

**MINUTES OF THE
SENATE COMMITTEE ON FINANCE**

**Seventy-fourth Session
April 23, 2007**

The Senate Committee on Finance was called to order by Chair William J. Raggio at 8:07 a.m. on Monday, April 23, 2007, in Room 2134 of the Legislative Building, Carson City, Nevada. [Exhibit A](#) is the Agenda. [Exhibit B](#) is the Attendance Roster. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

COMMITTEE MEMBERS PRESENT:

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

GUEST LEGISLATORS PRESENT:

Senator Maurice E. Washington, Washoe County Senatorial District No. 2
Senator Steven A. Horsford, Clark County Senatorial District No. 4

STAFF MEMBERS PRESENT:

Gary L. Ghiggeri, Senate Fiscal Analyst
Larry L. Peri, Principal Deputy Fiscal Analyst
Anne Vorderbruggen, Committee Secretary

OTHERS PRESENT:

Lorne J. Malkiewich, Director, Legislative Counsel Bureau
Gustavo Nunez, Interim Manager, State Public Works Board, Department of Administration
Ellen Oppenheim, President and CEO, Reno-Sparks Convention and Visitors Authority
H. Larry Leasure, Chairman, White-Leasure Development Company, Boise, Idaho
Mendy Elliott, Former Chairman of Reno-Sparks Convention and Visitors Authority
LaVonne Brooks, President and CEO, High Sierra Industries
Bob Bricca, Board Member, High Sierra Industries
W. Larry Williams, Ph.D., Psychology Department, University of Nevada, Reno
B. J. Sullivan, Board Member, High Sierra Industries
Stephanie Schoen, Governor's Council on Developmental Disabilities
Robert F. Joiner, Government Affairs Manager, City of Sparks
Christopher Cobb, Capital Projects Manager, City of Sparks
Helen Foley, Nevada Statewide Alliance of Boys and Girls Clubs
Hilarie H. Robison, Executive Director, Nevada Public Education Foundation
Angela Quinn, President and CEO, Boys and Girls Clubs of Las Vegas
Mike Wurm, Chief Professional Officer, Boys and Girls Club of Truckee Meadows
Scott Shick, National Association of Juvenile Justice Administrators

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Stephen Wells, Ph.D., President, Gathering Genius, Inc.
Donald L. Bailey, Sr., Vice President, Gathering Genius, Inc.
George T. Ochs, Vice President, Executive Director, Gathering Genius, Inc.
Nicolas Anthony, City of Reno
Andrew Gardner
T. J. Matheus, Yerington High School

CHAIR RAGGIO:

We have a number of supplemental appropriation bills to consider before we go to the agenda. I will call on Mr. Malkiewicz first regarding funding for the Session.

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

The *Executive Budget* includes \$18.5 million for the cost of this Session. On the first day of the Session, Senate Bill (S.B.) 1, which appropriated \$10 million, was passed as an emergency measure. At this time, I would like to request an appropriation for \$5 million which should hold us until the General Appropriations Act comes out. We will determine how much additional funding is required at the end of Session.

SENATE BILL 1: Makes an appropriation to the Legislative Fund for the costs of the 74th Legislative Session. (BDR S-777)

CHAIR RAGGIO:

We had \$18.5 million in the budget. This appropriation will bring the funding for the Legislative Session to \$15 million. This should see us through to what date?

MR. MALKIEWICH:

During the last few Sessions, we have received enough to get us through to the General Appropriations Act and, at that point, determine how much more is needed.

CHAIR RAGGIO:

I would like to remind those of you who think this is a lot of money that the members of the Legislature do not receive a salary after the 60th day.

I will accept a motion to introduce a bill draft for the purpose of the requested appropriation.

SENATOR BEERS MOVED TO INTRODUCE A BILL DRAFT REQUEST FOR THE PURPOSE OF MAKING A \$5 MILLION APPROPRIATION FOR FUNDING THE COST OF THE 74TH LEGISLATIVE SESSION.

SENATOR RHOADS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

CHAIR RAGGIO:

The first supplemental appropriation bill this morning is S.B. 182.

SENATE BILL 182: Makes a supplemental appropriation to the Department of Education, other state education programs, to fund the Counselor National Board Certification Program. (BDR S-1250)

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

Senate Bill 182 was heard by the Senate Committee on Finance on March 5, 2007. Subsequently, a budget amendment was received from the Budget Division indicating the initial \$125,000 appropriation, which provided for a National Board Certification Program for counselors, should be increased by \$1,496,000 for teacher signing bonuses. Staff has reviewed the backup documentation and recommends this legislation be amended and approved by the Committee.

CHAIR RAGGIO:

Is this Budget Amendment 61?

MR. GHIGGERI:

That is correct.

CHAIR RAGGIO:

Would the signing bonuses be given to all the newly-hired teachers?

MR. GHIGGERI:

That amount will provide for signing bonuses for 748 teachers at \$2,000 each. We have been told that 449 of the 748 newly-hired teachers were for the kindergarten program.

CHAIR RAGGIO:

Are those teachers for the full-day kindergarten program presently existing in the Title I schools?

MR. GHIGGERI:

That is correct.

CHAIR RAGGIO:

That is a large portion of the amount being requested which illustrates there is an additional cost to that program.

SENATOR MATHEWS:

Is there a requirement that teachers who receive this bonus must commit to teach for a specific period of time?

MR. GHIGGERI:

There is currently no such commitment. However, the issue is scheduled to be discussed tomorrow when that budget is reviewed.

SENATOR BEERS MOVED TO AMEND AND DO PASS AS AMENDED
S.B. 182.

SENATOR MATHEWS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR RAGGIO:

Senate Bill 188 is a supplemental appropriation to the Office of the Military to cover the utility costs for the State's armories. It is my understanding the federal government has now agreed to provide this funding.

