

THE SECOND DAY

CARSON CITY (Tuesday), January 19, 1960.

Assembly called to order at 11:01 a. m.

Mr. Speaker in the Chair.

Roll called.

All present.

Prayer by the Chaplain, Reverend Andrew Daughters.

Pledge of allegiance to the flag.

Mr. Evans moved that further reading of the Journal be dispensed with, and the Speaker and Chief Clerk be authorized to make the necessary corrections and additions.

Motion carried.

GUESTS EXTENDED PRIVILEGE OF ASSEMBLY FLOOR

On request of Mr. Rowntree, the privilege of the floor of the Assembly Chamber for this day was extended to Mr. Marvin Wambolt.

On request of Mr. Harmon, the privilege of the floor of the Assembly Chamber for this day was extended to Mr. George Von Tobel, former member of this Assembly.

On request of Mr. Christensen (Washoe), the privilege of the floor of the Assembly Chamber for this day was extended to Mr. Willard Marke.

Mr. Speaker announced that if there were no objections, the Assembly would recess until 11:50 a. m.

Assembly in recess at 11:10 a. m.

ASSEMBLY IN SESSION

At 11:50 a. m.

Mr. Speaker in the Chair.

Quorum present.

MOTIONS, RESOLUTIONS, AND NOTICES

Mr. Speaker appointed Messrs. Hunter and Berrum as a committee to invite the Senate to meet in Joint Session with the Assembly to hear the Governor's message.

Mr. Speaker appointed Messrs. Collins and Rowntree as a committee to escort the President of the Senate to the rostrum.

Mr. Speaker appointed Messrs. Viani and DeSpain as a committee to escort the President pro tempore of the Senate to the rostrum.

Mr. Hunter reported that his committee had invited the Senate to meet in Joint Session with the Assembly to hear the Governor's message.

The Sergeant-at-Arms announced that the President of the Senate was at the bar of the Assembly.

Messrs. Collins and Rowntree escorted the President of the Senate to the rostrum.

The Sergeant-at-Arms announced that the President pro tempore of the Senate was at the bar of the Assembly.

Messrs. Viani and DeSpain escorted the President pro tempore of the Senate to the rostrum.

The Sergeant-at-Arms announced that the members of the Senate were at the bar of the Assembly.

Mr. Speaker invited the members of the Senate to seats in the Assembly.

IN JOINT SESSION

At 12 noon.

President of the Senate in the Chair.

The Secretary of the Senate called the Senate roll.

All present.

The Chief Clerk of the Assembly called the Assembly roll.

All present.

The President of the Senate appointed Senator Settlemeyer and Assemblyman Pasquale to wait upon His Excellency, Grant Sawyer, Governor of the State of Nevada.

The President of the Senate appointed Senator Seevers and Assemblyman McKissick to escort the Justices of the Supreme Court to their chairs.

The Sergeant-at-Arms announced that the Justices of the Supreme Court were at the bar of the Assembly.

Senator Seevers and Assemblyman McKissick escorted the Justices of the Supreme Court to their chairs.

The Sergeant-at-Arms announced that His Excellency, Grant Sawyer, Governor of the State of Nevada, was at the bar of the Assembly.

Senator Settlemeyer and Assemblyman Pasquale escorted the Governor to the rostrum.

The Governor delivered his message as follows:

MESSAGE OF THE GOVERNOR TO THE FIFTIETH LEGISLATURE OF NEVADA

CARSON CITY, January 19, 1960.

Legislators, Friends and Fellow Citizens:

In compliance with the State Budget Act, I submit herewith, for the consideration of the 50th Session of the Nevada Legislature, the Executive Budget for the State of Nevada for the fiscal year beginning July 1, 1960, and ending June 30, 1961.

The Executive Budget contemplates an expenditure of \$74,009,624 from all budgeted treasury funds. This represents an increase of \$3,065,710, or 4.3 percent, from the \$70,943,914 authorized for 1959-1960 purposes.

The Executive Budget is divided as follows:

| | | Percent of Total |
|--|---------------------|------------------|
| General Fund..... | \$32,433,902 | 43.8 |
| Highway Fund (includes federal subventions)..... | 29,915,600 | 40.4 |
| Employment Security Fund..... | 1,508,472 | 2.0 |
| Fish and Game Fund..... | 1,407,405 | 1.9 |
| All other (includes federal subventions).... | 8,744,245 | 11.9 |
| Total..... | \$74,009,624 | 100.0 |

GENERAL FUND OPERATING BUDGET

I recommend a General Fund operating budget of \$29,442,505 for 1960-1961. Fifty-two percent, or \$15,357,038, is for Aid to Public Schools. This means that the total General Fund operating budget, exclusive of School Aid, is \$14,085,467. This is an increase of less than 9 percent over the appropriation for the same activities in 1959-1960 and is an increase of less than 1 percent over the total operating budget for 1959-1960, exclusive of School Aid. These figures can be compared in a variety of ways and we have done this in Table No. 3.

