

**MINUTES OF THE
SENATE COMMITTEE ON FINANCE**

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

The Senate Committee on Finance was called to order by Chair William J. Raggio at 8:10 a.m. on Monday, March 26, 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 Barbara K. Cegavske
Senator Bob Coffin
Senator Dina Titus
Senator Bernice Mathews

COMMITTEE MEMBERS ABSENT:

Senator Dean A. Rhoads (Excused)

STAFF MEMBERS PRESENT:

Gary L. Ghiggeri, Senate Fiscal Analyst
Larry L. Peri, Principal Deputy Fiscal Analyst
Jo Greenslate, Committee Secretary

OTHERS PRESENT:

Teri Sulli, Chief Financial Officer, Office of the Attorney General
Randal Munn, First Assistant Attorney General and Legislative Liaison, Office of the Attorney General
Marta A. Adams, Senior Deputy Attorney General, Office of the Attorney General
Andrew Clinger, Director, Department of Administration
Kay Scherer, Deputy Director, State Department of Conservation and Natural Resources
Pete Anderson, State Forester Firewarden, Division of Forestry, Department of Conservation and Natural Resources
David K. Morrow, Administrator, Division of State Parks, Department of Conservation and Natural Resources
Dan Kaffer, Western Nevada Resource Conservation and Development Council and the United States Department of Agriculture, the Natural Resources Conservation Service
Michelle Langsdorf, Mason Valley Conservation District and Smith Valley Conservation District
Howard W. Glancy, Dayton Valley Conservation District
Paul Kolp, Watershed Manager, Dayton Valley Conservation District
Robert R. Loux, Executive Director, Agency for Nuclear Projects, Office of the Governor
Evan Dale, Deputy Manager, Public Works Board, Department of Administration
Howard Skolnik, Director, Department of Corrections

Darrel Rexwinkel, Deputy Director, Support Services, Department of Corrections
Joseph A. Turco, ACLU of Nevada

CHAIR RAGGIO:
Do we have a staff report?

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

I distributed a progress report ([Exhibit C](#)). This is the 50th day of the 74th Session; we have 70 days remaining. Listed on the report is the number of budgets heard. By the end of this week, approximately 98.8 percent of the budgets either assigned to the Committee, or to staff, will have been reviewed. There have been 97 bills referred to Committee; 94 are currently in Committee; 93 are Senate bills. The Capital Improvement Projects (CIPs), of which there are 22, have been reviewed; 16 are scheduled for review this week.

CHAIR RAGGIO:

We have bill introductions. Today is the deadline for nonexempt bills from Committee. Staff has provided a list of eight bills, "Senate Finance Bill Introductions" ([Exhibit D](#)), all of which are exempt. Senate Finance bill introductions are as follows:

BILL DRAFT REQUEST S-1444: Makes an appropriation to the Purchasing Division of the Department of Administration for costs associated with the Commodity Supplemental Food Program. (Later introduced as [Senate Bill 459](#).)

BILL DRAFT REQUEST S-1216: Makes appropriations to the Department of Health and Human Services for computer replacement. (Later introduced as [Senate Bill 458](#).)

BILL DRAFT REQUEST S-1227: Makes an appropriation to the Office of Veterans' Services for the Veterans' Home Account. (Later introduced as [Senate Bill 462](#).)

BILL DRAFT REQUEST S-1238: Makes an appropriation to the Department of Taxation for continued development and implementation of the Unified Tax System. (Later introduced as [Senate Bill 463](#).)

BILL DRAFT REQUEST S-1239: Makes an appropriation to the Disaster Relief Account. (Later introduced as [Senate Bill 464](#).)

BILL DRAFT REQUEST S-1206: Makes an appropriation to the Legislative Fund for various projects of the Legislature and the Legislative Counsel Bureau. (Later introduced as [Senate Bill 461](#).)

BILL DRAFT REQUEST S-657: Makes an appropriation to the Office of Court Administrator for construction of a new courthouse for White Pine County. (Later introduced as [Senate Bill 460](#).)

BILL DRAFT REQUEST S-273: Increases revenue bonding authority of the Nevada System of Higher Education. (Later introduced as [Senate Bill 455](#).)

SENATOR COFFIN MOVED TO INTRODUCE THE EIGHT BILL DRAFT REQUESTS LISTED ABOVE AND ON **EXHIBIT D** AS COMMITTEE INTRODUCTIONS.

SENATOR BEERS SECONDED THE MOTION.

THE MOTION CARRIED. (SENATORS TITUS, CEGAVSKE AND RHOADS WERE ABSENT FOR THE VOTE.)

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SENATOR COFFIN:

There is a bill requested by individuals with blindness. Apparently, the Legislative Committee on Persons with Disabilities, chaired by Senator Cegavske, requested the bill draft. It is bill draft request (BDR) 295. I suggest we wait until Senator Cegavske arrives before taking action on the BDR.

BILL DRAFT REQUEST 295: Makes various changes concerning interpreters and realtime captioning providers. (Later introduced as **Senate Bill 473**.)

SENATOR MATHEWS:

I have received a number of calls regarding BDR 295. There is a series of BDRs drafted by that Committee.

CHAIR RAGGIO:

Would they be the Senate Committee on Human Resources and Education BDRs?

SENATOR MATHEWS:

When I called the Legal Division, they told me the BDRs are going to the Senate Committee on Commerce and Labor.

CHAIR RAGGIO:

They should be introduced by the appropriate Committee, if possible, particularly if they are nonexempt bills.

MR. GHIGGERI:

I have distributed a response from Mr. Keith Rheault, the Superintendent of Public Instruction, on possible amendments to Senate Bill (S.B.) 166 (**Exhibit E**). The amendments discussed were to include the National Board Certification for nurses, librarians and special education teachers. In Mr. Rheault's response, he indicated the additional funding requirement would be approximately \$640,000 in fiscal year (FY) 2007-2008 and approximately \$900,000 in FY 2008-2009 to add the additional certifications to the bill. I provided that to the Committee for information this morning.

SENATE BILL 166: Requires payment of increased salaries to certain school employees holding national certification. (BDR 34-1149)

CHAIR RAGGIO:

That is your bill, Senator Mathews. We will make that part of the record. Will they provide a new fiscal note?

MR. GHIGGERI:

I would imagine what we have would suffice at this time, pending any amendment to the bill.

CHAIR RAGGIO:

We need to note if the bill is amended and processed, there would be an additional fiscal note.

MR. GHIGGERI:

The total amount of the additional cost would be approximately \$640,000 in FY 2007-2008 and \$899,875 in FY 2008-2009. This is additional funding over and above what is currently in the *Executive Budget*.

CHAIR RAGGIO:

I have just been advised we have more bills to consider for Committee introduction.

MR. GHIGGERI:

I will read the BDRs requested for Committee introduction. The first is BDR 40-1410 requested by the Department of Administration (DOA). It is in the *Executive Budget*, and it revises the provisions related to problem gambling. It extends the \$2-a-slot dedicated to that fund, and it increases the amount that can be used for administration.

