

**MINUTES OF THE
SENATE COMMITTEE ON FINANCE**

**Seventy-fourth Session
May 8, 2007**

The Senate Committee on Finance was called to order by Chair William J. Raggio at 4:08 p.m. on Tuesday, May 8, 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 Maggie Carlton, Clark County District No. 2
Senator Maurice E. Washington, Washoe County District No. 2

STAFF MEMBERS PRESENT:

Gary L. Ghiggeri, Senate Fiscal Analyst
Marshellah D. Lyons, Principal Research Analyst
Sandra K. Small, Committee Secretary

OTHERS PRESENT:

Michael J. Willden, Director, Department of Health and Human Services
Steven C. Hansen, Chief Executive Officer, Nevada Health Centers, Inc.
Jennifer Benedict, M.S.S.W, Public Policy Analyst, Great Basin Primary Care Association
Robin Keith, President, Nevada Rural Hospital Partners
Sherri Rice, Executive Director, Access to Healthcare Network
Roberta Mahoney, Patient, Access to Healthcare Network
Jesus Gutierrez, Participant, Access to Healthcare Network
Acting Major Mark Woods, Executive Officer, Division of Parole and Probation, Department of Public Safety
Leo Drozdoff, P.E., Administrator, Division of Environmental Protection, State Department of Conservation and Natural Resources
Judy Stokey, Director, Government Affairs, Nevada Power/Sierra Pacific
Mike Elges, Chief, Bureau of Air Quality Planning, Division of Environmental Protection, State Department of Conservation and Natural Resources
Judith Pinkerton, Nevada Music Therapists
Manal Toppozada, Executive Director, The Note-Ables
Dani Lee, Participant, The Note-Ables
Virginia (Ginny) Lewis, Director, Department of Motor Vehicles
Janine Hansen, Nevada Eagle Forum, Independent American Party
Julianna L. Ormsby, Nevada Women's Lobby

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Jan Gilbert, Progressive Leadership Alliance of Nevada
Larry D. Struve, Religious Alliance in Nevada (RAIN)
Joseph A. Turco, ACLU of Nevada
Troy Dillard, Administrator, Compliance Enforcement Division, Department of Motor Vehicles
Peter D. Krueger, State Executive, Nevada Petroleum Marketers & Convenience Store Association
Sabra Smith-Newby, Clark County

CHAIR RAGGIO:

A number of the bills on this agenda have been heard in other committees regarding the policy or substance of the bill. The bills are in this Committee due to the fiscal impact or fiscal note. Unless there is some compelling reason to address the policy on these bills, the Committee will only hear testimony on the fiscal impact. The Committee will begin the hearing with Senate Bill (S.B.) 221. This bill was heard in the Senate Committee on Human Resources and Education.

SENATE BILL 221 (1st Reprint): Revises provisions relating to the development and implementation of health care policy in this State. (BDR 40-307)

MARSHEILAH D. LYONS (Principal Research Analyst, Research Division, Legislative Counsel Bureau):

Senator Washington asked me to provide opening comments on this bill. As a nonpartisan staff member, I may not advocate for or oppose any legislation coming before this or any other Legislative body. The Committee has received a summary of Senate Bill 221(R1) Health Care Planning in Nevada ([Exhibit C](#)). This bill creates the Office of Health Planning, Analysis and Policy Support in the Department of Health and Human Services (DHHS). The bill mimics an appropriation that is included in the Governor's budget related to establishing a medical and health records storage data warehouse and a staff to support the warehouse. The fiscal item is an appropriation of \$1 million from the General Fund to the Nevada System of Higher Education to support a program to provide loans to nursing students and to the Nevada Health Service Corps. Additionally, the measure requires the Legislative Committee on Health Care to appoint a subcommittee to review the laws of the State that establish the scope of practice for certain health care providers and a study concerning the operation of the professional licensing boards for providers of health care in this State.

MICHAEL J. WILLDEN (Director, Department of Health and Human Services):
Section 5 of S.B. 221 is an appropriation of approximately \$2.2 million. The Department attempted to address this technology improvement request, the data warehouse, through the Governor's budget now Assembly Bill (A.B.) 206, which is similar to S.B. 221.

ASSEMBLY BILL 206: Makes an appropriation to the Department of Administration to fund certain information technology projects. (BDR S-1207)

CHAIR RAGGIO:

What is the status of A.B. 206?

MR. WILLDEN:

I understand A.B. 206 did not get a favorable hearing in the Assembly.

CHAIR RAGGIO:

Does A.B. 206 have the same financial request of approximately \$2.2 million?

MR. WILLDEN:

Yes, it does.

CHAIR RAGGIO:

What is meant by a medical and health records storage data warehouse?

MR. WILLDEN:

During the interim study on health issues, there was discussion about how we maintain health records. We have many systems within the DHHS and Medicaid with individual silos of information. There was frustration expressed that there needed to be a central place to get data. We developed a budget request for a central data warehouse.

CHAIR RAGGIO:

From where does this information come and to whom is it disseminated?

MR. WILLDEN:

The information emanates from a number of programs the DHHS administers, for instance, the Cancer Registry and birth and vital records. Some information comes from the University of Nevada, Las Vegas Center for Health, Information and Analysis. There is information coming from hospitals, providers and death records. The idea is to create a central data warehouse.

CHAIR RAGGIO:

Is anything like this data warehouse currently available?

MR. WILLDEN:

No, there is not. Through the budget process, the data warehouse became a one-shot request in A.B. 206 with funding in fiscal year (FY) 2006-2007.

CHAIR RAGGIO:

Are any of the funds included in the *Executive Budget*?

MR. WILLDEN:

The total amount is in the one-shot portion of the Governor's budget.

CHAIR RAGGIO:

How was the total cost of \$2,177,006 derived?

MR. WILLDEN:

The DHHS, the Department of Information Technology and the Department of Administration worked together to develop a budget.

CHAIR RAGGIO:

Where would the data warehouse be located?

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MR. WILLDEN:

It will be located in the Health Division in budget account (B/A) 101-1325 in decision unit E-586.

CHAIR RAGGIO:

Staff is indicating the Joint Subcommittee on General Government reviewed this request and did not act favorably.

MR. WILLDEN:

That is correct.

SENATOR MATHEWS:

Is the cost of new equipment included in S.B. 221?

MR. WILLDEN:

This request is for a server to create the data warehouse to push and pull data.

SENATOR MATHEWS:

Can this be coordinated with Archives and Records?

MR. WILLDEN:

No, this is a different type of data.

Section 7 of S.B. 221 includes a request for staff related to the operation of the data warehouse. In B/A 101-3190, decision unit E-276, the DHHS requested four positions. This budget was closed dependent upon the action taken on the technology improvement request. One committee is not in favor of the bill; the other committee supports the new positions assuming the data warehouse is funded. The data warehouse has not been funded.

