

**MINUTES OF THE
SENATE COMMITTEE ON FINANCE**

**Seventy-fourth Session
May 31, 2007**

The Senate Committee on Finance was called to order by Chair William J. Raggio at 9:19 a.m. on Thursday, May 31, 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 Mark E. Amodei, Capital Senatorial District
Senator Mike McGinness, Central Nevada Senatorial District

STAFF MEMBERS PRESENT:

Gary L. Ghiggeri, Senate Fiscal Analyst
Eric King, Program Analyst
Sandra K. Small, Committee Secretary

OTHERS PRESENT:

Marcia L. Turner, Nevada System of Higher Education
The Honorable A. William Maupin, Chief Justice, Nevada Supreme Court
Sabra Smith-Newby, Clark County
The Honorable Kathy A. Hardcastle, Clark County, Eighth Judicial District,
District Courts of Nevada
Patrick Cates, Administrative Officer, Division of Health Care Financing and
Policy, Department of Health and Human Services
R. Ben Graham, Nevada District Attorneys Association

CHAIR RAGGIO:

The Committee will hear the closing report on the State Public Works Board (SPWB) from the Joint Subcommittee on Higher Education and Capital Improvements (CIP). There are two bills related to the proposed reorganization and other matters regarding the SPWB. We are attempting to resolve the differences between the Assembly and Senate bills. I do not think there are major differences. The bills are not included in this report. We will probably act on those bills within the day. These budget closings are not hearings. If there is anyone from the agencies impacted who have a critical concern, they are welcome to address the Chair.

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ERIC KING (Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau):

The Joint Subcommittee on Higher Education/CIP has completed its review of the budgets for the SPWB and has made the following recommendations for the 2007-2008 biennium.

CHAIR RAGGIO:

The Committee will hear the report on budget account (B/A) 101-1560.

FINANCE AND ADMINISTRATION

ADMINISTRATION

Public Works Administration – Budget Page ADMIN-106 (Volume I)
Budget Account 101-1560

MR. KING:

The Subcommittee approved General Funds of \$80,000 in each year of the 2007-2009 biennium to provide funding for the electronic storage of building plans and specifications documents as recommended by the Governor.

SENATOR CEGAVSKE MOVED TO ACCEPT THE SUBCOMMITTEE'S RECOMMENDATION AND APPROVE B/A 101-1560 AS RECOMMENDED BY THE GOVERNOR.

SENATOR RHOADS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR RAGGIO:

The next budget is Public Works Inspection, B/A 401-1562.

Public Works Inspection – Budget Page ADMIN-111 (Volume I)
Budget Account 401-1562

MR. KING:

The Subcommittee approved the creation of 13 new positions to accommodate the increase (as measured by total funding) from the 2005 to the 2007 capital improvement program (CIP). The positions include two administrative assistants, an accountant technician, four building construction inspector IIIs, five project manager IIs and one project manager III. Funding for these new positions would be provided through the project management and inspection fees included in the Governor's recommended 2007 CIP. The Subcommittee approved the Governor's recommendation to move new and existing project manager positions from the classified to the unclassified service, including a modification to place six project manager III positions in the next lower unclassified salary tier in order to provide for a one-tier difference between the project manager II and project manager III positions versus a two-tier difference as recommended by the Governor. The subcommittee also approved \$200,000 in each year of the 2007-2009 biennium to provide funding for a transfer to the Office of the Attorney General for construction-related claim consulting services.

SENATOR CEGAVSKE MOVED TO APPROVE B/A 401-1562 AS RECOMMENDED BY THE SUBCOMMITTEE.

SENATOR RHOADS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR RAGGIO:

The full Committee has had an opportunity to review the recommended capital improvement programs. There are some issues not fully resolved. There are changes which we can highlight at this time.

MR. KING:

The Committee has received a copy of "Joint Subcommittee on Higher ED/CIP Recommended Capital Improvement Program for the 2007-09 Biennium" ([Exhibit C](#)). The changes since the full committee meeting are highlighted in blue ink on the right-hand side of [Exhibit C](#).

