

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

**Seventy-Fourth Session  
March 26, 2007**

The Committee on Ways and Means was called to order by Chair Morse Arberry Jr. at 8:12 a.m., on Monday, March 26, 2007, in Room 3137 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. Copies of the minutes, including the Agenda ([Exhibit A](#)), the Attendance Roster ([Exhibit B](#)), and other substantive exhibits are available and on file in the Research Library of the Legislative Counsel Bureau and on the Nevada Legislature's website at [www.leg.state.nv.us/74th/committees/](http://www.leg.state.nv.us/74th/committees/). In addition, copies of the audio record may be purchased through the Legislative Counsel Bureau's Publications Office (email: [publications@lcb.state.nv.us](mailto:publications@lcb.state.nv.us); telephone: 775-684-6835).

**COMMITTEE MEMBERS PRESENT:**

Assemblyman Morse Arberry Jr., Chairman  
Assemblywoman Sheila Leslie  
Assemblywoman Barbara E. Buckley  
Assemblyman Mo Denis  
Assemblywoman Heidi S. Gansert  
Assemblyman Tom Grady  
Assemblyman Joseph P. (Joe) Hardy  
Assemblyman Joseph Hogan  
Assemblywoman Ellen Koivisto  
Assemblyman John W. Marvel  
Assemblywoman Kathy McClain  
Assemblyman David R. Parks  
Assemblywoman Debbie Smith  
Assemblywoman Valerie E. Weber

**GUEST LEGISLATORS PRESENT:**

Assemblywoman Bonnie Parnell, Carson City Assembly District No. 40

**STAFF MEMBERS PRESENT:**

Mark W. Stevens, Assembly Fiscal Analyst  
Steve Abba, Principal Deputy Fiscal Analyst  
Todd Myler, Committee Secretary  
Patricia Adams, Committee Assistant

Chairman Morse Arberry, Jr. opened the hearing on Assembly Bill (A.B.) 162 and recognized Assemblywoman Kathy McClain.

**Assembly Bill 162: Provides for the establishment of and the transfer of certain abandoned property to the Nevada Veterans' Museum. (BDR 33-775)**

Assemblywoman Kathy McClain, Clark County Assembly District No. 15, reminded the Committee that its members had co-sponsored this bill to establish the Nevada Veterans' Museum through the Division of Museums and History of the Department of Cultural Affairs. There had been some other privately funded



veterans' museums, at least one of which did not work out favorably. Therefore, there were a number of historical artifacts that needed to be moved into a permanent facility. It was Ms. McClain's original intention to create the bill and fund this museum through fundraisers and donations and then to find a location for the museum; however, the Division of Museums and History approached her with the idea of placing the museum in an existing facility that would soon be vacated at Lorenzi Park in Las Vegas. Part of the lease contract for this particular building required that the Division retain it as a museum. The Division was more than willing to allow for this museum to move into this building; however, this created a fiscal impact to the State's budget, so Ms. McClain introduced this bill to obtain funding. She then introduced Tim Tetz, Executive Director of the Nevada Office of Veterans Services.

Mr. Tetz read the following statement:

My name is Tim Tetz. I am the Executive Director of the Nevada Office of Veteran Services. I am here testifying to you today in favor of Assembly Bill 162. As a legislative body, you have been faced with many challenges and opportunities this session. Prioritizing funding and direction in education, transportation, and state healthcare are but a few of the issues vying for your attention. However, you will have no better opportunity to preserve the past, document the present, and change the future than through passage of this bill.

I am not naïve enough to disregard the economic realities this session has forced upon us. But when our neighboring states fund free-standing veterans' museums with millions or even hundreds of millions of dollars, Nevada's contribution towards recognizing the history and heritage of our military seems almost trivial in comparison. And yet the contribution of Nevadans is anything but trivial. It is part of our state heritage, the Battle Born State. When the Commander in Chief calls America's young men and women to defend our soil, Nevadans heed that call. Over 300,000 have returned and call Nevada home. Yet there is no recognition of their service, their achievements, or their sacrifices. There is nothing to document and honor those who answered duty's call. Nevada needs a veterans' museum.

To educate children today, teachers are challenged to personalize the experience, encapsulate the history and story in 30 second sound bites and images that will forever remain within students' minds. Annandale High School government teacher Greg Commons realized this when creating a presentation for his students about civic duty and the impact on the attacks of September 11th. For 90 minutes [each year], the students step away from learning about the legislative branch and government spending. Using computer graphics, photographs, and grainy black and white images taken by a Predator drone [in] Afghanistan, Mr. Commons teaches the importance of service, civic involvement, and personalizes the war on terror in a way students truly understand. Most importantly, Mr. Commons puts a [true] face to this war.

America's spirit, freedoms, and traditions are a product of our history, our people, and our stories. Museums may have once been the dusty houses of times forgotten, but they are now

becoming the factories of the future. Museum curators have become adept at presenting our history in a way no book, website, or teacher can fully achieve. The goal of a Nevada veterans' museum should be to create a historically accurate resource for students, educators, and the general public. It should present warfare in numbing realism so that those who come after will learn from, honor and remember the sacrifices made by those who came before. It should put a face to every war.

Today, there are only six American veterans alive who witnessed the battles of World War I. In a few months, no one will be alive who experienced the "War to End All Wars." Approximately 1,800 veterans, predominantly World War II and Korea era veterans die each day. They take their stories, their legacies—our history—with them, leaving future generations without valuable knowledge into the very reasons we live in a free society. What is a child to do when they discover a box in the back of a closet containing the memories of their deceased father? Maybe they try and give it to our office or the Nevada State Veterans Home. Perhaps they'll call the Nevada State Museum or one of the other private displays here in Nevada hoping to find a home. More often than not, they'll be told there is little room to store or display these items, and eventually, they may be thrown out. Nevada needs a veterans' museum.

American philosopher George Santayana stated, "Those who do not remember the past are condemned to repeat it." This quote was thrown at me by more than one teacher over the years challenging me to study and understand history. Only later did I learn Santayana's further belief, "History is a pack of lies about events that never happened told by people who weren't there." Our veterans, their stories and possessions are the product of personal experiences. Their inclusion in a State Veterans Museum would be a fitting essay on the history of the Battle-Born state, our country, and our freedoms. Nevada must establish a veterans' museum.

At Annandale High School, Mr. Commons takes the sage wisdom of Santayana and understands the importance of a modern presentation of the events and history since September 11th. He seeks to put a face to this war, a face similar to that of his school students that they will never forget. For the face of this war is a face [Mr. Commons will] never forget. It is the face of PFC Matthew Commons, his son, a graduate of Boulder City High School who died while trying to rescue a Navy Seal in Afghanistan. The photos are those of his son entering basic training, sitting atop a Humvee, Al Qaeda bunkers, and those from PFC Commons' funeral. The grainy Predator video is the last images of a young Nevadan as he comes off a helicopter. A blurry image of two soldiers shot down as they stepped off the Chinook, their bodies falling into the snow.

These are the images of the present, past and future, for history is a product of the present, past and future. Nevada needs a veterans' museum for this history. On behalf of the Office of Veteran Services, the Veterans Service Organizations and all of Nevada's veterans and advocates, I urge you to support

Assembly Bill 162 to preserve the legacy of PFC Matthew Commons, the veterans here today, and every veteran of the Battle Born state.

Assemblyman Mo Denis asked whether volunteers would be used to staff the museum and also asked about other staffing needs.

Ms. McClain deferred to Mr. Michael E. Fischer, Director of the Department of Cultural Affairs (DCA).

Mr. Fischer said that Nevada's museums used volunteers, but that some paid staff was also needed.

Mr. Denis noted his familiarity with the Railroad Museum in Boulder City where volunteers were used and wondered whether the proposed Veterans Museum would function similarly to that operation.

Mr. Fischer deferred to DCA's Administrative Services Officer 4 and Deputy Director, Mr. Scott K. Sisco.

Mr. Sisco noted that the fiscal note attached to A.B. 162 explained the need for three full-time employees including a curator that would begin employment before the opening of the museum. This was to allow for collection of, preservation of, and care for the artifacts to be displayed. One museum attendant was also needed that would coordinate the activities of museum volunteers. Additionally, one custodial position was also listed in the fiscal note.

Mr. Denis then asked what the initial hours of operation of the museum were planned to be.

Mr. Sisco stated the cost estimates were based on 48 weekly hours of operation, assuming the museum would be open Monday through Saturday.

Chairman Arberry asked for more detail concerning the fiscal note and whether the costs associated with the square footage would be a one-shot appropriation or whether the costs would be ongoing.