SENATE BILL 188: Makes a supplemental appropriation to the Adjutant General of the Office of the Military to cover utility costs for the State's armories. (BDR S-1262)

MR. GHIGGERI:

The federal government has agreed to fund their 50-percent share of the armories' utility costs for the balance of this fiscal year. Staff recommends this legislation be indefinitely postponed.

SENATOR MOVED TO INDEFINITELY POSTPONE S.B. 188.

SENATOR COFFIN SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR RAGGIO:

Senate Bill 336 is a supplemental appropriation to the State Department of Conservation and Natural Resources. This legislation was heard on March 26, 2007.

SENATE BILL 336: Makes supplemental appropriations to the State Department of Conservation and Natural Resources. (BDR S-1260)

MR. GHIGGERI:

As recommended in the *Executive Budget*, this bill would have provided for unanticipated utility costs for the Division of State Parks in the amount of \$37,805. It would also have provided \$1,661,801 for forest fire suppression costs that were not reimbursed by the Disaster Relief Account and \$47,983 to the Division of Forestry for projected utility shortfalls. During the testimony on this legislation, and as verified by staff following the testimony, the supplemental appropriation to the Division of State Parks can be eliminated, the supplemental appropriation for forest fire suppression can be reduced to \$1,660,873 and the supplemental appropriation to the Division of Forestry for utility costs should be increased to \$69,943.

CHAIR RAGGIO:

Is staff comfortable with those numbers?

MR. GHIGGERI:

Yes.

SENATOR COFFIN MOVED TO AMEND AND DO PASS AS AMENDED S.B. 336.

SENATOR BEERS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR RAGGIO:

Senate Bill 190 is an appropriation to the Department of Corrections. This is for additional housing units for a number of the penal institutions. We heard this bill on March 26, 2007. What is the status of this supplemental appropriation?

SENATE BILL 190: Makes an appropriation to the Department of Corrections to provide modular housing units. (BDR S-1219)

GUSTAVO NUNEZ (Interim Manager, State Public Works Board, Department of Administration):

This is the first step of a two-step process to fund four units of temporary housing for the Department of Corrections. Two of the four units will be at the Southern Desert Correctional Center, one will be at the Southern Nevada Women's Correctional Facility and one will be at the Northern Nevada Correctional Center.

We are requesting an exemption from the selection process to be able to use design-build procedures and to be exempt from the selection process of the design-build procedure. This would reduce the completion time of the project by three or four months. This project will be constructed in accordance with all current codes including the Model Energy Code.

CHAIR RAGGIO:

These are 240-bed modular housing units. Two of them are to be constructed at Southern Desert Correctional Center. If this is approved, what are the expected occupancy dates?

MR. NUNEZ:

The occupancy date for the first unit will be the middle of January 2008. The occupancy date for the second one will be sometime toward the end of January 2008.

CHAIR RAGGIO:

When must the funding be approved for those dates to be realistic?

MR. NUNEZ:

Those dates would be realistic if we can get started with the first phase of the design-build contract around the first or second week of May 2007.

CHAIR RAGGIO:

What would the occupancy date be for the unit to be constructed at the Southern Nevada Women's Correctional Center?

MR. NUNEZ:

We are discussing that facility with the City of North Las Vegas. We should have a more accurate date when we meet with you regarding the Capital Improvement Program.

CHAIR RAGGIO:

I understood that date to be around February 7, 2008.

MR. NUNEZ:

The occupancy date would probably be March 2008. We have some concerns with feedback we are getting from the City of North Las Vegas and I would not want to commit to a date at this time.

CHAIR RAGGIO:

Will the housing unit definitely be constructed?

MR. NUNEZ:

Yes, it will.

CHAIR RAGGIO:

When will the housing unit at the Northern Nevada Correctional Center be ready for occupancy?

MR. NUNEZ:

The construction is scheduled to start on September 7, 2007, and it should be completed the first week of March 2008.

CHAIR RAGGIO:

This is a part of the contemplated Public Works Board project which was over \$30 million. If we approve this, we will still have some flexibility on whether or not to complete the entire project based on the concerns of the Legislature. Would you provide these units, regardless of the status of the complete project?

MR. NUNEZ:

Yes.

CHAIR RAGGIO:

Why are you requesting an exemption to authorize the design-build delivery method and an exemption from competitive bidding?

MR. NUNEZ:

That is to expedite the process. We would not be able to meet the occupancy dates if we had to comply with all those requirements. If we had to comply with the selection process, we would have to go through a three- to four-month process to select a design-builder and move on from there. All of the dates I just gave you would have to be delayed at least four months.

CHAIR RAGGIO:

Are these prefabricated units?

MR. NUNEZ:

Preengineered units are being contemplated. There has been some concern recently with the preengineered units being able to meet the Model Energy Code in a cost-effective manner. It is being reviewed. It could be a combination of concrete masonry units (CMU) with some type of a roofing system.

CHAIR RAGGIO:

What is the availability? Will this cause a delay?

MR. NUNEZ:

No, it should not. With this early funding, we can order the building when the bridging documents are completed and proceed with shop drawings immediately instead of waiting until July 1, 2007.

SENATOR COFFIN:

Will these buildings be located inside the walls, but not inside the main units?

MR. NUNEZ:

They will be inside the security fence.

SENATOR COFFIN:

Will the buildings have the typical stainless steel toilet arrangements? Can they be installed in modular units?

MR. NUNEZ:

The cost of that is currently being discussed.

SENATOR COFFIN:

Are there plastic fixtures instead of ceramic? Plastic is harder to break than ceramic and less dangerous as a weapon.

MR. NUNEZ:

I am not familiar with plastic. Typically, we either use ceramic or stainless steel.

CHAIR RAGGIO:

If there are no other questions, it would seem prudent that we authorize this appropriation.

SENATOR BEERS MOVED TO AMEND AND DO PASS AS AMENDED
S.B. BILL 190.

SENATOR RHOADS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR RAGGIO:

At this time, I will open the hearing on S.B. 176.