Project 07-C07 has been replaced by Project 07-C07a, the Southern Desert Correctional Center (SDCC) addition of one housing unit and planning for a second housing unit, page 1 of [Exhibit C](#).

Project 07-C27 is the Civil Support Team Weapons of Mass Destruction Readiness Building. Originally, staff recommended the federal funding be available for both design and construction. We now recommend, if money becomes available for design, a contract could be executed and similarly, once money is made available for construction, a contract could be executed.

CHAIR RAGGIO:

If the Committee has questions as we review this document, please indicate.

MR. KING:

Project 07-C26, Desert Willow Treatment Center Addition, has no change to the dollar amount but the scope has been revised to add 14 additional beds rather than 12 plus an increase in square footage from 7,500 to 8,000.

There are 12 projects modified for Leadership in Energy & Environmental Design (LEED) cost reductions as shown in [Exhibit C](#). The Committee has also received "2007 Capital Improvement Program LEED Design and Construction Costs" ([Exhibit D](#)) which lists only the projects including LEED costs.

CHAIR RAGGIO:

The projects listed on [Exhibit D](#) included LEED costs. Is the recommendation, where possible, to eliminate some of the LEED costs?

MR. KING:

That is correct. The total reduction in funding for LEED costs is \$4,759,688.

CHAIR RAGGIO:

The projects underway, with LEED costs, are the Greenspun completion at the University of Nevada, Las Vegas (UNLV) and the Desert Research Institute (DRI)

CAVE, [Exhibit D](#). Projects with LEED costs proposed but design and planning not begun, as listed in [Exhibit D](#), can be eliminated with cost savings.

SENATOR TITUS:

Money is short this time and LEED is expensive; maybe we need to make these adjustments. I do not want to see the State establish a policy of never wanting to do LEED. There are long-term advantages to energy-efficient buildings.

CHAIR RAGGIO:

This Session, we will have to repeal that part of the bill relating to State public projects. We all recognize that revenues fell short. We cannot do many of the things we would like to do.

MR. KING:

Project 07-C86b, pre-engineered housing units, has a change in the funding source. Funding of \$29,294,434 has been changed to General Funds resulting in a savings in General Obligation Bonds for fiscal year (FY) 2008-2009 of \$14,294,434.

Project 07-C89, UNLV Shadow Lane Biomedical Research Building, has a change not noted in [Exhibit C](#). The Board has requested the flexibility to allow for the transfer of donated funds between two other projects the University has on-going for the Nevada Health Sciences System. The total amount of other funds for this project has been adjusted to \$9,743,302 based upon updated information as shown on "Prior NSHE Medical/Health Capital Improvement Project Related Appropriations/Authorizations" ([Exhibit E](#)).

Project 07-C90a, Medical Education Learning Lab Building, has a change not indicated in [Exhibit C](#). Donated funds in the amount of \$6,750,000 have been added to this project.

Project 07-C91a, Advanced Clinical Training and Research Center at Shadow Lane, has a change not noted in [Exhibit C](#). Donated funds in the amount of \$450,000 have been added to this project.

Project 07-P07, SDCC at Indian Springs additional housing units, has been replaced by Project 07-C07a, [Exhibit C](#).

The full committee also extended the reversion dates on the following 19 CIP programs from prior years:

- 01-C07, Veterans' Cemetery expansion, phase IV
- 01-C12, National Guard Rural Armory renovations
- 01-C15, Planning, design and utility infrastructure for the Science and Engineering complex at UNLV
- 01-C23, Wright Hall addition and renovation at UNLV
- 01-C24, New Campus Library at University of Nevada, Reno
- 01-C25, Academic and Student Services Building at Nevada State College
- 01-M13, Replace door locks on housing units at Caliente Youth Center
- 03-C09, New Department of Motor Vehicle field services office in North Las Vegas
- 03-C12, Rehabilitate State Fish Hatchery, Phase II
- 03-C17, New metal building for recreational use at the Caliente Youth Center