Mr. Sisco explained that the costs in the fiscal note dealt with the existing Building that was being vacated at Lorenzi Park and referred to a handout with the building's floor plan ([Exhibit C](#)). He also said that the costs for the three employees were also included in the fiscal note. The fiscal note also contained one-time costs of approximately \$675,000 for the handling and design of the museum exhibits. He reminded the Committee of prior budget hearings when DCA was criticized for declining attendance in the State's museums. Mr. Sisco attributed the decline in attendance to a lack of funding for updating old exhibits, for creating new ones, and for sufficient marketing.

Mr. Fischer then gave more explanation of how A.B. 162 could be successfully implemented. He said the State already had seven museums with insufficient marketing funds and also insufficient funding for maintenance and creation of exhibits. However, the timing of certain events opened an opportunity for the creation of a Veterans Museum that could be developed well, yet at the same time inexpensively. He also reminded the Committee that the Nevada State Museum at the Lorenzi Park location would soon be moved to the Las Vegas Springs location. This opened up portions of the Lorenzi Park facility, which would allow DCA to maintain a presence in southern Nevada, which had never

happened before. Mr. Fischer maintained that this would provide the citizens of southern Nevada the services they deserved by using a portion of the building for State Historic Preservation, the Arts Council, Talking Books, etc. However, one of the requirements of the lease from the City of Las Vegas was that a museum needed to remain at the property. He said this was an opportunity to honor Nevada's veterans. He then pointed the Committee's attention to the previously mentioned floor plan that showed the space that would be used for museum exhibits.

Mr. Fischer said that, should a veterans museum be approved for this location, it was important that the museum be done with professionalism and dignity for the "heroes that have served our country." He thought it was necessary for the museum to be well done and sufficiently funded because it would not be a museum that was focused on military equipment, such as Sherman Tanks or P-38s [fighter planes from WWII]. The focus of the museum would be on the people who served and what happened to them. Mr. Fischer further explained that artifacts and stories would be sought through donations. He believed that much of the information made available at the museum would be oral history and video presentations.

Mr. Fischer said the proposed staffing of three positions for the museum was small for the amount of space and for what was planned. He also acknowledged the exhibit and marketing costs associated with this museum. He said that even the Smithsonian in Washington, D.C. had experienced lower attendance recently. The DCA intended to market the museum sufficiently to assure good attendance. He said that DCA had requested marketing funds in its overall budget request for all of Nevada's museums for the first time.

Mr. Fischer said the stories of Nevada's veterans needed to be told. We as a people enjoyed our current freedom because of the service of veterans and that veterans should be honored for that service. He assured the Committee that DCA would work diligently to make sure veterans were honored with dignity.

Chairman Arberry noted that it had already been proposed to move the State Museum and the Historical Society to the Las Vegas Springs location. Since this was going to happen anyway, he asked what DCA planned to do with the Lorenzi Park building if the bill was not approved.

Mr. Fischer said there was a plan to develop a museum regarding the history of Las Vegas and southern Nevada at the building if the bill was not approved. Some of the existing materials in the State Museum would be used for this purpose. The DCA had made plans to move ahead with the history of Las Vegas museum; however, he recognized the opportunity to honor the veterans. He said that if it were converted into a history of Las Vegas museum, it would be highlighting some things already addressed by other museums. He noted that the building was important for DCA and that, if no museum were located there, it would be surrendered back to the City of Las Vegas.

Assemblyman Marvel asked whether there was going to be much opposition to this museum going into the Lorenzi Park location. He noted that one of the drawbacks to the location was that it was difficult to find.

Mr. Fischer said he believed that the area close to the museum was safe, but also acknowledged that there had been some crime issues in Lorenzi Park away from the museum building. He said that a museum would attract visitors to the property. Mr. Fischer explained that veterans' museums typically attracted visitors because people had interest in veterans. Because of this interest and

the money included in the fiscal note for marketing, he said the museum should be well attended.

Assemblyman Hardy asked whether discussions had been held regarding the veterans' home, the veterans' cemetery, the Matt Cummins Drive, the Veterans' Memorial Park, and the Railroad Museum. He was interested to know whether options for using empty rail cars at that location and also existing staff were considered. He thought this could draw more visitors to those attractions in Boulder City, and also thought this might be a location to consider for a veterans' museum because veterans were already drawn there.

Mr. Fischer said that discussion had taken place regarding the Boulder City location. Unfortunately, the only attraction being operated was the train ride at the Railroad Museum and there was no available space there for veterans' exhibits. All options cost money, but the proposed location at Lorenzi Park provided the best option for honoring the veterans. However, he mentioned that DCA was willing to do whatever was possible to improve all the state's museums.

Dr. Hardy mentioned that all the empty railroad cars at the existing Railroad museum could be a possible use for veterans' exhibits because the railroads had a significant role in the wars that would be discussed in the exhibits. Dr. Hardy stated he was curious about the discussion that took place regarding this location in Boulder City.

Mr. Fischer said there would be notable difficulty in making the railroad cars compliant with the Americans with Disabilities Act. He said it was not impossible to make the necessary upgrades for this purpose, but that it would be expensive to do so.

Mr. Denis asked whether there was already a custodial position assigned to the proposed building at Lorenzi Park.

Mr. Sisco said the only existing position that would remain at the Lorenzi Park building was a maintenance specialist. This was because there would be very few visitors to the building when the State Museum vacated the premises, which would only need to be cleaned about once a week. Once the veterans' museum opened, however, the number of visitors would require more custodial care.

Assemblywoman Smith asked whether there were federal funds available for such a museum.

Ms. McClain said this option had not yet been pursued because there had not been sufficient time from when the idea was conceived to when the option of placing the museum at the Lorenzi Park location became available. Ms. McClain made the assumption that there were federal funds available because Congresswoman Shelley Berkley from Las Vegas had already supported another veterans' museum, which was currently closed. Ms. McClain believed that the individuals involved with that museum might be willing to help with this new proposed museum. She said various veterans' organizations would help with the accumulation of artifacts, which was going to take time. It was unknown what had happened to many of the materials that had been collected.

Ms. McClain explained that using the Lorenzi Park location was a good place to start this museum, but was not necessarily the permanent home for this operation, especially as more material was found for display. She thought that

the museum had the potential of needing a new structure built at some future point, but appreciated the efforts of DCA in providing a location for this museum to begin.

Chairman Arberry asked whether there were any individuals who wished to speak for or against A.B. 162. With no response, he declared the hearing on this bill closed and opened the hearing on A.B. 189.

**Assembly Bill 189: Makes an appropriation to fund positions within the Nevada System of Higher Education concerned with reducing risks from natural hazards. (BDR S-943)**

Chairman Arberry recognized Mr. James V. Taranik, Director of the Mackay School of Earth Sciences and Engineering at the University of Nevada, Reno.

Mr. Taranik read the following testimony ([Exhibit D](#)):

I am testifying at the request of Assemblyman Anderson, who serves on the Nevada Earthquake Safety Council.

Thank for this opportunity to testify on Assembly Bill 189, which will enable Nevada to reduce our risks from natural hazards. I am joined here today by representatives from the Nevada Bureau of Mines and Geology, the Nevada Seismological Laboratory and the Nevada State Climate Office, all [of these organizations are] within Mackay. It is our collective belief that this coordinated program will reduce Nevada's risks from earthquakes, floods, drought, and wildfires, and it will improve emergency response to save lives and property, and ultimately, it will foster Nevada's continued economic development.

A.B. 189 mirrors the budget enhancement request approved by the Board of Regents of the Nevada System of Higher Education. However, none of the System's enhancements were included in the Governor's recommendation to the Nevada Legislature.

The funding under A.B. 189 allows new and innovative technology to be employed to better study the effects of earthquakes on Nevada's buildings, and it enables the development of improved designs for new earthquake resistant buildings. Under A.B. 189, Nevada will be able to better understand and predict major floods, droughts and the potential for wildfires. This program accelerates the development of early warning systems for first responders, and the public at large, to these natural catastrophic events in our State.

Nevada is second among the lower 48 states in the frequency of earthquakes, only behind California. Estimates of losses from large magnitude earthquakes in Nevada are \$17.7 billion and \$7.6 billion for Las Vegas and Reno respectively. In the Reno-Carson City corridor, there is a 50 percent chance of a magnitude 6.5 earthquake occurring in the next 50 years. Nevada experienced magnitude 7 or greater earthquakes about once every 30 years.

The budget enhancement approved by the Board of Regents requests \$539,887 in FY 2008 and \$575,000 per year in future years. It will fund new positions that will utilize [space-age]

technology for assessing the build up of earthquake strain in Nevada and the Great Basin. It will promote the use of home and classroom computer seismic stations for analysis of the effects of small earthquakes. It will facilitate the location of active faults that threaten businesses, homes, and public buildings. A.B. 189 will enable Nevada to better understand the environmental effects of global climate change on local weather trends and events by linking our weather stations to our earthquake telemetry system. Finally, passage of A.B. 189 will enable this natural hazards program to rapidly disseminate critical information needed for statewide emergency disaster planning and response in Nevada.

