

**MINUTES OF THE MEETING OF THE  
ASSEMBLY COMMITTEE ON WAYS AND MEANS  
AND  
SENATE COMMITTEE ON FINANCE  
SUBCOMMITTEES ON GENERAL GOVERNMENT**

**Seventy-Ninth Session  
February 24, 2017**

The joint meeting of the Assembly Committee on Ways and Means and Senate Committee on Finance Subcommittees on General Government was called to order by Chair Heidi Swank at 8:06 a.m. on Friday, February 24, 2017, in Room 2134 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. The meeting was videoconferenced to Room 4412E of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. Copies of the minutes, including the Agenda ([Exhibit A](#)), the Attendance Roster ([Exhibit B](#)), and other substantive exhibits, are available and on file in the Research Library of the Legislative Counsel Bureau and on the Nevada Legislature's website at [www.leg.state.nv.us/App/NELIS/REL/79th2017](http://www.leg.state.nv.us/App/NELIS/REL/79th2017).

**ASSEMBLY SUBCOMMITTEE MEMBERS PRESENT:**

Assemblywoman Heidi Swank, Chair  
Assemblywoman Teresa Benitez-Thompson, Vice Chair  
Assemblywoman Olivia Diaz  
Assemblyman Chris Edwards  
Assemblyman John Hambrick  
Assemblywoman Ellen B. Spiegel

**SENATE SUBCOMMITTEE MEMBERS PRESENT:**

Senator Aaron D. Ford, Chair  
Senator David R. Parks  
Senator Becky Harris

**STAFF MEMBERS PRESENT:**

Cindy Jones, Assembly Fiscal Analyst  
Alex Haartz, Principal Deputy Fiscal Analyst  
Jon Stieber, Program Analyst  
Anne Bowen, Committee Secretary  
Lisa McAlister, Committee Assistant

Chair Swank called the hearing to order for the presentation of the budget accounts for the Department of Tourism and Cultural Affairs.



Claudia Vecchio, Director, Department of Tourism and Cultural Affairs, introduced herself and stated she had the great honor of serving as the director of the Department of Tourism and Cultural Affairs.

Chair Swank requested that the Department representatives forego presentations and in the interest of time keep to the budget items.

Ms. Vecchio presented a PowerPoint and submitted [Exhibit C](#), a copy of the PowerPoint presentation.

**COMMERCE & INDUSTRY**  
**DEPARTMENT OF TOURISM AND CULTURAL AFFAIRS**  
**TOURISM - STEWART INDIAN SCHOOL LIVING LEGACY (101-2601)**  
**BUDGET PAGE TOURISM-11**

Sherry L. Rupert, Executive Director, Nevada Indian Commission, presented budget account (BA) 2601, Stewart Indian School Living Legacy. Ms. Rupert noted there was not much change in BA 2601, and it was a new budget account approved by the Legislature in the 2015 Session for the new staff of the Stewart Indian School Cultural Center. As mentioned in earlier testimony, Ms. Rupert and staff were just beginning to develop policies for the new Cultural Center, curate the collection, and develop educational and research services.

Ms. Rupert said the curator 2 position had been filled and recruiting had begun for the museum director. She believed the Stewart Indian School Cultural Center would be groundbreaking for Nevada and the only museum of its kind in the state.

Rehabilitation of building 4, which was a small cottage behind the Nevada Indian Commission, was complete. The building was completed with excess room tax funds received at the Interim Finance Committee (IFC) meeting in August 2016. According to Ms. Rupert, the curator for the Cultural Center had moved into building 4, and the future museum director had a beautiful office waiting when that position was filled.

A challenge faced in BA 2601 was completion of construction on building 1, which would be established as the Cultural Center. Ms. Rupert said a \$4.5 million capital improvement project (CIP) request had been included in the Governor's budget for construction on the buildings. There were no enhancements for BA 2601.

Chair Swank asked whether the vacancy for the museum director position that was approved in October 2016 had affected planning and development.

Ms. Rupert explained that the position of museum director had to go through a specification change because the specifications did not exactly say that the position was for the Stewart Indian School Cultural Center. The specification change for the position had to be

posted for 30 days. After the 30-day period was over, a program officer was immediately hired as curator, which left a vacancy in the program officer position. Ms. Rupert said the program officer position was essential because that person assisted during the legislative session.

After the program officer position was filled, recruitment for the museum director position was started. Ms. Rupert did not think that the lack of a museum director had adversely affected the progress for the Stewart Indian School Cultural Center. The process was still in the early stages, and one of the main things the two positions would have done was to get the collections catalogued and curated. Ms. Rupert believed everything was on the right track.

Chair Swank said that was good to hear and she related that two weeks earlier, her husband was in Carson City and they visited the Stewart Indian School and did the walking tour with the phone. She said it was enjoyable and they had a great time. During the walking tour, she noticed there were many buildings with new roofs and she wondered what the plans were for them.

Ms. Rupert asked whether Chair Swank was talking specifically about a series of buildings, or about all of the buildings at Stewart. Chair Swank requested a brief overview of the entire site.

Ms. Rupert said a master plan was being developed with the State Public Works Division and its contractor, H+K Architects. A series of one-on-one interviews were being held the following week and representatives would be talking to elected officials, Stewart alumni, and state officials to establish a vision for the Stewart Indian School. Ms. Rupert said the Nevada Indian Commission was planning for the Stewart Indian School to be a cultural heritage destination, with the first phase being the Cultural Center and Welcome Center. People needed to know where they were when they came to the facility, because currently most people would drive by, notice the beautiful buildings, and wonder what they were. Ms. Rupert wanted people to stop and learn the story of the school.

She said there was also a CIP request for renovation of the old gym at Stewart. That particular building was identified in 2009, when the Nevada Indian Commission participated with the State Public Works Division on the landscape preservation plan for the Stewart Indian School. A series of interviews were done at that time with Stewart alumni and former employees, and that particular building was identified as the heart of the campus. The building was remembered as the place where students and faculty participated in different events. The Stewart Indian School was very well known for its athletic program and the athletes who went to the school. Ms. Rupert said the old gymnasium building was very important.

Ms. Rupert referred to a series of buildings in the quad, which had been dormitories, and said there was a group interested in rehabilitating the dormitories for use. There was a lot of

opportunity for the Stewart Indian School, not just to tell the story and have people walk around the campus, but to actually use the buildings. Ms. Rupert said public and private partnerships were a possibility and there had been conversations about using some of the buildings for business retreats. The arts community was interested, and there was a beautiful auditorium on the campus that could be used. The auditorium seated about 300 people and had a beautiful stage. She noted there were small buildings where artists could work, sell their work, and have tours visit. The vision was to have a full tour program to go around the campus with guides and docents telling the story of the school.

Chair Swank thanked Ms. Rupert and remarked that it was always good to see a roof on an old building, because then you knew it was on track to being restored.

