAGE:

I am not actually familiar with the wildlife-particular circumstance. All of those exemptions were in place long before we became involved.

CHAIR HARDY:

My suspicion is, if you hang out with us long enough, you will become familiar.

MR. SAVAGE:

I should clarify, the intent is not to necessarily ever remove the exemptions, and certainly not immediately. The primary intent is to shift what determines who is exempt from a statutory determination to an executive determination by the Governor.

CHAIR HARDY:

That is a better understanding and I think there is some wisdom in it, but we have some significant things to overcome.

SENATOR TIFFANY:

There are a lot of other provisions in S.B. 130 that caught my attention. One is the bill states the director shall establish his own organization, and when that is done, he will appoint a deputy director. Why would we want to change the way the budget works right now? Why would we want to take that power out of legislative authority and give it to you when nobody else has that power?

MR. SAVAGE:

Let me clarify. The changes we are proposing will not impact the budgetary process at all. The budgetary controls would remain as they are, and whatever budget you end up passing, we will have to live within those constraints. This would strictly deal with management reporting and not with finances.

SENATOR TIFFANY:

If you wanted to change from having what we approve of, say, ten programmers, six developers, three database designers and seven networkers, and they all have a certain amount of money with each position, or do you want to be able to internally mix up any of those job responsibilities that you want?

MR. SAVAGE:

Believe me, Senator, that was not my intent, and I do not believe the change does that. The money you budget would still be the same.

SENATOR TIFFANY:

I am talking about the job positions. You want to be able to change those job positions from what we at the Legislature allocate.

MR. SAVAGE:

No, madam, that is not my intent. What I want to be able to do is move the units you approve to a different reporting structure, not to change what the individual people do, not to change any budget money from one account to another and not to change any programs that are approved. None of that is intended, and I do not believe the language we are proposing would do that.

SENATOR TIFFANY:

Well, it looks like it to me. I remember the last time in the budget some of the positions were cost-allocated and some of them were not. Your budget is very complicated, and this just takes authority out of the Legislature's hands and puts it in yours, which I am not really comfortable with. Number 2, the bill says that, as the director, State officers or agencies can come to you and say they would like to withdraw from using state IT services or equipment, and the next approval would have been the Legislature or the Interim Finance Committee. Again, you want to take the Legislature out and put the Governor in, to give that authority for withdrawal.

MR. SAVAGE:

Yes, madam, that is correct. I believe, and the Governor does as well, that should be an executive decision.

SENATOR TIFFANY:

There would be another removal of the Legislature's oversight in your Department.

MR. SAVAGE:

I do not concur there was in the first case, but in this case there would be.

SENATOR TIFFANY:

That is No. 2. The other one looks like you want to get even more involved with projects requiring cost allocation which used to be \$50,000, and now you want to reduce it to \$10,000. You are throwing a net over a much broader audience. Is that correct?

MR. SAVAGE:

Yes, that is correct. The intent is not to impose a lot of bureaucracy or delay. We do not have a good handle on the large number of smaller IT projects that go on in this State. We do not even know what half of them are, and

sometimes they end up overrunning substantially because they do not have any qualified project oversight. At this point, we have a good handle on projects that are \$500,000 or more, but we do not have a good handle on the smaller ones.

SENATOR TIFFANY:

Do you think bringing them into your net gives some kind of guarantee?

MR. SAVAGE:

Not a guarantee, but it significantly improves the odds.

SENATOR TIFFANY:

It sounds like you want that because you would be more comfortable knowing where those projects are.

MR. SAVAGE:

The Department of Administration concurs with this, as well. Yes, I certainly would.

SENATOR TIFFANY:

Well, \$10,000 is not very much money for anything anymore, and that is an awful broad net.

MR. SAVAGE:

Yes, it is. To clarify, what we have done with the planning group and what this means is they would have to submit what we are calling Technology Investment Requests. We have three versions of that form depending on the size of the project. The version for the small projects is comparatively minor, as it does not ask for much information. The large ones are fairly substantial, as they should be.

SENATOR TIFFANY:

If I remember correctly, in the last budget the planners did not have enough work to do for the bodies you had. You were out looking for ways for the planners to do something. Would this be the same kind of thing with those people working on the \$10,000 projects?