SENATE BILL 176: Makes an appropriation to the Reno-Sparks Convention and Visitors Authority for the renovation of the Reno-Sparks Livestock Events Center. (BDR S-1150)

SENATOR MATHEWS:

This bill makes an appropriation to the Reno-Sparks Convention and Visitors Authority (RSCVA) for renovation of the Reno-Sparks Livestock Events Center (RSLEC). When I served on the RSCVA, that center was the subject of much discussion. I am sorry we did not do something like this at that time.

CHAIR RAGGIO:

Senate Bill 176 seeks an appropriation of \$20 million for renovation of the RSLEC which is located on the rodeo grounds off of Wells Avenue.

ELLEN OPPENHEIM (President and CEO, Reno-Sparks Convention and Visitors Authority):

We are here to support S.B. 176 and to tell you about the RSLEC and the important role it plays in the economic impact on northern Nevada. The RSLEC is located on State property which is leased long term to Washoe County. Washoe County has an operating agreement with the RSCVA to manage the facility through 2036. That agreement began in 1986. The RSLEC is our busiest facility. It is currently in use 270 days a year, drawing approximately 500,000 people to the facility each year. The core activities are equine events. The facility generates approximately 70,000 room nights each year.

The facility is old and outdated. Its size and layout constrains our ability to retain many of the important events currently held there and our ability to recruit new events. The proposed improvements would allow us to host additional events and to retain many of the national equestrian events which are currently generating significant room nights for the northern Nevada area. The improvements would also allow us to make the facilities more multipurpose so we could recruit and support a wide range of activities to complement the equine activities. The proposed improvements would generate significant positive impacts including an additional 500,000 visitors a year.

In 2004, the RSCVA commissioned a market-demand study to determine whether we could continue to support the current equine business with the existing RSLEC facilities. Seven of the major horse shows were identified as events we might lose if we were not able to expand and renovate the facilities. In fact, three of those shows have already gone to other facilities which can support their needs and growth. Several others are only under contract for the next year or two. The 2004 study also identified nine additional equine shows we could recruit, in addition to retaining or bringing back the shows we had in 2004, if we made major improvements to the facility.

The proposed development program would allow us to bring in new equine events which could generate \$17 million and 20,000 room nights. In 2004, the equine events generated 30,000 room nights and \$26 million in economic impact. If we could include the additional events, it would be quite significant.

The equine season tends to be limited, from March to November of each year, and we have seen some significant reductions in that. Page 2 of your handout titled "Reno-Sparks Livestock Events Center – April 2007" ([Exhibit C](#)), describes the proposed long-term facility improvement plan. There are four major components. The first is improvements to the main arena. This would allow us to retain and expand our equine groups. It would also make the facility more multipurpose so we could have complementary events in the November-through-March period when horse events will not come to our region because of the weather.

The second component described in the long-term improvements is a new equine arena. This would allow for growth in the existing equine shows, and it would also allow us to have two concurrent shows for some events. The third component of the improvements would be to replace a section of the rodeo arena grandstands, concessions and restrooms to provide newer and more modern facilities and eventually support a new exhibit hall.

Page 3 of [Exhibit C](#) illustrates the level of equine events in 2004, where we are today after the loss of a number of those events and where we believe we could be if we can make the proposed improvements. On page 4 of [Exhibit C](#) is a similar chart for multipurpose events, and the chart on page 5 combines the two previous charts.

As shown on page 6 of [Exhibit C](#), the main arena facility improvements are estimated to cost \$14 million. The new equine arena and parking expansion is estimated to cost \$7.5 million, the rodeo arena improvements are estimated at \$4.5 million and the cost of the new exhibit hall would be approximately \$12 million.

The economic-impact benefits of completing the first two components of the improvements would be approximately \$21.5 million. That would allow us to retain our major equine events, bring back some of the events we have lost and bring in new events. It would generate over 27,000 room nights annually and have a \$48 million economic impact on the region. It would also allow us to host a minor league hockey franchise and have more public shows. Altogether, we could serve an additional 500,000 attendees a year.

CHAIR RAGGIO:

What other potential funding is there for these projects?

MS. OPPENHEIM:

The last investment in the RSLEC was in 1986 when the RSCVA took over the contract for operation and committed \$13 million. At the moment, we do not have another alternative for major-improvement funding.

H. LARRY LEASURE (Chairman, White-Leasure Development Company, Boise, Idaho):

I am a proposed owner of a minor league hockey franchise to be located in Reno, Nevada. The last three pages of [Exhibit C](#) are letters from Mr. Brian McKenna, Commissioner of the East Coast Hockey League (ECHL), and the City of Stockton. The ECHL has a major expansion in the west. The City of Stockton has had an ECHL team for the past two years. Our experience in Boise with a multipurpose facility has been tremendous over the last ten years. We have also drawn substantial youth programs from these types of minor league professional sports and the opportunities to add to the quality of life in that community.

The Committee has received a handout regarding ECHL hockey and White-Leasure Development Company ([Exhibit D](#)).

SENATOR CEGAVSKE:

In 2000, my son came to the University of Nevada, Reno, (UNR) because he was told there was going to be a hockey rink and a hockey team. Is this the same one they were talking about seven years ago?

MR. LEASURE:

Yes, it is. At that time, we were the West Coast Hockey League. We have now merged and we are a national minor league hockey team.

SENATOR CEGAVSKE:

Where is your league currently playing?

MR. LEASURE:

We are not playing in Reno. We own the team in Boise, Idaho. Our intent was to have a place to locate in Reno. In Boise, the Boise State University men's and women's hockey teams also utilize the facility as well as a number of youth programs.

SENATOR MATHEWS:

Were you involved with the hockey team they had in Reno at one time?

MR. LEASURE:

No, I purchased the team from that group.

SENATOR MATHEWS:

Did you promptly move it out of Reno?

MR. LEASURE:

No. They were playing in the Convention Center; when the Convention Center was expanded and remodeled, there was no space.