**COMMERCE & INDUSTRY**  
**DEPARTMENT OF TOURISM AND CULTURAL AFFAIRS**  
**TOURISM - TOURISM DEVELOPMENT FUND (225-1522)**  
**BUDGET PAGE TOURISM-14**

Claudia Vecchio, Director, Department of Tourism and Cultural Affairs, presented budget account (BA) 1522, Tourism Development Fund.

Ms. Vecchio explained that BA 1522 promoted the state to increase the number of domestic and international tourists. The overarching objective was to drive revenue, and everything the Department did was to drive revenue to the state of Nevada.

Ms. Vecchio referred to page 11 of [Exhibit C](#), a budget breakdown, and said this was the Department budget minus the transfers that went to other agencies. The largest share of what the Department did was in domestic marketing and public relations for \$10,498,985. As with a marketing agency, the Department spent the most on paid, earned, and owned media, which helped to drive international and domestic travel.

Page 12 of [Exhibit C](#) showed a map of the countries in which the Department of Tourism and Cultural Affairs had representation. Ms. Vecchio said those countries continued to be an important audience for Nevada.

The Go West Summit, an international buyer conference held in Reno in February 2017, booked \$175 million worth of business. Ms. Vecchio said it was an excellent event to have in Northern Nevada and these opportunities promoted Nevada on the international stage.

Ms. Vecchio said the Division was constantly monitoring international travel and inbound tourism because it had tremendous potential from a revenue standpoint. With the value of the U.S. dollar abroad, it sometimes made for a challenging sell. She said Nevada had a great story and the Department was continually studying the perception of the U.S. brand abroad and sociopolitical implications.

Ms. Vecchio said she had been asked how the markets were selected, and page 12 of [Exhibit C](#) showed that the Department considered several factors. Markets were selected in a strategic way and the Department worked with many resources, including the U.S. Department of Commerce, Brand USA Cooperative Marketing, and in-state partners to select the markets that were visited. A multichannel, broad-based outreach was conducted through sales missions that were performed in the United States. Tourism also brought press and tour operators into Nevada and worked closely with Brand USA Cooperative Marketing.

Additionally, Nevada Marketplace, in conjunction with the Global Tourism Summit, brought international buyers into Nevada. Ms. Vecchio said quarterly reports from the Department's international offices were held to a very high standard regarding how results were reported.

Ms. Vecchio said there had been a question regarding the program return on investment (ROI) and conversion and page 13 of [Exhibit C](#) provided information. The Department had been asked to do a methodology audit. When selecting an agency to do the program ROI and conversion studies, a request for proposal (RFP) was prepared, and Ms. Vecchio was confident that the best in the research agency arena was working with the Department. However, the Department was happy to perform an audit of its report and a group had been selected to provide the audit. Ms. Vecchio had hoped that report would have been ready today, but the audit was underway and results would be available early in March.

Chair Swank said the Subcommittees had a few questions regarding the ROI and RFP.

Senator Ford said he had great admiration for what the Tourism Department did, but he was concerned about the ROI and RFP process. He had read the RFP that had been presented and believed it contained some combative language toward the Legislature. Senator Ford said he would offer some examples of the language and then offer Ms. Vecchio an opportunity to express what was intended.

Senator Ford read examples of the language he was concerned about from the RFP. The first example was "the campaign resonated with the audiences and at the end of the first year, 2012-13, the campaign ROI for paid-only media went from 19 to 1 to 33 to 1," and "even then this number was seen with some disbelief by legislators." According to Senator Ford, Ms. Vecchio then went on to say that "the first campaign ROI was in the mid-60-to-1 range and at present, the ROI is 75-to-1." Another line that Senator Ford thought was quite combative, "The legislators believe we are bluffing and they have made decisions regarding the value of the agency's marketing efforts based on what is perceived as an inflated ROI claim." In the RFP, Senator Ford quoted: "The Nevada Division of Tourism stands behind TNS [Kantar TNS] and believes the need to track a campaign incorporating all communication channels is essential." Further quoting from the RFP, "in the project, the Division is seeking a researcher/partner, who without compromising TNS's proprietary methodology, can review the numbers and methodology used by TNS in its campaign effectiveness studies and provide insight into the validity of the results."

Senator Ford said it appeared that the way Tourism set up the RFP begged for a particular outcome and demonstrated a combativeness the Department seemed to have with the Legislature because that request came from the Legislature. Senator Ford said he was interested in understanding the rationale behind the phraseology used in the letter.

Ms. Vecchio said she appreciated Senator Ford bringing her attention to the language in the RFP and assured him there was absolutely no intention of being combative. The language in the RFP was so that Kantar TNS was aware of the level of the concern from the Legislature. She noted that the Legislature had been skeptical and Tourism had been skeptical. The language was not meant to be combative—it was meant to set a stage and the Department wanted to be sure that TNS knew this was a serious program. She said that the verbiage about "TNS's proprietary methodology" was because TNS was a good partner, and it needed to know that any company that examined it would not diminish the proprietary nature of its research. A confidence level in the results had to be maintained, but Tourism had contracted with TNS because it was a highly regarded company.

Senator Ford said he understood the relationship and the importance of that relationship with the agency, but said Ms. Vecchio should also keep in mind that there was a relationship with the Legislature. It seemed to Senator Ford the language in the RFP could be perceived to be combative and he broached the subject because he believed he could offer an objective viewpoint.

Ms. Vecchio said she appreciated the explanation, but that was not the intent of the language in the RFP: the intent was for TNS to be aware that this was a serious request and inform the company that there was skepticism about the report. She said she did not want to jeopardize Tourism's relationship with TNS.

Chair Swank commented that in her regular job, she reviewed RFPs and replied to them, but if she had reviewed this RFP, she would not answer it because it did not reflect well on the Department of Tourism or the state of Nevada. Chair Swank believed phrases such as "this number was seen with some disbelief by legislators" was setting a tone, which made it appear that Tourism was in opposition to the Legislature. She suggested that someone review the Department's RFPs before sending them out, because she found the RFP to be surprising and disconcerting in the way it portrayed not only the Department, but also the Legislature. Ms. Vecchio said that she did not have that intention when writing the RFP, but she would keep Chair Swank's suggestion in mind.

Page 14 of [Exhibit C](#) showed lodging tax revenue projections. Ms. Vecchio said the projections, which the Division of Tourism budget was based upon, continued to show a high level of performance from the tourism industry across the state and continued to increase.

Page 17 of [Exhibit C](#) listed decision units. The first decision unit Enhancement (E) 225, was a request for a new management analyst 2 position. Ms. Vecchio said the management analyst 2 position was requested to support the finance and business office of the Department, and additionally, the Nevada Indian Commission.

The Division of Tourism had been located in the Grant Sawyer State Office Building in Las Vegas. Ms. Vecchio said the Department had been asked to relocate and it had consolidated with the Nevada Arts Council in another building. Decision unit E-500 consolidated office costs under budget account (BA) 1522 and decision unit E-900 transferred operating costs of the Las Vegas office from BA 2979 to BA 1522.