HUMAN SERVICES

HEALTH

HHS - Vital Statistics – Budget Page HEALTH-14 (Volume II)
Budget Account 101-3190

CHAIR RAGGIO:

The four positions requested in Section 7 of S.B. 221 are not needed if the data warehouse is not approved. Do you have any information on section 6 which requests an appropriation for loans to nursing students and supports the Health Services Corps?

MS. LYONS:

The amount requested and the specific areas to be supported came from the University.

CHAIR RAGGIO:

Is there any further information on section 6? Is there any further testimony on S.B. 221? We will close the hearing on S.B. 221(R1). We will open the hearing on S.B. 522. This bill appropriates \$3 million to the Committee on Emergency Medical Services (EMS) for grants; \$10 million to the DHHS to support the expansion of federally qualified health centers and rural health clinics; and \$2 million to the DHHS to support access to health care for uninsured persons.

SENATE BILL 522: Makes appropriations for the provision of various health care services. (BDR S-311)

MS. LYONS:

I am here at the request of Senator Washington. As a nonpartisan staff member, I may not advocate for or oppose any legislation coming before this or any other Legislative body. The Committee has received a copy of "Senate Bill 522 Health Care Safety Net Programs and Rural EMS," ([Exhibit D](#)), which summarizes my comments. This bill addresses three different areas. It attempts to provide support for community and rural health care centers; rural EMS; and community-based programs which coordinate care for uninsured patients. The bill has a \$10 million appropriation for federally qualified health centers (FQHC), look-alikes and rural health care centers as defined by the federal government. There is a \$3 million appropriation for the support of EMS in rural areas through the State's Committee on EMS as grants. There is an annual appropriation of \$1 million to DHHS to support the access health care program. There is a proposed amendment to this bill.

CHAIR RAGGIO:

What is a FQHC as it appears on page 4 of S.B. 522?

STEVEN C. HANSEN (Chief Executive Officer, Nevada Health Centers, Inc.):

Nevada Health Centers is one of two FQHCs in this State. A FQHC is qualified through the Bureau of Primary Health Care of the federal Health and Human Services Department. Grant funding is provided. We see people regardless of their ability to pay.

CHAIR RAGGIO:

Who receives the care?

MR. HANSEN:

All people receive care. Our focus tends to be the underserved populations, either the geographical or socioeconomic underserved. I would like to support, specifically, sections 4 and 6 of S.B. 522. My organization provides approximately 120,000 patient visits each year for primary health care and dental care, about 50,000 people. The vast majority of those individuals are below 200 percent of the poverty level. These funds will provide additional capacity to meet the need. We have more need than capacity to serve at this time.

CHAIR RAGGIO:

How many FQHCs are there in the State?

MR. HANSEN:

My organization has 21 clinics scattered throughout the State. We also care for people in Clark County. Dr. Michael Rodolico is from Health Access Washoe County, the other FQHC in the State.

SENATOR RHOADS:

Is there anything in this bill to provide incentives in the rural areas? There are so many vacancies.

MR. HANSEN:

This bill does not specifically target rural areas. The ability for an organization like mine to provide capacity building will give us more opportunity to recruit.

JENNIFER BENEDICT, M.S.S.W (Public Policy Analyst, Great Basin Primary Care Association):

This bill has not been heard in any other committee. The Committee has received a copy of "Federally Qualified Health Centers Save Lives and Dollars!" ([Exhibit E](#)). There are a variety of statistics in [Exhibit E](#). During 2006, FQHCs served more than 68,700 patients; approximately 56 percent of the patients were uninsured and 28 percent used Medicaid, Medicare or Nevada CheckUp. Approximately 80 percent of the patients are either underserved based on their geographic location or economic situation. Around 450,000 Nevadans were uninsured for the entire year which does not include people between jobs or who do not have insurance during part of the year. Having access to primary care is cost effective in reducing hospitalizations, inpatient days and emergency room use.

SENATOR MAGGIE CARLTON (Clark County District No. 2):

I am a member of the AccessHealth Advisory Council. I became involved with the Council last Session and made a commitment to be involved in uninsured issues. An excellent job has been done helping people who normally would not have been able to find health care. They are the folks who fall through the gaps; their jobs do not provide insurance, yet they make too much to access State aid. We find them a primary physician and network with physicians to get specialty care. We have some wonderful physicians. Physicians are calling us asking to be part of our network. We work closely with our patients to make sure they understand what health care is about; they need to show up for appointments on time; they need to take their documentation; and they need to pay the negotiated fee.

We are serving 25,000 to 30,000 people now. We are taking people out of emergency rooms. I have talked to the University Medical Center (UMC) to try to determine the amount of money we may have saved the UMC. When we first started the program, we were spending approximately \$150 for each person to implement the program. Now that we have the program up and running and have eligibility workers processing patients, the cost is about \$100 for each person to access health care. For years, the patient population has relied on their employers. We have found that does not work for everyone anymore. We want to educate people and teach them how to get health care without the help of their employer.

CHAIR RAGGIO:

How long has the AccessHealth network been in existence?

SENATOR CARLTON:

AccessHealth has been in existence in southern Nevada for 18 months. We are fully operational and serving patients.

CHAIR RAGGIO:

How are you currently funded?

SENATOR CARLTON:

We started with funds approved last Session. The Committee has received "Resource Development AccessHealth," ([Exhibit F](#)), which shows the funding sources on page 4. We are seeking continued support to grow the program to the point it is sustainable on its own. We have completed a pilot project and are moving into the demonstration phase.

CHAIR RAGGIO:

Are any of the appropriations referenced in S.B. 522 included in the *Executive Budget*?

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

I am not aware that funds are not included in the *Executive Budget*.

ROBIN KEITH (President, Nevada Rural Hospital Partners) :

I have an interest in the health care delivery system that goes beyond hospitals. The Nevada Rural Hospital Partners support S.B. 522 in general. I want to focus on sections 1 through 3 of the bill. These sections appropriate \$3 million in one-shot funds for grants for rural EMS, including the rural parts of urban counties. Rural EMS needs help. The Interim Health Care Committee heard testimony about the difficulties these services have in taking care of our rural areas. At the request of the committee, the Nevada Office of Rural Health, Nevada Rural Hospital Partners and the State EMS office collaborated on a simple survey intended to assess the needs of rural EMS services.