MENDY ELLIOTT (Former Chairman of Reno-Sparks Convention and Visitors Authority):

I served on the Board of the RSCVA from 1999 to 2003. At that time, we were meeting with constituents who were begging us to make these enhancements before they moved their shows. It is important we continue to improve and enhance this facility. The return on investment would be incredible.

CHAIR RAGGIO:

There being no further testimony, I will close the hearing on S.B. 176.

At this time, I will open the hearing on S.B. 255, an appropriation to High Sierra Industries (HSI).

SENATE BILL 255: Makes an appropriation to High Sierra Industries, Inc., for facilities to support, train and employ persons with disabilities. (BDR S-767)

The *Executive Budget* recommended an appropriation of \$2.5 million for the establishment of a center to provide assistance to persons with disabilities. Funding for that appropriation is being considered in Assembly Bill (A.B.) 455, along with an appropriation for Washoe Arc and Opportunity Village in Las Vegas. This is an adjunct measure for High Sierra Industries and an additional amount of \$5 million.

ASSEMBLY BILL 455: Makes appropriations to High Sierra Industries, Opportunity Village and Washoe Arc for training centers and other services for persons with disabilities. (BDR S-1231)

LAVONNE BROOKS (President and CEO, High Sierra Industries):

We have provided the Committee with a packet of materials regarding our request (Exhibit E, original is on file in the Research Library). Included in Exhibit E is a variety of material with more detail about High Sierra Industries (HSI) and our request.

High Sierra Industries has been in operation for 30 years. This is our first request for an appropriation. We have been working on this plan for four years. We provide services to adults with disabilities of all kinds. Our services include training, employment, day services and supported living. We offer full- and part-time employment internal to our organization. We move about 13 percent of the individuals we serve into the community into other employment opportunities. In addition, 15 percent of the individuals we serve work in the community in enclaves or other situations. Our clients work for RR Donnelley, a printing company in Stead, Nevada. Those who work in Fallon perform landscaping and ground maintenance work. They work competitively in these jobs.

We currently serve 280 people ranging in age from adults in their early teens to the late 60s. The life expectancy for individuals with disabilities is increasing and this brings a variety of other problems. There is a 98-percent correlation between Downs Syndrome and Alzheimer's.

BOB BRICCA (Board Member, High Sierra Industries):

I am speaking to you today as a volunteer HSI board member and as the retired CEO of a manufacturing company that is a customer of HSI. In 2006, the UNR's Economics Department completed a study on HSI's economic impact. According to that report, HSI's operation, specifically purchasing and payroll, have a \$12 million positive annual impact on Nevada's economy. In addition, HSI saves the State \$4 million annually by providing services public institutions would otherwise have to provide. With its manufacturing operation, HSI is not always the lowest cost assembly- and packaging-service provider. There are cheaper alternatives available. However, the company, which I relocated here in 1993 and am now retired from, along with numerous other Nevada manufacturers, use HSI because they deliver on time with minimal defects while providing a life opportunity to a less fortunate segment of our community.

Prevailing wages are paid by HSI, and their workers are rarely absent because they love their work environment. This low absenteeism, much lower than comparable industry statistics, is what makes their on-time delivery promises so reliable. When I relocated to Nevada 15 years ago, our business community's greatest economic challenge was not enough qualified workers. It is still our greatest challenge today. By funding this new facility, you will help HSI increase capacity and provide more qualified workers from a population seldom afforded this opportunity. You will also help HSI provide an improved quality of life for more mentally- and physically-challenged members of our community.

W. LARRY WILLIAMS, PH.D. (Associate Professor, Psychology Department, University of Nevada, Reno):

I am a member of the Behavior Analysis Program at the UNR. We are collaborating with HSI and this is an opportunity for us to expand the services the UNR Psychology Department offers the community. Included in [Exhibit E](#) are the renderings of the proposed center. The page following the renderings describes the existing and proposed services which would be allowed at this center. One-half of this proposed building would be dedicated to providing services other than the expertise HSI now has in vocational training and transitioning of people into industrial work.

The Legislature is confronted with the challenge of the issue of autism. As you know, 1 in 166 children will be diagnosed with autism. The Centers for Disease

Control has updated those numbers in the last year to 1 in 150. The only service that has had any effect on autism has been an evidence-based approach called Applied Behavior Analysis. The only existing autism program currently in northern Nevada is a small program at the UNR. I will be opening up an expanded autism program at this center for children over the age of six and for adolescents and adults. We currently have a grant from the State which we are using to train provider staff. In the last 6 months, we have trained over 100 staff members in behavioral analysis. In cooperation with HSI, we would expand that to prepare community businesses and industry for acceptance of people with disabilities into their operations.

B. J. SULLIVAN (Board Member, High Sierra Industries):

The support of the business community is behind HSI's efforts for a new facility with expanded services that will serve more people. We are proposing to build a 50,000-square-foot facility. The estimated cost of construction is \$10.5 million. We are in the process of closing escrow on property in the South Meadows area of Reno for \$2.8 million. High Sierra Industries is putting \$1.3 million down on the property with a note of \$1.6 million. The reason we are purchasing six acres of property is so we have the ability to grow to meet the future needs of the community. Building this facility will be a community involvement project.

Some of the people on the steering committee who are committed to this program and to HSI include Tony Ciorciari with IGT, Joanne Fahnestock with Western Turf and Nursery Farms, Jim VeVold with First Independent Bank of Nevada, Dr. Larry Williams and Dr. Patrick Ghezzi from UNR, Jim Miller from Renown, Karen Ross from Sierra Pacific Power Company, Adam Gonzales from Jack in the Box and numerous other people.

SENATOR MATHEWS:

There are a number of bills on autism which you may wish to review to see how they can be coordinated with this project.