BILL DRAFT REQUEST 40-1410: Revises the provisions relating to problem gambling. (Later introduced as [Senate Bill 453](#).)

SENATOR MATHEWS:

This BDR includes an increased amount to the DOA. Is it going to be heard in this Committee?

MR. GHIGGERI:

The bill will be heard in this Committee.

The next BDR is S-1421. It was also requested by the DOA.

BILL DRAFT REQUEST S-1421: Extends the reversion date of an appropriation made during the 73rd Session of the Nevada Legislature to the Interim Finance Committee for allocation to the Department of Business and Industry. (Later introduced as [Senate Bill 470](#).)

This BDR has to do with information technology (IT) projects for the Department of Business and Industry.

The next BDR is 10-1415.

BILL DRAFT REQUEST 10-1415. Increases the amount of the annual transfer of money from the Abandoned Property Trust Fund to the Millennium Scholarship Trust Fund. (Later introduced as [Senate Bill 469](#).)

This was recommended in the *Executive Budget*. It provides for an increase from the current authorization of \$7.6 million each year to \$10.4 million a year, a \$2.8 million-a-year increase.

The next BDR is S-1428.

BILL DRAFT REQUEST S-1428: Makes an appropriation to the Office of the Attorney General for data storage equipment. (Later introduced as [Senate Bill 467](#).)

This provides for a \$202,602 appropriation to the Office of the Attorney General (AGO). This appropriation was included in the *Executive Budget*.

The next BDR is S-1422.

BILL DRAFT REQUEST S-1422: Makes a supplemental appropriation to the Office of Veterans' Services for unanticipated shortfalls in Fiscal Year 2006-2007 for personnel services and utility costs. (Later introduced as [Senate Bill 468](#).)

This appropriation was not in the *Executive Budget*. It is a supplemental appropriation from the DOA.

The next BDR is S-1268.

BILL DRAFT REQUEST S-1268: Makes appropriations to restore the balance in the Contingency Fund. (Later introduced as [Senate Bill 466](#).)

This BDR provides for a \$14-million General Fund appropriation in the Interim Finance Contingency Fund and a \$698,496 appropriation from the Highway Fund to the Contingency Fund. It is in the *Executive Budget*.

The next BDR is 17-1071.

BILL DRAFT REQUEST 17-1071: Provides for the preparation of a legislative proposal for the budget for the State Government. (Later introduced as [Senate Bill 465](#).)

This provides for a Legislative Budget Office.

The next BDR is S-1070. It was requested by the Senate Committee on Finance.

BILL DRAFT REQUEST S-1070: Revises the dates upon which certain uncommitted funds from prior appropriations must be reverted. (Later introduced as [Senate Bill 454](#).)

This has to do with an appropriation to the Interim Finance Committee (IFC) for the Reno-Sparks Convention and Visitors Authority to implement the Truckee River Recreational Master Plan.

The next BDR is S-1151. It is requested by the DOA.

BILL DRAFT REQUEST S-1151: Extends the reversion date of a previous appropriation to the Department of Administration for the digital microwave project. (Later introduced as [Senate Bill 456](#).)

The final BDR is 23-736. It is requested by the Senate Committee on Finance.

BILL DRAFT REQUEST 23-736: Provides for the creation, administration and investment of a trust fund for the management of certain retirement benefits provided by a local government. (Later introduced as [Senate Bill 457](#).)

SENATOR COFFIN MOVED FOR A COMMITTEE INTRODUCTION OF THE BDRS MENTIONED ABOVE, BDR 40-1410 THROUGH BDR 23-736.

SENATOR BEERS SECONDED THE MOTION.

THE MOTION CARRIED. (SENATORS RHOADS AND TITUS WERE ABSENT FOR THE VOTE.)

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CHAIR RAGGIO:

Senator Cegavske, there was a question regarding BDR 295 dealing with sight-impaired individuals.

SENATOR COFFIN:

Senator Cegavske will probably recall the BDR from the Legislative Committee on Persons with Disabilities Advisory Committee. Apparently, BDR 295 is out of draft but floating somewhere. It has not been introduced. I have received e-mails recently. One was from the National Registry for Interpreters for the Deaf.

CHAIR RAGGIO:

It may have been delivered to the appropriate Committee.

SENATOR CEGAVSKE:

Yes, it was delivered and I have been receiving the same e-mails.

CHAIR RAGGIO:

The first bill we will discuss is S.B. 191.

SENATE BILL 191: Makes an appropriation to the Office of the Attorney General to purchase computer hardware and software and projectors. (BDR S-1203)

TERI SULLI (Chief Financial Officer, Office of the Attorney General):

I will answer any questions you have regarding S.B. 191.

CHAIR RAGGIO:

Why do you need the items requested in this bill?

Ms. SULLI:

The majority of this request is for replacement equipment based on the four-year schedule and maintenance contracts on all of our computer software. The projectors are for our Civil Divisions in the north and south.

CHAIR RAGGIO:

Is \$480,271 still accurate?

Ms. SULLI:
Yes, it is.

SENATOR BEERS:

I received a letter from the Interim State Controller. Upon taking office, he proceeded to restore a backup system for the Controller's data. He learned it was an impossible task. I urge you, and everyone, to go back to your office and restore a backup today.

CHAIR RAGGIO:

We will close the hearing on S.B. 191 and open the hearing on S.B. 341.

SENATE BILL 341: Makes supplemental appropriations to the Office of the Attorney General. (BDR S-1243)

This is a supplemental appropriation for this FY to the AGO. There are several sections of the bill with different amounts. We would like detail from you, please.

Ms. SULLI:

On behalf of S.B. 341, the first item within the bill is our supplemental request for funding in the amount of \$685,979 due to a cost allocation posting error which amounted to approximately \$482,979 and a shortfall in our revenue received from boards and commissions in the amount of approximately \$203,000.

CHAIR RAGGIO:

What is the likelihood of the shortfall from the boards and commissions being repeated?

RANDAL MUNN (First Assistant Attorney General and Legislative Liaison, Office of the Attorney General):

It is unlikely we will receive money from the boards and commissions that have been unable to pay thus far. It is a function of the amount of money they have in their coffers based on the fees they charged their licensees.

CHAIR RAGGIO:

We discussed this when we discussed your budget. Has there been any revision in the authorization considered for the next biennium on receipts from boards and commissions? If you are going to build a budget on money that will not be received, we will be looking at supplemental appropriations continuously.

Ms. SULLI:

We took that into consideration. Within the last biennium, we were budgeted approximately \$650,000 in these fees. We have budgeted in the next biennium approximately \$400,000 a year.

CHAIR RAGGIO:

What is being done with the boards and commissions which are not self-sustaining?