Senator Parks noticed under the room tax transfers an interagency transfer to the Governor's Washington, D.C., Office. He asked what services the Governor's Washington, D.C., Office provided to the Department of Tourism and Cultural Affairs.

Ms. Vecchio explained that when Department representatives went to Washington, D.C., to meet with the Nevada delegation, the Governor's Washington, D.C., Office helped, and it also monitored national issues that related to tourism. She said information regarding policies and procedures helped the Department modify its program or reach out in a different way.

Chair Swank referred to the requested management analyst position and asked about the size of the budget for the Stewart Indian School Living Legacy and the Nevada Indian Commission. She said knowing the size of the budget would indicate the scope of work that would be done by the position, and she also asked what duties the new management analyst would perform that were not currently being performed by other staff. Ms. Vecchio referred the question to David Peterson.

David Peterson, Deputy Director, Department of Tourism and Cultural Affairs, said the budget allocation in budget account (BA) 2601, Stewart Indian School Living Legacy, was approximately \$170,000 to \$175,000 and in BA 2600, Nevada Indian Commission, just under \$300,000 in terms of expenditures. Currently, several administrative assistants were performing the work within BA 1522, Tourism Development Fund, to deal with current fiscal needs. Budget account (BA) 2601 was a new budget account as of fiscal year (FY) 2017, and the Department would like to reduce dependence upon the administrative assistants to allow them to go back to support their respective groups. Mr. Peterson said the idea for the additional position was for it to focus on the Nevada Indian Commission and the Stewart Indian School Living Legacy administrative and fiscal needs, as well as payroll functions. That would allow the two positions in the Division of Tourism to focus on all things relating to tourism.

Chair Swank requested information about how the Department determined there was sufficient workload for an entire position.



Mr. Peterson informed the Subcommittees that currently an administrative assistant position was handling the Department's 10 international offices, which included billing and backup, and that task consumed around 15 hours per week. Additionally, the administrative assistant for the sales and industry partner team was performing all the fiscal work as it related to both of the grant programs in BA 1522. Mr. Peterson said that task entailed several hours a week dedicated to that particular fiscal function. The other component would be having the new position responsible for all of the department contracts. Right now, there were multiple people working on different contracts and there were approximately 50 contracts on a department basis. The plan was to use the new position to perform reviews of vendors, maintain insurance documents, leases, and master services agreements in addition to contracts. Mr. Peterson said the combination of handling the Indian Commission, the Stewart Indian School Living Legacy, and the contracts would keep the position busy on a full-time basis.

**COMMERCE & INDUSTRY**  
**DEPARTMENT OF TOURISM AND CULTURAL AFFAIRS**  
**TOURISM - INDIAN COMMISSION (101-2600)**  
**BUDGET PAGE TOURISM-29**

Sherry L. Rupert, Executive Director, Nevada Indian Commission, Department of Tourism and Cultural Affairs, presented budget account (BA) 2600.

Ms. Rupert referred to page 22 of [Exhibit C](#), which outlined public purpose and critical need. The Nevada Indian Commission was the liaison between the state and the 20 federally recognized tribes of Nevada. The Commission assisted state agencies and tribes on issues affecting Nevada's American Indian constituency and served as a forum in which American Indians and Alaska Natives were considered. Ms. Rupert said the Commission was the conduit where concerns involving American Indians and Alaska Natives or tribal interests were channeled through the appropriate network and served as the point of access for tribes to state government programs and policies.

Ms. Rupert stated that the performance measures for BA 2600, as shown on page 23 of [Exhibit C](#), were in good condition.

The accomplishments of the Nevada Indian Commission were as follows:

- Completed a Draft Strategic Plan for the Indian Commission.
- Completed 100 percent design and construction documents for Welcome and Stewart Indian School Cultural Centers.
- Stewart master plan underway and will now include an interpretive plan, marketing study, and business plan.



- Contract for America West Center to write the National Historic Landmark application for Stewart going to the March State Board of Examiners meeting.
- New phone system for the Nevada Indian Commission.

Ms. Rupert explained that a new telephone system for the Commission was imperative. The current phone system had been in place since at least 2004 and it was failing. The Commission was working with the Division of Enterprise Information Technology Services (EITS), Department of Administration, and the information technology (IT) person within the Department of Tourism and Cultural Affairs to ensure the Commission had the correct phone system.

Other accomplishments included working with the Stewart Indian School Preservation Alliance (SISPA) on fund-raising efforts and identifying additional grant funds for the Stewart Indian School. Funding was secured from the Nevada 150 Foundation, Inc., to support a documentary on the Stewart Indian School, which was currently being filmed. The filmmaker was hoping to have the film finished by the Stewart Father's Day Powwow in June 2017. The Commission was moving forward on the Stewart Oral History Project of 15 oral histories with Stewart Indian School alumni.

Ms. Rupert said decision unit Enhancement (E) 710 allowed for the purchase of routine replacement equipment in fiscal year (FY) 2019 in the amount of \$2,710.

Chair Swank thanked Ms. Rupert for everything she did for the Stewart Indian School, because historic preservation was near and dear to her heart.

Ms. Rupert said that the Nevada Indian Commission's statutory authority under Chapter 233A of the *Nevada Revised Statutes* (NRS) was limited and Senate Bill (S.B.) 83 had been submitted to the 2017 Legislature to address this challenge. At the present time, the Commission was an investigatory body and Ms. Rupert believed the Commission could do more for the state and for the tribes. She was looking forward to discussion about the issue as the bill moved forward.

The Commission's other challenge was the growing responsibilities within the agency that required increased staffing levels. Ms. Rupert believed with all of the work that needed to be done at Stewart, those responsibilities would grow even larger.

**COMMERCE & INDUSTRY**  
**DEPARTMENT OF TOURISM AND CULTURAL AFFAIRS**  
**TOURISM - MUSEUMS & HISTORY (101-2941)**  
**BUDGET PAGE TOURISM-38**

Peter Barton, Administrator, Division of Museums and History, Department of Tourism and Cultural Affairs, presented budget account (BA) 2941.

The Division managed seven museums across the state. The oldest of the programs was the Nevada Historical Society, which was established in 1904, and the newest was the Nevada State Railroad Museum in Boulder City.

Mr. Barton said the Division's vision statement showed Nevadans as the most trusted stewards and engaging storytellers of Nevada's heritage. Page 33 of [Exhibit C](#) showed that collectors, educators, and "edutainers" were the three primary services provided. The Division office was responsible for oversight, development, and implementation of consistent public policy. Mr. Barton stated that the Division managed considerable assets, including 39 buildings across the system as well as millions of objects in the collections. The collective value of the holdings was unknown but estimated to be well in excess of \$500 million. The Division of Museums and History provided lifelong learning for the youngest to the oldest citizens and guests and set policies that mirrored high standards, both within the museum community and for the state.

