

THE THIRD DAY

CARSON CITY (Wednesday), January 18, 1967

Assembly called to order at 10:01 a.m.

Mr. Speaker presiding.

Roll called.

All present except Messrs. Ashworth, Bowler, Glaser, Harris, Howard, Jacobsen, Mello, Mrs. Tyson, and Mr. Roy Young, who were excused.

Prayer by the Chaplain, The Very Reverend Hugh P. Smith.

Pledge of allegiance to the Flag.

Mr. Swackhamer 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.

REPORTS OF COMMITTEES

Mr. Speaker:

Your Select Committee of the Assemblymen from Mineral County, to which was referred Assembly Bill No. 2, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

G. JOE VIANI, *Chairman*

INTRODUCTION, FIRST READING, AND REFERENCE

By Mrs. Frazzini, Messrs. Harris, Kean, Schouweiler, Webb, Mello, Wooster, Torvinen, Miss Foote, Messrs. Garfinkle, McKissick, and Wood:

Assembly Bill No. 8—An Act to amend Chapter 407 of NRS, relating to state parks and monuments, by adding a new section establishing the Grand Army of the Republic Civil War Cemetery in Reno, Nevada, as a state monument; and making an appropriation for the care and maintenance of such monument.

Mrs. Frazzini moved that the bill be referred to the Committee on Ways and Means.

Motion carried.

Mr. Swackhamer moved that the Assembly recess until 1:30 p.m.

Motion carried.

Assembly in recess at 10:10 a.m.

ASSEMBLY IN SESSION

At 1:36 p.m.

Mr. Speaker presiding.

Quorum present.

REPORTS OF COMMITTEES

Mr. Speaker:

Your Committee on Judiciary, to which was referred Assembly Bill No. 1, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

CLINTON E. WOOSTER, *Chairman*

The Committee on Escort in company with Chief Justice Gordon Thompson, Justice David Zenoff, and Justice Jon Collins of the Supreme Court of the State of Nevada appeared before the bar of the Assembly.

The Committee on Escort escorted the Justices of the Supreme Court to chairs in the Assembly.

The President of the Senate welcomed the Governor and invited him to deliver his message.

The Governor delivered his message as follows:

MESSAGE OF THE GOVERNOR TO THE LEGISLATURE OF NEVADA
FIFTY-FOURTH SESSION, 1967

CARSON CITY, January 18, 1967

Mr. President, Mr. Speaker, Distinguished Members of the Legislature and Guests:

It is with a great deal of pleasure I welcome you to Carson City and these Legislative Halls.

Some of you have spent many sessions here. Others of you are here for the first time.

I have spent several sessions with the veterans. I know something of the problems you will face during your stay here.

I have a great deal in common with your newcomers, too.

Like you, I have held my job for only a short time and view my new position with much awe and some apprehension.

The veterans among you will know what I mean when I say that I am now "that guy" downstairs.

However, I assure you that although our positions are now separated by the Constitution and a stairway, my door will be open at all times to you. I sincerely hope we can keep the lines of communication open both ways during this session.

It is my pleasure now to render the Governor's Report of 1967.

CONDITION OF THE STATE AND DIRECTION FOR THE FUTURE

I renew my pledge that one of the first roles of my administration will be to review and study the programs of our State.

In meeting the challenges of the future, we must first determine where we are going; what our real aspirations are; what the actual needs of our citizens will be.

Where new services are requested, we must ask ourselves the question: Are they necessary?

If the answer is "yes," we must then decide if they can be best provided at the state or local level, remembering that the government closest to the people is the government most responsive to the people.

While those determinations are being made—while we are evaluating the actual condition of the State—I ask your help in maintaining a "hold the line" policy.

I do not, however, ask you to stand still. I do ask you to proceed with caution, remembering that in the past we have too frequently acted in haste, providing temporary answers where a solid framework of solutions were demanded.

We must take stock of our problems boldly. It is time for a reappraisal.