03-C23, UNLV Science, Engineering and Technology Complex
Construction
03-C91L, Maxey Science Center Building renovation and addition, DRI
03-M02, Repair exterior sidewalks at the Grant Sawyer State Office
Building
03-M26, Renovate swimming pool at the Caliente Youth Center
03-M27, Renovate heating systems in the cottages at the Caliente Youth
Center
03-M27a, Replace hot water tanks in cottages at the Caliente Youth
Center
03-S03, Statewide fire sprinkler program
03-S06, Statewide asbestos, lead, mold and Indirect Air Quality program
97-C15, The Lied Library

CHAIR RAGGIO:

Are we ready to talk about the adjustments submitted by the Nevada System of Higher Education (NSHE)?

MR. KING:

The change I mentioned earlier in Project 07-C90a was the addition of \$6,750,000 in donated funds. When the projects were reduced, inadvertently donated funds came out of the project. The \$6,750,000 was added to maintain the split of 30-percent donated or agency funds and 70-percent State funds. Similarly, with Project 07-C91, \$450,000 is being added to maintain the 30/70 split.

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

Based upon the latest information received from the NSHE, as indicated on "Revised Project Cost Estimate 07-C90a" ([Exhibit F](#)), the square footage would be increased to about 51,579. The total estimated project cost would be \$49 million less the LEED savings. The State funding for Project 07-C90a would be approximately \$36.1 million with the LEED savings split between State and other funds.

In southern Nevada, the total 07-C91a project cost would be \$60,700,000 reduced by the LEED savings of approximately \$1,008,000. The cost for Project 07-C91a would be \$34.9 million in State funds reduced by a proportional split of the LEED savings.

SENATOR RAGGIO:

Does this accommodate the adjustments indicated?

MR. GHIGGERI:

Yes, I believe it does.

MR. KING:

Yes.

SENATOR RAGGIO:

Does NSHE have any concerns? Apparently not since no one is coming forward.

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MARCIA L. TURNER (Health Sciences System, Nevada System of Higher Education):

Is the version Mr. Ghiggeri just discussed the final version?

MR. GHIGGERI:

Yes, it is.

CHAIR RAGGIO:

I would like to indicate to the NSHE the authorizations pertain to individual projects. The money cannot be transferred between projects without going to IFC for approval. Is that clear?

MS. TURNER:

Yes, it is.

SENATOR CEGAVSKE MOVED TO APPROVE THE RECOMMENDED CAPITAL IMPROVEMENT PROGRAM WITH ADJUSTMENTS INCLUDED IN [EXHIBIT C](#), AND THE ADJUSTMENTS INDICATED BY STAFF WHICH ARE NOT SHOWN IN [EXHIBIT C](#) INCLUDING THE REQUIREMENT THE INTERIM FINANCE COMMITTEE GIVE APPROVAL PRIOR TO ANY TRANSFER OF FUNDS TO OTHER PROJECTS.

SENATOR BEERS SECONDED THE MOTION.

SENATOR RAGGIO:

We are repealing the requirement for State projects for LEED planning.

SENATOR COFFIN:

Does the LEED requirement pertain to those projects not yet planned? Will we move forward with the others?

SENATOR RAGGIO:

The two projects involved with LEED, the Greenspun Building in Las Vegas and the DRI CAVE building in Reno, will go forward.

SENATOR COFFIN:

Did we express any intent on future buildings?

CHAIR RAGGIO:

We did not. There are a number of projects which are planning only as indicated on "2007 CIP Planning Projects" ([Exhibit G](#)), the largest one being the prison at Indian Springs at an uninflated cost of \$180 million. If we approve the planning, that would portend we have over \$312 million, an uninflated amount, which would be considered in the next biennium. This list, [Exhibit G](#), is probably a commitment to do these projects next biennium. It may not be necessary if the action we are taking regarding prison overcrowding has an impact before the next Session.

SENATOR COFFIN:

I think we should try to stay with LEED in terms of buildings we know are not going to affect local government and schools.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR RAGGIO:

The recommended CIP with adjustments as indicated is approved for budget purposes.