MR. MUNN:

We are in the process of surveying the boards and commissions to determine if there are ways we can more efficiently deliver our legal service to them and reduce the amount of fees we must charge.

CHAIR RAGGIO:

Perhaps there is no reason for the existence of some of them.

MR. MUNN:

That is a policy question for the Legislature.

CHAIR RAGGIO:

That is a policy question for you. If there are recommendations along those lines, we would like to hear them.

MR. MUNN:

We would like to explore with our boards and commissions whether we need to have a deputy attorney general (DAG) sitting at meetings all day and billing for their services. Additionally, we are considering reserving some of their funding for legal services for real legal issues and prosecuting licensees and looking for creative solutions to extend their budgets. Usually, when they lose control of their budget, it is due to litigation or conflicts occurring among the board members.

CHAIR RAGGIO:

It is your job to keep them from having litigation.

MR. MUNN:

Yes, sir.

CHAIR RAGGIO:

Has staff reviewed the numbers in section 1?

LARRY L. PERI (Principal Deputy Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau):

We have detail. We are still looking at all the sections; but in section 1, the latest projection supports the amounts and breakdowns in the two portions of the revenue shortfalls, the boards and commissions, and we have substantiated the accuracy of the cost-allocation shortfall.

CHAIR RAGGIO:

Are systems now in place to avoid the cost-allocation shortfall from recurring?

Ms. SULLI:

We are working with the Budget Division and have systems in place.

CHAIR RAGGIO:

In section 2 of S.B. 341, \$600,000 is the supplemental request for costs relating to the Yucca Mountain Nuclear Waste litigation. We discussed this before. Is this the amount contemplated as necessary for this fiscal year?

Ms. SULLI:

Yes, it is.

MARTA A. ADAMS (Senior Deputy Attorney General, Office of the Attorney General):

As we explained to your fiscal analyst, we have been in a holding pattern because our funds became so low. We are expecting two major federal rule makings which will require litigation. We cannot relax our efforts now, particularly in light of the successes we have had.

CHAIR RAGGIO:

Are you saying the existing fund is not sufficient for this fiscal year and that you need an additional \$600,000? We only have three more months.

Ms. ADAMS:

That is correct.

SENATOR BEERS:

Has this money already been spent?

Ms. ADAMS:

No, Senator. It has not been spent, although the U. S. Department of Energy (DOE) has indicated, as has the rest of the federal government, two major rule makings will be released imminently, and Nevada needs to be ready to challenge those.

SENATOR BEERS:

Do you think the U.S. Senate Majority Leader is wrong?

Ms. ADAMS:

No, I do not believe Senator Reid is wrong. However, as long as \$500 million is being allocated to the federal Yucca Mountain project, we simply cannot relax our efforts at this time.

CHAIR RAGGIO:

What happens, staff, if this \$600,000 is not utilized for this fiscal year? Would it carry over?

MR. GHIGGERI:

It will revert on June 30, 2007.

CHAIR RAGGIO:

Keep us advised on the extent of litigation that occurs between now and the end of the session.

Ms. ADAMS:

Yes, I will.

CHAIR RAGGIO:

Section 3 is for extradition. We had testimony previously that the number of extraditions and the cost has increased dramatically.

Ms. SULLI:

That is correct.

CHAIR RAGGIO:

Are these necessary extraditions?

Ms. SULLI:

These are necessary, according to our projections, to get us through the end of this fiscal year.

CHAIR RAGGIO:

Have you provided full information to the Fiscal Analysis Division on the anticipated cost?

Ms. SULLI:

Yes, we have.

CHAIR RAGGIO:

This is actually somewhat of a guess. Is that correct?

Ms. SULLI:

Yes, it is. We have some pending bills, but we average the majority of what has happened in the past to determine an appropriate amount.

CHAIR RAGGIO:

We will close the hearing on S.B. 341 and open the hearing on S.B. 345.

SENATE BILL 345: Makes an appropriation to the Office of the Attorney General to replenish the balance in the tort claim fund. (BDR S-1204)

This bill makes an appropriation to replenish the balance in the tort claim fund in the amount of \$9,483,407.

MR. MUNN:

As you may recall, the Addison matter, an arbitration of the State Public Works Board (SPWB), had a dismal outcome. We made a payment of approximately \$9,491,000 from the tort claim fund. That included a special assessment of all the agencies to pay that judgment from the tort claim fund rather than the statutory Contingency Fund because there were insufficient funds in those accounts that would normally pay in such cases. We used the tort claim fund as a way to meet the obligation without forcing the Legislature to make difficult choices.

CHAIR RAGGIO:

There was a special tort assessment, the Committee will recall, of \$3,009,482 assessed against a number of State agencies. Information for that was provided by the Budget Division last July. As of the present time, \$2,979,282 will be repaid to State agencies. What accounts for the difference between that figure and the number I first indicated of approximately \$30,000?

Ms. SULLI:

The first number was based on calculations and included an agency from which we could not request funding. We actually assessed \$2,979,282, and that is what we need to pay back.

CHAIR RAGGIO:

We would like confirmation the refunds will be made to those affected agencies charged with the contribution at that time and that refund amounts have been considered in the determination of any supplemental appropriation for those agencies recommended in the *Executive Budget*. Can the supplemental

appropriation be reduced based on expenditures in this year to date? We want to ensure the agencies were not impacted when they were assessed for this purpose.

ANDREW CLINGER (Director, Department of Administration):

We have been informing agencies all along, since they received this special assessment, they would receive a refund if and when the Legislature approved this request. There are several agencies that will need additional supplemental funds if they do not receive the refund.

CHAIR RAGGIO:

They gave up that amount for exigency purposes, and we want that restored. We are also asking whether some of their other expenditures may be less so that we would not have to fully restore the amount. We do not want them impacted.

MR. CLINGER:

I would have to check with the agencies to see if that is possible.

CHAIR RAGGIO:

As I recall, \$445,000 of the settlement was paid out of the CIP, project number 01-C08.

MR. CLINGER:

That is correct.

CHAIR RAGGIO:

Of the \$9.4 million, \$6.5 million replenishes the tort claim fund, and that is an estimate of tort claim expenditures. Is that correct?

MR. CLINGER:

That is correct. We based the assessment for FY 2007-2008 and FY 2008-2009 on the fact we would be paid back the \$9.4 million. If we were not repaid the \$9.4 million, the assessments in FY 2007-2008 and FY 2008-2009 would have to be higher to all State agencies to reimburse that amount.

CHAIR RAGGIO:

Are the projected expenditures in the remainder of this fiscal year less than the historical average? Are there any claims pending that are not already reported?

Ms. SULLI:

The tort claims manager is not here at the moment, but we can provide that information to you.

SENATOR COFFIN:

I would like to congratulate the Budget Division and Governor Guinn for finding a creative way to help solve our dilemma or we would have spent a lot more money on a special session.

SENATOR BEERS:

While I endorse Senator Coffin's comments, I would like to add to the record my frustration at not being able to chastise anyone over this.