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MR. SAVAGE:

Actually, the planners have never been short of work and we have a problem where we cannot get to agencies as often as we would like because of the scarcity in that area.

SENATOR TIFFANY:

That was not my memory.

SENATOR RAGGIO:

Mr. Savage, I wanted to be sure I fully understand your initial clarification as to the request on this bill. Look at section 4, subsection 2, pages 3 and 4; you are saying you are proposing to amend this bill. What part of subsection 2 do you want to leave in? What does your suggestion change with respect to subsection 2?

MR. SAVAGE:

On page 4, line 1, the Court Administrator is retained, and line 10 shows the Legislative Counsel Bureau retains an exemption, as well. My proposal to amend the bill would be on line 14, to essentially restore the exemption for the University System.

SENATOR RAGGIO:

When you say exemption, it really allows the system the opportunity to request service. Would your proposal leave in all the others that are presently exempt?

MR. SAVAGE:

Yes, sir. With the addition to restoring the exemption for the University System, I would also propose an exemption for all of the State constitutional officers.

SENATOR RAGGIO:

Is that subsection 3?

MR. SAVAGE:

That is page 4, line 11. The State Controller was previously exempt; what I am proposing is to expand that exemption, not just for the Controller, but for all of the constitutional officers.

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SENATOR RAGGIO:

Well, look at subsection 3. Are you saying that should be changed to read all State-elected officers are so-called exempt?

MR. SAVAGE:

Yes, sir. All elected State officers would be exempt and not just the State Controller.

SENATOR RAGGIO:

What about the language stricken in subsection 3, does that stay there?

MR. SAVAGE:

Yes, sir.

SENATOR RAGGIO:

If I read that right, if the director denies the application, then the agency or officer must obtain legislative approval. Is that right?

MR. SAVAGE:

Yes, sir.

SENATOR RAGGIO:

Are you saying the proposal is to remove the approval from the legislative concept or power and change it to the Governor's approval, whether or not the Legislature is in session?

MR. SAVAGE:

Yes. This is consistent with the belief I have, and the Governor shares, that these kinds of operational decisions should be made as executive decisions.

SENATOR CARE:

Let me go to a section of S.B. 130 that we have not discussed yet, and that is section 14, subsection 3. This is the one that would sunset what is section 40, chapter 402 of the *Statutes of Nevada 2003*. What would be the effect of that? We now receive on our bills a capsule of what each one of these proposals would do. The way it is described to us is to classify as confidential certain records of the Department relating to Homeland Security, and this would make that permanent, is that correct?

MR. SAVAGE:

Yes, that is exactly the intent.

SENATOR CARE:

I do not know if people make a distinction anymore between Homeland Security and security. It has become a fairly handy vehicle for making a lot of things secret. In fact, there will be a number of bills this Session that will deal with so-called homeland security. The language here troubles me. Is there a provision in existing law that if something is designated by the Department as confidential due to Homeland Security, after a certain number of years, it is released to the public as to what that information was? Or could we get a brief description of what is confidential, so the public at least has some idea of the information we are talking about?

MR. SAVAGE:

Yes. It was actually an amendment you had proposed two years ago. It was a bill that said we had to provide the Legislature, on an annual basis, a list of the documents that are confidential. We are required to maintain that list and update all of you every year as to what is being classified as confidential.

SENATOR CARE:

How is the determination made as to whether or not something should be classified as confidential?

MR. SAVAGE:

At this point, I have the authority to do that. My guideline is if this got into the hands of a bad guy, could they damage the State and the State's data? We are the custodians of a lot of sensitive citizen information. For example, you do not want network diagrams with Internet protocol addresses on them floating around, as it makes hacking that much easier. You do not want the detailed security plan for the computer facility to be made available to the public. It is something that has to do with the security of the system, and it is not so much the exact content of the data.

CHAIR HARDY:

The Committee has a pretty clear indication of what the bill attempts to do. I doubt if we would be able to process this bill today, so we invite you to stick around and listen to the concerns. Please have those come forward who wish to testify in opposition to this bill.

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

I would like the Committee to consider the language at page 3, lines 15 and 16, of S.B. 130, which appears to include within the policy and regulatory authority of the bill. The language stricken from that page should also be restored.