The Committee heard Assembly Bill (A.B.) 246 on May 24, 2007. I have been informed an agreement has been reached with respect to the Eighth Judicial District, between those representing the judiciary and Clark County, to approve six district judges in the Eighth Judicial District. There was no argument about the Second Judicial District. The issue is how they will be divided between trial judges and the family court.

ASSEMBLY BILL 246 (1st Reprint): Increases the number of district judges in the Second and Eighth Judicial Districts. (BDR 1-654)

THE HONORABLE A. WILLIAM MAUPIN (Chief Justice, Nevada Supreme Court):
After a productive set of negotiations with Clark County and the district judges, the agreement is for six new district court judges: five of the district judges will serve in the family division; one will serve as a general-jurisdiction judge.

CHAIR RAGGIO:

Clark County will bear the costs, other than the judges' salaries, of facilities and staffing.

SABRA SMITH-NEWBY (Clark County):

That is correct. Clark County assumes all cost other than salaries of the judges.

CHAIR RAGGIO:

An amendment to A.B. 246 has been proposed.

MIKE MCGINNESS (Central Nevada Senatorial District):

There is a proposal for a Tenth Judicial District. Currently, Churchill and Lyon Counties share three district judges. Mineral, Esmeralda and Nye Counties share two district judges. This proposal will give Lyon County two district judges. Two district judges would share Churchill and Mineral Counties which would further enhance justice in Mineral County because the two judges in Nye and Esmeralda must go to Mineral County, which is quite a drive. This bill will leave two district judges with Nye and Esmeralda Counties. Lyon County is fast-growing as is Nye County. This bill leaves them with two full-time judges. Because there are facilities in all of the locations, no new facilities will be needed. Staff is in place. The only cost is the additional district judge.

CHAIR RAGGIO:

The State pays the salaries of district judges. Will there be other staff costs applicable to the counties?

SENATOR MCGINNESS:

No; the staff and courtrooms are already available. There will be no additional cost to the counties.

CHAIR RAGGIO:

Would the one additional judge serve in the new Tenth Judicial District?

SENATOR MCGINNESS:

That is correct. Nye and Esmeralda Counties are the Fifth Judicial District. Lyon County is the Third Judicial District.

CHAIR RAGGIO:

Is there any problem with creating a Tenth Judicial District?

CHIEF JUSTICE MAUPIN:

There is no problem we are aware of. This seems to be a reasonable approach to deal with the rural judicial districts.

CHAIR RAGGIO:

Where would the appointed judge be regularly located?

MARK E. AMODEI (Capital Senatorial District):

The judge would be in the new Tenth Judicial District, Churchill and Mineral Counties. Churchill would be removed from the Third Judicial District.

CHAIR RAGGIO:

Would the judge be located in Fallon?

SENATOR AMODEI:

The judge would be located in either Fallon or Hawthorne. The problem is the Hawthorne district judge is coming up from Nye County; District Judge John P. Davis comes from Tonopah and the other judge comes from Pahrump.

CHAIR RAGGIO:

This seems to make good sense. Is the judicial load appropriate for creating this district?

CHIEF JUSTICE MAUPIN:

Yes; we also think it will facilitate the rejuvenation of specialty courts in the two districts. They are needed particularly in Mineral County.

District Judge Davis, the sitting judge in Tonopah who lives 100 miles from Hawthorne, opposes this proposal. All of the county constituents involved have been consulted and sent us letters indicating they are onboard with this bill. The Nevada Supreme Court is of the opinion this is a reasonable and beneficial move to make at this point.

CHAIR RAGGIO:

How are you going to mollify a judge who objects to this bill?

CHIEF JUSTICE MAUPIN:

Justice Hardesty and I spent a fair amount of time on the phone with District Judge Davis advising him of our actions. He sent a letter to the Assembly Judiciary Committee to lodge his objections.

SENATOR COFFIN:

Nye and Esmeralda Counties will be which district? How many judges would be in the Fifth Judicial District?

SENATOR AMODEI:

Nye and Esmeralda Counties are the Fifth. This bill creates a Tenth Judicial District to include Mineral County, presently in the Fifth, and Churchill County, presently in the Third. The Fifth Judicial District would have two judges; the Tenth would have two judges; the Third would have two judges.