STEPHANIE SCHOEN, (Governor's Council on Developmental Disabilities):

This is probably the most difficult testimony I will have to give. The difficulty is that I am here to represent the Governor's Council on Developmental Disabilities (DD Council). I am the parent of a 19-year-old child who has severe and multiple developmental disabilities. I am also an occupational therapist. We have nothing but absolute respect and admiration for the people who work at HSI. They are one of the most committed and dedicated groups of people I have ever worked with. One of the statistics they just gave you is alarming. They place only about 13 percent of the individuals they serve in community employment. That is an alarming statistic when the trend across the nation for over ten years has been to strive for full community inclusion.

The DD Council did not prepare a written statement because we did not take action as to whether to support or not support this bill until this last Friday. We decided it would be better to have someone come and represent the fact our concern is not whether or not to fund support for people with disabilities but rather how we support them. Our concern is there is not a high enough percentage of community employment placement with HSI nor with any of the other community training centers.

CHAIR RAGGIO:

What did you say the percentage was?

Ms. SCHOEN:

They said they were currently averaging 13 percent. I believe I heard their goal is to serve more people directly in the community. The only issue the DD Council has with this is it is not community based. They want to build a center versus using the community which is already a center. As our children are growing up, we parents do not want them in sheltered workshops. Many of my clients have been served by HSI and my opinion is they could have been served in the community and were not. They are grouped together and are isolated. Moving 13 percent of 280 people into the community is not enough. We would like that to be closer to 80 percent or 90 percent.

I want to make one last point. There are other programs and methods of treating autism besides what was presented here today. They are evidence based and they are successful. There are some people in this community who do not want to look at neurologically-based evidence. I have seen and participated in alternative methods of treating autism. I am hoping HSI plans to do something slightly different from what they have currently proposed but nobody brought the plans to the DD Council to share with us.

SENATOR TITUS:

What is the difference between this project and the money for a building at Opportunity Village?

Ms. SCHOEN:

We were also opposed to that bill.

SENATOR TITUS:

This is in the Governor's budget and you are the Governor's council. We are getting mixed signals.

Ms. SCHOEN:

We are concerned the Governor may have less than adequate information upon which to base the areas he supports. Next week, I will be in North Carolina to hear from ten states that have been doing full inclusion and personal center planning for ten years. The majority of people they serve choose to work in the community versus in a sheltered workshop. There are states around the country which have closed all their sheltered workshops as much as ten years ago. We are behind the times. The information is slow in coming to Nevada and therefore slow in getting to the Governor's Office.

SENATOR TITUS:

Is this the same approach as the Olmstead Decision where people are put into real-life situations?

Ms. SCHOEN:

Very much so. These people are working closely with the Olmstead Act.

SENATOR TITUS:

I am concerned we hear one thing in the *Executive Budget* and something else from the Governor's Council. I think the left hand needs to find out what the right hand is doing.

Ms. SCHOEN:

I could not agree with you more.

CHAIR RAGGIO:

It should be noted, however, this proposal was in the proposed budget of Governor Guinn and carried over into the present Governor's budget.

SENATOR MATHEWS:

Did you testify on any of the bills for autism?

Ms. SCHOEN:

I am the full-time caregiver for my daughter and I am not able to come to all the hearings. We did have representatives at some of the hearings on autism.

SENATOR MATHEWS:

Is your daughter diagnosed with autism?

Ms. SCHOEN:

My daughter has a condition called Rett Syndrome which is on the autism spectrum.

SENATOR MATHEWS:

Since the treatment and diagnosis is so new and still so difficult, I was wondering how you could be so emphatic about what was going on with it.

Ms. SCHOEN:

My specialty practice is in the area of developmental disabilities. I have served the community of persons with developmental disabilities, specifically people with severe cases of autism, for the last 12 years. Before that, I was involved with my daughter's care. My daughter lived in an isolated community. She lived in a nursing home and went to a separate school for eight years of her life. After she came out of the nursing home, I insisted she go to a regular school, where children talked and could gather around her, versus being isolated with other children. She said "mom," for the first time in her life, two years after being put in a regular school.

SENATOR CEGAVSKE:

What is the name of the Governor's Council?

Ms. SCHOEN:

The name is the Governor's Council on Developmental Disabilities.

SENATOR CEGAVSKE:

Did you tell him the group was opposed to this?

Ms. SCHOEN:

Yes, we have a Legislative Action Committee that posts its meetings and meets in accordance with the Open Meeting Law. There are 19 members on the council.

SENATOR CEGAVSKE:

Was it a unanimous vote of the group?

Ms. SCHOEN:

Yes, it was unanimous. There was not a single person opposed to not supporting this type of funding.

SENATOR CEGAVSKE:

Do you understand this is one-shot money which does not go to services?

Ms. SCHOEN:

Yes.

SENATOR CEGAVSKE:

If we did not have this or Opportunity Village, what do you think we should do instead?

Ms. SCHOEN:

Our opposition is not to them getting the money. This part of it was not discussed because we were not given enough information about their plan and asked for our support.

SENATOR CEGAVSKE:

Do you go to them?

Ms. SCHOEN:

That is not our mission or our goal. Our goal is to educate. It is not that we do not support HSI, Opportunity Village or Washoe Arc. We have a lot of respect for what they do and how they treat the people they serve. What we are concerned about is their track record of not working to place more people in the community.

SENATOR CEGAVSKE:

I would like to know what you would propose. These two entities are serving the people and we get testimony all the time about how beneficial they are. You are asking us to stop funding them but you do not have an alternative proposal. If you could get back to us with your recommendations and what it would cost, it would better suit what you are looking for than being opposed to the funding for the buildings.

CHAIR RAGGIO:

We will invite the Governor's Council on Developmental Disabilities to submit to us in writing their opposition and any recommendations regarding HSI and the proposed funding for Opportunity Village and Washoe Arc.

There being no further testimony, we will close the hearing on S.B. 255.

At this time we will open the hearing on S.B. 240.