CHAIR RAGGIO:

When this was first discussed, I wanted to support privatization of the construction and operation of the Veterans' facility. That was done successfully in Georgia. We will close the hearing on S.B. 345 and open the hearing on S.B. 251.

SENATE BILL 251: Makes appropriations to the State Department of Conservation and Natural Resources for the Division of Water Resources, Division of Forestry, Forestry Conservation Camps and Division of State Parks. (BDR S-1221)

KAY SCHERER (Deputy Director, State Department of Conservation and Natural Resources):

Before you today are two bills of critical importance to the State Department of Conservation and Natural Resources (DCNR). While we look forward to providing you the answers you need on the supplemental appropriation request, we are eager to talk to you about the elements of S.B. 251. We provided a handout entitled "Senate Bill 251 DCNR One-Shot Appropriations" ([Exhibit F, original is on file in the Research Library](#)). It is organized in the order in which the items appear in the bill.

Mr. Allen Biaggi, Director, DCNR and I, from the beginning of the budget process, identified the items in S.B. 251 as the number one priority for the Department. The vehicles, which make up the bulk of S.B. 251, are the worst of the bad. They are in deplorable condition. We are concerned that our employees are at risk, the public they serve is at risk and, in fact, we see this as a genuine liability to the State of Nevada. As you hear about vehicles with 300,000-plus miles on them, you will realize our concern. Most individuals operating these vehicles are by themselves in remote areas with rough terrain.

Please turn to the tab labeled "4171" in [Exhibit F](#), the Division of Water Resources.

CONSERVATION AND NATURAL RESOURCES

DCNR - Water Resources – Budget Page DCNR-59 (Volume III)
Budget Account 101-4171

On the second page of tab 4171 is a spreadsheet. In decision unit E-711, we have the request for the items you see listed. The public demand is high for field investigations for water. There is also tremendous public pressure for more hearings and to have water data available on the Internet. All of the requested items are related to this public demand. The three pickup trucks are in fair condition. The mileages are from the middle of last year. They are all beyond the replacement schedule.

As you move down the page to the items related to computer hardware and software, the first printer is used for printing maps, publications and public presentations. It is two years beyond the scheduled replacement and performs a tremendous amount of work. The high-speed scanner has allowed us to scan and put 500,000 documents onto the Website for public access. If we cannot replace the scanner, an alternative is a vendor, which has not proved to be effective, or we would not be able to continue to scan these documents for the public.

The next item is a laptop personal computer (PC) which is used in our hearings for exhibits. It is currently 12 years old and we are working to keep it operational.

SENATOR CEGAVSKE:

Do you scan documents for the public free of charge?

Ms. SCHERER:

We do not charge a fee to the public for the Internet documents.

SENATOR CEGAVSKE:

It is all scanned just to the Internet?

Ms. SCHERER:

That is correct. We have documents that go back to before statehood.

SENATOR CEGAVSKE:

Does anyone come into the office and ask for copies of documents?

Ms. SCHERER:

There are people who ask for copies, and they are charged a fee.

SENATOR CEGAVSKE:

What is the fee?

Ms. SCHERER:

The first page costs \$1; subsequent pages cost \$.20 and for large-scale maps, the price ranges from \$3 to \$6. Many people still come into the office and purchase copies, but there is a huge demand to receive this information on the Internet. The last item is \$199 to purchase a replacement printer for the state engineer.

Please turn back one page to the first page of tab 4171, so that I can talk about the Channel Clearance Fund. It is listed under decision unit E-886. The Channel Clearance Fund is 34 years old. It was enacted in 1973 in the *Nevada Revised Statutes* (NRS) 532.220. This is a revolving fund, to which \$250,000 is appropriated. We currently have the full amount committed in four projects, and we are requesting replenishment of this fund because we are aware of at least two projects waiting in the wings to be completed.

CHAIR RAGGIO:

What are the two projects waiting in the wings?

Ms. SCHERER:

The two projects are the Mason Valley Conservation District for approximately \$34,000 and the Dayton Valley Conservation District for anywhere from \$50,000 to \$100,000.

CHAIR RAGGIO:

When local governments apply for this, do they have a commitment of their own?

MS. SCHERER:

Yes, it is a 50-50 match, and they usually spend more than that. Mr. Pete Anderson will discuss with you Budget Account (B/A) 101-4195 which is the main Division of Forestry Administrative Account and B/A 101-4198 that covers the Conservation Camps.

DCNR - Forestry – Budget Page DCNR-148 (Volume III)
Budget Account 101-4195

DCNR - Forestry Conservation Camps – Budget Page DCNR-166 (Volume III)
Budget Account 101-4198

PETE ANDERSON (State Forester Firewarden, Division of Forestry, Department of Conservation and Natural Resources):

I will first discuss B/A 101-4195. We are requesting 22 vehicles, all with mileage in excess of 100,000 miles and, in some cases, extending up to 219,000 miles. We are at the point of dire concern for the condition of our vehicles and our employees in trying to provide a safe workplace in the jobs they do. We literally canvas wrecking yards to find replacement parts for some of our vehicles because they are so old. We respectfully request these vehicles be replaced to enable us to continue our emergency response capabilities, not only during wildfire season, but also during other emergencies, such as flooding. This is for foundational operations of our Division. Also, in B/A 101-4195 we are requesting computer hardware and software replacement. This replacement equipment is consistent with the Department of Information Technology's replacement timeline, and most exceed it.

Moving to B/A 101-4198, our Conservation Camp Program budget, you are all familiar with the excellent work our crews perform, not only in emergency situations, but in bringing revenue into the State. This is a foundational request for 15 vehicles, all of which have miles in excess of 145,000, extending up to 385,000 miles. Without the 15 replacement vehicles, we can no longer safely keep our employees in a position to do their jobs. It is critical to us both for public and employee safety. If we do not have vehicles that run, we cannot generate revenue across the State. The camp supervisors are pursuing work and contracts, checking on the projects and ensuring everyone is following our policies and procedures each workday.

We are also requesting computer hardware and software replacement in B/A 101-4198. These computers are critically important to the Division as we roll out the new electronic time sheet and tracking of costs to ensure everything is functioning properly. This would allow us to place a new computer in each of the ten camps.

CHAIR RAGGIO:

Is that a total of \$23,000?

MR. ANDERSON:

That is correct.

CHAIR RAGGIO:

We will move to B/A 101-4162, Division of State Parks.

DCNR-State Parks – Budget Page DCNR-43 (Volume III)
Budget Account 101-4162

DAVID K. MORROW (Administrator, Division of State Parks, Department of Conservation and Natural Resources):

I would like to bring to your attention, under tab 4162 of [Exhibit F](#), a summary of our request, both for vehicles and for computer equipment and Geographic Information System (GIS) software. Behind that are five pages of backup data supplemental to that summary indicating the number of vehicles, the vehicle type, the current mileage, the replacement mileage and the average cost a mile of each of those vehicles. I have also included a sheet that indicates what the Division has received in terms of vehicles: new, replacement, and in some cases, used, for your consideration. The 61 high-mileage vehicles for which the Division is requesting replacements are worn out.