A.B. 189 will provide the continuity and stability for Mackay's statewide programs in the light of [possible] cutbacks in Federal funding for seismic studies in southern Nevada.

He added that there might be a 50 percent cutback in federal funding coming in the future. He then continued with the prepared statement:

[A.B. 189] will enhance resources available to the Nevada State Climate Office. Much of the seismic network in southern Nevada is funded under DOE's Yucca Mountain program and large cuts in that program could affect both the study of the buildup of earthquake strain and the determination of earthquake risk in southern Nevada. The Nevada State Climate Office is currently funded for one half-time employee for nine months and has an operating budget of a few hundred dollars. A.B. 189 would provide for year-round climate and weather monitoring to understand the effects of regional climate changes that promote catastrophic flood, drought, and wildfire events. It would also allow the Climate Office to expand its weather station network for more statewide coverage. A.B. 189 will create an integrated team that will efficiently share resources to address natural hazards in Nevada. Over the years, every dollar the people of Nevada have invested in these statewide programs has been multiplied four to six times by the amount of external funding [that they have been able to] secure for their programs.

Attached to this testimony are two tables, one that summarizes the expected losses from earthquakes and one that compares earthquake hazards in Nevada communities with other cities in the western United States.

Mr. Taranik ended his prepared statement and pointed out to the Committee that contact information for various individuals was listed in his submitted testimony.

Chairman Arberry asked Mr. Taranik to provide to Committee staff a cost breakdown of the \$539,887 requested for FY 2008 and also the same for the \$575,000 in future years.

Mr. Taranik said it would be provided.

Chairman Arberry asked whether there were any individuals present who wished to speak for or against A.B. 189. With no response, he closed the hearing on A.B. 189 and opened the hearing on A.B. 229, recognizing Assemblywoman Bonnie Parnell, Carson City Assembly District No. 40.



**Assembly Bill 229: Requires the development and implementation of a pilot program for mentor teachers. (BDR S-423)**

Ms. Parnell stated she was presenting A.B. 229 at the request of Senator William Raggio, Chairman of the Legislative Committee on Education. The proposal originated as a Bill Draft Request (BDR) from that committee after it was learned that some school districts were pooling operating funds and some grant programs to support mentoring programs. She stated that having mentoring for teachers had been an issue for multiple legislative sessions. For that reason, the Education Committee requested a BDR to establish a pilot program that would provide state funding and require a common framework for mentoring in every school district. Ms. Parnell said the framework would be flexible enough to be adapted to the needs of individual school districts. She stated that mentoring induction programs were not new concepts to the Nevada Legislature. These programs had received bipartisan and bicameral support over the years. In fact, every legislative session since 1999 had seen legislation approved regarding the mentoring of teachers.

Ms. Parnell explained that in preparing for the BDR, the Legislative Committee on Education asked Dr. Keith Rheault, Superintendent of Public Instruction, to convene representatives from school districts to design an induction and mentoring program. Assembly Bill 229 contained the components recommended by the Department of Education and the school district representatives.

Ms. Parnell said that school districts participating in the pilot program must:

- Establish a steering committee to oversee the implementation.
- Prescribe the criteria for a program of induction for new teachers.
- Prescribe the criteria for selection of teachers to serve as mentors and determine the training they must receive.
- Include estimates of costs involved.
- Set out guidelines for evaluation.

Ms. Parnell stated that A.B. 229 proposed to establish a statewide pilot project for the purpose of identifying problems and of estimating costs. Based on the required evaluation, the participating school districts and the Department of Education would make recommendations to the 75th Legislative Session for continuation of the pilot or for additional funding.

In closing, Ms. Parnell mentioned that mentoring and induction programs were intended to help beginning teachers to increase their confidence and effectiveness with the hope of stemming the high level of attrition among new teachers. She explained that the Education Commission of the States reported an analysis of national data which revealed that teacher shortages did not result from too few teachers being produced. Teacher shortages were the result of high attrition levels where large numbers of beginning teachers left long before retirement.

Ms. Parnell stated that mentoring teachers was in Nevada's best interest. Students needed and deserved experienced and effective teachers, and it was fiscally responsible to retain and develop the teachers recruited and hired. For these reasons, Ms. Parnell urged the Committee to give favorable consideration to A.B. 229.

Ms. Parnell explained that the bill requested a \$1 million appropriation to establish the pilot program, which would not begin until the 2008-09 school

year. The 2007-08 school year would be used to establish guidelines, orient the school districts, and create the application process.

Chairman Arberry asked whether information was available that delineated how the \$1 million would be used.

Ms. Parnell stated that Ms. Gloria Dopf, Deputy Superintendent of Instructional, Research & Evaluative Services, would provide that for the Committee.

Chairman Arberry wondered whether less than \$1 million would suffice, because the program was not planned to be implemented until the second year of the biennium.

Ms. Parnell said that many school districts were spending more than \$1 million annually on mentoring programs. She thought that the \$1 million requested would be easily spent when considering all the new teachers that would be hired for the coming school year.

Chairman Arberry asked whether a report on successes and failures would be provided once the program was underway.

Ms. Parnell said that a report would be provided, which would make recommendations regarding whether permanent funding was appropriate or whether it would be more appropriate for an extension of the pilot program.

Chairman Arberry asked whether the report would show the successes and failures of students as a result of the mentoring.

Ms. Parnell personally believed the results for students would be more of a long-term effect and would not be available immediately. Initially, she thought it was more important to focus on keeping teachers, who did not feel they had the guidance and knowledge necessary for success, and had decided to leave the teaching profession. Ms. Parnell believed this was one of the explanations of why Clark County was 500 teachers short of projected needs. This problem was also starting to affect smaller school districts as well. Turnover was exacerbating the problem of not being able to hire enough new teachers to begin with.

Chairman Arberry asked whether there would be an exit poll included in the study to determine why new teachers chose to leave.

Ms. Parnell said there was an exit poll as part of the study.

Ms. Dopf addressed the Chairman's question regarding the costs associated with the mentoring program. She stated that the requested \$1 million was to serve approximately ten percent of the new teachers in any given school year. This represented mentoring around 200 to 250 new teachers at a cost of \$4,000 to \$5,000 per teacher per year. This cost was derived by examining the costs of other states with mentoring programs. California, for example, had a mentoring project that cost approximately \$6,000 per teacher, while several of the mentoring projects in other states were higher. However, the Department of Education presented a modest pilot program that would pay for mentoring support that could be provided by part-time mentors, as extra duty for existing teachers, or by full-time mentors who would mentor new teachers on a one to fifteen ratio. The Department planned on creating the framework for all of the mentoring programs statewide, but also planned on having an application process to allow the school districts to tailor the program to their

specific needs. Ms. Dopf acknowledged that many school districts already had their own mentoring and induction programs, but in each case there might be different criteria in administering those programs. For example, one school district could offer one week of training before the school year without any training during the year, but another district might intermittently train throughout the year. Therefore, one of the goals of this pilot program was to create a framework with criteria based on the knowledge of other states and incorporate proven practices into Nevada's program.

Ms. Dopf outlined the following national statistics regarding teacher attrition:

- By 2008, 2.1 million teachers would be needed
- Approximately nine percent of new teachers leave their jobs before the end of their first school year
- 30 percent leave their jobs in five years

Ms. Dopf used the analogy of filling a bucket with a hole in the bottom to illustrate the crisis facing education. California's attrition rate, after five years of mentoring new teachers, dropped from 37 percent to nine percent. Other states' attrition rates were similarly affected by mentoring programs. Nationally, there was a thirty percent attrition rate without mentoring and a nine percent attrition rate with mentoring. In the 2005-06 school year, there were approximately 2,300 new teachers in Nevada. These were new college graduates with no prior experience in facing a class on their own. Applying national statistics to this group would translate into 690 lost teachers without mentoring in a five-year period, compared to 230 lost teachers if mentoring was in place.

Regarding costs, Ms. Dopf said that the difference between 690 lost teachers versus 230 lost teachers, multiplied by the \$2,000 signing bonus for new teachers, would cover the costs for the program in its first year. She said this was not only sound educationally, but was also sound fiscally because it would keep new teachers, prevent the paying of new and unnecessary signing bonuses, and curtail the high costs of hiring and training new teachers.

Ms. Dopf then commented about the evaluation of the program which Chairman Arberry had asked about previously. She said the intent of the evaluation was to track the new teachers' progress by creating identifiers on the records of students who had been taught by mentored teachers to compare those records with students who did not have mentored teachers. This information would be compiled in addition to the information regarding teacher attrition.

