

**MINUTES OF THE  
SENATE COMMITTEE ON FINANCE**

**Seventy-fourth Session  
April 18, 2007**

The Senate Committee on Finance was called to order by Chair William J. Raggio at 7:48 a.m. on Wednesday, April 18, 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 Dina Titus  
Senator Bernice Mathews

**COMMITTEE MEMBERS ABSENT:**

Senator Bob Coffin (Excused)

**STAFF MEMBERS PRESENT:**

Gary L. Ghiggeri, Senate Fiscal Analyst  
Larry L. Peri, Principal Deputy Fiscal Analyst  
Michael Archer, Committee Secretary

**OTHERS PRESENT:**

Andrew Clinger, Director, Department of Administration  
Heather Murren, Chief Executive Officer, Nevada Cancer Institute  
Peggy Young

CHAIR RAGGIO:

We will now discuss Senate Bill (S.B.) 443.

**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)

ANDREW CLINGER (Director, Department of Administration):

Senate Bill 443 contains three appropriations to the Nevada Cancer Institute (NVCi). There was a \$10 million one-shot appropriation for fiscal year (FY) 2006-2007 and a \$5 million appropriation for each year of the coming biennium. A recent amendment from the Budget Division established a new budget for the NVCi. These appropriations will now be contained as line items in the *Executive Budget*. Consequently, this \$5 million in each year of the biennium will become a Base Budget item in future *Executive Budgets*.

CHAIR RAGGIO:

How was the \$10 million used? Where will the \$5 million for each year of the coming biennium be located in the *Executive Budget*?

MR. CLINGER:

Ms. Heather Murren is here to provide information about how the \$10 million one-shot appropriation was used.

This budget item will be located in the Nevada System of Higher Education (NSHE) budget as decision unit E-400 in budget account 101-3020. These funds would not go to the NSHE, but rather be "passed through" to the NVCI.

CHAIR RAGGIO:

If this budget is approved, is it the Governor's recommendation that the Legislature would make a policy decision on whether the funding considered in this budget account is ongoing and to be included in the Base Budget for future bienniums?

MR. CLINGER:

Yes. That is the Governor's recommendation.

CHAIR RAGGIO:

The Legislature provided funding to the NVCI in the form of S.B. No. 105 of the 73rd Legislative Session which appropriated \$10 million to the University of Nevada School Of Medicine for support of its partnership with the NVCI and the Center for Excellence to expand research, treatment, education and teaching opportunities.

In addition, S.B. No. 1 of the 22nd Special Session made an appropriation of \$5 million in each year of the biennium to the NVCI to fund researcher start-up packages, purchase equipment, recruit cancer researchers and provide education and outreach programs to define needs and implement preventive health strategies.

MR. CLINGER:

That is correct.

HEATHER MURREN (Chief Executive Officer, Nevada Cancer Institute):

I will now ask you to view a short video presentation entitled "Nevada Cancer Institute, Keeping Hope Alive" ([Exhibit C](#), original is on file in the Research Library) which provides the testimony of 2 of the 1,600 patients now being treated. One of these patients is from outside the State of Nevada. This is important and a great endorsement of our efforts when people come to the NVCI for treatment from other states.

I will now show a slide presentation entitled "Nevada Cancer Institute, Report on 2005 State Appropriations, April 18, 2007" ([Exhibit D](#), original is on file in the Research Library)). In 2005, cancer surpassed heart disease as the primary cause of death in Nevada. Our facility opened 18 months ago with a mission to reduce the burden of cancer for Nevada, and to become a Center of Excellence as defined by the National Cancer Institute.

We used the funding from S.B. No. 1 of the 22nd Special Session to invest in start-up packages for the recruitment and relocation to Nevada of top cancer researchers. Page 7 of [Exhibit D](#) contains a list of notable researchers who have relocated to Nevada. Please see the handout entitled "Results: National Leaders" ([Exhibit E](#)) for complete biographies of these individuals. One factor that

encourages top researchers to relocate to Nevada is the entrepreneurial prospects our economy provides. An additional benefit to having such renowned researchers in our State is the great opportunity it provides our university students by enriching their academic experience.

The NVCI also used funding from the \$10 million one-shot appropriation to buy core laboratory equipment needed for collaborative research efforts among researchers in the State. Pages 9 through 11 of [Exhibit D](#) contain details of some of the highly technical equipment we purchased.

Results of our new research and clinical tests, along with the sources of funding for each program, are listed on pages 12 through 14 of [Exhibit D](#).

CHAIR RAGGIO:

How many ongoing Phase I, II and III clinical trials is the NVCI conducting? In what areas of cancer research do those programs concentrate?

MS. MURREN:

There are about 60 ongoing clinical trial programs. While we are emphasizing gastrointestinal cancers, we also have trial programs for brain, prostate and other cancers as well.

Part of our mission is to educate and provide outreach to the public. A list of education and outreach offices and programs we support can be found on pages 16 and 17 of [Exhibit D](#).

The overall accomplishments of the NVCI's first 18 months are listed on page 19 of [Exhibit D](#). This includes a 10 to 1 return on the State's investment in terms of dollars raised from private and other sources. We also served 2,500 patients and their families through our navigation services and reached more than 200,000 Nevadans with information on cancer prevention and screening. We received national attention and funding for our development of new treatments and diagnostics as well as for our research and development in the biotech industry.

For additional information about the NVCI, please read the spring 2007 edition of the NVCI magazine *Breakthrough* ([Exhibit F](#), original is on file in the Research Library).

We would like to bring more clinical trials to Nevada and will soon need to expand our facility because we are running out of space.

CHAIR RAGGIO:

As someone who lost a spouse to cancer and as a cancer survivor myself, I am convinced of the need for cancer research and the importance of that to Nevadans. I have visited the NVCI facility and was impressed with what you have been able to accomplish.

This Committee will need to see the NVCI's complete budget and information about your sources of funding.

Senate Committee on Finance  
April 18, 2007  
Page 4

PEGGY YOUNG:

I am here to support S.B. 443. I will now read a prepared statement ([Exhibit G](#)) about my experiences as a cancer survivor and how helpful, compassionate and competent the physicians and staff of the NVCI were to me and my family.

CHAIR RAGGIO:

There being no other business before this Committee, this meeting is adjourned at 8:24 a.m.

RESPECTFULLY SUBMITTED:

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Michael Archer,  
Committee Secretary

APPROVED BY:

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Senator William J. Raggio, Chair

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