SENATE BILL 240: Makes an appropriation to the City of Sparks for the completion of construction of the Larry D. Johnson Community Center.
(BDR S-673)

SENATOR MAURICE E. WASHINGTON (Washoe County Senatorial District No. 2):

I represent the majority of Washoe County, Storey County and Lyon County. This bill is for a \$1 million appropriation to complete the construction of the Larry D. Johnson Community Center located in Ardmore Park in Sparks. This is a much-needed community center which serves an at-risk population. A Washoe County Library is adjacent to the center, as well as a church. The park is frequented most often by the citizens who reside within that community. The community center will provide activities and learning opportunities for the young

people who reside within that community. It will be operated in conjunction with the Boys and Girls Club. For those of you who are not familiar with Mr. Johnson, he was slain by a parolee some years back, and this is a tribute in his honor for the public safety and law enforcement service he provided for our community.

ROBERT F. JOINER (Government Affairs Manager, City of Sparks)

We have provided the Committee with a one-page summary of the community center ([Exhibit F](#)). The first phase was recently completed and will be opening to the public May 1, 2007.

CHAIR RAGGIO:

Is this a teen drop-in center?

MR. JOINER:

It is a teen drop-in center, but it is also the beginning of a community center. This is the first phase of a three-phase project. Upon completion, it will have a full gymnasium and expanded recreation, education and community meeting facilities. Mr. Christopher Cobb is our project manager and lead engineer. He has provided the Committee with a feasibility study ([Exhibit G](#)).

CHRISTOPHER COBB (Capital Projects Manager, City of Sparks):

We are completing Phase 1 of the Larry D. Johnson Community Center. This phase includes administrative areas and two classroom areas. The upstairs includes a teen center that has been partnered with the Washoe County Boys and Girls Club. It also includes a small fitness and aerobics area. The center is located in a low-income, high-risk area. It is adjacent to the Sparks High School, an elementary school, two churches and a branch of the Washoe County Library.

The requested appropriation of \$1 million is for Phase 2 which would reach out to the adults in the area by providing a versatile meeting space and classroom where public meetings could be held along with a variety of uses. A future third phase would be the gymnasium component.

CHAIR RAGGIO:

Where is the Alf Sorenson Center located in relation to this center?

MR. COBB:

It is at least a couple of miles from the facility. This would serve our western area where the youth may not have the opportunity to use transportation.

This center is just now opening. It has been on schedule and within budget. We are looking for funds to complete the second phase to reach out to the adult community in that area.

CHAIR RAGGIO:

What was the cost of Phase 1?

MR. COBB:

The cost of Phase 1 was approximately \$3.6 million.

CHAIR RAGGIO:

Will the cost of the total project be \$14.3 million?

MR. COBB:
Yes.

CHAIR RAGGIO:
What is the total cost of Phase 2?

MR. COBB:
The estimated cost of Phase 2, if we were to build it in fiscal year (FY) 2008-2009, would be \$2.69 million.

CHAIR RAGGIO:
What is the probable source of funding for Phase 2?

MR. JOINER:
We received a federal appropriation of \$1 million to begin the first phase through an Economic Development Initiative grant. There were no federal appropriations last year.

CHAIR RAGGIO:
What is the word on State appropriations? We are having the same kind of problem.

MR. JOINER:
We understand that. We would have to look internal to try to bond. We are also currently under a hiring and cost freeze. Our revenues have not come in as projected.

CHAIR RAGGIO:
Is this a city-owned and operated project?

MR. JOINER:
Yes.

CHAIR RAGGIO:
What is the nexus with the Boys and Girls Club?

MR. JOINER:
It is a partnership. It is an opportunity for them to expand and help us.

CHAIR RAGGIO:
Is there any other testimony or opposition on this measure? There being none, we will close the hearing on S.B. 240.

At this time, we will open the hearing on S.B. 261.

SENATE BILL 261: Makes an appropriation to the City of Fernley for the construction of a sound barrier wall. (BDR S-671)

SENATOR WASHINGTON:
This bill is on behalf of the City of Fernley in Lyon County. A major highway construction project was completed on Highway 50 to accommodate the increased traffic. With that expansion, a sound wall was required for the Desert Rose Subdivision. The Committee has received a four-page handout regarding this item ([Exhibit H](#)). As you will note in [Exhibit H](#), the sound wall was not

completed all the way down to the entrance to the Desert Rose Subdivision and several residences are exposed to noise from the highway.

Senate Bill 261 provides an appropriation to complete the sound wall. The sound wall ends at the Desert Rose RV (Recreational Vehicle) Park because a business located there has a small storefront and provides propane for the RVs. The residents have complained, especially one family who bought their house with the understanding the sound wall was to extend beyond the entrance.

CHAIR RAGGIO:

Did the Nevada Department of Transportation (NDOT) construct the sound wall?

SENATOR WASHINGTON:

Yes, they did.

CHAIR RAGGIO:

Did they say why the sound wall stopped at that point?

SENATOR WASHINGTON:

The sound wall was stopped at the property owner's request. They feared the sound wall would close them in and not disclose their storefront.

CHAIR RAGGIO:

Would they object now if the sound wall were extended?

SENATOR WASHINGTON:

The sound wall would be behind the store and adjacent to the property line.

SENATOR BEERS:

I have learned the federal government has a sound wall fund which cannot be used for primary road construction. Why are we appropriating General Funds rather than directing the NDOT to apply sound wall funding to this project?

SENATOR WASHINGTON:

The easement for the construction of the existing sound wall is in NDOT's right-of-way. The proposed sound wall extension will be on private property. We are requesting the appropriation of approximately \$68,000 for the design and construction of a sound wall that will be built by a private contractor under the auspices of the City of Fernley.

CHAIR RAGGIO:

There being no further testimony or opposition, we will close the hearing on S.B. 261.

At this time, we will open the hearing on S.B. 388. The Committee has received handouts regarding the Ready for Life through Project Learn Program ([Exhibit I](#), original is on file in the Research Library).