Chairman Arberry asked Ms. Dopf to provide written details on the costs to Committee staff. He was also concerned that mentoring would not be sufficient to keep new teachers when salaries were not high enough to entice teachers to stay. He noted that the \$2,000 signing bonus could be spent moving into an apartment.

Mrs. Smith noted that A.B. 280 addressed compensating teachers. She then asked about the mentoring program that was funded by A.B. No. 580 from the 73rd Legislative Session and wanted to know how much of that funding was spent on mentoring and how best practices in Nevada from that program were applied to this new program. She wanted to know how Nevada's first hand knowledge in this area was applied to make this new program successful, rather than just applying what other states had learned in their own respective programs.

Ms. Dopf said the Washoe and Clark County school districts applied a portion of the A.B. 580 funding to mentoring. The Department and the Legislature had received evaluation reports from those projects and she said she could review the mentoring component of those reports, which reported on the four different areas for which the money was appropriated. She believed that some of the school districts had representatives present to discuss the programs and their successes.

Mrs. Smith was interested in knowing how much of that funding went specifically to mentoring and requested that it be provided later if it was not available immediately. She believed that the teachers already participating in those programs could be evaluated without waiting for this new pilot program to take effect. Mrs. Smith acknowledged that it was critical to develop a coherent system for the entire state, but she felt that sometimes when pilot programs were funded, the successes already learned in the past were forgotten and not fully captured into new programs.

Ms. Parnell noted that the Carson City School District (CCSD) established a mentoring program before she retired in 1999. She stated that CCSD should have reliable statistics available regarding their attrition rates, and this information would be provided to the Committee.

Chairman Arberry thanked Ms. Parnell and Ms. Dopf for their remarks and invited additional public comment for or against A.B. 229. He recognized Karyn Wright, the Director of New Teacher Development in the Clark County School District.

Ms. Wright noted that Clark County School District had a teacher induction program in place for a number of years and then read the following testimony:

I am here today to speak in support of A.B. 229. The Clark County School District strongly supports and promotes mentoring for teachers new to the profession. As you are probably aware, we hire approximately 2,500 new teachers each year. This year we have hired more than 3,000. Because of our intensive recruitment effort, and the high cost of training we incur for each new teacher during our year-long induction program, we want to retain high-quality teachers each year. We feel that mentoring greatly assists us in this effort.

It has been stated that the teaching profession is the only profession without an apprentice phase. Novices are expected to perform as effectively and efficiently as experienced teachers. The first-year teacher is held to the same standard as the 15-year veteran. Because new teachers are learning to teach at the same time they are teaching others to learn, much support and assistance is needed. Estimates vary, but most researchers maintain that approximately 30 percent of teachers leave the profession within the first five years, with a staggering 50 percent leaving in urban and isolated rural areas. At the same time, it has been noted that teacher longevity is essential. According to Dr. Harry Wong, international expert on teacher induction and retention, the most important factor in the classroom is the teacher, and the most effective teacher is one with ten or more years of experience. Effective teachers are a major factor in increasing student success. Research conducted by [Dr.] William Sanders in 1998, confirmed that teachers make a profound

difference in student achievement. For instance, students who had an 'ineffective' teacher for one year performed 39% lower on standardized tests of achievement than students who had an 'effective' teacher. Fifth grade math students who had three years of 'effective' teachers outperformed those students who had three years of 'ineffective' teachers by 54%.

Teacher preparation programs provide the foundation for teachers entering the profession. However, once the new teacher is confronted with the challenges of real students presenting real situations, they sometimes feel totally overwhelmed and some resort to inappropriate means of handling situations that arise. Others may become frustrated and begin to believe that teaching is not the right profession for them. This is why current research supports the value of a structured mentoring program for new teachers.

Structured mentoring programs provide support and assistance to new teachers as they progress through the typical phases of their first year. When mentors receive appropriate training and development, they are able to assist new teachers in a variety of ways pertinent to the particular time of year. This training includes providing emotional support and encouragement, providing information about the daily workings of a school and the cultural norms of the school community, giving insight regarding ways to communicate effectively with parents and/or guardians, cognitive coaching, and ways to model effective instructional strategies and techniques in order to increase student achievement. Cognitive coaching promotes self-reflection on a teacher's own practice through the collection and sharing of classroom and individual student data. This assists the new teacher with appropriate decision-making strategies regarding classroom instruction. It has been noted that both the new teacher and the mentor grow [professionally] from this type of mentoring experience.

At the beginning of the 2004-2005 school year, the Clark County School District received a federal grant that was used to place a full-time teacher mentor in each of 10 identified schools in the Northeast Region of the district. The 10 schools (one high school, four middle schools, and five elementary schools) identified by the Northeast Region Superintendent were selected because their teacher turnover rates were the highest in the region. At the end of the 2004-2005 school year, this pilot was found to be [very] successful. Of the 137 total [new teachers] hired, 119 (87%) remained at their original school for the 2005-2006 school year. Because of this success rate, we were able to increase the number of schools in the pilot to 21 for the 2005-2006 school year (four high schools, seven middle schools, and 10 elementary schools). The funding was made available through district funds and additional grants.

We have found over this three-year period, that the number of effective teachers retained in these schools has risen dramatically, thus the need for hiring replacement teachers at these schools has decreased. At the end of the 2005-2006 school year, of the 460 total number of teachers hired, 30 teachers chose to transfer to a different school within the district and 405 remained at their

[current] school for the 2006-2007 school year (88%). The number of second year teachers remaining at these schools was 89%. The mentors assigned to these schools provided support and assistance to first and second-year teachers during the 2005-2006 school year. Current statistics for this school year, 2006-2007, indicate that of the 266 total hired [into these particular schools], three have indicated that they are interested in transferring to another school within the district and 247 (93%), plan to remain at their current school. When you compare that with the current overall district teacher retention rate of 42% over a five-year period, we feel this pilot has proven to be very successful.

During the 2006-2007 school year, with funding through [Senate Bill No. 404 of the 73rd Legislative Session], we were able to expand a mentoring program to 31 additional schools in the Northeast Region. A total of 438 new teachers were hired into these schools. To date, 414 (94%) of these new teachers have indicated to their mentors that they are planning to remain at their current school for the 2007-2008 school year.

We are very pleased that our mentoring efforts are assisting with the retention of effective teachers and would like to expand this opportunity to more new teachers across the Clark County School District. We support A.B. 229 because we feel that through sustained funding for formalized mentoring programs we will be able to retain effective teachers in each of our classrooms, thus providing better learning opportunities for students and an increase in student achievement.

Assemblyman Grady noted Ms. Wright's statement about the lack of an apprentice program for teachers. He asked whether she felt the student-teacher program that each college student who aspires to teach goes through was ineffective or whether the universities were not properly preparing their students.

Ms. Wright stated that the universities were doing a "fine job with the foundational programs that they provide." Student-teaching was an effective way for college students to transition into the teaching profession; however, the new teacher was not in charge of the classroom until the first year of working as a full-time teacher. College students gained insight into what to expect as student-teachers, but the first year of teaching caused them to face situations that were unfamiliar.

Mr. Grady noted the study of students who had three years of ineffective math teachers. He then asked what was being done to correct the ineffective teachers.

Ms. Wright said that the Clark County School District had their new teacher induction program and follow-up training for all teachers throughout the teachers' careers with the district. This program focused on ongoing training throughout the first year and then, through the district Curriculum and Professional Development Division and the Regional Professional Development Program, additional training was provided.

Mrs. Smith noted that Ms. Wright had mentioned S.B. No. 404 from the 73rd Legislative Session and then asked how much of

the funding from A.B. No. 580 of the 73rd Legislative Session was spent on mentoring.

Ms. Wright said that through S.B. No. 404 from the 73rd Legislative Session funding, full-time mentors were placed into schools. With the A.B. No. 580 of the 73rd Legislative Session funding, 95 Las Vegas schools received mentor facilitators, which was the current district model for mentoring. These mentors and facilitators were compensated for their work with new teachers; however, these individuals were also full-time teachers.

Mrs. Smith again asked how much money was spent on mentoring.

Ms. Wright said that information would be provided to the Committee, but noted that two different models were being used.

Chairman Arberry recognized Ms. Sharyn Appolloni, Mentor and Induction Administrator from Washoe County School District.

Ms. Appolloni read the following testimony:

Thank you for hearing this testimony [in support of] Assembly Bill 229. This funding is absolutely necessary in order for the Washoe County School District to continue the high quality mentoring and induction program it started last year with A.B. 580 funds in the amount of \$800,000. We thank you for making those funds possible and ask that you continue to support novice teachers.