According to Mr. Barton, significant collections had been acquired in the past two years, which was a benchmark of public trust when the very large collections were entrusted with the Division. The Folies Bergere collection from the Tropicana Casino was about 8,500 pieces that told the story of that show from its inception in 1959 through its conclusion 50 years later in 2009.

Page 29 in [Exhibit C](#) showed the Glenbrook steam locomotive, of which the Division was particularly proud. Mr. Barton said Nevada was the only state in the union with two 1875 wood-burning steam locomotives, one standard-gauge and one narrow-gauge, in operable condition.

Page 38 in [Exhibit C](#) showed that the Division had partnered with the Department of Transportation (NDOT) to restore the railroad track at Boulder City that was severed in the mid-1980s. Mr. Barton said that as of last week, a bridge had been installed over the new Interstate-11 freeway that would restore the rail link to the city of Henderson. Henderson owned the track that ran through the city, and the Division was already in conversation with officials in Henderson about expanding the state's public program to go into Henderson as the highway project was completed.

Mr. Barton said he wanted to take a moment to respond to Assemblyman Edwards, who had a question about the school tour programs that were undertaken every year. In 2016, 501 school tours and approximately 15,000 students were hosted in the 7 museums in the Division. As discussed previously, Mr. Barton said one of the challenges was the cost of school district transportation. There had been a considerable erosion in on-site school visits over the years because of the cost of transportation, which was not covered in the normal school district budgets. Mr. Barton said fund-raising had to be undertaken to pay the cost of transportation and, statewide, the average cost was about \$150 per bus to bring a school group to a museum.

In addition, there was an off-site program that came about as a result of the reduced participation in the museums. A Traveling History Trunk program had been initiated which provided artifacts and information to schools. A pilot program in Southern Nevada at the Lost City Museum in Overton and the Nevada State Museum in Las Vegas presently had 17 trunks and in 2017, those trunks visited 23 schools in the Clark County School District and served an additional 7,000 fourth-grade students. Mr. Barton said one trunk with artifacts relating to pioneer children provided hands-on activities for students to learn what it was like to live in Southern Nevada or the rural west in the 19th century. One of the focuses of the Division's enhancements would be to start the Traveling History Trunk program in Northern Nevada and expand it throughout Southern Nevada.

Mr. Barton noted there were a few decision units in BA 2941, including Enhancement (E) 710 and E-711, which were the computer hardware and software replacements driven by the Division of Enterprise Information Technology Services (EITS), Department of Administration.

Decision unit E-275 was a new enhancement unit based upon a piece of legislation being considered under Senate Bill (S.B.) 37, which would restore the registration renewal fees from the sesquicentennial license plate program. The bill proposed to split the revenue derived from the registration renewals between the Division of Museums and History and the Division of State Parks, Department of Conservation and Natural Resources. Mr. Barton explained that the amount of funds would fluctuate, but the decision unit was based upon \$240,000 being realized in the first year of the biennium and a lesser amount in the second year of the biennium. The Department of Motor Vehicles (DMV) reported approximately 10 percent-per-year attrition rate on registration renewals of specialty plates, so the second year was estimated at \$216,000.

Mr. Barton said the Division was focusing on programs that did not require long-term support, and rather than adding personnel, decision unit E-275 centered on program improvements. One significant area that needed addressing was accessibility for all audiences. Mr. Barton said S.B. 37 provided for use of the funds to support education projects and initiatives that preserved, promoted, and protected Nevada's heritage. That focus included items such as historic markers, tours, historic structures, buildings, and

programs within museums. He said one of the areas that the Division considered important was creating tactile models. Persons with visual impairments received a lot of information by sense of feel: funds in both years of the biennium were directed to creating tactile models of some of the objects that were on display. Most of the displays were in a glass case or behind a barrier, so those with impairments were not able to pick up information by touching things.

Mr. Barton said the Division had begun the testing and deployment of an audio tour that was cell-phone based. Providing Wi-Fi in the museum environments was a high priority so that visitors could access additional content in various media platforms via cell phones.

The Division also wanted to respect the historic structures in the collections. Mr. Barton said at the Nevada State Railroad Museum in Carson City, there was what looked to be a derelict pile of wood that was called V&T Coach number 17. The coach served on the Virginia and Truckee Railroad (V&T) from 1873 until 1938, when it went to Paramount Studios. Paramount Studios leased the car and it was used in several films, including *Love Me Tender*, an Elvis Presley film shot in 1955, and its last film appearance was in the 1980s in the Kenny Rogers film, *The Gambler*. Mr. Barton said more important than any of that was the fact that the railroad car was the last surviving object that went to Promontory Summit in May 1869 for the joining of eastern and western rails for the opening of the transcontinental railroad. V&T Coach number 17 carried the famous gold spike from Sacramento and the silver spikes from Nevada and the other ceremonial spikes. The year 2019 would mark the sesquicentennial of the completion of the transcontinental railroad. This car was presently being stabilized, and some of the sesquicentennial license plate funds would be used to restore the car as a central exhibit element in the transcontinental railroad celebration in 2019. It would be a celebration across state lines, and the Division was actively engaged with the state of California in deciding how to promote and celebrate this major historic event. Mr. Barton noted that every month visitors came from abroad to see this particular piece of equipment. The railroad car did not look like much today, but there were incredible stories and fabric there.

Mr. Barton referred to strategic priorities shown on pages 41 and 42 of [Exhibit C](#) and said the Division was going to build on previous successes to serve customers electronically. E-commerce was the way most people shopped, and the Boulder City Railroad Museum recently started using e-commerce to sell train ride tickets, especially for holiday programs. In 2016, between 20,000 and 25,000 tickets were sold online using a contracted vendor, and the Division would like to provide that service in-house.

Mr. Barton said the Division wanted to build public trust, forge some new alliances, and strengthen workforce development. The Division had a workforce that was nearing the end of their careers, with over 50 percent of museum employees eligible for retirement as of today. Mr. Barton hoped employees would not all exercise that option at the same time, but the Division was about to face a major "brain drain" and loss of institutional memory.

Chair Swank said she knew the Nevada State Railroad Museum in Carson City had been closed because of damage from flooding. She asked Mr. Barton for an update regarding the damage, the repairs, and the timeline for reopening.

Mr. Barton stated that on Sunday, January 8, 2017, 2.5 inches of rain fell in a 24-hour period. A storm water diversion created by Carson City to prevent flooding of a major highway brought several thousands of gallons of water across the Railroad Museum property. The museum suffered a large amount of damage just from the volume of storm water. Primarily, roads washed out, tons of mud and silt had clogged the track system, the track system had washed out in places, and some of the water entered three of the buildings. Mr. Barton said the primary collection storage building for large objects, the restoration shop, and the interpretive center all flooded. Working in partnership with the Risk Management Division and the State Public Works Division, the Division was able to stop any further damage. The facility had been closed since January 8, 2017, but Mr. Barton said it was set to reopen the following Friday on a limited basis.