There are 102 EMS groups in rural Nevada; 47 responded to the survey. All stated ambulances are the most pressing need. The data indicates we have 245 ambulances serving rural Nevada, ranging in age from 1 to 32 years, and having from 1,000 to 320,000 miles. According to the survey, 108 of the ambulances are in below average or poor condition. Simply replacing the ambulances would cost \$16 million. In addition to capital needs, rural EMS is dependent on volunteers, because small communities cannot afford paid staff. Volunteering involves giving personal time to deal with some horrible situations. The volunteers provide a humanitarian service; we burn them out quickly, primarily due to the time involved. In addition to providing direct service, volunteers must go out of town, often taking vacation time, to get needed training. In addition to funding the equipment needs, this money can bring training to the rural areas. We have a telemedicine network in Nevada. We need to use it to deliver training.

CHAIR RAGGIO:

What are you indicating? You referred to sections 1 and 2 of S.B. 522 which provides \$3 million. You are saying the need is greater. All of the bills requiring an appropriation, not in the *Executive Budget*, should not have high expectations. Because of the limited revenue, we do not know what will be left after basic budget needs are funded. We want to have, on the record, the extent of the need and purpose for each request.

Ms. KEITH:

I understand.

MS. LYONS:

Senators Washington and Carlton had me put together a proposed amendment to S.B. 522. The amendment affects the sections of the bill relating to the access to health care programs. The bill references one health care access program. The amendment references the programs in operation in southern and northern Nevada. The proposed amendment is on the bottom of [Exhibit D](#).

SHERRI RICE (Executive Director, Access to Healthcare Network):

We are the health program for the working poor in northern Nevada. My comments are available in [Exhibit F](#). Access to Healthcare is a network of providers including hospitals, primary care specialists, ancillary care providers including mental health, vision, chiropractic, podiatry and physical therapy, all offering their services to Access to Healthcare members at reduced fees. Access currently has over 30 primary care providers, 144 specialists, 13 ancillary providers, 7 mental health providers and Renown Health and St. Mary's Hospitals. Our members are between 100 and 250 percent of the poverty level, not eligible for Medicare, Medicaid, Nevada CheckUp, or currently on employers' sponsored insurance and must live in Nevada. Access to Healthcare is a nonprofit corporation, licensed by the Division of Insurance as a nonprofit medical discount plan. Access to Healthcare membership is not an insurance product; it provides the uninsured with the ability to immediately access needed medical care. Our Board of Directors includes over 30 local agencies committed to finding solutions to the problems faced by the working uninsured. Access to Healthcare's request in S.B. 522 is a one-time request. We are requesting funds for the initial startup process.

CHAIR RAGGIO:

How long has Access to Healthcare been in existence?

MS. RICE:

We have been in existence two to three years. We put the network together within the last year and started taking members two weeks ago.

CHAIR RAGGIO:

How are you funded?

MS. RICE:

The initial funding was federal; membership fees make us sustainable. We will be requesting funds from other organizations. As the budget in [Exhibit F](#) indicates, we plan to be self sustaining.

ROBERTA MAHONEY (Patient, Access to Healthcare Network):

I support S.B. 522. I am 60 years old. I have worked in Nevada all of my adult life and have had insurance. In 1988, I became self-employed and dropped my insurance due to the high cost. In 2005, I was diagnosed with cancer and required approximately \$80,000 in treatment. After depleting my savings and taking out a second on my home to provide for my care, I ran out of resources. I applied for Medicaid and disability. Medicaid paid for my treatment. After I started receiving \$1,400 monthly in disability, Medicaid dropped me because the amount is over their allotment. I still needed care and further testing. I wrote a letter to the Governor and was referred to Access to Healthcare Network. I called them and they helped me with the last exploratory surgery. They saved me over \$6,500.

JESUS GUTIERREZ (Participant, Access to Healthcare Network):

I am a small business owner in northern Nevada. Access has been supportive for a small business and the Hispanic community. For myself and my employees, it is hard to have health insurance due to the cost. I am able to pay a minimum for my employees and myself. Having healthy employees with happy families is wonderful.

CHAIR RAGGIO:

How many employees do you have?

MR. GUTIERREZ:

I have four employees.

CHAIR RAGGIO:

Is there any opposition to this measure? If others have written testimony, we will receive it and make it part of the record. Dr. Mary Anderson has provided a letter in support of S.B. 522, ([Exhibit G](#)). We will close the hearing on S.B. 522 and open the hearing on S.B. 421.

SENATE BILL 421: Makes various changes relating to facilities for transitional living for released offenders. (BDR 16-1307)

SENATOR TITUS:

Senate Bill 421 has two parts; both parts are tied to the problem I have called halfway houses which are technically referred to as transitional living facilities for released offenders. The first part of the bill moves the licensing and oversight of these facilities from the Bureau of Licensure and Certification (BLC), Health Division, DHHS, to the Division of Parole and Probation (P&P), Department of Public Safety. Last Session, we placed the responsibility with the BLC. They did not want it. It was not a priority. Regulations do not exist. Three halfway houses have applied for licensure and none of them have been licensed. It is a disaster we need to get a handle on.

CHAIR RAGGIO:

How many facilities are there?

ACTING MAJOR MARK WOODS (Executive Officer, Division of Parole and Probation, Department of Public Safety):

Currently, there are 28 facilities throughout the State with the majority in Las Vegas and Reno.

SENATOR TITUS:

The second part of the bill provides halfway houses for sex offenders. You have read recently about an incident in North Las Vegas where the neighborhood did not want sex offenders living there. You cannot blame them. You may have read about the scene in Miami where no one wants sex offenders in their neighborhoods so they are living under freeway bridges. The problem is not just in Nevada. I was looking for a place to put sex offenders where they would have a home and not be in a neighborhood but where they could be watched. I have been working with Major Mark Woods; Mr. Phillip A. Galeoto, Director, Department of Public Safety; Mr. Howard Skolnik, Director, Department of Corrections; and Assemblyman David Parks, chairman of the special committee on prisons, to look at establishing a pilot project in southern Nevada at the Department of Corrections facility in Jean, Nevada using Federal Emergency

Management Agency (FEMA) trailers available for purchase at a low cost. That is not in this bill, but something is in the works.

CHAIR RAGGIO:

It would be helpful to the Committee if you can get that plan together.

SENATOR TITUS:

Mr. Galeoto is going to Washington, D.C., this week to look at the trailers to determine the feasibility of their use.

CHAIR RAGGIO:

Are these trailers similar to those used for Hurricane Katrina?

SENATOR TITUS:

They are the same trailers. There are thousands of trailers of different sizes just sitting there. They can be purchased for almost nothing. It is a matter of getting them to Nevada.

CHAIR RAGGIO:

How far would the \$500,000 go toward purchasing trailers?

MAJOR WOODS:

The cost of a trailer is approximately \$5,000 plus the cost of transportation and the infrastructure required at the Jean facility.

CHAIR RAGGIO:

Senator Titus indicated a potential for a pilot program. How far will \$500,000 go in supporting this pilot program? Will you need personnel, facilities and operation costs?