SENATOR COFFIN:

Does the *Constitution of the State of Nevada* require the judges sit in the county seat?

SENATOR MCGINNESS:

About three sessions ago, the law was changed to allow judges to sit outside the county seat.

SENATOR COFFIN:

Can a judge hold court in the southern part of Nye County?

CHIEF JUSTICE MAUPIN:

That already occurs. District Judge Robert W. Lane sits in a district court at Pahrump, the major population center of Nye County.

SENATOR AMODEI:

The Senate Committee on Judiciary heard this request. We are appearing before this Committee due to the cost of one district judge. All other costs are local government responsibilities. Courtrooms exist; support staff space exists; no capital improvements are required. One secretary is needed, but the local government will cover that cost. The caseload statistics provided through 2003 indicate the average number of cases for each judge in the Third Judicial District is about 1,340. The Fifth Judicial District averages 1,496 cases. Those are toward the upper end of cases for each judge statewide. By reordering the courts, the Nye, Mineral and Esmeralda numbers come down.

MR. GHIGGERI:

Staff would like to include in the motion the funding required for the number of judges at whatever salary level is agreed upon.

SENATOR CEGAVSKE MOVED TO AMEND AND DO PASS AS AMENDED A.B. 246 BY PROVIDING FOR THE AGREEMENT REACHED IN THE EIGHTH JUDICIAL DISTRICT FOR SIX ADDITIONAL JUDICIAL JUDGES (FIVE FAMILY COURT JUDGES AND ONE TRIAL COURT JUDGE); TO PROVIDE FOR AN ADDITIONAL JUDGE IN A NEW TENTH JUDICIAL DISTRICT; AND TO ADJUST THE APPROPRIATION TO ACCOMMODATE SALARIES FOR DISTRICT JUDGES CONSISTENT WITH THE LEGISLATIVE ACTION TAKEN REGARDING AUGMENTATION OF JUDICIAL SALARIES.

SENATOR BEERS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR RAGGIO:

The judicial salary bill is Senate Bill (S.B.) 248. There was a presentation by Chief Justice Maupin for a reduction in the amount provided in the bill. Chief Justice Maupin sent a letter addressed to the Chairman dated May 24, 2007, responding to our request for a new recommendation ([Exhibit H](#)).

SENATE BILL 248: Revises provisions concerning the salaries of justices of the Supreme Court and district judges in Nevada. (BDR 1-663)

CHIEF JUSTICE MAUPIN:

Rather than the original figure in the bill, we suggest raising the judicial salaries for both Supreme Court justices and district court judges by \$30,000 as indicated in [Exhibit H](#). The original 40-percent increase requested is being reduced to an approximate 25-percent increase.

CHAIR RAGGIO:

The action we take in this Session would increase base salaries to the Supreme Court justices and the district judges for a period of six years.

CHIEF JUSTICE MAUPIN:

The salary increase would from January 1, 2009 through January 1, 2015.

CHAIR RAGGIO:

Is there a constitutional limitation stating salaries cannot be decreased during a judge's term?

CHIEF JUSTICE MAUPIN:

The salary cannot be increased or decreased by the Legislature during a judge's term of office.

MR. GHIGGERI:

Funding was removed from the Supreme Court budget when the budget was closed. Staff would like to review the numbers and include the General Fund appropriation in the legislation. We need to put funding in the bill to fund the pay raises.

SENATOR RHOADS MOVED TO AMEND AND DO PASS AS AMENDED S.B. 248 AS RECOMMENDED IN [EXHIBIT H](#); WITH THE ADJUSTED AMOUNTS INCLUDED IN THE BILL, AS REVIEWED BY STAFF; AND TO FUND THE RAISES.

SENATOR BEERS SECONDED THE MOTION.

THE MOTION CARRIED. (SENATOR TITUS VOTED NO.)

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CHAIR RAGGIO:

The Committee heard S.B. 556 April 29, 2007, and is a vehicle providing for equal pay during staggered terms. I understand there is a proposal to remove the staggering of terms.