CHAIR HARDY:

I understood Mr. Savage's testimony to be that all references to the University and Community College System of Nevada would be deleted. Let the record reflect that Mr. Savage is nodding in agreement.

LARRY JOHNSON (President, Coalition for Nevada's Wildlife):

We wish to express our opposition to S.B. 130. It is our understanding this bill would remove the exemption of the Department of Wildlife that presently allows the use of outside contractors for items such as the Big Game Tag Draw, presently performed by Systems Consultants (SCI). Prior to contracting with SCI about a decade ago, the drawing was performed by the State. The system was full of inefficiencies, errors and the subject of internal-audit-correction suggestions. The system was also mistrusted by sportsmen statewide whether that mistrust was real or perceived. Systems Consultants received the contract by competitive proposal. Since the system was contracted out to SCI, the drawing has operated near flawlessly and has greatly restored the sportsmen's confidence. We need the ability to perpetuate this efficiency and cost-effectiveness. We understand the exemption could be granted by either the director of the Department of Information Technology or the Governor. We would greatly prefer the existing exemption and statute remain, but we have no guarantee this exemption would be granted by future administrations. Since the Department of Wildlife is user-funded, and the budget is under increasing pressure, we need the utmost level of efficiency and cost-effectiveness that can only be provided in the private sector. Systems Consultants wrote and perfected the tag-drawing system now sought after by other states; SCI knew the Department's and the sportsmen's needs and concerns from a decade of involvement and scrutiny. This cannot be duplicated at the state level. We therefore oppose this bill and urge the Committee to do so likewise.

DARYL E. CAPURRO (Managing Director, Nevada Motor Transport Association, Incorporated):

I am wearing a split hat today. With respect to the Department of Wildlife, I am here representing myself and also as a former member of the tag application

committee of the Board of Wildlife Commissioners. I am also here to represent two other agencies being removed from the exemption list, the Department of Motor Vehicles and the Department of Transportation, as the Chief of the Nevada Motor Transport Association, a trade association representing the trucking industry operating in and throughout the State of Nevada. Mr. Chair, you made a point that was not lost on anybody, that agencies have asked to be exempted or have been exempted in the past because they have specialized programs or missions that are better served by using private contractors. The Department of Motor Vehicles had Genesis, the program for licensing motor vehicles. Although there were some rough spots in the beginning with Genesis, I am convinced those have been ironed out. That is an outside program. Also, the International Registration Plan, Incorporated, and the International Field Tax Agreement are two national compacts mandated by Congress. This bill would throw those two programs back to the State to conduct. I do not wish to disparage any agency, but I go back to the fact that agencies go outside of the State because they have a need for some specialized experts in the field in which they are working.

I was part of the tag draw system at the onset of privatization, and following that Session, I was named by the Governor to the tag application committee. This committee was set up by the Board of Wildlife Commissioners to study and implement the tag application and allocation system. We studied this for some time, and in that process, the outfit SCI which was mentioned earlier, was the first and only contractor for this program. Systems Consultants actually put limits on themselves to the point they would not allow any of their employees to apply for tags. One of the issues that came about and why we went to privatization, was the loss of confidence on the part of hunters and sportsmen throughout the State because of various conditions that Mr. Johnson had mentioned. That system now has the confidence of hunters and sportsmen statewide. I would hate to see that disrupted; I do not understand why this bill would be passed if everyone on this list who currently has an exemption would be issued an executive exemption. The exemptions are in place, and they are there for a reason.

KIM HUYS (Acting Chief Deputy Controller, Office of the State Controller):

Mr. Savage's proposed amendment to restore the exemption to the constitutional officers would serve our needs and alleviate our concerns, or we can remove the proposed elimination of our exemption. Either way, this will work for us.

GERALD A. LENT (Nevada Hunters Association):

I am in opposition to this bill only because the Nevada Department of Wildlife (NDOW) is being removed from the exemption. My comments are only addressing the NDOW exemption removal. Currently, with NDOW, we have a shining example of the first successful model of privatization within the State of Nevada with its game draw system. It is 100-percent user money and not taxpayer money being used. The sportsmen pay for the game draw system, put up all the dollars for this draw and feel they have some say in how their money is spent. I do not know of any user group that is opposed to the current process. The true test is the history; this program started in 1993, and for 13 years it has been a success. Why would we want to change something so successful? It is such a good program that other states, such as Utah, have bought this system. This system has generated a lot of revenue for the Department of Wildlife and is a good income source for them. I, like Mr. Capurro, was appointed to the tag draw committee ten years ago. Keep NDOW exempt from this bill. We are very proud the Legislature did this, and it is a shining example of privatization for Nevada.