SENATE BILL 388: Makes appropriations to the Nevada Alliance of Boys and Girls Clubs, Inc., and the Nevada Public Education Foundation.
(BDR S-1153)

HELEN FOLEY (Nevada Statewide Alliance of Boys and Girls Clubs):

We are grateful to Senator Mathews and Senator Horsford for requesting this legislation. Senate Bill 388 will help children with their homework and get through school. The Nevada Alliance of Boys and Girls Clubs has linked up with the Nevada Public Education Foundation in this bill. Their goal is to help children get through proficiency examinations and do their homework.

The Boys and Girls Clubs operate in seven different communities in southern Nevada. The Las Vegas club has 11 different sites, not counting the Henderson sites. We need a strong linkage with every school district in the State for accountability in getting report cards and reports on how students are doing. We need strong parental participation to give the Boys and Girls Clubs the authority to link in and know what the child's homework assignments are and to make sure they are done properly. If the students need additional tutoring, there will be educators on site to help them and even receive their progress reports and meet with their teachers. The Nevada Public Education Foundation will bring in guest speakers for science projects and help the Boys and Girls Clubs recruit staff.

This bill clearly spells out what the program is about. The amount of \$2 million will be dedicated to the Nevada Alliance of Boys and Girls Clubs and appropriated to grantees. The major scope of the program is outlined beginning on line 12, page 2 of S.B. 388. Not more than 10 percent of the money is to be used for administrative costs and at least 90 percent has to be used for direct services. Employees at the Boys and Girls Clubs must submit to fingerprinting and background checks, and there will be reports to the Legislature on how the money is spent. In addition, the Nevada Public Education Foundation will receive \$300,000 which will be applied directly to the program.

CHAIR RAGGIO:

Why are two separate amounts being requested for what appears to be a similar project?

MS. FOLEY:

They are identical projects. We are requesting \$2.3 million. The Legislative Counsel Bureau suggested it be divided so the Boys and Girls Clubs, which want funds to hire educators and develop the programs, will apply to the Statewide Alliance of Boys and Girls Clubs.

CHAIR RAGGIO:

Is the alliance currently in existence, and do you want to expand it?

MS. FOLEY:

Yes, it is. And then teachers, educators and others will be applying to the Nevada Public Education Foundation to work with this program.

HILARIE H. ROBISON (Executive Director, Nevada Public Education Foundation):

The Nevada Public Education Foundation is a statewide, nonprofit organization created by the Legislature in 1991. We have never received public funding. Our role is as an intermediary organization to convene and connect schools and school districts, workplace partners and nonprofits doing similar work to leverage resources and service providers including organizations like the Boys and Girls Clubs.

We are committed to improving Nevada's graduation rate. Through our Ready for Life effort, we have convened more than 50 partner organizations to work toward increasing Nevada's success at engaging graduating students and reengaging those who prematurely left school. The collaborative relationships are already in existence in several counties.

ANGELA QUINN (President and CEO, Boys and Girls Clubs of Las Vegas):

I am also a Board member on the Nevada Public Education Foundation. The southern Nevada Boys and Girls Clubs served over 22,000 children last year. About 25 percent of them were teens, and all of them were at risk. About 80 percent of our children are living in distressed circumstances, financially and otherwise. The Boys and Girls Clubs are open from 7 in the morning to 7 at night. They do not have summer vacations. At the clubs, their curriculum will be aligned with the school district's curriculum.

CHAIR RAGGIO:

How long have you been involved in the Ready for Life through Project Learn Program in the Boys and Girls Club in Las Vegas?

Ms. QUINN:

We have been passively involved for about two years, helping develop the curriculum with the Nevada Public Education Foundation. This will be our first official launch as partners.

CHAIR RAGGIO:

Is this project in the infancy stage?

Ms. FOLEY:

Project Learn is a national program of the Boys and Girls Clubs, and Ready for Life is through the Nevada Public Education Foundation. We found that both were working well on their own but would be much stronger united. We are not asking for any money for a building; it is all for direct services.

CHAIR RAGGIO:

Do you hire tutors and make them available for homework and other activities? How do you get the parental involvement and the collaboration with the schools which are goals of this program?

MIKE WURM (Chief Professional Officer, Boys and Girls Club of Truckee Meadows):

This bill will allow us to hire retired teachers, educators and others to help us collaborate with the school districts so we can fill those knowledge and skills gaps from the times the children leave school until they return the next day. We will be able to enhance the number of tutors and the ratios of the people working with the children in our existing programs. We see this as a big increase in quality and it will fill some of the existing gaps.

CHAIR RAGGIO:

How will you raise the matching funds?

MR. WURM:

The matching funds will be raised through private individuals, fund-raising and already-established methods of generating revenues by nonprofits.

CHAIR RAGGIO:

Is the same true of the Nevada Public Education Foundation? They are nodding yes.

SENATOR STEVEN A. HORSFORD (Clark County Senatorial District No. 4):

I want to thank Senator Mathews for allowing me to cosponsor this measure and for these two organizations working collaboratively together to bring this forward. I support this initiative, as I have seen firsthand how both programs and initiatives work and how they are helping to improve outcomes for youth in our communities. We are taking a successful initiative and making it a statewide collaborative. This is the type of effort we need to assist State Government in delivering services to our youth.

MS. FOLEY:

Section 3 of S.B. 388 states the Department of Education will approve the procedures for allocation of the grants. We want to make sure everything is handled properly and there is strong statewide support for these measures. There will be a 100-percent match for every dollar received by the Boys and Girls Clubs. Each club has to show they have gone out and found a match.

SCOTT SHICK (National Association of Juvenile Justice Administrators):

We stand in strong support and advocacy for S.B. 388. After-school programs of the Boys and Girls Clubs target thousands of children and teens on a daily basis. This collaboration with education will sustain the effectiveness of this funding. The National Association of Juvenile Justice Administrators strongly encourages your vote for this Ready for Life program on behalf of the children, teens and families in Boys and Girls Clubs in the State of Nevada.