SENATOR TITUS:

We are working on that now. Mr. Skolnik thinks a pilot project with about 24 trailers on the Jean campus could be done easily because a lot of the infrastructure is in place.

CHAIR RAGGIO:

There is no doubt there is a dilemma. We are being tough, out of necessity, and committed to keeping sex offenders, upon release, out of harmful situations or locations. On the other hand, they must live someplace. This is an interesting concept and would be costly in the long run. We would be interested in seeing an outline of the pilot program and its cost.

SENATOR TITUS:

We will get that information to you as soon as possible. The P&P does not want to oversee the halfway houses. I understand they have a lot to do. They have developed a new policy of checking on the halfway houses. I am willing to go with that for now rather than moving the responsibility.

MAJOR WOODS:

We have entered into a Memo of Understanding (MOU) with the BLC. The MOU is in the Attorney General's hands for their approval. The BLC does not have the manpower to go to facilities and fine the facilities. The P&P officers are out there on a daily basis.

CHAIR RAGGIO:

Are you talking about all released offenders?

MAJOR WOODS:

I am referring to all transitional living facilities. The MOU says, when P&P officers are onsite, if the house is not licensed, the officer will report the situation to headquarters. We will work with the BLC and within the first few days, we will send an official letter to the house advising them they have ten working days to contact the BLC to begin the application process. We will follow up with the BLC to make sure the house has started the application process. If they have, the BLC will work with the house to get it licensed. If they do not start the application process, we will pull our offenders out of the house.

CHAIR RAGGIO:

If you pull people out, where will you put them?

MAJOR WOODS:

The P&P has other areas where a person can live. Our officers check on the offender. It will be an issue. We have run into this before when a house must shut down. It will not be easy.

CHAIR RAGGIO:

The Committee is looking at some revisions in the correctional programs such as early release of inmates and more supervision for probation of first-time offenders. We need timely input from P&P as to what can be done to provide more supervision and contact with first-time offenders and Category E felonies. Please meet with the Chair and staff regarding suggestions to accommodate these concerns and for input as to the workability of such a program.

MAJOR WOODS:

The P&P is working with the Senate Committee on Judiciary on those issues.

CHAIR RAGGIO:

Please coordinate that with us also.

SENATOR COFFIN:

In recent Sessions, we got tougher on sex offenders as a specific segment of people within the P&P area. Are we pushing this to the point of lawsuits? We cannot force people to live under bridges. We need to treat the sex offender, mentally and physically, to help deal with their primal urges. Giving them a place to live is a step in the right direction. People would be willing to pay the price. We put a target on the sex offender's back. We are almost to the point of inviting vigilantism.

SENATOR TITUS:

Several states are using license plates to identify the sex offenders. The sex offender pays rent wherever they live. There would be revenue from trailer rent under the pilot program. If we do not go forward with moving the BLC to the P&P, I request a report to Interim Finance Committee (IFC) to let us know how the MOU operates.

CHAIR RAGGIO:

The Committee will have staff follow up on that request. Is there any further testimony on S.B. 421? Hearing none, we will close the hearing on S.B. 421 and open the hearing on S.B. 422.

SENATE BILL 422 (1st Reprint): Requires the creation of a registry and inventory of greenhouse gases emitted in this State. (BDR 40-678)

SENATOR TITUS:

This bill originally set up what is called a "cap-and-trade" system. In this system, greenhouse gas emissions are capped and credits are traded. If you do not cap enough, you can buy credits. If you cap more than enough, you can sell credits. After talking to the stakeholders and our Division of Environmental Protection, I realized Nevada may not be ready for a cap-and-trade system. I believe we are behind the curve so I decided to take the first step which is S.B. 422. This bill sets up a registry of the businesses, power companies and facilities emitting greenhouse gases and does an inventory of the amount emitted. This information will allow Nevada to identify the polluters and how much they pollute. We can then move to the cap-and-trade system, be part of the western effort to address global warming and provide opportunities for business to engage in trading across state lines. Pollution does not stop at the state line. With a market the size of Nevada, we need to trade across state lines with Arizona, New Mexico and California. This bill had a fiscal note. The Committee has received a copy of a letter from Mr. Leo Drozdoff, Administrator of the State Department of Conservation and Natural Resources, ([Exhibit H](#)) saying the Governor supports S.B. 422 and it can be implemented with current funding.

CHAIR RAGGIO:

This letter is dated April 20, 2007. It states:

At the direction of the Governor's office, the Division will fund this position during the first two year period with revenue from the recent Nevada Power settlement. Because recommendations by the Governor's Nevada Climate Change Advisory Committee may affect future resource needs, further support for this overall effort will be evaluated and included as part of the next biennial budget.

There is a revised fiscal note attached to the letter.

LEO DROZDOFF, P.E. (Administrator, Division of Environmental Protection, State Department of Conservation and Natural Resources):

There is a need for one person to assist us in developing the regulations and coordinating the information received. We are in a fortunate situation. About one month ago, the Division settled a case with Nevada Power Company. The settlement provides revenue to the air pollution control fund. At the Governor's direction, a portion will be used to fund this one position over the biennium.

CHAIR RAGGIO:

What is the result of the settlement? I understand there was a joint settlement with the federal government and the State; the utility is required to spend \$85 million on cleaner technology and pay a fine of \$1.11 million. Is that correct?

MR. DROZDOFF:

That is correct. The Committee has received a copy of a press release, "Environmental News" ([Exhibit I](#)). The settlement did three things. Approximately \$85 million went into pollution control devices at the Reid Gardner facility.

CHAIR RAGGIO:

How will the settlement be distributed?

MR. DROZDOFF:

Of the settlement amount, the fine of \$1.1 million is split: \$770,000 payable to the State of Nevada air-pollution control fund; \$340,000 payable to the federal government. Clark County School District will receive \$4 million for energy programs.

CHAIR RAGGIO:

There is a revised fiscal note showing the cost of one position. What type of position is it?

MR. DROZDOFF:

That is an environmental scientist III.

CHAIR RAGGIO:

Are the costs of the position and related expenses \$106,900 in FY 2007-2008 and \$107,187 in FY 2008-2009?

MR. DROZDOFF:

That is correct.

CHAIR RAGGIO:

What is the source of the funds?

MR. DROZDOFF:

The funds are not in the budget. We would likely go to the IFC and ask the Legislature for the authority to spend the funds requested in this bill.

CHAIR RAGGIO:

Since there is no one here from the Budget Division, staff will check with them to see if this proposal is acceptable.

SENATOR TITUS:

The letter from the Division of Environmental Protection ([Exhibit H](#)) should go to the Budget Division with the fiscal note.

JUDY STOKEY, Director (Government Affairs, Nevada Power/Sierra Pacific):
Nevada Power Company supports S.B. 422.

SENATOR COFFIN:

Is the most recent technology on emissions capture at the Reid Gardner plant state of the art?