SENATE BILL 556: Creates the Supreme Court Commission on Law Libraries and the District Court Commission on Law Libraries. (BDR 1-1475)

THE HONORABLE KATHY A. HARDCASTLE (Clark County, Eighth Judicial District, District Courts of Nevada):

We have submitted a proposed amendment. In two years we would terminate or abolish the six original family court offices created in the Eighth Judicial District and the two created in the Second Judicial District. On the same day six new positions in the Eighth Judicial District and two positions in the Second Judicial District would be created; they would run for four-year terms.

CHAIR RAGGIO:

Is the object to have all judges run at the same time so there is no staggering of terms?

DISTRICT JUDGE HARDCASTLE:

That is correct. The family court judges who are off-cycle will be brought on-cycle.

CHAIR RAGGIO:

Does this apply only to district court judges because the staggering of terms for the Supreme Court is in the Nevada Constitution?

DISTRICT JUDGE HARDCASTLE:

That is correct.

CHIEF JUSTICE MAUPIN:

The measure applies only to realigning the terms for family division judges who are off-cycle. It cannot be applied to Supreme Court justices because the Nevada Constitution staggers their terms. This bill needs to be processed for everyone now because the unstaggering of terms would not occur until 2011. The Legislature will have to make a policy decision if they want to do the same for Supreme Court justices.

CHAIR RAGGIO:

We need a proposed amendment for S.B. 556 to address both of these issues.

SENATOR MATHEWS:

Is it only because of salary inequity the judges want to be on the same term cycle? It seems as though it would be better to have judges rotated.

CHAIR RAGGIO:

The problem is salaries cannot be raised during the judges' term. They either have to be on the same cycle or we go through this process of having a Library Commission to provide extra salary.

The Committee will hear A.B. 271.

ASSEMBLY BILL 271 (1st Reprint): Makes appropriations to the Division of Health Care Financing and Policy of the Department of Health and Human Services for relocation expenses and replacement vehicles, phone system and other equipment. (BDR S-1213)

PATRICK CATES (Administrative Officer, Division of Health Care Financing and Policy, Department of Health and Human Services):

This bill contains the one-shot appropriations for the Division. The relocation of the Las Vegas district office accounts for a little over one-half of the funding request. It allows us to move from facilities shared with the Welfare Division. The expansion of the waiver program was approved last Session but is understaffed due to limited space. The balance of the request is for furniture replacement; three replacement vehicles, two for the Elko office and one for the Reno office; and various new and replacement software and hardware.

CHAIR RAGGIO:

Are the amounts indicated in the first reprint appropriate?

MR. CATES:

Yes, they are appropriate.

CHAIR RAGGIO:

Does staff have any required adjustments?

MR. GHIGGERI:

Staff has no adjustments.

CHAIR RAGGIO:

This bill, A.B. 271, cannot be processed before Education First. There being no further testimony, we will close the hearing on A.B. 271.

SENATOR BEERS:

I was out of the hearing room after seconding the CIP budget; please record my vote as a "yes".

CHAIR RAGGIO:

The Committee voted May 14, 2007, to amend and do pass S.B. 380. Is Amendment 1042 what was proposed at that time? The Committee has a copy of Amendment 1042 ([Exhibit I](#)).

SENATE BILL 380 (1st Reprint): Makes various changes concerning defendants in criminal actions. (BDR 14-279)

R. BEN GRAHAM, (Nevada District Attorneys Association):

That is correct. Amendments have been added to S.B. 380, in consultation with the Legislative Counsel Bureau staff, which verify some procedural safeguards for people subject to this program. The standard, on page 5, line 12, [Exhibit I](#), adds a commitment process for a person who would be a danger to himself or others. This eliminates just a mental disorder which may apply to more people than intended.

MR. GHIGGERI:

The amendment is slightly changed from what the Committee heard previously. We want the Committee to be aware of those minor changes.

MR. GRAHAM:

The other change is on page 6, line 28, [Exhibit I](#), which allows a temporary order of detention pending a hearing. There is no fiscal impact as a result of these changes.