According to Mr. Barton, the latest cost evaluation for damage appeared to be about \$415,000 to restore the museum to the pre-January 8 condition. The State Public Works Division, Department of Administration, had been asked to evaluate what could be done in the future to protect the property from any flood damage. That cost was estimated at just under \$2 million and might become a future capital improvement project. The Division had spent about \$150,000 to date and was forecasting \$92,000 to repair track, as well as approximately \$150,000 to repair the fire roads required by the State Fire Marshal Division for public access. There was an estimated \$15,000 worth of real damage inside the buildings. Unfortunately, Mr. Barton said storm water runoff was considered a class 3 hazard because it picked up whatever it picked up when it was flowing into a building. The Railroad Museum was on the path to recovery and there had been great interagency cooperation from the Executive Branch.

Senator Ford told Mr. Barton that he had thoroughly enjoyed his presentation. He had a question prefaced with what some were going to see as an overtly partisan statement, but the Legislature this session was operating under the Nevada Blueprint and it would attempt to accomplish a lot of things. Senator Ford said two of those items seemed to align perfectly with what the Division was trying to do in decision unit E-275, protecting Nevada's heritage and also ensuring that everyone had an opportunity to experience it in a nondiscriminatory way. Senator Ford asked about the Americans with Disabilities Act (ADA) and whether the Division had been sued.

Mr. Barton said the Division had been served with litigation in May 2016 by a group of individuals residing in Las Vegas who claimed that their civil rights had been violated by lack of equal access to program content. He explained that there were really two sides to the ADA. There were physical barriers, which were well defined in architectural and building code standards, and the museums in the system had been diligent about eliminating all

physical barriers. However, the program areas were a different matter because it was more difficult to provide equal access to museum content. One of the strategies was through tactile models, but there were many others because there were so many disabilities. Mr. Barton confirmed that the Division had been subject to litigation in federal district court.

Senator Ford asked about the current status of the litigation.

Mr. Barton explained that the litigation was turned over to the Office of the Attorney General to assist in preparing a response. The case was dismissed on a technicality because there was a statute of limitations issue, but Mr. Barton anticipated that the suit would be perfected and refiled. Senator Ford said that was what he needed to know and thanked Mr. Barton for the information.

**COMMERCE & INDUSTRY**  
**DEPARTMENT OF TOURISM AND CULTURAL AFFAIRS**  
**TOURISM - NEVADA ARTS COUNCIL (101-2979)**  
**BUDGET PAGE TOURISM-67**

Susan Boskoff, Executive Director, Nevada Arts Council (NAC), Department of Tourism and Cultural Affairs, presented budget account (BA) 2979.

Ms. Boskoff said most people were familiar with the Nevada Arts Council, which was having its 50th anniversary this year. Every state had a state arts council and many were created a few years after the National Endowment for the Arts (NEA). The NEA offered each state funding to create a state agency that provided services, programs, and grants for people of all abilities. The Nevada Arts Council was born in 1967 thanks to the Nevada State Assembly, the Nevada State Senate, and the Office of the Governor.

The mission of the Nevada Arts Council was "to enrich the cultural life of the state through leadership that preserves, supports, and makes excellence in the arts accessible to all Nevadans."

Ms. Boskoff said the vision that came about after a strategic planning process many years ago was "A Nevada in which the arts enrich the lives of all residents, enhance the livability of communities, and contribute to the state's economic revitalization."

Ms. Boskoff explained that the NAC had created an office in Las Vegas 19 years ago, as well as the office in Carson City. The Nevada Arts Council was a high-touch, medium-tech, state agency. She said the employees were very important, often as important as grants and programs.

The Nevada Arts Council had what Ms. Boskoff called five easy access programs: artist services, arts learning, community arts development, folk life, and public awareness and arts initiatives. If someone from the public was calling from a school, they would contact the arts learning program. If someone was looking for a grant rather than some kind of assistance, such as scheduling residencies in the classroom or doing professional development for teachers, they would be sent to the grants program. Ms. Boskoff was proud to say there were two folklorists on staff: one in the Carson City office and one in the Las Vegas office. There was a multiplicity of diverse cultures and heritage in Nevada, and the Council had a folk life archive with more than 40,000 elements. Ms. Boskoff was very proud of the archive, which was well respected across the country.

The Nevada Arts Council performed outreach activities and was known for its grants programs. Ms. Boskoff said the NAC wanted to ensure that communities and populations that did not have a 501(c)(3) nonprofit that could accept and manage public funds had the same access to programs. The Nevada Touring Initiative delivered exhibits to communities as small as Baker and Pahrump and to neighborhoods throughout Las Vegas and in the various areas in Northern Nevada. The Nevada Arts Council also provided artists in residence in communities and schools.

The Nevada Arts Council was working with arts education and integration for pre-K-12 and lifelong learning. Ms. Boskoff said this was an enormous task and the arts had been taken away from a decade of children, which eliminated the next generation of artists, the next generation of arts administrators, the next generation of audience members, and the next generation of patrons and policy leaders who created cultural policy.

Ms. Boskoff said the agency's financial investment was in the state cultural infrastructure, and it considered itself to be an incubator of sorts for arts and cultural businesses. A 501(c)(3) was a business model selected by those in the nonprofit sector to follow a mission to serve local communities. The Nevada Arts Council provided technical assistance, professional development funding through grants programs, and other programs.

The Nevada Arts Council also provided management of the Nevada Folklife Archives and Arts Collection: 30,000 artifacts, artwork, oral histories, images and videos. The NAC was working closely with the Library of Congress to digitize a number of historic documents to be made available to the world. It was a model program that was being started with the folklife program.

Ms. Boskoff said the Nevada Arts Council was committed to training and developing the next generation of arts and cultural leaders. The NAC's strategic priorities were as follows:



- To broaden formal and informal arts education for children and adults of all abilities.
- To promote Nevada's creative industries' role in economic diversification, community vitality, and tourism strategies.
- To expand professional development for the state's creative workforce.

Ms. Boskoff noted that during the recession, a number of the best and brightest left the field and while there were people returning to work in the arts, a number of degree programs were shuttered at universities and colleges around the country. Those programs were beginning to return. The Nevada Arts Council sponsored a lot of training and went into communities and worked with organizations. Ms. Boskoff said the NAC wanted to grow the support of, and funding for, the cultural infrastructure, which included nonprofit organizations, public institutions, and artists who were entrepreneurs. Lastly, the NAC wanted to maximize Nevadans' understanding of both the intrinsic and public value of the arts.

According to Ms. Boskoff, rigorous data collection was required by the federal grant, with many pages for grantees to fill out. She said she was amazed that those recipients of even the smallest grant, which could be \$300 or \$400 to attend a conference or a workshop, were willing to fill out information and then send letters thanking the NAC for its support.