SENATOR BEERS:

Why are some of the cost figures zero?

MR. MORROW:

There are a couple of vehicles that are currently not running we would like to put back into service.

SENATOR BEERS:

What is that cost column? I am referring to the second page after tab 4162 of [Exhibit F](#), the column on the right margin.

MR. MORROW:

That is the cost of the vehicles.

SENATOR BEERS:

Why are some of the amounts zero?

MR. MORROW:

I will provide that information to you immediately following the hearing.

CHAIR RAGGIO:

Please provide that information to staff for the Committee.

MR. MORROW:

The 61 replacement vehicles we are requesting range in mileage from 118,000 to 229,000 miles and average 149,000 miles. These are critical to the operation and maintenance of State Park facilities. In many cases, they are law enforcement, first-responder vehicles desperately needed to operate State Park facilities. Under decision unit E-710, we are requesting the replacement of 11 8- to 10-year-old PCs. We are also asking for replacement of software, Microsoft Office 1995 and 1997 and three AutoCAD stations for our planning and development section. In addition, under decision unit E-720, we are asking to update the GIS software. We currently only have one student license. We would like to create a new license for what is considered floating software so our planning section and others in our Division could use the software.

CHAIR RAGGIO:

Staff, it appears some of this would be ongoing costs. Is it appropriate to fund these with one-shot appropriations?

MR. GHIGGERI:

We have noted computer-maintenance agreements in some of the one-shot appropriations. In the case of the Division of State Parks, there are ongoing insurance costs. Staff would like to explore this, because funding ongoing costs out of one-shot money would be contrary to accepted practice.

CHAIR RAGGIO:

Mr. Clinger, do you agree? We will work together on that. We run into a problem when we approve a one-shot appropriation and then have ongoing costs that follow along.

MS. SCHERER:

I would like to answer Senator Beers' earlier question about the zeros on page 1 of 2 of the page titled "Nevada Division of State Parks Replacement Vehicle Mileage Recap" in [Exhibit F](#). We determined these were government surplus vehicles, and they came in at zero cost at the time of acquisition. We will follow up with a memorandum showing exactly when they were purchased. We have an individual assigned to scour surplus sales. Unfortunately, there are fewer vehicles available as time goes by.

CHAIR RAGGIO:

We will close the hearing on [S.B. 251](#) and open the hearing on [S.B. 336](#).

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

MS. SCHERER:

In section 1, subsection 1 of [S.B. 336](#) is the Division of State Parks. I will ask Mr. Morrow to address the unanticipated utility costs.

MR. MORROW:

We have gone back through our budget and determined we do not need supplemental costs this fiscal year as anticipated. You have been given a handout explaining our supplemental request ([Exhibit G](#)). We had planned for a campground to come online at Big Bend of the Colorado. That did not occur, and we had authorized funding we will not need to cover those costs. This does not resolve the problem long term, but it removes the burden for this fiscal year.

CHAIR RAGGIO:

Is that section 1 of [S.B. 336](#)?

MR. MORROW:

Yes, it is \$37,805.

CHAIR RAGGIO:

That was for Big Bend Park?

MR. MORROW:

Actually, it was a supplemental request for the Division due to the anticipation of Big Bend coming online during this year.

CHAIR RAGGIO:

We will move to section 2 of [S.B. 336](#).

MR. ANDERSON:

Please refer to our handout titled "Senate Bill No. 336 Committee on Finance" ([Exhibit H](#)). The first item, in subsection 2 of section 1 of S.B. 336, is a request for \$1,660,673 for smaller fires not covered by the Disaster Relief account from last year's fire season. A total of 1.3 million acres burned across the State, and a significant amount of that was in our fire districts. This would clean up the smaller fires for which we already have expended funds.

CHAIR RAGGIO:

In subsection 2, was there a reduction?

MR. ANDERSON:

The amount in the bill is \$1,661,801 which was an estimate at that time. The estimate is currently \$1,660,673, so there is a reduction.

Subsection 3 addresses aviation insurance and utilities. The amount of \$26,901 is being requested for a mistake made last Session regarding our aircraft insurance. The difference is the \$26,901. We estimated \$21,082 in our bill request for the second item in our utilities account. That amount has increased to \$42,741. We respectfully request the bill be modified to the increased amount.

CHAIR RAGGIO:

What is the total correct amount?

MR. ANDERSON:

The total amount is \$69,643.

CHAIR RAGGIO:

Does staff have those numbers?

MR. GHIGGERI:

Yes.

CHAIR RAGGIO:

We will close the hearing on S.B. 336. I have been notified someone else wishes to testify on S.B. 251.

DAN KAFFER (Western Nevada Resource Conservation and Development Council and the United States Department of Agriculture, the Natural Resources Conservation Service):

The Channel Clearance bill, S.B. 251, is something we use to match river projects, both in public safety and in restoration and conservation of all rivers in the State of Nevada that are on public lands and controlled by the State. This is a foundation document, a funding we use year after year, to complete projects. As a federal employee, I represent programs that need matching funds. When the State provides a program like this, we can get these projects off the ground. It is an excellent program that has allowed us to use the federal funding available to Nevada.

CHAIR RAGGIO:

Are you aware of contemplated projects?

MR. KAFFER:

Yes, sir. I am involved with those.

MICHELLE LANGSDORF (Mason Valley Conservation District and Smith Valley Conservation District):

I represent Mason Valley for the budget that was submitted, and I have distributed pictures of a project we completed with funding from a previous allocation ([Exhibit I](#)). I wanted to show how we implemented the funds you allocated last Legislative Session.

CHAIR RAGGIO:

Are the projects, shown in the pictures, your projects?

MS. LANGSDORF:

Those are from previous funding requests; not the new request.

HOWARD W. GLANCY (Dayton Valley Conservation District):

I support S.B. 251. We have been using the funding this bill provides for the last nine years, and it is essentially a finance item for our operations.

CHAIR RAGGIO:

The project in Dayton Valley is one of the additional projects being considered. Is that correct?

MR. GLANCY:

It is an ongoing project of clearing the snags.

PAUL KOLP (Watershed Manager, Dayton Valley Conservation District):

This fund helped us rapidly respond to the flood of January 2006. We were able to leverage this fund against other funds to match it and extend the dollars 3:1. It also helped protect over \$1 million worth of infrastructure on the river. An important issue we need to continue to be aware of is safety on the river. This fund helps us keep the river navigable for craft traveling down the river.

CHAIR RAGGIO:

Are you talking about the Carson River system?

MR. KOLP:

My territory is below Carson, but the fund is valuable for the whole river.

CHAIR RAGGIO:

How far down the Carson River does that go?