CHAIR RAGGIO:

Does the Committee have any concerns with these changes? Does the Committee have any objection to our previous action to amend and do pass S.B. 380 with Amendment 1042? Hearing none, the Committee has agreed to accept Amendment 1042 to S.B. 380.

The Committee heard S.B. 252 on March 28, 2007. Staff has some adjustments.

SENATE BILL 252: Makes appropriations to the Division of Welfare and Supportive Services of the Department of Health and Human Services for the replacement of certain office equipment and computers. (BDR S-1217)

MR. GHIGGERI:

Staff recommends section 1 of subsection 1 be reduced from \$380,406 to \$333,829, a \$46,577 reduction. The reduction relates to the change in price of computer software and hardware, projectors and the elimination of duplicate monitors. In subsection 2, staff recommends the appropriation be reduced from \$900,865 to \$748,792, a reduction of \$152,073. This reduction also relates to changes in prices of computer software and hardware, projectors and the elimination of duplicate monitors.

SENATOR CEGAVSKE MOVED TO AMEND AND DO PASS AS AMENDED S.B. 252 WITH CHANGES AS RECOMMENDED BY STAFF.

SENATOR BEERS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR RAGGIO:

The Committee heard S.B. 462 April 2, 2007.

SENATE BILL 462: Makes an appropriation to the Office of Veterans' Services for the Veterans' Home Account. (BDR S-1227)

MR. GHIGGERI:

This is a one-shot appropriation to the Veteran's Home account. The *Executive Budget* provided a General Fund appropriation of \$650,610. The Budget Division submitted Budget Amendment 25 to request an increase to the appropriation of \$88,560 for the addition of a commercial water softener. The existing hard water conditions are causing extensive corrosion in the pipes and equipment at the Home. Staff has reviewed the information and recommends the initial appropriation of \$650,610 be reduced by \$24,374 based on revised hardware and software pricing, and an addition of \$82,500 be provided for the acquisition and installation of a commercial water softener. This will increase the appropriation from \$650,610 to \$708,736.

SENATOR CEGAVSKE MOVED TO AMEND AND DO PASS AS AMENDED S.B. 462 WITH CHANGES AS RECOMMENDED BY STAFF.

SENATOR MATHEWS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR RAGGIO:

I would like to accommodate the agreement reached between the Assembly and the Senate on closing the overall budget. There are a number of one-shot appropriations in the *Executive Budget*. The action of the joint negotiating committee in reaching an accord was to cut most of the requests by approximately one-half.

MR. GHIGGERI:

The Committee has received a copy of "One Shots" ([Exhibit J](#)). This list of private nonprofit entities indicates the Governor's recommendation totals \$40.9 million in FY 2006-2007, \$13.6 million in FY 2007-2008 and \$5 million in FY 2008-2009. [Exhibit J](#) indicates the agreed upon adjustments by leadership for these items. The appropriation for High Sierra Industries would be reduced from \$2.5 million to \$1 million. The Opportunity Village appropriation would be reduced from \$12 million to \$3 million. The Washoe ARC appropriation would be reduced from \$2.5 million to \$1 million. The Institute for Neuro-Immune Disease appropriation would be reduced from \$3.5 million to \$2 million. Clark County Public Education and Washoe County Public Education appropriations are not reduced. They remain at \$250,000 and \$150,000 respectively. The Lou Ruvo Brain Institute appropriation would be reduced from \$10 million to \$3 million. The Nevada Cancer Institute appropriation would be reduced from \$10 million to \$5 million. Those are all changes in FY 2006-2007.

In FY 2007-2008, the Rural Government Assistance Fund was originally recommended for \$5 million with a budget amendment reducing the amount to \$2 million. Legislation has not been introduced for this appropriation. I believe the agreement is to eliminate the appropriation. That would be a reduction from \$5 million to zero. The Nevada Discovery Museum appropriation was recommended at \$2.1 million with the agreement reducing the amount to \$1 million. No funding was originally provided for the Lied Children's Discovery Museum; however, the agreement includes an appropriation of \$1 million. The Nevada Cancer Institute appropriation is reduced from \$5 million to \$2.5 million. The White Pine County Court House appropriation is reduced from \$6.5 million to \$1.5 million and provides for design funding.