Linda Darling-Hammond, a nationally recognized expert in the field of education has said and I quote, 'Nothing is more important to the learning of students than what their teachers know, believe, and can do.' Unquote. The Induction and Mentoring Program in the [Washoe County School District] is designed to accelerate and deepen the knowledge and skills of novice teachers so that they can perform at a higher level of competence early in their career.

Washoe County School District conducted research on novice teacher competence and found that performance levels on the teacher evaluation system were higher for novice teachers who were mentored than for those who were not. In another study, the Washoe County School District found that teacher retention rates increased for novice teachers who were mentored versus those who were not mentored.

A handout provided for you ([Exhibit E](#)) outlines the Induction and Mentoring Program, currently funded by A.B. 580. It includes a sampling of comments from novice teachers and principals about the effectiveness of the program. We have hundreds [of] positive comments on this year's program and [would be happy to] share those with you upon request.

Retaining high quality teachers is a cost savings. In light of the huge costs of recruiting, hiring and training teachers, it is indeed fiscally responsible to mentor novices during their first year of teaching. Mentoring costs less than turnover [costs].

In order to maximize these benefits, the Washoe County School District alone would need [1.6] million dollars to mentor all 300 plus novice teachers [each year]. We respectfully ask you to consider funding 1 million, [600] hundred thousand dollars to provide 20 full-time mentors for 300 novice teachers in the Washoe County School District [for each of the next two years].

She added that this would maintain the nationally recognized ratio of 15 novice teachers to one mentor and then concluded her prepared statement with the following:

Your actions would improve the quality, improve the retention of good teachers and would result in higher student achievement.

Chairman Arberry thanked Ms. Appolloni for her testimony and asked whether anyone else present wished to speak for or against A.B. 229. He recognized Ms. Dottie Merrill, a representative for the Nevada Association of School Boards (NASB).

Ms. Merrill noted that the Committee heard statistics regarding this issue and also about programs currently running in Nevada. She said NASB supported this bill because it would help each school district address one of their primary challenges—retaining new teachers. It was difficult to hire them in the first place, and she said that NASB believed that establishing mentoring programs would assist the school districts with this problem. She then urged the Committee to support A.B. 229 and appropriate the funds requested.

Chairman Arberry recognized Mr. Lonnie Shields, a representative of the Nevada Association of School Administrators (NASA).

Mr. Shields stated that NASA supported A.B. 229.

Mrs. Smith noted that good leadership in the schools also played an important role in keeping new teachers. She then asked what was being done about mentoring principals.

Mr. Shields said he was most familiar with Washoe County School District, which had a "Principal's Academy." This academy was mentoring principals and needed to continue. Mr. Shields noted that the Regional Professional Development Program run through NASA was succeeding as well and hoped it would continue to receive funding. Additionally, the Washoe County School District was considering a program similar to the national certification of teachers that was geared toward certifying principals.

Chairman Arberry asked whether anyone else present wished speak for or against A.B. 229. With no response, he closed the hearing on A.B. 229.

**Assembly Bill 271: Makes appropriations to the Division of Health Care Financing and Policy of the Department of Health and Human Services for relocation expenses and replacement vehicles, phone system and other equipment. (BDR S-1213)**

Chairman Arberry opened the hearing on A.B. 271 and recognized Mr. Charles Duarte, Administrator of the Division of Health Care Financing and Policy.

Mr. Duarte explained that A.B. 271 requested an appropriation of \$567,939 in General Fund money to be used for relocating the Division's Las Vegas office;



replacing three vehicles; purchasing a new phone system for the Reno office; and also purchasing other equipment, furniture, and computer equipment. The Division intended to obtain matching federal funds of approximately \$648,000, for a total cost of \$1.2 million.

Chairman Arberry understood this was submitted with the Division's budget request.

Mr. Duarte verified that it was in the budget.

Chairman Arberry asked whether Committee staff had details regarding all the separate costs involved in this request.

Mr. Duarte said Committee staff had received cost information.

Assemblywoman Leslie asked whether the dollar amounts in the request were exact with no need for revision.

Mr. Duarte said he believed the figures were correct.

Ms. Leslie noted the precise numbers submitted. She asked Mr. Duarte to verify the amount of the federal match.

Mr. Duarte verified that the federal matching funds amounted to \$648,000.

Chairman Arberry asked whether there was anyone present who wished to speak for or against A.B. 271. With no response, he closed the hearing on this bill.

**Assembly Bill 272: Makes appropriations to the Department of Health and Human Services to replace vehicles, appliances, radios and other equipment at certain youth facilities. (BDR S-1218)**

Chairman Arberry opened the hearing on A.B. 272 and recognized Mr. Fernando Serrano, Administrator for the Division of Child and Family Services.

Mr. Serrano read the following testimony:

With me at the table is Sean Clark, Administrative Services Officer for Juvenile Justice Services. We are here to support A.B. 272 which would make appropriations to the Department of Health and Human Services, Division of Child and Family Services, to replace vehicles, appliances, radios, and other equipment at certain youth facilities.

These appropriations will improve: safety, reduce utility expenses, maintenance [costs] and attain compliance with state of Nevada health and safety codes.

Further, [some of] the equipment requests [will assist in maintaining] eligibility for reimbursement from the Nevada Department of Education through participation in the federal school lunch program.

Chairman Arberry asked for clarification on how utility expenses would be reduced.

Mr. Clark explained that Summit View Youth Correctional Center had a problem with their walk-in freezer and that a refrigeration truck had been rented to keep food cold. This represented an increased utility cost that would be reduced when the freezer was repaired. At the other two youth facilities, industrial driers were requested to replace malfunctioning driers that were taking too much time to dry clothes.

Chairman Arberry observed that they were requesting funds for more energy efficient appliances.

Mr. Clark verified the Chairman's comment.

Ms. Leslie asked whether radios at the Nevada Youth Training Center in Elko were replaced after the last legislative session. She also noted that she recalled some complaints that there were no radios there.

Mr. Clark said that radios were requested in the last budget cycle, but the request was removed from the budget.

Ms. Leslie asked how many functioning radios were at the Elko facility.

Mr. Clark said he did not know exactly how many radios were there.

Ms. Leslie mentioned that she recalled a complaint she received from staff at the Elko facility that radios were not working properly. She recalled an email that was sent to Mr. Michael Willden, the Director of Health and Human Services, and remembered being told that radios worked and there were plenty of radios to meet the needs. She then asked Mr. Clark to provide more clarification on the radio situation.

Chairman Arberry asked whether anyone else present wished to speak for or against A.B. 272. With no response, he closed the hearing on this bill.

**Assembly Bill 273: Makes an appropriation to the Department of Health and Human Services for computer software and hardware and other equipment. (BDR S-1214)**

Chairman Arberry opened the hearing on A.B. 273 and recognized Carol Sala, the Administrator of the Division for Aging Services.

Ms. Sala read the following testimony:

I am here today [to present] A.B. 273, which makes an appropriation to the Division of Aging Services for computer software and hardware and other equipment.

This is a one-shot appropriation in the amount of \$115,820 to replace computer hardware and software, and purchase air-conditioning for server rooms in Reno and Carson City offices of the Division for Aging Services.

This funding will allow for continued productivity of Division staff. The ability of staff to access computing technology has a direct effect on medical claiming, service authorization and client assessment. Without updated equipment and operating systems, essential daily output could be negatively affected. [Our] server

room maintenance and set up is essential to keeping the equipment functional.

Chairman Arberry asked whether detailed costs had been provided to Committee staff.

Ms. Sala said detailed costs had been provided to staff.

Chairman Arberry asked whether anyone else present wished to speak for or against A.B. 273. With no response, he closed the hearing on this bill.

Chairman Arberry then requested that the Committee consider introduction of the following bill draft requests:

- **BDR S-427**—Makes appropriations relating to education. A.B. 553
- **BDR S-1211**—Makes appropriations to the Department of Cultural Affairs. A.B. 551
- **BDR S-1223**—Makes appropriations to the State Department of Agriculture. A.B. 539
- **BDR S-1225**—Makes an appropriation to the Department of Transportation for highway improvements. A.B. 544
- **BDR S-1245**—Makes supplemental appropriations to the Supreme Court of Nevada for judicial selection and unforeseen expenditures. A.B. 556
- **BDR S-1249**—Makes a supplemental appropriation to the State Distributive School Account for unanticipated expenses for Fiscal Year 2006-2007 for providing health care subsidies to retired school district employees. A.B. 541
- **BDR S-1255**—Makes supplemental appropriations to the Department of Health and Human Services for payment of stale Medicaid claims. A.B. 542
- **BDR S-1257**—Makes a supplemental appropriation to the Department of Health and Human Services for expenses relating to foster care. A.B. 540
- **BDR S-1261**—Makes supplemental appropriations to the State Department of Agriculture. A.B. 548
- **BDR S-1263**—Makes supplemental appropriations to the Department of Motor Vehicles for various costs. A.B. 543
- **BDR 35-1425**—Revises provisions relating to the State Highway Fund. A.B. 547
- **BDR S-1429**—Makes a supplemental appropriation to the Emergency Medical Services Section of the Department of Health and Human Services for radio system repair. A.B. 549
- **BDR S-1445**—Makes an appropriation to the City of Las Vegas for allocation to S.H.A.R.E., a nonprofit organization, for affordable housing. A.B. 546

- **BDR S-1459**—Transfers certain money appropriated to the Interim Finance Committee to the Rehabilitation Division of the Department of Employment, Training and Rehabilitation. A.B. 555

ASSEMBLYWOMAN BUCKLEY MOVED FOR COMMITTEE INTRODUCTION OF THE AFOREMENTIONED BILL DRAFT REQUESTS.