MR. KOLP:

Far.

CHAIR RAGGIO:

Do you know where the stretch is above Fort Churchill, the site of the former Cardelli Ranch?

MR. KOLP:

Yes, that is my area.

SENATOR BEERS:

Regarding tamarisk, or salt cedar, I read that University of Nevada, Reno etymologists discovered an oriental beetle that enjoys eating it.

MR. KOLP:

That is correct.

SENATOR BEERS:

Is that part of what you are doing?

MR. KOLP:

That is part of what we do. This fund is targeted for different things, but we are doing that work.

MS. LANGSDORF:

I am aware of the beetle. We have a large population in Schurz near Hawthorne. We are trying to expand the beetle population to consume more of the tamarisk in the area. It is a slow process.

SENATOR BEERS:

Are the beetles reproducing?

MS. LANGSDORF:

We had a massive influx last year.

MR. KOLP:

We have introduced populations of the beetles on the Truckee River at the mouth of Pyramid Lake. We are also looking at introducing the beetles on the Virgin River, in southern Nevada and anyplace where we have salt cedar. The beetles are specific to salt cedar or tamarisk and they will kill only tamarisk and then the populations die out. It is the perfect beetle to get rid of the weed, and they keep reproducing.

SENATOR BEERS:

The tamarisk root system lives for four or five years. What are you doing for next year?

MR. KOLP:

Hopefully, the beetles will stay until there is regrowth and continue to prey on them, or we will bring in more beetles, use an herbicide or the conservation crews that Mr. Anderson supervises. There is a multitude of things we use to kill tamarisk. Sometimes it takes more than the beetles, but it is repetitive and we use many different techniques: physical, chemical or mechanical.

SENATOR BEERS:

Does clearing the tamarisk contribute to your problems with the channels?

MR. KOLP:

No, the fund is used to respond to situations such as floods.

SENATOR COFFIN:

I sit on the Senate Committee on Natural Resources and have learned we always ask the question, "What if?" whenever we introduce a new species into

an area. Sometimes we create unintended consequences. What else does this beetle like to eat?

MR. KAFFER:

At this point, tamarisk is the only thing we know of in Nevada that it eats. It went through over ten years of testing through different agencies and the Agricultural Research Services, through plant material centers and other organizations, to ensure it was specific to salt cedar and would not affect other plants. We have problems with weeds such as tall white top and others which are in the same family as broccoli and cauliflower. Our California neighbors do not want us to introduce the beetles that will kill one of our number one weeds in the State because of its potential economic impact on agriculture to the west and in other areas. A lot of testing was performed before the salt cedar beetle was brought into Nevada.

MR. KOLP:

There has been extensive research in New Mexico and Arizona, and there is no evidence the beetles are attacking any other species.

SENATOR COFFIN:

The most effective method of removing salt cedar plants is to pull them out of the ground. Have you ever tried doing that with prison crews?

MR. KOLP:

We have had success with that method when there are a couple of hundred. When talking about a couple of thousand or tens of thousands, it becomes an impossible situation.

MS. LANGSDORF:

When tamarisk first starts growing, in the first year, it can be pulled quite easily. If it is an established plant, it is nearly impossible to pull. The Natural Resource Conservation Service has used a bulldozer to dig out a few in the Schurz area. The roots grow about 60 feet into the ground, making it almost impossible to pull out. The beetles will not completely eliminate the plants because it is a cyclic population, but they stress the plant so that a herbicide or mechanical treatment will be more effective.

CHAIR RAGGIO:

The roots grow 60 feet into the ground?

SENATOR BEERS:

They probably grow even deeper if there is water.

MS. LANGSDORF:

Yes. Wherever there is water, the tamarisk will return.

CHAIR RAGGIO:

We will discuss S.B. 342.

SENATE BILL 342: Makes a supplemental appropriation to the High Level Nuclear Waste Project Office to fund nuclear waste litigation. (BDR S-1242)

ROBERT R. LOUX (Executive Director, Agency for Nuclear Projects, Office of the Governor):

I urge your support for S.B. 342. Since our budget hearing, I can report our situation with these accounts has not improved. We have not yet received federal funds, and we are low on cash reserves and anticipate ongoing activities that could create a shortfall by the end of the year.

CHAIR RAGGIO:

How does this tie in with the request we had from the AGO?

MR. LOUX:

The AGO handles strict litigation in the courtroom, such as filing cases and pursuing cases in court. Our activities are twofold; one is in the science arena, and the other is in administrative litigation before the Nuclear Regulatory Commission (NRC). For example, there are three or four ongoing rule-making petitions pending before the pre-licensing hearing board, many of which will dictate the terms of an eventual proceeding. In other words, what rules will be established if the DOE files a license application in June 2008 as advertised?

CHAIR RAGGIO:

Does the pre-licensing preparation go to separate law firms than those we were talking about with the AGO? I believe we authorized \$1 million for the biennium in connection with pre-licensing activities.

MR. LOUX:

That is correct.

CHAIR RAGGIO:

Of the original \$1 million, approximately \$604,000 was expended in 2006. The remaining balance is approximately \$395,000 which was carried forward to this year. This bumps it back up to \$1 million. Why do we need that much?

MR. LOUX:

We anticipate activities in the next four months critical to an eventual Yucca Mountain proceeding for which this money would be used, including ongoing rule-making petitions filed by the State, the utility industry and others anticipated by interveners. These are setting the stage for proceedings.

CHAIR RAGGIO:

The reason we are asking is because of the carryforward I referred to of \$395,000. According to staff, to date, you have spent \$315,000.

MR. LOUX:

As of today, the balance in that category is \$80,000.

CHAIR RAGGIO:

The Attorney General mentioned a couple of upcoming rule changes.

MR. LOUX:

The AGO will be pursuing litigation against both the Environmental Protection Agency and the NRC for radiation standards. Those are the standards Yucca Mountain would have to meet to be found licensable in an eventual proceeding. We are dealing more with the administrative side with the pre-licensing hearing board and not litigation. The AGO handles the courtroom

litigation challenging federal rules in federal court, in this case the Court of Appeals, and in some cases, federal district court like the case in Reno. We deal more with the administrative rule-making process of the NRC. For example, what seismic standard would we be held to at Yucca Mountain?

CHAIR RAGGIO:

Is there coordination between what the AGO is doing and this perceived process?

MR. LOUX:

We are in constant communication with the AGO as well as our attorneys on this issue.

CHAIR RAGGIO:

When do you expect federal funding?

MR. LOUX:

The last word I heard from the DOE is perhaps late May or early June at the earliest.

CHAIR RAGGIO:

Does staff have full information required for this bill?

MR. GHIGGERI:

Yes.

SENATOR COFFIN:

Senator Beers made reference to Senator Reid's statement about Yucca Mountain being dead. Power is fleeting, and despite the fact Senator Reid might be the Senate leader at the moment, that can change in a heartbeat. We obviously have to keep maintaining our own efforts that will not last too many more years.