Educational functions have made sizable demands upon the General Fund. In addition to School Aid we must support the University of Nevada, the various programs of the Department of Education, Library, Museum and Historical Society. I am recommending over \$20.8 million of General Fund money for these purposes next year, or more than 70 percent of the General Fund operating budget. As noted, I recommend over \$15.3 million for School Aid, which includes continuation of the "Emergency" School Aid program, but as a part of the regular distribution formula.

Nearly every General Fund agency budget has been sharply reduced from the amount requested and some have been reduced from the 1959-1960 level. I have placed the utmost importance on developing an operating budget which is as close as possible to being balanced with current revenues and at the same time realistically meeting our needs. In view of the additional \$4.4 million needed from the General Fund for School Aid, plus the needed additional services caused by increasing population, I believe that you will agree that I faced a sizable task and you will understand why I am happy to present to you an operating budget that requires only \$442,505 from the reserve.

As you will note in the attached tables, our balance or reserve as of July 1, 1959 was \$9,509,511. I am happy to report that our estimated reserve at the end of the current fiscal year, that is on July 1, 1960, will be \$13,668,113. My recommendations contained here, if followed, will leave us with a balance of over 10 million dollars at the end of fiscal year 1960-1961.

I do not recommend new taxes nor increased rates on present tax sources. I believe that consideration of tax adjustments is inappropriate until completion of the fiscal affairs study presently being conducted by the Legislative Commission. Further, I recommend against a reduction of the surplus below approximately \$10 million. It is obvious that, even with the most careful planning, necessary expenditures will exceed current revenues for the next few years. Reductions in the surplus should be well reasoned and these reserves should be safeguarded to insure that a tax increase will not have to be enacted until, and unless, absolutely necessary.

Every effort has been made to present a realistic budget and every consideration has been given to economy while attempting to meet the needs of our people. I have not endangered the soundness of our finances and I'm certain that the Nevada Legislature will exercise equal caution. I recommend adoption of the Executive Budget as presented and urge that neither reductions nor increases be made without adequate deliberation.

Yesterday you convened in the first annual session in the history of our State. This was as a result of a regularly adopted amendment to the Nevada Constitution which provides for annual regular sessions of the Legislature.

By the article of our Constitution establishing the Executive Department of government, it is made the duty of the Governor "to communicate by message

to the Legislature, at every regular session, the condition of the State and recommend such measures as he may deem expedient." Under the amended Constitution, therefore, these duties must be fulfilled annually.

With further reference to the amendment providing for annual, regular sessions, it is a matter of record that its adoption was passed by a great majority of the citizen voters in our State, the vote on the measure in 1958 being 36,634 for, 24,919 against. The question as to whether or not the voters actually intended a regular, unlimited, annual session has been before us dramatically, however, within the last few months. We are all aware that petitions calling for an amendment back to biennial sessions have been circulated within the State, signed by a substantial number of people and presented to the Secretary of State.

It is not our prerogative to assume that the Constitution does not mean what it says—nor may we speculate that the voters did not understand its meaning when casting their respective votes. It is, however, my duty as Governor and yours as legislators to make practical application of our Constitution and laws to the end that the best interests of our State will be served. It is also my duty to recommend and yours to consider changes in our laws or propose amendments to our Constitution when deemed necessary. Without questioning then the constitutional provision that provides for annual sessions, it becomes our mutual obligation to analyze this portion of our Constitution along with all of the rest of our Constitution and laws. It is a matter of concern to you as to how you might make practical application of the new amendment in this your first annual session.

I have been most interested in your individual views with respect to a time or subject matter limitation in this session so that I might keep my proposals within the framework of your desires. In this connection, I have talked with all or nearly all of you. It is my impression that the great majority of you take the view that there are many advantages to an annual session—the principal one being more effective control over fiscal matters by an annual consideration of the budget. It is a matter of record that it has been deemed necessary to call special sessions each even numbered year beginning with 1954. It becomes apparent, therefore, that other matters, in the fast changing picture of the fastest growing State, need more attention than can be provided each two years. It is also my impression, however, that most of you do not feel that annual *60-day* sessions are required or are even desirable and hope to limit your considerations at this session to fiscal affairs, matters contained in this message, reports of interim study groups, matters proposed by your Legislative Commission and only such other matters as are deemed of the utmost urgency. I wholeheartedly agree.

I have had 177 conferences with Boards and Commissions since I saw you last plus countless meetings with department and commission heads. In most instances, desirable legislation was proposed in order to streamline and effect economies in our affairs. Needless to say, therefore, we have developed what we feel to be a comprehensive legislative program. In the spirit of expediting this session, however, I shall propose in this message only those measures which I feel might have necessitated the calling of a special session or matters which are so urgent that I feel they should not wait until 1961. In the event that you should determine that a full 60-day session is in the best public interest and will so advise me, I shall supplement the proposals to follow with a complete legislative program.