ASSEMBLYWOMAN LESLIE SECONDED THE MOTION.

THE MOTION CARRIED.

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**LEGISLATIVE BRANCH**  
**NEVADA LEGISLATURE INTERIM (327-2626)**  
**BUDGET PAGE LCB-7**

After a recess, Chairman Arberry recalled the meeting to order and opened the hearing on Budget Account (BA) 2626, Nevada Legislature Interim, and recognized Lorne Malkiewich, Legislative Counsel Bureau (LCB) Director.

Mr. Malkiewich introduced Ms. Susan Furlong Reil, Chief Clerk of the Assembly, and Claire Clift, Secretary of the Senate.

Ms. Reil explained that the budget presentation began on page 3 of the handout ([Exhibit F](#)). When this budget was presented in November 2006, an overall increase of 1.64 percent over the FY 2007 appropriation was requested. The current proposal, however, represented an increase of 6.27 percent for FY 2008 and 4.63 percent for FY 2009. These proposed increases were driven by the Governor's proposed Cost of Living Adjustment (COLA) increases contained on page five of the handout and also the increase proposed by the Budget Division for both the active and retired employee group insurance premiums. Ms. Reil stated that the proposed budget:

- Restored funding levels authorized in the 2006-07 biennium.
- Proposed increases in travel funds of approximately \$3,700 for the Secretary of the Senate and the Chief Clerk of the Assembly each fiscal year to accommodate inflationary travel costs and to allow the Secretary of the Senate to attend meetings of Mason's Manual [reference tool for state legislatures] Commission.
- Included an annual increase of \$300 for publications.
- Requested that Technical Assistants be upgraded from a pay grade 32 to a grade 33. This upgrade reflected the level of technical responsibility these positions had and was also an attempt to achieve parity with other technical personnel within LCB's various divisions.

The hearing on BA 2626 was closed.

**LEGISLATIVE BRANCH**  
**LEGISLATIVE COUNSEL BUREAU (327-2631)**  
**BUDGET PAGE LCB-1**

Chairman Arberry opened the hearing on BA 2631, recognizing Lorne Malkiewich, Director, Legislative Counsel Bureau (LCB).

Mr. Malkiewich mentioned he had been working for LCB for the last 25 years, 13 of those as Director. He drew the Committee's attention to a budget

presentation that was handed out previously ([Exhibit F](#)), along with two memos ([Exhibit G](#) and [Exhibit H](#)) that contained an overview of the budget and details on increases in the administrative budget. Mr. Malkiewicz said adjustments to utilities expense forecasts would need to be made because the Budget Division had instructed LCB on the figures to enter, but that the funds were insufficient. He said the final amounts to be requested for utilities expenses would be provided to the Committee before the budget was closed.

Mr. Malkiewicz noted that LCB was facing several challenges. First, retention of qualified staff posed a problem. He mentioned that he believed there was an "unconscionable discrepancy" in overtime. The Legislative Police earned the same pay grade as their counterparts with the Capitol Police, but were paid straight time for hours worked in excess of 40 in a week; whereas, the Capitol Police received "time and a half" for their overtime hours worked. This same situation applied to programmers in the LCB Information Technology Services Unit when compared to their counterparts in the Executive Branch.

Mr. Malkiewicz then said there were a number of upgrades in this budget request to address the problem of employee turnover, including a general secretarial salary increase. The LCB tried to keep salaries for administrative support staff across LCB divisions equal, but it was getting increasingly difficult to hire new staff and oftentimes required bringing in new employees near the top of the pay scale. Because of this difficulty, various LCB budgets contained general increases in salary to maintain balanced salaries across the divisions. Mr. Malkiewicz asked the Audit Division to increase salaries for certain supervisors to match the pay grade in other divisions for comparable supervisors.

Mr. Malkiewicz mentioned the second major issue LCB faced was planning for transition. Many of the senior management staff were getting close to retirement, and he said he would be submitting a proposal regarding incentives for LCB employees to move into those soon-to-be vacant positions.

Thirdly, Mr. Malkiewicz stated that workload had expanded significantly, especially over the last 10 to 20 years. He reminded the Committee that as the legislators' workloads increased, LCB's workload increased accordingly.

Finally, Mr. Malkiewicz mentioned the issue of comparability in salaries. Some of the increases in pay grade requested were to match salaries within the Executive Branch. He wanted LCB to not only match the Executive Branch, but also to be a better place to work than the Executive Branch. He wanted to be able to get the best employees and to give them the best tools. Mr. Malkiewicz pointed out that LCB had 300 employees to take care of the needs of 800 lobbyists, 18,000 state employees, and 2.5 million Nevada residents. He reminded the Committee that during the interim, LCB was the only staff available to help the legislators provide services to their respective constituents.

Mr. Malkiewicz then explained about the funds requested for the Legislative Commission, which were contained on page 8 of the handout. He noted that the most significant change in this category of funds was the deletion of the statutory committees' expenses, which were separated from the Commission's expenses. He further explained that the major component contained in this category was funds for the legislators to attend annual meetings and the dues for the various organizations in which they participated. Page 9 delineated the dues paid for these organization memberships, which constituted the majority of the Legislative Commission's expenses for the biennium and also a majority of this category's increase for the biennium.

Mr. Malkiewicz then turned to page 10 and said that the \$80,000 request shown was for interim studies. This amount had not increased for several sessions and was adequate. He said the number of studies conducted fit within this amount because the expenses were stable. There were little funds spent on travel because of videoconferencing.

Mr. Malkiewicz pointed out that page 11 contained a summary of the Legislative Commission category of the LCB budget and noted a common theme that would be seen throughout the various categories of funding of LCB. Specifically, there were differences in workloads from one fiscal year to the next in certain categories, the Legislative Commission being one of those. This was because most travel occurred in the fiscal year the Legislature was not in session. Mr. Malkiewicz then reiterated, however, that the major increase in this category stemmed from the increased dues to the various national organizations mentioned earlier.

Mr. Malkiewicz then moved on to discuss the Statutory Committees category of BA 2631, beginning on page 12, which contained a list of the various statutory committees overseen by LCB. The Legislative Committees on High-Level Radioactive Waste and also on Education were previously funded through the Legislative Commission's category directly in the budget, while most of the others were funded after the legislative session through action taken by the Legislative Commission. Mr. Malkiewicz proposed that these committees all be funded together in the same category so the Legislature could better understand the cost of all these statutory committees and make appropriate staffing determinations. Occasionally, a statutory committee had been created in the past by the Legislature, and the LCB was unable to properly respond because staffing had not been properly addressed to facilitate the needs of the committee.

Mr. Malkiewicz turned to page 14 in the handout and discussed the request for another position for the Legislative Committee on Health Care. This was one of two statutory committees that required larger numbers of staff. The LCB proposed adding more positions for this committee other than the Principal Research Analyst; however, the LCB Budget Review Committee asked that those positions be reduced to the one shown.

Mr. Malkiewicz moved on to page 15 and stated that the costs outlined there were proposed restored funds that had been removed. Because contract funds were not continued in the base budget, these funds for the Legislative Committees on Public Lands and also on Education needed to be added back into decision unit M201.

Turning to page 16, Mr. Malkiewicz pointed out the Fringe Benefit Rate Adjustments and also the Cost of Living Adjustments (COLAs) for the biennium. This was also a common theme that would apply to all of the budget accounts discussed.

Mr. Malkiewicz brought the Committee's attention to page 17 and mentioned the equipment replacement request and salary increases due to reclassification for the secretarial staff he referred to earlier. Similar salary increases for secretarial staff appeared in other portions of the LCB budget request.