MS. STOKEY:

Yes, that is our goal.

MR. DROZDOFF:

Yes, it will be state of the art.

SENATOR COFFIN:

Where are the waste particulates deposited?

MIKE ELGES (Chief, Bureau of Air Quality Planning, Division of Environmental Protection, State Department of Conservation and Natural Resources):

The fly ash waste collected from the bag houses at Reid Gardner is disposed of at an on-site landfill.

MR. DROZDOFF:

Is there anything the Division can provide this Committee and the Budget Division with respect to adding a position?

MR. GHIGGERI:

As you have indicated, the Division will probably need to approach the IFC for authority to add the position.

CHAIR RAGGIO:

Is there any further testimony in favor of or opposition to S.B. 422? We will close the hearing on S.B. 422 and open the hearing on S.B. 558.

SENATE BILL 558: Makes appropriations to northern and southern Nevada music therapy programs for the purchase of various equipment.
(BDR S-1469)

JUDITH PINKERTON (Nevada Music Therapists):

I represent the music therapy programs in southern Nevada, specifically, the community-based program called the Center for Creative Therapeutic Arts, which I founded and direct. Senate Bill 588 supports statewide programs funding essential equipment for program expansion. The information you received at the introduction of the bill draft request was very detailed. Today we are presenting programmatic information as shown in "Music Therapy Benefits" ([Exhibit J](#)). The Committee has received a copy which includes a list of equipment totaling \$109,950.

The Center for Creative Therapeutic Arts has five sites in southern Nevada. The college clinic serves children with disabilities. We have a day-care site for adults with various impairments and elderly challenges. We have two schools: the Rose Warren Empowerment Elementary School for at-risk children and Child Haven for traumatized children. Future sites are being developed at an autism center, Nellis Air Force Base for military families and the community counseling center for methamphetamine and other addictions. Clients range from infant to 106 years old and from all walks of life. We have a staff of six providing 1,500 sessions annually for 350 clients. Ninety-one percent of our funding for clients comes from grants. State funding, through the Desert Regional Center, provides 6 percent of our funding. Three percent of our clients pay privately. By comparison, the Rawson and Neal Psychiatric Hospital serves 200 beds and is fully funded by the State. This bill will provide \$58,815 to fund music instruments, supportive equipment, supplies and software for current and expanding sites.

CHAIR RAGGIO:

This bill identifies four potential recipients. Are there others, in addition to those listed, who would qualify?

MS. PINKERTON:

No.

MANAL TOPPOZADA (Executive Director, The Note-Ables):

The Note-Ables is a community-based nonprofit organization in Reno. We provide music therapy services and community music-based experiences to children and adults with disabilities, primarily in Reno and Sparks. We are in the process of expanding to Carson City. The Note-Ables was founded four years ago. We have a part-time staff of three providing services to more than 400 people annually. Music therapy is a cost-effective research-based tool for people of all ages and abilities. All of our services are designed to enhance independent living skills, quality of life and skills which transfer to all aspects of life. Our services are not clinical, they are community based. We offer collaborative programs with Sierra Regional Center, Washoe ARC and other disability service providers. In addition to the 400 people we currently serve in Washoe County, we have more than 50 people on a waiting list in Carson City.

DANI LEE (Participant, The Note-Ables):

I support S.B. 558. I was in a coma for 21 months beginning in 1998. When I came out of the coma, I had no social life. I got into the Note-Ables which provides a social avenue to explore. Singing with them is great. I have always been a musician. Now, I am trying to fine-tune my inner-musical instrument. I am trying to perfect my voice. I am also receiving help with the keyboard. I pray many more people will have this opportunity. There are lots of handicapped people. This is a wonderful social program.

MS. TOPPOZADA:

Dani and other people here today have been driving every week to Reno from Carson City for three years to participate in both individual and group activities.

CHAIR RAGGIO:

How many people do you reach?

MS. TOPPOZADA:

We reach approximately 400 people through on-site and collaborative programs. There are two other music programs benefiting from S.B. 558. The Marvin Picollo School, Reno, would receive \$15,325. The Picollo program serves 150 students between the ages of 12 and 21 with significant disabilities. The programs work on music experiences, life skills, self esteem, cognitive, leisure, functional and social skills.

CHAIR RAGGIO:

Do you receive any funding from foundations?

MS. PINKERTON:

The MGM Mirage Voice Foundation has funded music therapy programs in schools because the Department of Education does not fund music therapy as other states do.

MS. TOPPOZADA:

The Note-Ables is primarily foundation and grant funded. We do receive some State funds from the Nevada Arts Council and the Governor's Council on Developmental Disabilities. The fourth entity benefiting from S.B. 558 is the Esther Bennett Elementary School, Reno. This program benefits 66 students with disabilities in an at-risk school. The program works on academic, social, emotional and physical skills for age-appropriate functioning levels.

CHAIR RAGGIO:

These requests are modest and serve a good purpose.

MS. PINKERTON:

Many of these programs are for students in schools. This request is not within the education budget.

SENATOR CEGAVSKE:

I have seen these programs in action. I know it works and the program is good.

CHAIR RAGGIO:

There being no further testimony on S.B. 558, we will open the hearing on S.B. 561. The Committee has received letters in support of S.B. 558 from Shirley Folkins-Roberts, Esq. and Doug Roberts ([Exhibit K](#)). Since there is no one here at this time to testify, we will reschedule the hearing, if necessary, to accommodate this measure.

SENATE BILL 561: Makes an appropriation to the Keaton Raphael Memorial to provide financial assistance to families who have children with cancer. (BDR S-1441)

The Committee will hear S.B. 385. This bill was heard in the Senate Committee on Legislative Operations and Elections. The bill is not in the Senate Committee on Finance to discuss policy. If there is a compelling reason to hear testimony on policy, we will do so; otherwise, we are concerned with the fiscal note. There was a fiscal note from the Office of the Secretary of State.

SENATE BILL 385 (1st Reprint): Revises certain provisions relating to voter identification. (BDR 24-447)

SENATOR CEGAVSKE:

After extensive research, we want to delete section 3 of the bill regarding references to the Office of the Secretary of State.

CHAIR RAGGIO:

Do you have a proposed amendment?

SENATOR CEGAVSKE:

The Legal Division is working on an amendment. The Department of Motor Vehicles (DMV) already provides identification cards. There would not be a fiscal note for this bill if it is amended.

VIRGINIA (GINNY) LEWIS (Director, Department of Motor Vehicles):

The DMV currently issues identification cards. How the identity card is used is not an issue. If individuals can provide documentation to prove who they are, we can issue an identification card. It would not be a special card; it would not

say for voter purposes only. If it did, there would be fiscal implications. As I understand this bill, an identification card or driver's license is permissible identification to vote. If an individual can meet all of the DMV's requirements, we are an avenue to provide an identification card.