MR. LOUX:

Our concern, at this juncture, is with the DOE announcing rigorously they are going to file this application in June 2008, no matter what. Unless funding is cut at the federal level to the DOE preventing filing of the application, we will be engaging in a lengthy licensing proceeding. We are doing everything we can to keep them from filing, including the litigation Ms. Adams spoke about earlier.

SENATOR COFFIN:

The President is going to pursue it as long as he has funding for the project.

MR. LOUX:

We are looking for a way to delay the DOE's application to the next administration. After January 2009, the situation may have changed. We will be challenging some of the essential things the DOE needs to file the application.

CHAIR RAGGIO:

We will close the hearing on S.B. 342. Mr. Peri, I understand you spoke with Mr. Loux and there is an indication the amount requested in S.B. 342 might be trimmed with an availability for further requests.

MR. PERI:

That is correct. I spoke with Mr. Loux and indicated because the projected expenditures in the amount of \$600,000 are not firm the Committee could consider \$400,000 as a compromise. If those expenditures in the next two to three months approach \$600,000, the Committee could add additional money to that appropriation. Mr. Loux indicated that is acceptable.

CHAIR RAGGIO:

Could we amend and do pass at this time? Would that provide the supplemental appropriation in adequate time?

MR. PERI:

Yes, it would, and he is in need of additional funds to meet obligations.

CHAIR RAGGIO:

Is the Committee agreeable to amend and do pass with the reduced amount of \$400,000 and the understanding that before the end of session the agency may request additional funding? If so, I would accept a motion.

SENATOR MATHEWS MOVED TO AMEND AND DO PASS AS AMENDED S.B. 342, WITH THE REDUCED AMOUNT OF \$400,000; AND THE UNDERSTANDING THAT BEFORE THE END OF SESSION, THE AGENCY MAY REQUEST ADDITIONAL FUNDING.

SENATOR TITUS SECONDED THE MOTION.

THE MOTION CARRIED. (SENATOR BEERS VOTED NO. SENATOR RHOADS WAS ABSENT FOR THE VOTE.)

* * * * *

CHAIR RAGGIO:

We will move to Assembly Concurrent Resolution (ACR) 12.

ASSEMBLY CONCURRENT RESOLUTION 12: Approves the change in scope and the transfer of funds for certain capital improvement projects. (BDR R-1448)

EVAN DALE (Deputy Manager, Public Works Board, Department of Administration):

Please refer to **Exhibit J**, which describes ACR 12, a request to change the scope of CIP 05-C20b, Phase IV of the High Desert State Prison (HDSP) project. On January 20, 2007, we bid out this project along with Project 05-M06. The bids came in approximately \$11 million over budget. We have identified, with the contractor, items that could be deferred to a later date, and we could request funding for those deferred items in the 2007 CIP. This is a request to defer those items and gain approval to proceed with the remaining work in Project 05-C20b.

CHAIR RAGGIO:

Is this a portion of the full project at HDSP?

MR. DALE:

That is correct. The full construction amount for this project is approximately \$47 million. This is a request to defer \$11 million of that scope to a 2007 CIP request and proceed with the remaining work now.

CHAIR RAGGIO:

Staff, I think we have heard this before. I do not remember the figures. Is this correct?

MR. GHIGGERI:

This was discussed previously at the CIP Subcommittee hearing. The IFC does not have authority to approve changes of scope while the Legislature is in session. This will provide for the change in scope in Phase IV of the HDSP project and transfer \$446,325 from the Generator project 05-M06 to the HDSP project. Staff has received a new project cost estimate worksheet for the balance of HDSP Phase IV which is now project number 07-C87, and the additional cost for that portion is \$12,599,999.

CHAIR RAGGIO:

Is that an adjusted cost?

MR. GHIGGERI:

That will be a new project to be considered by the 2007 Legislative Session.

CHAIR RAGGIO:

This portion would then be omitted because it will have been funded during this fiscal year. Is that correct?

MR. GHIGGERI:

This will enable the contractor to begin work the first week of April to provide prison beds by September 2008 when the prison indicates they may need those beds.

CHAIR RAGGIO:

This was one of the projects they needed to get started by April 1, and that is the \$446,325. Is that correct?

MR. GHIGGERI:

Yes, and the deferral of the \$11 million.

CHAIR RAGGIO:

Recognizing this is now the required process for change of scope, and it cannot be done at the IFC, I would entertain a motion to do pass A.C.R. 12.

SENATOR MATHEWS MOVED TO DO PASS A.C.R. 12.

SENATOR BEERS SECONDED THE MOTION.

THE MOTION CARRIED. (SENATORS COFFIN AND RHOADS WERE ABSENT FOR THE VOTE.)

* * * * *

CHAIR RAGGIO:

We will open the hearing on S.B. 190.

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

HOWARD SKOLNIK (Director, Department of Corrections):

This appropriation provides for construction of four units in four of our institutions to meet the critical population growth we have faced so far this year. Please refer to the handout noting our proposed changes to S.B. 190 (Exhibit K). Our population will exceed our current ability to house inmates sometime in November, using gymnasiums and other critical space. This will provide some relief, at least on a temporary basis. Unfortunately, the population currently projected for the Department, using existing statutes, will result in our inability to stay significantly ahead of the curve until our next prison is built in 2009. These interim measures will help us manage our facilities more safely.

CHAIR RAGGIO:

Are these modular housing units?

MR. SKOLNIK:

They are actually not modular units in the traditional sense. They are tilt-up, pre-engineered buildings.

CHAIR RAGGIO:

Your proposed amendment would not change the amount requested. Is that correct?

MR. SKOLNIK:

No, it does not change the amount. It changes some of the language to allow us to complete the project as an emergency and meet the time frame we need based on population projections.

CHAIR RAGGIO:

The language change strikes out "modular" and the word "provide" and makes the appropriation to the State Public Works Board rather than to the Department of Corrections, to "design, construct, furnish and equip four housing units ... at institutions within the Nevada Department of Corrections." What are the dates you are trying to accommodate, and which are the institutions?

MR. SKOLNIK:

The dates are November 2007 for the first.

CHAIR RAGGIO:

Is that the Southern Nevada Women's Correctional Center?

MR. SKOLNIK:

That is correct. The next two are in December 2007 at the Southern Desert Correctional Center and at the Northern Nevada Correctional Center. May 2008 would be the completion date for the Southern Nevada Correctional Center.

CHAIR RAGGIO:

That seems to be a short time. Is that anticipating this would be approved by the end of this fiscal year?

MR. SKOLNIK:

That is correct. I have been advised that if, in fact, a notice to proceed can be issued by July 1, these dates can be met with the changes we have proposed.

CHAIR RAGGIO:

Are you requesting, in this amendment, the sole source? Does section 3 include the Construction Manager At Risk delivery method?

MR. SKOLNIK:

Yes.