Mr. Malkiewicz explained the summary of the Statutory Committees category of LCB's budget on page 18, stating that over the biennium over \$1.2 million would be spent for these committees. When new statutory committees were

proposed, fiscal notes were generated to explain estimated costs. He said that LCB could support the existing workload and committees during the interim, but that if other statutory committees were to be added by the Legislature, staffing levels needed to be considered. The fiscal notes reflected the estimated increase in the workload created by each proposed committee. Mr. Malkiewicz said that page 19 contained a summary of estimated expenses by each committee.

Moving along, Mr. Malkiewicz began explaining the LCB's estimated budget expenditures for the Administrative Division, which began on page 20. He pointed out the utilities expense and explained that the amount estimated for the next two fiscal years was the same as the base expenditures from FY 2006. This figure came about per instructions from the Budget Division. Mr. Malkiewicz believed that an adjustment would need to be made and said a more appropriate figure would be provided to the Committee later.

Referring to page 22, Mr. Malkiewicz explained the additional positions proposed for the Administrative Division. He then pointed out a memorandum ([Exhibit G](#)) that had been distributed earlier regarding the new positions and the upgrades within the Division. He stated that support staff for LCB's attorneys and fiscal staff had fallen behind in prior budgetary cycles. For example, LCB now had employees working in six different buildings, but had not increased its janitorial staff to take care of the extra space. Sixteen support positions were asked for originally, but the Budget Committee only approved seven of those. The memorandum detailed all of the positions requested, including those which were removed from the budget request. Mr. Malkiewicz did not propose adding the unapproved positions back into the budget, but he wanted to show the Committee that none of the positions asked for were unnecessary. For example, without the proposed position in Broadcast and Production Services, it would be difficult to provide the "road shows" that had helped the various legislative committees. Of the seven positions approved by the Budget Committee, the Human Resources Manager was critically needed. Two communications technicians positions were deleted in the budget process; however, the LCB Security Subcommittee met shortly thereafter and recommended those positions be added back into the budget request. Mr. Malkiewicz asked the Committee to reconsider those technician positions along with any other deleted positions which the Committee deemed appropriate, even though they had been removed from The Executive Budget.

Mr. Malkiewicz moved to page 23 and discussed demographics and caseload changes. The most significant amount of funds in decision unit M201 were for utilities, furnishings, and maintenance at the new building that was being built at the corner of Stewart and Fifth streets in Carson City. This was to house the Printing Office warehouse.

Mr. Malkiewicz pointed out on page 24 that funds were requested to restore funds lost in the current biennium. The LCB did not have the ability to use the Contingency Fund when senior employees retired and were paid for large amounts of leave. This request was for \$100,000 each year to be placed in a fund that would only be used if a division could not absorb the terminal leave costs associated with a retirement. In the current biennium, these funds were not used, but it was necessary to maintain these funds as this was LCB's alternative to the Contingency Fund. These funds allowed LCB to hire for vacant positions without extended vacancies.



Mr. Malkiewich turned to page 25 and mentioned that Fringe Benefit Rate Adjustments and COLAs constituted an expense of over \$1 million for the biennium.

Mr. Malkiewich then discussed the replacement of equipment requested on page 26. This included requests for a new police van, new computers, and various other pieces of needed equipment.

Mr. Malkiewich noted the salary upgrades in the Administrative Division requested on page 27. This represented salary increases for 42 of the 87 employees in the Division. Approximately half of these increases were based on a personnel study mentioned in the memorandum ([Exhibit G](#)) provided earlier. These positions had lower salaries than their counterparts in the Executive Branch.

Mr. Malkiewich mentioned that page 28 contained a summary of the Administrative Division's portion of the LCB budget. The major components to be considered were new positions, COLAs, and the new warehouse.

Mr. Malkiewich moved to page 29, which began outlining the Audit Division's portion of the LCB budget. He then introduced Mr. Paul V. Townsend, Legislative Auditor.

Mr. Townsend said there were minimal changes to the Audit Division's projected portion of the LCB budget with one exception under operating expenditures. There was an increase in the cost of the Single Audit contract [this is regarding the Single Audit Act which requires an annual audit of Nevada State Government]. This audit was performed by an independent accounting firm and was necessary to ensure continuance of funding for federal programs. Mr. Townsend mentioned that this cost was shared with the Executive Branch.

Mr. Townsend turned to page 30 of the presentation and pointed out Fringe Benefit Rate Adjustments and COLAs.

Mr. Townsend noted that page 31 contained enhancement requests. He pointed out that new laptop computers were requested in accordance with LCB's three-year replacement cycle. This ensured that auditors had reliable equipment to properly perform their job functions. At the bottom of page 31 was a request for salary increases. The supervisors whose salaries were to increase had extensive experience with LCB.

Mr. Townsend turned to page 32 and mentioned the summary of the Audit Division's portion of this budget request.

Mr. Denis noted that Mr. Townsend had mentioned a three-year replacement cycle on laptops and asked whether DoIT's replacement cycle was four years.

Mr. Townsend said that LCB had followed a three-year replacement cycle for some time, exclusive of DoIT's requirements. This was best for the Audit Division because they frequently needed to download large amounts of information from the State's accounting system. State-of-the-art equipment saved time and made the Division more efficient.

Mr. Malkiewich moved on to the Fiscal Analysis Division's portion of the budget and invited Mr. Mark Stevens, Assembly Fiscal Analyst, to review this portion with the Committee.



Mr. Stevens said there were not many items of note in this part of the budget. Page 34 contained maintenance units. The M200 unit restored training and travel funds up to the level authorized in the 73rd Legislative Session. Because of new positions and turnover, not all of those funds were able to be used in the current biennium. Over one third of the Division's staff did not have legislative session experience prior to the current session. This represented a significant challenge for both the employees and the Division. Decision unit M201 was additional funds for the In\$ite contract, which was a software program that assisted LCB with tracking school district expenditures throughout the State. Additional funds were needed for changing the chart of accounts. This required a one-time expenditure of \$33,000 for this update. New charter schools also needed to be added to the system for a cost of approximately \$12,000 in the first year of the biennium and approximately \$17,000 in the second year. This contract also had not received a COLA for some time. A COLA was placed in the budget in the amount of approximately \$10,000 per year.

Mr. Stevens briefly turned to page 35, mentioning decision units M300 and M304. He then turned to page 36 and said decision unit E275 was a request to rewrite the BASN budget system [a software package used to help LCB with the budget]. This system was more than ten years old, and the contractor recommended the system be rewritten. Mr. Stevens acknowledged that this project could probably be done in the next budget cycle, but recommended that it be rewritten now. He also said this amount might need to be increased by \$10,000 or \$20,000, but that this would constitute a complete rewrite of the BASN system.

Mr. Stevens noted on page 37 a request for position reclassifications. This was for six support staff members.

Chairman Arberry asked whether additions would need to be made to LCB's budget should the Legislature decide to begin creating a Legislative Budget.

Mr. Stevens said he had received a fiscal note request regarding this issue. Additional fiscal staff added during the 73rd Legislative Session would assist with this effort; however, he believed additions would be needed, but that the additions would not be as substantial as had been discussed in the past. Mr. Stevens said that this would be further examined in the coming week and that the Committee would be informed of the details.

Mrs. Smith commented about the amount of the In\$ite contract. She noted that in the past she had not been in complete agreement with the costs associated with it. However, she discovered during an education adequacy study during the interim that the information provided through this system was "extremely, extremely valuable." She had learned, through experience with the "Empowerment Schools and Autonomy Schools," that allowing schools to have flexibility with their respective budgets made the information provided by the In\$ite program very valuable.

Mr. Stevens mentioned that the In\$ite contract was used extensively in the education adequacy study Mrs. Smith mentioned.

Mrs. Gansert asked for clarification on Mr. Stevens' comment regarding the funds requested for the BASN system. She wanted to know whether the program was going to be replaced.

Mr. Stevens said the current system would be completely rewritten and then "retired." There would be a new system for the next legislative session.

Mrs. Gansert noted his comment about one third of the Fiscal Analysis staff not having session experience. She asked whether this was due to insufficient salary grades.

Mr. Stevens said it was a combination of several things. First of all, there were new positions created and filled along with some turnover. One issue that affected turnover was the large amount of overtime during the legislative session. This was an issue that could not be avoided. He mentioned that the previous Legislature had approved some new positions, and it was hoped that this would alleviate some of the problems; however, the workload kept expanding.

Mrs. Gansert asked whether the pay was appropriate or whether the problem was more because of the overtime required.

Mr. Stevens believed that the pay level for Program Analysts could be increased and that this would help the situation.

Mr. Denis asked whether the BASN rewrite would be done in-house.

Mr. Stevens said a contractor was to be hired for this purpose.

Mr. Denis asked whether additional training was going to be needed and whether it was included in the request.

Mr. Stevens said the figure requested was inclusive of training, but also mentioned that the figure might need to be adjusted by \$10,000 or \$20,000.