CHAIR RAGGIO:

Does the DMV currently issue identification cards? Is it a photographic identification?

MS. LEWIS:

Yes, it is.

SENATOR CEGAVSKE:

We have been able to show there is no fiscal note. We must change the Secretary of State wording to the DMV.

CHAIR RAGGIO:

We will wait for a formal amendment to S.B. 385.

SENATOR MATHEWS:

Is there a charge for the DMV identification card?

MS. LEWIS:

Yes, there is a charge. There are two fees; \$14 goes to the Highway Fund plus \$2.25 is paid to the vendor to issue the card. If there were not a fee, there would be a cost to the DMV.

SENATOR MATHEWS:

How will people get to the location to apply for a card? The cost of the card is a lot of money for some people.

SENATOR TITUS:

Does it cost \$14 for the identification card?

MS. LEWIS:

Today, the cost is \$14 plus \$2.25. When DMV goes to central issuance, the cost will increase.

SENATOR TITUS:

What does a person pay the DMV to get an identification card?

MS. LEWIS:

The individual pays \$16.25 for the identification card. When we go to central issuance of the driver's license, the production costs will increase. The identification card is good for four years.

SENATOR TITUS:

Do you have any idea how many people do not have an identification card?

MS. LEWIS:

I have no idea.

SENATOR TITUS:

We have no idea how many people do not have a card. We will charge people \$16.25, at least, every four years to vote.

CHAIR RAGGIO:

The identification card is not the only form of identification acceptable in S.B. 385.

SENATOR BEERS:

How many identification cards are issued at this time? How many driver's licenses have been issued?

Ms. LEWIS:

There are over 450,000 identification cards issued and 1.7 million driver's licenses.

SENATOR BEERS:

Was this bill processed requiring a current picture identification? If the only purpose for this card is to vote and a current photograph is not required, there would be a one-time fee for an identification card, not a four-year fee.

CHAIR RAGGIO:

Staff will verify that requirement.

JANINE HANSEN (Nevada Eagle Forum, Independent American Party):

The Independent American Party supported section 3 of S.B. 385. If it is taken out, we have serious concerns about this bill. If free identification for voting is removed, a situation similar to the court case in Georgia occurs. An identification card, which must be paid for, cannot be required to vote because it is considered a poll tax and is unconstitutional. Some of the people in the Independent American Party do not choose to get government identification because they have requirements such as a social security number which are objectionable.

There is another issue. The Carter-Baker Commission on Federal Election Reform wants to require photographic identification for everyone to vote. I am concerned because it calls for interoperable voter lists. These voter registration lists must be interoperable between states; thus, we have a federal identification. The Carter-Baker Commission has asked the states to require this identification be a Real ID card which this Legislature just voted against in A.J.R. 6. I have real concerns about any identification requirement we place into legislation. Nevada law must not have interoperable voter lists shared with other states and should not force people to use Real IDs because these create civil liberty and constitutional questions. I supported S.B. 385 when it was a free card. We want people to be registered who are eligible to vote.

ASSEMBLY JOINT RESOLUTION 6 (1st Reprint): Urges Congress to repeal the REAL ID Act of 2005. (BDR R-1393)

JULIANNA L. ORMSBY (Nevada Women's Lobby):

I would like to point out a few things about the existing fiscal note. The Committee has received a copy of my testimony ([Exhibit L](#)). Section 2 of the bill contains other forms of identification which can be used to vote. The driver's license has a charge. The armed forces identification cannot be obtained by

anyone outside the armed forces. A U.S. passport is expensive. Identification issued by an Indian Tribe applies to a select group. The Nevada Women's Lobby believes the fiscal note projected by the Office of the Secretary of State is low based on the estimates of other states. [Exhibit L](#) has additional details. When Georgia passed a similar law in 2006, it was estimated 10,000 voter identification cards would be issued at no cost to voters. Georgia earmarked \$550,000 annually to fund the cards. Tennessee estimated 35,000 people would ask for the identification card and estimated \$322,500 in their fiscal note. Kansas, in one county alone, estimated the cost at \$470,000. Missouri estimated \$2 million for one fiscal year. I have additional concerns which are listed in [Exhibit L](#). The Office of the Secretary of State did not include funds for outreach to voters. Other states have mentioned this as a concern.

JAN GILBERT (Progressive Leadership Alliance of Nevada):

We are interested in civil engagement. We are concerned about the identification cards. If the DMV charges \$15 for each identification card and we assume 60,000 will need the card, the cost is \$900,000. We cannot charge for the card. It is unconstitutional to charge for the card; it would be a poll tax. We have other needs in the State. Many of us have questioned the fraud and the reason we are doing this. I have voted in Nevada for 25 years. I do not have a voter card. I now have to bring a card to prove who I am. This is so uncalled for. There are many other things more important than to pay \$900,000 for identification cards. The registrars would say, I am sure, they are doing a pretty good job.

LARRY D. STRUVE (Religious Alliance in Nevada):

The Religious Alliance in Nevada (RAIN) did not participate in the discussion during the Legislative Affairs committee because RAIN had not had a chance to take a position on the bill. However, in a statement RAIN adopted prior to the Legislative Session, called the Blueprint for Social Justice in Nevada, the following statement is made:

The Nevada Legislature should encourage, provide or provide for effective participatory democracy preserving the right of every citizen to play a meaningful role in shaping the policies that affect the health, safety and general welfare of all of the people.

It is for that reason the RAIN board decided to look at S.B. 385. I spoke to Senator Warren B. Hardy II before the committee processed the bill. We were concerned about the fact that the photographic identification would be limited to a current and valid piece of identification. In looking at the first reprint of S.B. 385, there is confusion. I do not believe RAIN can support this bill in its current form. If someone has properly registered and established they are a proper voter in Nevada, the only way a ballot can be cast at a polling place is to produce a photographic identification, even if there are other means to establish they are the person whose name appears on the registered role.

If an absentee ballot is requested, page 6 of the bill provides a list of requirements. To verify you are the person who needs to vote, one of the following needs to be produced: a copy of a photographic identification; a copy of military identification; or a copy of a current utility bill, bank statement, paycheck or document issued by a governmental entity. The point RAIN wants to make is this process of getting an absentee ballot provides options for the eligible voter to cast a ballot, but if you show up at the poll to cast your ballot

and do not have a photographic identification, you cannot cast a ballot. This is not a bill that empowers people to exercise their constitutional right of franchise. The RAIN board has asked me to state, on the record, they unanimously oppose S.B. 385 for this reason. Only 39 percent of eligible voters voted in the 2000 presidential election in Nevada. Our goal is to get 75 percent of the people registered and 70 percent of them to the polls in 2008. Bills like this will undermine that effort. We do not believe the bill empowers full participation by all of our citizens.