JOEL BLAKESLEE (Director, Coalition for Nevada's Wildlife):

I represent the Washoe County Wildlife Advisory Board; I have been on the board for six years and chaired the committee. During that period of time, I sat in on many commission meetings where Systems Consultants gave us presentations and offered a perspective to our particular concern that would not be available from the State agency. We want to stay with the competitive situation, we are happy with it and it is not broken.

CHAIR HARDY:

I will have the Legislative Counsel Bureau look into whether or not I should disclose that in the past I was a paid advocate for the Coalition for Nevada's Wildlife. We did work on this issue, and out of an abundance of caution, I would like to disclose that for the record. It has been about ten years since I received any pay for doing that, but it was a group I did work with, and I am seeing all of my old friends here today.

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

On behalf of the Attorney General, Brian Sandoval, I would like to extend my thanks to Mr. Savage for agreeing to the amendment. I underscore the need that we expressly be provided in the exemptions. For reasons I do not

understand in the history of this bill, we have been outside of the current statute, NRS 242.131, and our exemption has been basically verbal by the Department of Information Technology or the Governor. It would be important for the future that we be expressly included and we support that wholeheartedly, as explained by the Attorney General's written testimony ([Exhibit E](#)).

BILL BRADLEY (Board of Wildlife Commissioners):

The issue here today is should the exemption remain in the statute or should our agency, the Department of Wildlife, have to go through an additional hoop or two? We hope the Committee sees fit to give us the same exemption that a couple of the State agencies have asked for and received. Without knowing what is required in terms of an exemption, I appreciate Mr. Savage saying anyone currently listed on the statute will automatically get an exemption. I have to be candid and say that in the ten years I have been involved in state government, I have never seen anything automatically happen. It generally takes complying with regulations and paperwork, and automatic just does not work well. An additional advantage of SCI is they have developed a draw, and we were the first ones to utilize their services. As they have refined the draw and made it better and better, other states have adopted certain items. When they adopt an item that looks good to Nevada, we are given that feature without cost. I doubt we would ever be able to get that back from any other entity. For the reasons already stated, as well as the need for this small agency to operate as efficiently as it can, because of the current budget crisis and manpower shortages we have, we ask that we would remain as an exemption and not have to jump through the additional hoops to get the exemption.

CHAIR HARDY:

Anyone else wishing to testify either for or against S.B. 130? Mr. Savage, is there anything else you wanted to add before we close the hearing on this bill?

MR. SAVAGE:

I would not change a line of code in the tag system, and I would have no problem with SCI continuing to run it. In fact, we very commonly advise agencies to use outside consultants. The direction that our Department is going is away from that kind of work; we are not trying to bring extra work into the Department, and that is reflected in our budget. I do not expect to do a large software development project in this State again, as this is not cost-effective. It makes more sense to have private industry do it or buy a product that is already

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developed. I think we do have the same objectives. Our Department is shrinking, per our request, in this budget cycle. We are moving toward infrastructure, as we want to do the big things with our economies of scale and make sure things are done right. If contractors can do it right, I am just as happy to have them do it.

CHAIR HARDY:

We will close the hearing on S.B. 130.

SENATOR RAGGIO:

It did appear there was not any opposition to S.B. 131. Since this bill has to be referred to Finance, shall we vote on this bill now?

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

SENATOR RAGGIO MOVED TO DO PASS AND RE-REFER S.B. 131 TO THE SENATE COMMITTEE ON FINANCE.

SENATOR TIFFANY SECONDED THE MOTION.

THE MOTION CARRIED. (SENATORS TITUS, CARE AND TOWNSEND WERE ABSENT FOR THE VOTE.)

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CHAIR HARDY:

There being no other issues before us today, the Committee meeting is adjourned at 3:10 p.m.

RESPECTFULLY SUBMITTED:

Tonya Cort,
Committee Secretary

APPROVED BY:

Senator Warren B. Hardy II, Chair

DATE: _____