SENATOR MATHEWS:

I would like to recognize Jack Reviglio, Steve Smith, Vicki Loose and many others who support the Boys and Girls Clubs who are present today.

CHAIR RAGGIO:

We appreciate all of you being here. I am sorry we do not have more time to hear testimony, but I think we have the message.

Is there any opposition to this bill? If not, we will close the hearing on S.B. 388 and open the hearing on S.B. 424.

SENATE BILL 424: Makes an appropriation to the City of Reno for expenses related to the Intel International Science and Engineering Fair. (BDR S-1075)

SENATOR TITUS:

At a time when we are encouraging students to be excited about math, science and engineering, it seems appropriate for us to help sponsor the Intel International Science and Engineering Fair. It is 57 years old and it is the world's only science, mathematics and engineering project competition for students in high school. It is world renowned and helps students succeed in our knowledge-based economy.

STEPHEN WELLS, PH.D. (President, Gathering Genius, Inc.)

I am serving as the General Chair of the 2009 Intel International Science and Engineering Fair (ISEF), as well as my day job as president of the Desert Research Institute. We are here in support of S.B. 424. In 2005, the Science Service, an organization in Washington, D.C., that oversees the science fair, selected Reno to host the 2009 Intel ISEF. The selection was made in a competitive fashion. The City appointed Gathering Genius, Inc. as the host agency to prepare, raise funds and operate the 2009 fair. As representatives of Gathering Genius, Inc., we have four key goals. One of the critical goals is increasing student participation in science, mathematics, engineering and technology fields. Another goal is increasing student participation in scientific and engineering research and their competitive nature.

We have handed out a Briefing Paper for S.B. 424 ([Exhibit J](#)). The organizational chart in [Exhibit J](#) illustrates the magnitude of volunteers we will be working with over the next two years. Between 1,700 and 1,800 volunteers will be pulled together from within the communities of Reno and Sparks, across the state, surrounding states, the nation and internationally.

About 65,000 individuals compete in affiliated fairs around the world from about 45 countries and territories, resulting in about 1,500 students coming to the city of choice and competing for \$4 million. In addition, they host students, teachers, judges, corporations and guests from around the world. Nineteen percent of the participants from the 2005 fair applied for patents for their work. Nobel Prize winners were on hand to judge and participate in the fair. You may have seen the movie, *October Skies*, which portrays the "Rocket Boys" competing in the first international science fair. That is what this is all about.

CHAIR RAGGIO:

Will you please tell us a little bit about Gathering Genius, Inc.?

DONALD L. BAILEY, SR. (Vice President, Gathering Genius, Inc.):

Gathering Genius, Inc. is the nonprofit organization which will be working with the City of Reno on the science fair. The impact to the State of the ISEF will be over \$10 million in economic development and at least 10,000 room nights. The community will have 10,000 to 15,000 tourists, there will be over 4,000 flights in and out of the Reno area and there will be 1,200 prestigious judges from the United States and around the world. The State will receive much recognition for this international- and national-media spectacular.

CHAIR RAGGIO:

How often are these fairs held?

MR. BAILEY:

They are held once every year. In 2009, the event will be 60 years old.

SENATOR COFFIN:

Is the Intel Corporation involved in the ISEF? If so, how much do they contribute to it?

DR. WELLS:

Yes, the Intel Corporation is the lead sponsor. The name comes from their sponsorship. They provide support primarily for international activities.

GEORGE T. OCHS (Vice President, Executive Director, Gathering Genius, Inc.): Intel Corporation has been the title sponsor since approximately 1999. They contribute funds for the international teams coming to the fair and for operating expenses for the lead agency, Science Service. None of their contributions come to the annual fair. The host committee is responsible for all those expenses.

DR. WELLS:

Gathering Genius, Inc. must raise funds equal to the amount we are receiving in the State appropriation. We currently have approximately \$900,000 either donated, committed or in-kind. Our goal is to raise a total of \$2.5 million.

NICOLAS ANTHONY (City of Reno):

I would like to thank Senator Titus and Senator Raggio for bringing this bill forward. The City of Reno strongly supports S.B. 424 and the work of Dr. Wells and Mr. Bailey. The City would be pleased to serve as the fiscal agent if this money were appropriated and we will work with Gathering Genius, Inc.

ANDREW GARDNER:

The ISEF was important in influencing my career. The science project I conducted between 1996 and 1999 started with my fascination about the ecological effect of the increased number of geese on Virginia Lake. Through this process, I was able to apply mathematical skills, computer modeling skills, presentation skills, writing skills and all of the things you wonder why you are learning about in school. It was a tremendous opportunity for me to merge them together. It funded my college education through the scholarships given out at the ISEF and propelled me into what I am doing now as a health care consultant for Stanford Medical Center. What I am doing is similar in that I am taking the computer modeling technology I developed and applying it within the hospital to improve our service at the Stanford Medical Center. The ISEF gives us a chance to bring a large number of smart people and future leaders in technology to our city.

T. J. MATHEUS (Yerington High School):

I attended the ISEF last year in Indianapolis, Indiana, and I will be attending again this year. It is an invaluable experience because not only do you get to talk with Nobel Laureates, the judges and professional people who give you input on your project, but you also have an opportunity to talk with other students from around the world. I also benefited from the workshops on speaking and how to get to your point quickly. I was recently accepted into the Illinois Institute of Technology and was awarded a \$20,000 scholarship because of my involvement with the ISEF.

MR. OCHS:

I would like point out that Mr. Gardner placed third in the international fair and second in the national fair.

CHAIR RAGGIO:

There being no further testimony, we will close the hearing on S.B. 424.

Staff has distributed to the Committee for your review the latest proposed reductions to the new funding requests ([Exhibit K](#)).

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There being no further business to come before the Committee at this time, the meeting is adjourned at 10:07 a.m.

RESPECTFULLY SUBMITTED:

Anne Vorderbruggen,
Committee Secretary

APPROVED BY:

Senator William J. Raggio, Chair

DATE: _____