JOSEPH A. TURCO (ACLU of Nevada):

I agree with the previous testimony of Mr. Struve and everyone who preceded me. I wish the claim for voter fraud would be argued as vigorously as voter disenfranchisement for which there is plenty of evidence. The fiscal note is low. This bill will either create a large expense for the State or create a massive lawsuit.

CHAIR RAGGIO:

We will close the hearing on S.B. 385.

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

I would like to make some comments on S.B. 221 and S.B. 522. A comprehensive health care plan for Nevada dealing with quality and access has been developed. The intent is to forecast and foresee the needs of the State when dealing with health care issues, whether they are workforce issues or the delivery of services. Senate Bill 221 is the other piece of Senator Joseph J. Heck's bill which deals with the Nevada Healthcare Academy and with analyzing and developing recommendations and policies for the Legislative health care committees during both the interim and the Session. The data warehouse and staff are required for the analysis of reports which the Division of Health Care Financing and Policy must provide.

CHAIR RAGGIO:

The previous testimony was the joint subcommittee has not approved the funding for the data warehouse. The other portion of this bill deals with the staff which would not be necessary without the data warehouse.

SENATOR WASHINGTON:

The bills are important. The Nevada Healthcare Academy is the Governor's commission on health care and takes the information, analyzes it and forwards recommendations to the health care committees.

CHAIR RAGGIO:

What is the status of that bill?

SENATOR WASHINGTON:

It is in the Assembly now. I do not know if it has passed out of committee.

CHAIR RAGGIO:

Staff will work with you to determine the status of the bill. If the joint subcommittee's actions are approved by their respective money committees, or even one of the committees, the funding will not be put into the budget.

SENATOR WASHINGTON:

I understand funding is an issue. These two pieces of legislation need to go forth for the health care strategic plan to go forward.

CHAIR RAGGIO:

The Committee will hear S.B. 161 with proposed amendment 3937 ([Exhibit M](#)).

SENATE BILL 161: Revises the requirements for the inspection of motor vehicles for the control of emissions. (BDR 40-252)

SENATOR COFFIN:

This bill was passed by the Senate Committee on Natural Resources. Amendment 3937 makes no change in the bill as it was heard in that Committee. The amendment exempts hybrid vehicles from smog inspections for six years as otherwise required by the *Nevada Revised Statutes*.

CHAIR RAGGIO:

We looked at this amendment previously. Staff indicated, with this amendment, there is a nominal fiscal impact. We previously referenced a memo from the DMV, ([Exhibit N](#)), indicating a reduction in revenue of \$28,000 in FY 2007-2008 and \$32,000 in FY 2008-2009 if the amendment is adopted.

TROY DILLARD (Administrator, Compliance Enforcement Division, Department of Motor Vehicles):

The amendment creates a de minimus change; the numbers you indicated are representative.

SENATOR BEERS:

The Committee has received a copy of my proposed amendment 3940 ([Exhibit O](#)). If this proposed amendment threatens to kill Senator Coffin's bill, we will figure out another way to do it. For all new vehicles, which have a 2-percent failure rate, the amendment allows the owners to pay a smog check expeditious service fee. The owner could pay a fee and avoid the smog check. The fee would cover the existing recipients of proceeds and have funds available for the Highway Fund for road construction. The fiscal impact on the pollution control account would be a reduction of approximately \$71,000. The Highway Fund would receive about \$4.5 million every year assuming everyone who could do this would do it. About 2 percent of vehicles failed emission tests in 2006. The failures are different from failures in the past in that they are electronically detected. It is difficult to put a qualitative measure on the scope of the failure. Initially, there was a projection of a \$500,000 loss of revenue to counties. That would be handled with an amendment to give the counties their cut of the \$6 from the expeditious fee. There would be an unknown amount of the DMV programming costs. We would be trading some slight increase in motor vehicle pollution in exchange for \$4.5 million to the Highway Fund for construction.

CHAIR RAGGIO:

Are you familiar with the DMV memorandum on the fiscal impact?

MR. DILLARD:

Senator Beers' representation is thorough. However, there is probably an impact to the State Implementation Plans (SIP) for Washoe and Clark Counties. They would have to testify to the impact. The plans have been approved by the

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U.S. Environmental Protection Agency (EPA). The plans have to do with credits for control of carbon and ozone.

CHAIR RAGGIO:
Are these counties required to have a plan?

MR. DILLARD:
Yes; Clark and Washoe Counties are the only two counties in Nevada required to have a plan.

SENATOR BEERS:
Is that because these counties have told the EPA part of plan is to test every car older than two years?

MR. DILLARD:
That is correct; it is part of what is in the plan approved by the EPA for getting to the credit reduction plans.

SENATOR COFFIN:
We discussed these issues in the Senate Committee on Natural Resources back in March or April. Senate Bill 161 originally added one additional year for exemptions from smog inspections to make it three years rather than two. I had to take that part out of the bill due to the air pollution problem. Senator Beers has found a creative way to pay for the change. I was convinced we would get in trouble with the SIP and jeopardize our standing with the federal government.

SENATOR BEERS:
Why is it the SIP does not need to be amended for S.B. 161?

MR. DILLARD:
The county or the Division of Environmental Protection would have to answer that question.

CHAIR RAGGIO:
We will defer S.B. 161 until another hearing.

PETER D. KRUEGER (State Executive, Nevada Petroleum Marketers & Convenience Store Association):

I represent the Emissions Testers Council. There are men and women in the private sector who daily conduct smog checks for a living. This bill would impact 40 percent of their revenue. Also, a citizen would be paying for a service not received. This appears to be a way to attack a problem which is multileveled in the sense it concerns pollution and air quality and affects employment in the private sector. We oppose S.B. 161.

SENATOR MATHEWS:
Did the Legislature create those jobs with the pollution control laws?

MR. KRUEGER:
This is a federal government law not created by the State of Nevada.

SABRA SMITH-NEWBY (Clark County):
Clark County has been designated as a non-attainment County for the eight-hour ozone national ambient air quality standards. That attainment was

determined with the current standards in place. Loosening the standards would negatively impact air quality and our attainment of the standards. The air quality people estimate 30 percent of the precursor pollutants are from vehicles.

CHAIR RAGGIO:
Are the pollutants from new vehicles?

MS. NEWBY-SMITH:
The pollutants are from vehicles in general. There are other pollutants.

CHAIR RAGGIO:
This amendment addresses the suspension of the smog test on new vehicles for seven years.

MS. NEWBY-SMITH:
The EPA designated Las Vegas as a non-attainment area in 1978. The Board of Commissioners has adopted the plan approved by the EPA in September 2004. This is a federally enforceable plan. Changes would violate the plan resulting in action against the County by the EPA.