In 2016, the Nevada Arts Council awarded \$1,070,309 in 328 grants to non-profits, schools, public institutions, artists, and educators in 15 counties, which leveraged \$44,669,333 in cash and in-kind matches. Ms. Boskoff said she liked to talk about the in-kind matches, which was actually cash value that was being donated by local businesses or individuals. If organizations had to pay for these services, facilities, and a variety of materials such as clothing and costumes, it would cost that much more for them to put on their projects and programs to serve Nevada.

The Nevada Arts Council engaged 1,016,548 adults and 572,448 youth through programs that were created by the NAC and those that were funded through grantees. The traveling exhibition program had six curated exhibits, created specifically to appeal to people living in urban and rural Nevada, which drew 27,946 people to free events in 10 counties.

Ms. Boskoff said the Nevada Arts Council sponsored 48 artist residencies in 34 schools, libraries, and other cultural facilities in 7 counties, and fostered the next generation of workforce innovators. The NAC honored and preserved the diversity of traditions and cultures in the state, and invested in local economies and generated public and private partnerships. The Council strengthened Nevada's cultural infrastructure with expanded grant funding and programs.

The performance measures as seen on page 50 of [Exhibit C](#) were figures generated directly by Nevada Arts Council grantees. Projections showed that 475 applications would be received for the grants categories and 300 grants would be awarded in 2017. In fiscal year (FY) 2017, there were \$1.5 million in grant requests, and the Council was awarding approximately \$1.2 million. Ms. Boskoff pointed out that was an increase from FY 2016 and included \$200,000 to the grants program from the 2015 Legislature and a one-shot infusion from an increase in room tax revenues. The match was about \$50,000 and the Council was flat at \$1.5 million projected.

The grants program was shown on page 51 of [Exhibit C](#). Nevada Arts Council grants supported nonprofit arts and non-arts organizations, public institutions, schools, educators, artists, and administrators. Ms. Boskoff said grants were intended to increase access to, experience in, and participation in arts and arts education activities for Nevadans of all abilities.

In FY 2017, grantees provided an extensive range of activities in 30 small towns, rural areas, and cities in 12 counties. More than 50 percent of FY 2017 grants had an arts education focus, 41 percent supported the work of artists, and 50 percent went directly to non-profit organizations. The NAC awarded \$1,070,309 to 328 grant recipients.

Decision unit Enhancement (E) 125 created two full-time-equivalent (FTE) positions, one in the artist services program, primarily responsible for the Nevada Touring Initiative Traveling Exhibition program, and the other a grants assistant.

Ms. Boskoff said the positions were funded by grants from the National Endowment for the Arts and from the Live Entertainment Tax. She remarked that E-125 was not increasing the amount of requested funding, but rolling that money into supporting the FTEs.

Decision unit E-126 requested a new arts tourism campaign. Ms. Boskoff requested that Claudia Vecchio present this decision unit.

Claudia Vecchio, Director, Department of Tourism and Cultural Affairs, said the idea was to transfer lodging tax dollars to the Nevada Arts Council for a more enhanced cultural tourism program, which would provide an opportunity to promote the cultural tourism assets of Nevada in a bigger way. The \$100,000 transfer from the tourism promotion fund to the Nevada Arts Council would be a portion of the overall program. Ms. Boskoff explained that decision unit E-126 also decreased General Fund appropriations of \$100,000 to grants category 27, which would be a 12.3 percent reduction in the amount of grant dollars awarded for primary Partners in Excellence grants.

Ms. Boskoff said the final decision units were E-710 for replacement equipment based on replacement schedules and E-900, which transferred remaining operating costs of the Las Vegas office from budget account (BA) 2979 to BA 1522.

Ms. Boskoff thanked the Subcommittees for allowing her to speak and for their time, effort, and support of the agency. She said it had been her pleasure and honor to serve the state of Nevada for nearly a quarter of a century.

Chair Swank expressed her gratitude to Ms. Boskoff and said she thought the Nevada Arts Council had flourished under her leadership. She said she had interacted with Nevada Arts Council staff frequently and always found everyone to be helpful.

Assemblywoman Spiegel thanked Ms. Boskoff for her presentation and service to the state. She stated that President Donald Trump had said that he wanted to eliminate the National Endowment for the Arts (NEA), and she wondered what the effect would be for Nevada if funding from the NEA were either totally eliminated or drastically cut back.

Ms. Boskoff said that for some reason, the arts and humanities were bellwethers for political action, and she was sadly familiar with statements about elimination or reduction of funding for cultural institutions. It was not just the NEA: it was the National Endowment for the Humanities, the Institute of Museum and Library Services (IMLS), and the Corporation for Public Broadcasting. Ms. Boskoff did not understand why the arts and humanities were always targeted, but in her opinion, it was an easy target because it was about freedom of expression and creative exploration. It obviously was going to be a very hot topic.

Ms. Boskoff said funding for the arts was really important and it was about more than dollars. These were cultural institutions and when looking back at history, what was remembered about a nation was its politics and its culture. She said we were a culture that embodied all the elements of what it meant to be a human being: creative expression, honoring our traditions, our differences, and our similarities. The National Endowment for the Arts not only provided grant funds, it also set cultural policies. Ms. Boskoff referred to the Poetry Out Loud program, which would be having the 12th annual competition and program in two weeks. Forty percent of the National Endowment for the Arts funds were dedicated to distribute to state arts agencies and territorial arts councils.

Ms. Boskoff said she hoped the cultural institutions of this nation remained strong and healthy because the world looked to the United States as a nation that honored the multiplicity of cultures, artistic expressions, and heritage.

Assemblyman Edwards said he noted there was quite a bit of money that came in from the business community. It looked like it was 44 times what the state provided.

Ms. Boskoff said the Nevada Arts Council had 12 different grants categories, which had been designed to suit the needs of a diverse constituency across the state. The Council wanted to invest in educators, artists, and major institutions. The majority of the grants required a one-to-one cash match and a number of grants required a one-to-one cash and/or in-kind match. For individuals and some of the newer grants that were called "rolling grants" to get

into schools quickly, a cash match might not be required, but instead in-kind donations could be required.

Assemblyman Edwards said page 48 of [Exhibit C](#) showed that \$44 million came from the business community and \$1 million-plus from the state.

Ms. Boskoff explained that money was for NAC grants. For example, a nonprofit organization existed to support a community choir and received \$10,000 in a Nevada Arts Council grant. That nonprofit would be required to match the grant by at least \$1 to \$1.

Assemblyman Edwards said he was trying to ascertain whether the business community was providing \$44 million, as it appeared in [Exhibit C](#). Ms. Boskoff said it was more than just businesses: it was private foundations, local businesses, and private donors.

Assemblyman Edwards said the question he was ultimately trying to get to was before the economic crash, how much money would fall into the category of cash and in-kind matches, and if the economy took off, whether it would get to that point or go beyond it.