Without further questions from the Committee, Mr. Malkiewicz introduced Ms. Brenda Erdoes, Legislative Counsel, LCB Legal Division.

Ms. Erdoes turned to page 39 of the presentation, which contained the estimated base expenditures for the Legal Division's portion of the LCB budget request. She pointed out that the M200 decision unit was on page 40, which contained a request for three new support positions. Two positions were for a large scanning project in an attempt to replace the current document preservation program. All of the BDRs requested during the legislative sessions, along with all the backup material, were previously scanned and saved on compact discs. Currently, however, there were no compact discs used, and the information was stored in a database. This project was straining the current staff beyond its capacity. Additionally, an indexer was requested because the workload had increased, and also the prior indexer with 30 years of experience had retired. Ms. Erdoes said it was difficult to replace a person with such experience.

Ms. Erdoes moved on to page 42, which contained explanation of decision unit M202. This was a request for lease purchase payments for the new warehouse mentioned earlier. She then drew the Committee's attention to an artist's rendition ([Exhibit I](#)) of the building. She stated that this new building could be converted into new offices if needed. The second picture showed the Printing Office with its new façade. All of this construction was related to Senate Bill No. 101 of the 73rd Legislative Session. This bill included the construction of the new building with a new façade on the Printing Office to make it appear as one contiguous building.

Chairman Arberry asked for clarification on her comment regarding the possibility of office space in the new warehouse.

Ms. Erdoes said the warehouse would initially consist of four "blocks" and two floors of offices. A media training room was planned to accommodate the training needs of legislative front desk staff and computer staff. The current plan was to house the stock room and storage from the Administrative Division. To allow for expansion of office space, the building was designed so that all that would be needed for office space would be an air conditioner to be placed on the top of the building to service the corresponding area.

Chairman Arberry asked whether the salaries of the attorneys were sufficient for the Division to retain qualified staff.

Ms. Erdoes said the salaries were probably not sufficient to retain qualified staff for extended periods. She reminded the Committee that four attorneys were lost in the previous three months. These attorneys were leaving because the pay offered elsewhere was better, and the overtime demands were less. For example, one of these attorneys left to work at the Carson City District Attorney's office. She believed that all the attorneys who left enjoyed their work at LCB; however, the overtime demands placed on them were extensive, and pay was insufficient to keep them.

Chairman Arberry asked Ms. Erdoes whether she could provide the Committee with information on what level the salary would need to be raised in order to retain attorneys. He noted that LCB had "become a great training ground."

Ms. McClain commented that the biggest problem with keeping qualified staff was rooted in the 120-day legislative sessions. She noted that the length of the session dictated that overtime be excessive. She said "the inherent timeframe puts such a stress on our staff that I wouldn't want to work for us either. Who wants to work 90 hours a week, that's crazy. Even with overtime it's not worth it."

Chairman Arberry noted Ms. McClain's comment and explained that legislation that would have required the Legislature to convene every year had not passed.

Ms. McClain said she understood the Chairman's statement but said the 120 calendar days of the session created the overtime situation.

Chairman Arberry did not disagree with Ms. McClain's statement.

**LEGISLATIVE BRANCH**  
**PRINTING OFFICE (741-1330)**  
**BUDGET PAGE LCB-10**

Chairman Arberry invited Ms. Erdoes to begin discussing the projected budget for the Printing Office.

Ms. Erdoes noted that the Legal Division also controlled and administered the Printing Office. She said the Printing Office's budget was not changing significantly, but noted that a journeyman printer position had been requested. In an effort to make the Printing Office self-sufficient, the Legislature had approved the use of the Office for local governments in addition to the state agencies and federal agencies it already served. She also noted there was a higher demand for color print jobs for which the Printing Office had purchased a

six-color Mitsubishi press. Ms. Erdoes explained that the new position requested was intended for the operation of that new press. She also mentioned that two positions were requested to be upgraded so that all of the journeyman printers and press operators could use the different printers. Ms. Erdoes also mentioned the upgrade for a Quick Print Operator.

Mr. Malkiewich then pointed out that the Printing Office was fee supported. No General Fund monies were spent by the Printing Office. He also mentioned that the Legal Division administered the gift shop in the Legislative Building. Because of its success, LCB had received a request to open a gift shop in the Grant Sawyer Building in Las Vegas. Should the Committee be interested in opening a shop there, Mr. Malkiewich said the associated construction costs would be approximately \$100,000. After it was opened, it would cost around \$80,000 per year for staffing. With Committee approval, there was a suitable area near the entrance of the building for a gift shop.

#### **LEGISLATIVE BRANCH**

#### **LEGISLATIVE COUNSEL BUREAU (327-2631)**

#### **BUDGET PAGE LCB-1**

Mr. Malkiewich then introduced Mr. Don Williams, Research Director for the Research Division.

Mr. Williams pointed out that page 52 contained the adjusted base budget and included funding for the existing 42 positions in the Division.

Mr. Williams noted that pages 53 and 54 contained details regarding new positions requested, which were placed in the budget because of increasing workload. He drew the Committee's attention to a handout ([Exhibit J](#)) which demonstrated these workload increases. The Division's workload had consistently increased and had done so by more than 19 percent from 2005 over 2003 numbers. Current projections for the 74th Legislative Session showed an increase of 27 percent over the previous session. The four requested positions would allow the Division to respond to its increased workload. These positions included a principal research analyst, a senior research analyst, an additional senior research analyst that would be assigned to Constituent Services, and a principal research secretary assigned to Constituent Services. Constituent Services was experiencing the largest workload increases, although there were increases in all areas of the Research Division.

Mr. Williams turned to page 55 which showed funding for additional caseload changes. He then moved on to page 57 and mentioned the replacement equipment requested including copiers, computers, and printers. The plan was to purchase session computer equipment in 2009 following the 75th Legislative Session. This resulted in saving approximately half the cost of purchasing brand new computers by acquiring them in this manner.

Mr. Williams turned to page 58 and mentioned new equipment purchases. Page 59 contained a request for salary increases related to position reclassifications. Most of these salary increases followed the pattern of secretarial increases mentioned earlier in the presentation. Of all the LCB divisions, Research particularly was having difficulty recruiting and hiring secretaries. Until approximately two years ago, this had not been a problem, but he said that recently new hire candidates had turned down job offers. It had also been necessary to offer the secretaries who had been hired salaries at the high end of the pay scale.

Chairman Arberry thanked the Research Division for the work they did for the Legislature.

Ms. McClain asked for clarification on how the two communications technicians requested for the Legislative Police, that were mentioned earlier, could facilitate 24-hour a day, 7-day a week coverage at the Legislative Building.

Mr. Malkiewicz said he recommended restoring these two positions for better coverage. Mr. Malkiewicz said that with four technicians, rather than the current two technicians, the console could be covered at all times, thus allowing the Police to properly perform their jobs instead of spending time monitoring cameras and doors.

Ms. McClain noted she was interested in restoring three or four of the original requested communications technicians that were removed in The Executive Budget.

Mr. Malkiewicz clarified that two of the four positions requested were placed in The Executive Budget, but that he was requesting the other two which were removed be restored.

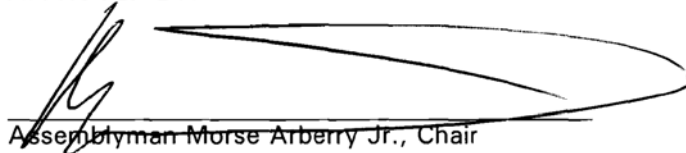
Chairman Arberry thanked Mr. Malkiewicz for his testimony and adjourned the meeting at 10:28 AM.

RESPECTFULLY SUBMITTED:

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Todd Myler  
Committee Secretary

APPROVED BY:



Assemblyman Morse Arberry Jr., Chair

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

EXHIBITS

Committee Name: Committee on Ways and Means

Date: March 26, 2007Time of Meeting: 8:00 a.m.

Bill	Exhibit	Witness / Agency	Description
	A		Agenda
	B		Attendance Roster
A.B. 162	C	Scott Sisco Department of Cultural Affairs	Lorenzi Park Floorplan
A.B. 189	D	James Taranik	Testimony, Earthquake Probability data
A.B. 229	E	Sharon Appolloni / Washoe County School District	Induction and Mentoring
	F	Lorne Malkiewich / Legislative Counsel Bureau	Budget Request packet
	G	Lorne Malkiewich / Legislative Counsel Bureau	New positions memo
	H	Lorne Malkiewich / Legislative Counsel Bureau	Proposed budget memo
	I	Brenda Erdoes / Legislative Counsel Bureau	Artist rendering of new warehouse
	J	Don Williams / Legislative Counsel Bureau	Research Division workload graphs