SENATOR BEERS:
What is the process for amending the SIP?

MS. NEWBY-SMITH:
I do not know what the process is to change the SIP; I can get the information to you. If an allowance is made in one area, the credits must be made up in another area. The credits in the other area may be in things like consumer products and may affect the price of those consumer products.

SENATOR BEERS:
When was the last time we exceeded the eight-hour ozone standard? Have we exceeded the eight-hour ozone standard since the SIP was accepted in 2004?

MS. NEWBY-SMITH:
I will have to check on that.

SENATOR BEERS:
Do we have to amend the SIP to process the bill without amendment 3940 ([Exhibit O](#))?

MS. NEWBY-SMITH:
I do not believe the SIP has to be amended because I worked with Senator Coffin and our air quality staff on S.B. 161 and came to an agreement. There was no mention of amending the SIP for the hybrid vehicles.

CHAIR RAGGIO:
I am asking staff to contact the appropriate agency to determine if both or either of these amendments are approved, would a revision of the compliance plan in effect and approved by the EPA for both Washoe and Clark Counties be required. If so, also determine the procedure required to change the SIPs. The EPA could probably answer this question. We need an answer as soon as possible. We also need to advise Washoe County of amendment 3940.

The Committee will close S.B. 161 and open the discussion on S.B. 239. This bill was heard in the Senate Committee on Human Resources and Education. The Committee has received the requested revised fiscal notes ([Exhibit P](#)) from the affected agencies. There is a nominal fiscal note; approximately \$14,000 each year. The Legislative Counsel Bureau has no cost; the Department of Administration reports a fiscal impact of \$12,000 in each year of the biennium; the Department of Education indicates technical assistance can be provided with existing funding; and the Nevada System of Higher Education reports a fiscal impact of \$2,520 in each year of the biennium.

SENATE BILL 239 (1st Reprint): Creates the P-16 Advisory Council.
(BDR 34-416)

MR. GHIGGERI:

That is correct. The first reprint transfers the responsibility for providing support for the P-16 Advisory Council from the Legislative Counsel Bureau to the Office of the Governor. There will be five appointees, two meetings each year two days each, for an estimated cost of \$12,000 each year.

SENATOR CEGAVSKE MOVED TO DO PASS S.B. 239.

SENATOR BEERS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

* * * * *

MR. GHIGGERI:

There is a \$12,000 cost. If the Office of the Governor or the Department of Administration cannot find the funds, they will approach the IFC.

CHAIR RAGGIO:

Please note that on the floor statement. The Committee will review S.B. 346. The Committee heard this bill on April 4, 2007. Have we received a budget for this bill?

SENATE BILL 346: Makes an appropriation to the Office of the Governor to fund a working group to study the methamphetamine problem in Nevada.
(BDR S-1201)

MR. GHIGGERI:

The Committee has received information, including a budget from the DHHS Director's Office and a suggested amendment regarding S.B. 346, ([Exhibit Q](#)). Staff has concerns with this amendment. Due to Education First, any funding approved is required to be split between the current biennium and costs anticipated for the next biennium. There has been interest expressed by the Department of Administration to make this appropriation to the DHHS Director's Office. If this is approved, staff recommends the bill be split into two separate bills. One bill would provide funding in the amount of \$9,900, effective upon passage and approval, for the costs identified with any unspent funds reverting at the close of FY 2006-2007. The other bill would appropriate \$90,100 effective July 1, 2007, with reversion at the end of FY 2007-2008.

CHAIR RAGGIO:

Is this the working group headed by the Attorney General and appointed by the Governor?

MR. GHIGGERI:

That is correct.

SENATOR CEGAVSKE MOVED TO AMEND AND DO PASS AS AMENDED S.B. 346 TO INCLUDE THE APPROPRIATIONS FOR FISCAL YEAR 2007-2008 AND WITH THE APPROPRIATIONS TO DHHS AS RECOMMENDED BY STAFF.

SENATOR BEERS SECONDED THE MOTION.

SENATOR COFFIN:

Committing \$100,000 to pay for a working group, the majority of whom are on the State payroll already, is probably not necessary. The members have access to their agency budgets.

CHAIR RAGGIO:

These expenses are for travel, support staff, operating expenses, court reporter and consultant costs.

THE MOTION CARRIED. (SENATOR COFFIN VOTED NO.)

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SENATOR CEGAVSKE MOVED TO REQUEST A BILL DRAFT REQUEST FOR THE APPROPRIATIONS INCLUDED IN S.B. 346 APPLICABLE TO FISCAL YEAR 2006-2007, WITH THE APPROPRIATIONS TO DHHS AS RECOMMENDED BY STAFF.

SENATOR BEERS SECONDED THE MOTION.

THE MOTION CARRIED. (SENATOR COFFIN VOTED NO.)

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The bill draft request will include \$9,900 for FY 2006-2007. The amended S.B. 346 will provide \$90,100 required during the next biennium.

The Committee will hear S.B. 458 which was heard April 2, 2007. The original request totaled \$530,379.

SENATE BILL 458: Makes appropriations to the Department of Health and Human Services for computer replacement. (BDR S-1216)

MR. GHIGGERI:

Ms. Laura Freed has reviewed this appropriation, aligned the pricing with the current price lists provided by State Purchasing and reviewed the computer replacement schedule. The Committee has received a copy of the recommended changes ([Exhibit R](#)). There were 79 computers recommended for replacement in the first year. The requested number has been reduced to 27 computers.

SENATOR BEERS:

Was this budget closed by the Joint Subcommittee on K-12/Human Services?

MR. GHIGGERI:

This is a one-shot appropriation not included in the Health Division budget. Because surplus funding was contemplated in FY 2006-2007, the Governor moved replacement equipment out of the operating budgets. There are a number of one-shot bills for replacement equipment. This is the second or third one to come before this Committee.

SENATOR BEERS:

We have been routinely seeing and approving decision units like this.

MR. GHIGGERI:

The money for replacement equipment remained in some budgets; in others, the funds were removed. This is a case where the funds were removed from the budget.

Staff has adjusted some of the descriptions in the bill. We do not want to limit the items.

CHAIR RAGGIO:

Is the amendment included in [Exhibit R](#)?

MR. GHIGGERI:

Yes, it is.

SENATOR BEERS MOVED TO AMEND THE NUMBER OF COMPUTERS AND DESCRIPTIONS AS RECOMMENDED BY STAFF AND DO PASS AS AMENDED S.B. 458.

SENATOR CEGAVSKE SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR RAGGIO:
There be no further business to come before this Committee, we are adjourned
at 6:26 p.m.

RESPECTFULLY SUBMITTED:

Sandra K. Small,
Committee Secretary

APPROVED BY:

Senator William J. Raggio, Chair

DATE: _____