Ms. Boskoff said she would provide Assemblyman Edwards with some statistics as to what happened in the past. The Nevada Arts Council actually had different types of grants that remained suspended, such as a grant category called challenge grants, which was a 3-to-1 new cash match for organizations to do capacity building, to set up cash reserve funds, or endowments, or to build collections. For example, if an organization applied for and received \$50,000 to create an endowment, it would have to raise \$150,000 in new money from foundations, private donations, or fund-raising above and beyond operating expenses. Ms. Boskoff said the NAC could provide further information for Assemblyman Edwards regarding this matter.

Ms. Vecchio concluded the budget presentation.

Chair Swank called for public comment and limited comment to two minutes per person.

Rosine Bena, Artistic Director, Sierra Nevada Ballet, read the following statement into the record:

With me today are Lily Nelson, Gina Nelson, and Jacob Sheridan. We are here to tell you why the Nevada Arts Council is important to us. Understanding that your schedule is very busy, we will make this very short. However, our history with the Nevada Arts Council is very rich and our support for them is unwavering. Were it not for the Nevada Arts Council, Sierra Nevada Ballet would not be here today, celebrating 16 years of presenting "High Art, Nevada-Style." The Nevada Arts Council has helped us not only through grant support, but through staff guidance, conferences,

workshops, and professional development. They have also helped us, importantly, to cover the cost of busing public school children to our performances. Sierra Nevada Ballet performs annually for over 4,000 public school children and gives performing opportunities to over 100 student dancers who perform on stage with professional dancers. Funding from the Nevada Arts Council ensures that our children, no matter where they live, no matter what their socioeconomic background is, have the opportunity to experience the arts in person. I can give you facts and figures for the impact of that experience, but I think it is better if two of our students and a parent share their stories with you today.

Lily Nelson, private citizen, read the following statement in support of the Nevada Arts Council into the record:

Good morning, Madam Chair, my name is Lily Nelson, and I have had the opportunity to be included in many Sierra Nevada Ballet professional productions since I was five years old. For the past four years I have also had the chance to visit public schools on behalf of Sierra Nevada Ballet in the Reno, Carson City, and Minden communities and share my passion for dance with some students to prepare them to attend Sierra Nevada Ballet performances at the Pioneer Center for the Performing Arts in Reno and at the Carson City Community Center. I get to read them the story of *The Nutcracker* and teach them some steps that we do in the performance. I love this experience because it is so obvious when I speak with the students and answer their questions that most in our community do not have the opportunity to be exposed to the beautiful art ballet the way I have been. Each year I am amazed that every student is eager to try the ballet steps, even fourth- and fifth-grade boys. The students make me become so excited. This exchange makes me realize just how lucky I am to be able to share this beautiful art and it makes me feel amazing to give back to my community. Sierra Nevada Ballet would not be able to reach out to so many kids without the support of the Nevada Arts Council. Thank you so much for all of your help.

Jacob Sheridan, private citizen, read the following statement in support of the Nevada Arts Council into the record:

Hello, my name is Jacob Sheridan and I have been lucky enough to be included in Sierra Nevada Ballet's performances for the past two years. This past December I got the chance to perform the lead male child in Sierra Nevada Ballet's *The Peanutcraacker*, *The Story in a Nutshell*. It was such fun. I love performing in front of kids my own age, kids older and younger, parents, teachers, and classmates. After the performance, I got to meet some

of the kids in the audience and talk to them about the performance. Many of them had never seen a ballet performance before and some of them had never even been to a theater before. They told me how much they loved the performance and it made me so very happy to have the chance to bring joy to so many kids in our community. Performing with Sierra Nevada Ballet has taught me to work hard and persevere in life even through rough times like middle school and everything after that. Thank you.

Gina Nelson, private citizen, read the following statement in support of the Nevada Arts Council into the record:

Good morning, Madam Chair and members of the Subcommittees, my name is Gina Nelson. I am Lily's mom and I have also volunteered as company coordinator for Sierra Nevada Ballet for the past five years, working with the public schools, helping to bring students the opportunity to experience live, professional ballet in our community. I am grateful for both the performing opportunity that Sierra Nevada Ballet gives to our children and even more inspired by the exposure Sierra Nevada Ballet offers to children who might otherwise never have the chance to see a live ballet production. I have had the opportunity to speak with teachers and I am told that many of their students are at risk and their greatest outings are to Wal-Mart, the Dollar Store, or McDonald's. Most teachers invite parents to chaperone their field trip to the *Peanutcracker*. Teachers help to make the experience a family outing that the students otherwise would not have. We get countless letters and drawings from children telling us seeing the *Peanutcracker* is the most exciting thing that they have ever done. Many schools would not be able to afford to attend were it not for the free busing provided by the Nevada Arts Council. On behalf of all of us at Sierra Nevada Ballet, I want to say thank you for your continued support. You have made many children very happy.

Julia Arger, Chair, Nevada Arts Council Board, read the following statement into the record:

I am Julia Arger, Chair of the Board of the Nevada Arts Council, and I thank you for your leadership and continued strong support of the arts for all Nevadans, and in particular, the work of the Nevada Arts Council, celebrating its 50th birthday this year.

Today, I am addressing the Nevada Arts Council's budget. Last session in 2015, you, our elected officials, listened to our grantees and grassroots advocates across the state, and provided a welcomed increase to the Arts Council. This new funding was thoughtfully invested into Arts Council grants and services. Our major grantees received, on average, a 16 percent increase in grant funding. I am confident that you received letters of

appreciation from our grantees who explained how these additional dollars were utilized in the most creative and effective ways, to better serve their communities, schools, and constituents.

Our grantees are proof positive that the Arts Council's mission "to enrich the lives of Nevadans, enhance livability of our communities, and contribute to both the state's economy and our educational system" is a success.

But now it is 2017. The Governor proposed a "flat" budget for the Nevada Arts Council, neither adding to it nor decreasing it. However, with an unexpected recommendation of a new "Cultural Tourism" program, funds for the Nevada Arts Council's grants have been decreased by \$100,000 a year.

Whether the Nevada Arts Council was turning 50 this year or not, the Nevada Arts Council Board does not believe a reduction in our agency's grants budget is an acceptable action. It frankly makes no sense to boost the grants budget last session by \$200,000 and now reduce it by half for the upcoming biennium. I am asking you not to decrease it.

As chair of the Nevada Arts Council, I proudly serve as a nonvoting member of the Commission on Tourism, along with Museums and History, and the Indian Commission. At many of the meetings I have strongly advocated for a cultural tourism component, meaning that the Department of Tourism recognizes cultural tourism in its mission.

I in no way wanted to single out the Nevada Arts Council as doing this alone and I think the idea was ill-conceived. Please look at the overall picture. Please do not reduce our grants.

Because of time constraints, Chair Swank requested that Ms. Arger submit her written testimony to the secretary for inclusion in the record.