EVEN-NUMBERED YEAR LEGISLATIVE SESSION

Within the last few days, the Supreme Court of Nevada has determined that the initiative petition calling for biennial sessions is properly before this session of the Legislature. This petition has precedence over all other matters except appropriation bills and if you intend to act upon it, you must do so within 40 days. If the initiative petition is acted upon affirmatively by you within 40 days and signed by me, the Constitution is then amended and nothing further need be done. If you reject the petition or fail to act upon it within 40 days, the question then goes on the ballot at the general election this year.

The Legislature and the Governor are now in a position to undo what the voters did a little more than a year ago by a majority of 11,715 votes. Without arguing the merits of the law as enunciated by the Supreme Court respecting

the means by which the most sacred document in our body of laws, the Constitution, may be amended, we must consider whether or not the voter is to have the ultimate decision in this most important matter. We know that in order to amend the Constitution of the United States, ratification is required by three-fourths of the states of the Union. Congress and the President cannot do it. There is much to be said for that philosophy which holds that legislators enact and change laws, but only the people may change the Constitution.

If you act upon the petition and reject it, you may, with my approval, propose a different measure on the same subject in which event both measures shall be submitted by the Secretary of State to the qualified electors for approval or rejection at the next general election. I might observe here that in order to propose an alternative measure, you should vote upon and reject the initiative petition within 40 days.

In the event that you reject the initiative petition, I would respectfully recommend that you propose an alternative measure to this effect; sessions shall be annual, but in even-numbered years payment of legislators shall be limited to 30 days and consideration shall be confined to the budget, proposals from the Governor, interim study reports, and proposals from the Legislative Commission.

By proceeding in this manner, the people at the next general election may decide whether they want regular annual sessions, limited annual sessions, or biennial sessions.

COMMISSION ON HUMAN RELATIONS

We in Nevada pride ourselves on our independence of thought and action. Our history is studded with the colorful deeds of our forefathers. We are proud of their refusal to be commonplace—of their insistence on their freedoms within the law. Our State must not, in the process of its sensational growth, lose this precious heritage. We must not, in our hurry, fail to safeguard this spirit which has made us unique—the spirit which is based on the rights of the individual. We must not shame our State or our own consciences by failing to anticipate and protect against any situation which might prevent any of our citizens from living in peace and dignity without discrimination, segregation or distinction based on race, color, ancestry, national origin as place of birth.

Last year I proposed that you authorize the Governor to appoint an eleven member Commission on Human Relations. Such a Commission would act as an advisory, conciliatory and investigative agency on all matters pertaining to such discrimination. The Commission would report annually to the Governor and the Legislature. I ask again that you give earnest consideration to this proposal.

SALARIES FOR ELECTED OFFICIALS

I have included in my budget a recommended salary raise for elected officials. In the event that you concur, legislation would be necessary to implement such changes.

The salaries for elected officials should be raised. These officers hold the most responsible positions given to the electorate to fill. They answer and are responsible to the people as you are. The sacrifice in time and money in order to seek and hold these positions is substantial. I find that, in some instances, the salaries of State officials are lower than the salaries paid to appointed employees with commensurate responsibilities. In many instances their salaries are lower than elected or appointed county officials. I recommend to your good judgment a reappraisal of the salaries of elective officials.

MOTOR VEHICLE ACT

At the last session you passed and I signed into law Senate Bill 258. This law became effective January 1, 1960. Continued study of this law has convinced me that in light of the serious economic effects of the law in some counties, consideration should be given to its amendment. Amendments are necessary in order to make the law operable and to avoid unfair economic sanctions on the county level. Bills effecting the necessary amendments will be introduced. After considering the proposed amendments, if it still appears that the defects have not been cured, I would recommend that you repeal the act in order to give us time for future study.

PERSONNEL

A complete study of the Personnel Act is now in progress and will be ready by your next session. In light of clarification of some aspects of the present law in Attorney General's Opinions, it appears that certain amendments are now necessary in order to continue the practical operation of the State Government. These amendments have been concurred in by the Personnel Advisory Commission and have been drafted at the request of the Personnel Director. They include an amendment permitting the State to contract for special services which cannot practically be procured through the classification system and other minor matters of clarification.

BOULDER CITY CHARTER CHANGES

In order to make the new Boulder City Charter operable, it will be necessary to put through 2 or 3 pieces of legislation making minor changes in the city charter. This legislation will be introduced by the Assemblyman from that area.

COLORADO RIVER COMMISSION

Authority must be given for the State to intervene in Bridge Canyon Project hearings and to permit the issuance of revenue bonds by the Commission in connection with it. A complete explanation of this proposal appears in the report on the Commission which will be distributed to you later.