In FY 2008-2009, the Nevada Cancer Institute is reduced from \$5 million to \$2.5 million.

These actions result in approximately \$25.5 million in savings in FY 2006-2007; \$9.6 million savings in FY 2007-2008 with additional savings of \$2 million for the Rural Government Assistance Fund; and \$2.5 million in savings in FY 2008-2009.

SENATOR RHOADS:

Does the White Pine County courthouse \$1.5 million appropriation require matching funds?

SENATOR RAGGIO:

The funds appropriated are for planning only. This is the agreement reached by the negotiating committee.

SENATOR COFFIN:

There is nothing on this list for the Nevada National Guard or Reserve veterans and their families so I will oppose each of these appropriations. Each one is meritorious for the people making the request, but they are less meritorious than the service granted to us by the National Guard and Reserve.

SENATOR RAGGIO:

This is one part of the overall settlement agreement. There was angst about many of these requests.

SENATOR CEGAVSKE:

Was the \$12 million requested for Opportunity Village in A.B. 455 meant for the construction of the new Village in Las Vegas?

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)

CHAIR RAGGIO:

That bill is in the Assembly. I do not know the answer to your question. To expedite the process, we are attempting to put into one bill the agreement reached for one-shot appropriations. Staff has recommended these funds be placed into an interest-bearing account.

MR. GHIGGERI:

Staff will work with the Legal Division to determine an appropriate account and develop language in the legislation to release the funding as required.

CHAIR RAGGIO:

The Committee could use S.B. 443 as a vehicle for the action recommended by the settlement accord.

SENATE BILL 443: Makes an appropriation to the Nevada Cancer Institute for research, community outreach and education, and expansion of laboratory and clinical space. (BDR S-1234)

SENATOR CEGAVSKE MOVED TO AMEND AND DO PASS AS AMENDED S.B. 443 TO INCLUDE THE ONE-SHOT APPROPRIATIONS LISTED IN EXHIBIT J IN ACCORDANCE WITH THE SETTLEMENT AGREEMENT; TO PLACE THE FUNDS INTO AN INTEREST-BEARING ACCOUNT; AND TO RELEASE THE FUNDS AS REQUIRED.

SENATOR RHOADS SECONDED THE MOTION.

THE MOTION CARRIED. (SENATOR COFFIN VOTED NO.)

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CHAIR RAGGIO:

Senator Titus, while you were absent, the Committee voted to amend and do pass as amended S.B. 252 and S.B. 462.

SENATOR TITUS:

Indicate my affirmative vote on S.B. 252 and S.B. 462.

CHAIR RAGGIO:

The Committee has two bills to direct room-tax funds from the Tourism Commission, S.B. 562 and S.B. 408. There is a suggestion to appropriate \$100,000 for each of these programs from the room-tax funds each fiscal year.

SENATE BILL 562: Transfers money from the Fund for the Promotion of Tourism to the Western Folklife Center for the National Cowboy Poetry Gathering. (BDR S-1451)

SENATE BILL 408: Directs the Commission on Tourism to transfer money from the Fund for the Promotion of Tourism to the Atomic Testing Museum. (BDR S-1097)

SENATOR TITUS:

I think there is a great nexus between cowboy poetry and atomic bombs.

SENATOR TITUS MOVED TO AMEND AND DO PASS AS AMENDED S.B. 562 TO PROVIDE \$100,000 EACH FISCAL YEAR FOR THE ATOMIC TESTING MUSEUM FUND FOR THE PROMOTION OF TOURISM.

SENATOR RHOADS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR RAGGIO:

There being no further business to come before the Committee at this time, we are adjourned at 10:35 a.m.

RESPECTFULLY SUBMITTED:

Sandra K. Small,
Committee Secretary

APPROVED BY:

Senator William J. Raggio, Chair

DATE: _____