Written testimony by Julia Arger, Chair, Board of the Nevada Arts Council, Legislative Subcommittee, Friday, February 24, 2017, was entered into the record as [Exhibit D](#).

Michelle Fabiano, board member, Sierra Arts Foundation, testified in support of the Nevada Arts Council and read the following statement into the record:

Since 1971, Sierra Arts Foundation, the designated local arts agency for Northern Nevada, has had a long-standing relationship of support and partnership with the Nevada Arts Council, and throughout the years, with this consistent support, we have been the leading influencer in many initiatives



including cultural planning and community development programs in Northern Nevada, as well as throughout the state.

After the Legislature increased the Nevada Arts Council budget in 2015, Sierra Arts Foundation received an increase in our Partners in Excellence grant by nearly 16 percent. This additional funding has allowed us the ability to become the leading partner with the city of Reno to fulfill the recommendations of the 2012 City of Reno Cultural Master Plan: a plan developed and supported by the City Council to help highlight and expand the Reno Arts and Culture portfolio that works to broaden the appeal of the destination for visitors and provide quality life experiences for locals.

Because of additional funding from the Nevada Arts Council, Sierra Arts Foundation has been the partner organization to help the city of Reno meet 27 of 32 recommendations in the areas of civic aesthetics, artist support, and arts education and facilities.

Last year, Sierra Arts Foundation was fortunate to receive an additional increase in funding thanks to the room tax increase. This increase has allowed us to continue that partnership with the city and we have made the commitment to support the city on the establishment of a dedicated arts incubator, which will provide joint services for developing and emerging cultural organizations. This is a multiphase, multiyear plan that could not and will not be possible without the support of the Nevada Arts Council grant program.

Also last year, Sierra Arts Foundation was able to leverage more than \$14 for every \$1 in funding from the Nevada Arts Council grant program, resulting in \$182,200 direct funding from working artist employment opportunities in cultural planning and arts, and community development programs. We will continue this great work with the continued support of the Nevada Arts Council grant program.

I cannot stress enough the importance of the support we receive from our state arts agency and the integral role it plays in supporting the arts, culture, and well-being of our communities in Nevada.

On behalf of the Sierra Arts Foundation and our many partner arts organizations in Nevada, we ask that you not only consider the Nevada Arts Council when you seek attributes you would like Nevada to represent, but consider increasing the funding for the many programs that make Nevada a vibrant state in which people not only visit, but choose to live, work, and raise their families.

Patricia Dominguez, Arts Administrator, Clark County, testified in support of the Nevada Arts Council and read the following statement into the record:

I am here today to endorse the continued and consistent state funding for our Nevada Arts Council. Now, more than ever, the opportunity for leadership demonstrated through the support of quality of life and economic vitality issues, like those found through arts and culture, can serve as a stabilizing example of Americans at their creative best.

When you are making your funding decisions, I urge you to consider the following:

1. Creativity fuels the economy.
2. Creativity fills in social service gaps for the state's neediest citizens.
3. Creativity fosters tomorrow's innovative workforce.
4. Creativity enhances Nevada's quality of life.

The cultural community is agile, lean, and efficient, and we are ready to play our part. I want to add my voice to those in Carson City who are urging you today not to cut the funding for the Nevada Arts Council grant program. The Nevada Arts Council works to distribute funds from a national and state basis down to the most rural and smallest of organizations and communities and the most urban and at-risk communities.

Joe O'Neill, private citizen, Las Vegas, Nevada, testified in support of the Nevada Arts Council and against cutting funding for the grants program.

Irma Varela, Vice-Chair, Nevada Arts Council Board, testified in support of the Nevada Arts Council and against cutting funding for grantees.

Judy Harris, Chair, Cultural Alliance Nevada (CAN), testified in support of the Nevada Arts Council and read the following statement into the record:

Cultural Alliance Nevada (CAN) is a statewide 501(c)(3) nonprofit organization dedicated to the advancement of arts, culture, and arts education through advocacy, education, and a partnership made up of all volunteers.

I have been fortunate to sing with the Las Vegas Master Singers and the Southern Nevada Musical Arts Society in Las Vegas, as well as the Reno Philharmonic Orchestra Choir.

We at CAN are passionate, grassroots advocates for the arts in our wonderful state. Had the groups I have mentioned not been solvent, I would not have been able to have these great experiences.

As Assemblywoman Spiegel mentioned, we are advocating on behalf of the National Endowment for the Arts and, closer to home, the Nevada Arts Council, to secure funding to support the arts in our state, which is not only about arts, but supporting the arts as a significant economic engine in Nevada. Small communities in Nevada are becoming arts communities across the state.

When we speak of economic impact, the competitive nature of the global economy means an entrepreneur with a great Internet capability can locate anywhere in the country. More often than not, it is not just the tax structure or proximity to markets that makes the final decision for a company moving to Nevada. Today, livability, culture, and creative opportunity play a role in that decision-making process.

Pam Alvey, Vice-Chair, Cultural Alliance Nevada (CAN), testified in support of the Nevada Arts Council and noted that the Nevada Arts Council's grants program served a total of 1,588,996 audience members and participants in 2016. She said Nevada would be a different place without the beauty of the arts.

Nettie Oliverio, Reno Arts and Culture Commission, testified in support of the Nevada Arts Council. Ms. Oliverio said Reno had had a robust granting program for several years and Reno's arts and culture institutions benefited from that, but unfortunately for the rest of the state, the Nevada Arts Council grants were the only grants available for arts and culture. A reduction to the grants program would significantly affect the rural areas in particular.

Melissa Taylor, Managing Director, Reno Little Theater (RLT), testified in support of the Nevada Arts Council. She said that the Reno Little Theater did so much more than put on shows for patrons. The RLT was currently partnering with the Northern Nevada Veterans Writing Project to bring their writings to the stage. Reno Little Theater was working with STEP2 to have women in recovery see shows and to volunteer. Ms. Taylor said with every production, RLT looked for opportunities for engagement with the community. She said that could not be done without the support of the grant program from the Nevada Arts Council.

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There being no further questions or comments, Chair Swank adjourned the meeting at 10:02 a.m.

RESPECTFULLY SUBMITTED:

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Anne Bowen  
Committee Secretary

APPROVED BY:

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Assemblywoman Heidi Swank, Chair

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

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Senator Aaron D. Ford, Chair

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

## **EXHIBITS**

[Exhibit A](#) is the Agenda.

[Exhibit B](#) is the Attendance Roster.

[Exhibit C](#) is a document titled "Nevada Department of Tourism and Cultural Affairs, Subcommittees on General Government Budget Hearing," dated February 24, 2017, presented by Claudia Vecchio, Director, Department of Tourism and Cultural Affairs (DTCA) and other DTCA staff.

[Exhibit D](#) is written testimony submitted by Julia Arger, Chair, Nevada Arts Council Board regarding the Nevada Arts Council.