LICENSING AND REGULATION OF FARM LABOR CONTRACTORS

It is time when Nevada must do its part in meeting the national problem of the migratory agricultural worker. It is upon him that the successful annual harvest of many Nevada farms rests. The migrant and his family are lonely wanderers on the face of our land. They are living testimonials to the neglect that is possible in a wealthy and aggressive economy that prides itself on the protection of the individual. The plight of these people was brought forcefully to national attention last spring in our own Moapa Valley region, when hundreds of men, women and children were without food and shelter due to lack of work and it became necessary to declare a state of emergency. There are thousands of persons in this country following the long harvest from South to North, the victims of abuse and exploitation at almost every turn. Other states have recognized the seriousness of the problem and have enacted legislation to correct a major part of it—the unregulated activities of the labor contractors, under whose direction and control the great majority of migrant families leave their homes for the long road to the harvests. The farm workers are almost completely dependent on these contractors for their transportation, for securing them jobs, housing and other facilities. Frequently they are paid by or through the contractor. Nevada's biggest problem with the labor contractors is their practice of bringing huge numbers of workers into the State when there is no work available, as was the case in Moapa Valley last year. It is therefore suggested that the problem be met by legislation requiring licensing and bonding of these contractors, thus giving the State some control over the flow of migratory labor within its boundaries. Such legislation has been prepared.

GOVERNOR'S SCHOOL SURVEY COMMITTEE

As this message goes to the printers the report of the Governor's School Survey Committee has not been received. It will, however, be available soon. I am sure that we will all give this report our most earnest attention.

RETIREMENT PLAN

Thirty-eight of the fifty states have general retirement systems for their employees. These systems take varying forms, many of them providing for compulsory retirement or termination at a certain age. The term *compulsory* implies a definite, irrevocable termination of employment on the basis of age alone. I do not believe in compulsory retirement because it does not take into account that certain employees, even though they have reached a certain age, are still capable of performing adequately in their positions or some others that may be available.

As of January 1, 1960, there were in State Government 185 employees 65 years of age or over, 53 employees 70 years of age or over, and 3 employees 80 years of age or over in the classified service. Some of them are capable of performing their duties, others are not. Some are eligible now for retirement benefits due to years of service, others are not. Regardless of whether these employees may receive retirement benefits upon termination, under the present act, there is no method by which they may involuntarily be retired other than for the appointing authority to discharge them and proceed in the usual manner before the Personnel Advisory Commission. The discharge of long-time faithful employees, or even the very aged with few years of service, is an act too onerous for the department head to undertake. We have arrived at a point in State Government where we must face this problem as other governmental subdivisions have had to do. I might mention specifically the University of Nevada and the school systems. It is a distasteful job and one which will undoubtedly bring considerable pressure. We are here, however, not to bow to political pressures, but to act in the best interest of all the citizens of our State.

There are presently in State Government some aged employees who will soon have enough years of service in order to meet the minimum qualification for retirement benefits. These persons should be considered.

I recommend, therefore, consideration of legislation which would provide essentially as follows:

That any employee in the classified service upon reaching the age of 65 years, may be terminated by his appointing authority upon the basis of age alone. Further, that such employee may be retained thereafter for so long as the appointing authority is of the opinion that he is able to fulfill his duties in his present position or some other that is available.

In order to protect these present aged employees who have not yet had sufficient service to entitle them to retirement benefits, I would recommend that the provisions of the act would not apply to persons who will within a five (5) year period from the effective date of the act reach the minimum years of service for retirement benefits. The act would apply to persons in this category as they reach the minimum number of years service for retirement within the five (5) year period.

CONCLUSION

My report to you is being printed separately in pamphlet form and will be distributed later. It is very lengthy. I felt that it would be desirable to compile a complete picture of our State operation not only for your information, but for use by the general public. We have arranged an index for purposes of ready reference. The report will indicate, I believe, a healthy, prosperous, fast changing state of affairs—one which will require great imagination, a capacity to anticipate and solve problems before they become crises, and a community of spirit and action. This is only the beginning. Before us all lies a "once in a lifetime" opportunity—to have a part in the molding of a State in its most critical period and to do it in such a way that those who follow will feel that we met the challenge to the best of our abilities.

Thank you.

Senator Brown moved that the Senate and the Assembly in Joint Session extend a vote of thanks to the Governor for his timely, able and constructive message.

Seconded by Senator Slattery.

Motion carried.

Senator Settlemeyer and Assemblyman Pasquale escorted the Governor to the bar of the Assembly.

Senator Seevers and Assemblyman McKissick escorted the Justices of the Supreme Court to the bar of the Assembly.

Senator Whitacre moved that the Joint Session be dissolved.