CHAIR RAGGIO:

Section 4 would be for sole source?

MR. SKOLNIK:

That is correct.

CHAIR RAGGIO:

Do you, or the SPWB, anticipate real savings in both time and cost by accepting your proposed amendment?

MR. DALE:

With the exemptions we are requesting in sections 3 and 4, we predict we will save considerable time. This will allow us to have a contract in place for execution shortly after July 1, 2007, and will allow us to avoid going before the SPWB for approval of the selection. These items, taken together, amount to several months of savings.

CHAIR RAGGIO:

When you suggest sole source, do you already have a company in mind that is prepared to move on this?

MR. DALE:

Yes, we do.

CHAIR RAGGIO:

If I understand the overcrowding situation, if you do not meet these deadlines, you will have serious problems.

MR. SKOLNIK:

That is correct.

CHAIR RAGGIO:

Why does the amount stay the same when switching from modular units?

MR. DALE:

The change in language from modular to pre-engineered more accurately describes what we were intending all along.

CHAIR RAGGIO:

Does this amendment cover everything necessary?

MR. GHIGGERI:

Staff would like to review the amendment.

CHAIR RAGGIO:

We will accept the amendment at this time and take action at a later time. We will close the hearing on S.B. 190 and open the hearing on S.B. 282.

SENATE BILL 282: Makes supplemental appropriations to the Department of Corrections for increased costs at various facilities. (BDR S-1258)

DARREL REXWINKEL (Deputy Director, Support Services, Department of Corrections):

I provided the Committee with a suggested amended bill ([Exhibit L](#)). We previously provided staff a copy of our projections. As a result of our projections, we amended the bill as shown in [Exhibit L](#). The initial bill was for approximately \$5,697,000, and now the amount is \$6,473,243.

CHAIR RAGGIO:

If the Committee will recall, we heard this bill on March 19, and this is the proposed change. The total would be \$6,473,243. Section 1 would specify the facilities and the nature of the projects.

MR. REXWINKEL:

Yes, it does. For ease of reading, please note the amounts on the far right-hand side of [Exhibit L](#) comprise the current request, and the bracketed amounts indented to the left were the old request amounts. Page 3 of [Exhibit L](#) shows the B/A on the left margin and categories across the top of the page. Page 4 of [Exhibit L](#) indicates the initial request and the revised request by B/A. We came before the IFC approximately one year ago to request a supplemental appropriation. The amounts for the maintenance agreement-driven categories and the utilities are consistent with what happened a year ago, considering the increase in our population and in utility rates since then.

CHAIR RAGGIO:

Staff, have you had an opportunity to review this proposed amendment?

MR. GHIGGERI:

Fiscal staff has met with the Department of Corrections (DOC) and the Budget Division regarding this amendment, but I would like to have the opportunity for one additional review.

CHAIR RAGGIO:

We will accept the amendment for consideration. We will close the hearing on S.B. 282. Mr. Turco, you indicated a desire to testify on S.B. 282.

JOSEPH A. TURCO (ACLU of Nevada):

We marked neutral on the sign-in sheet as far as our position on the bill. The portion of the budget on which I wish to testify is the amount budgeted for health services. I do not know if the amount is sufficient; there is no way to know. I understand the budget process in Nevada is similar to that in many other states wherein the budget increases and then decreases. When the budget increased, I would have liked to have known what advice was received at the executive level before it decreased.

CHAIR RAGGIO:

Are you talking specifically about medical care in the exhibit expenses ([Exhibit L](#))?

MR. TURCO:

Yes, sir. That is the only portion of this bill for which I am here to testify. The American Civil Liberties Union (ACLU) has been quite honest in the fact we are closely watching this aspect of the prison system — medical care, including mental health. This is the area in which prisoner lawsuits have been most successful and the area in which we know our system is failing. Defendant notice is an important requirement in every litigation proceeding. If litigation follows in the health care area of our prisons, no one can say the DOC or the State was not put on notice.

CHAIR RAGGIO:

What type of notice are you saying they are being put on if they provided this adjusted amount for medical care?

MR. TURCO:

The ACLU has been looking at health care in the prison system. These are the areas of likely litigation.

CHAIR RAGGIO:

I understand that, but do you have specific complaints you have brought to the attention of the DOC so that we, as a Committee, can understand where there are deficiencies?

MR. TURCO:

Yes, that has been going on for years, and I can submit that information if you wish.

CHAIR RAGGIO:

All right.

MR. TURCO:

Before I got here, this was a major concern of the ACLU in the State.

CHAIR RAGGIO:

I understand that, but presently, are there specific instances where they are not providing adequate, reasonable medical care in the DOC systems?

MR. TURCO:

Yes, there are specifics. Would you like to see them?

CHAIR RAGGIO:

We would like to know what they are. We have authorized a lot of money over the years for medical care, medical facilities and contracts for medical care. When we act, as a Committee, we assume those numbers are adequate. Where are we deficient?

MR. TURCO:

I would like to have our expert submit to you information to answer your questions.

CHAIR RAGGIO:

I do not like to hear, "We are going to sue you," and not know what you are talking about.

SENATOR COFFIN:

You are new to our Committee. Mr. Dick Siegel testifies frequently, and I am not familiar with you. Did you recently join the ACLU?

MR. TURCO:

Yes, sir.

SENATOR COFFIN:

Is Mr. Siegel no longer with the team?

MR. TURCO:

He is president of the board, and has been with the ACLU for 40 years.

SENATOR COFFIN:

He usually communicates with us in advance of problems so we are aware of pending testimony rather than hearing about something we know nothing about.

MR. TURCO:

My understanding is that he has been communicating this to you for a long time.

SENATOR COFFIN:

Mr. Siegel has not mentioned anything to me this year. No one has come to me this year and said the budget for inmate medical is insufficient. Ask Mr. Siegel, who is experienced in dealing with us, if he has actually put us on notice for a problem of which we are unaware.

CHAIR RAGGIO:

Provide us with specific information if you think there is a deficiency. This amendment provides an additional amount to cover medical inflation factors and things of that nature enabling us to provide for many more inmates who need medical care if we are not spending it on legal suits.

MR. TURCO:

We know the system is broken in so many ways.

CHAIR RAGGIO:

Have you found a perfect prison system anywhere in the United States? Are we better off than in China or Mexico? We spend a lot of money that I would prefer to spend on education, autistic children and so forth. Be a little reasonable. The inmate population in this State is not the only one we have to care about. With limited money, we will do our best to ensure everyone meets the Nevada Constitutional standards. You can help us by giving constructive criticism as well as destructive thinking.

MR. TURCO:

I will take everything we discussed today back to the ACLU.

CHAIR RAGGIO:

We will close the hearing on S.B. 282.

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

RESPECTFULLY SUBMITTED:

Jo Greenslate,
Committee Secretary

APPROVED BY:

Senator William J. Raggio, Chair

DATE: _____