There is no limit to the areas in which we can spend money.

There is a limit to our fiscal resources.

We can expect no miracles.

In considering the demands which will be made on you at this session, I ask that you question closely whether they represent needs—or merely desires.

Next, I ask that you consider carefully and honestly, whether the programs that you are asked to fund are ones which properly are the function of the State, or if they might be carried out more efficiently by local government, or through private means.

Working together to find the answers to the many difficult problems we will encounter in the weeks ahead, I believe we can give the citizens of Nevada a more efficient and economical government—and one which will meet their needs responsibly.

STRENGTHENING THE LEGISLATURE

Notwithstanding specific constitutional provisions that the three branches of our state government are separate and distinct, the very growth of government itself during past years has enhanced the power of the Executive Branch at the expense of the Legislative Branch.

To meet today's problems a legislator must have the tools with which to work. Your Legislative Counsel Russell McDonald has several times in the past proposed the methods by which the Legislature can streamline and modernize, and assume its rightful role.

I urge you to seriously weigh these recommendations.

The Legislature must regain its initiative. I suggest that during this session you take a hard look at your accustomed methods and procedures with the goal of adopting modern techniques to again make the Nevada Legislature a vital and necessarily competitive branch of our three-branch governmental framework.

I recognize the long hours and devoted attention to duty displayed by the staff of the Legislative Counsel Bureau. However, to meet your greatly increased responsibilities, you need the assistance of additional highly competent technical and research staffs.

Only by this method can you obtain the facts which you need to formulate programs and enact sound legislation demanded by the people.

An examination of our constitutional provisions limiting the independence of the Legislature should be made with the aim of placing once again in legislative hands a primary responsibility for leadership.

You can fulfill this role only when your own procedures have been modernized to maximum efficiency.

GOVERNMENT SPENDING AND GROWTH

During the past decade, appropriations by the Legislature have nearly quadrupled.

In the years between 1959 and 1966 alone, the State has appropriated nearly three million dollars more than its income.

We are told we face the possibility that this session of the Legislature will overspend state income by nine million dollars.

This cannot be allowed to happen.

Our state population and economy has grown rapidly during the last decade. So has state government.

We must reassess what has happened.

I strongly suspect that the services of state government have not matched the increase in state personnel; that we have been building for quantity rather than quality.

We should strive for a more efficient work force and a position which will permit us to pay higher salaries for quality employees.

There is no room in state government for employees who do not take pride in their work and who do not put forth their best efforts.

The administration will do its utmost to carry out the intent of the Legislature that merit raises are earned, not granted automatically.

Additionally, I propose that there be instituted a system of recognition and merit pay allowances for employees who provide extraordinary service to the State, or whose suggestions for improvement prove beneficial to the State.

ECONOMIC DEVELOPMENT

It has been evident over the years that the Legislature has lost confidence in the Department of Economic Development.

It is the intention of my administration to restore that confidence through performance.

The department will not, under any circumstances, be used for political purposes.

With the help of the Legislature, I hope to find the correct path for the department to follow; to determine exactly what it should do and should not do.

I am already investigating a proposal that, with the help of computer techniques, might help it embark on a new program of attracting specific industries by matching their needs with the specific advantages Nevada has to fulfill them.

It is an exciting prospect, and one which I may develop in a further message.

CIVIL RIGHTS

In the field of human rights, I am convinced that we must transcend mere law and regulation.

This Legislature in 1961 and again in 1965, declared a policy that there shall be no discrimination in Nevada.

Unless we gather the strength of public opinion, laws will be ignored. We must continue to work to assure a future free of discrimination.

I have instructed the new Equal Rights Commission to be a problem-solving group, addressing itself primarily to the problems of securing jobs and financing for homes so that all of our citizens will have an equal opportunity to work meaningfully and provide housing for themselves free of discriminatory practices.

GOVERNMENT TASK FORCE

In helping to find some of the answers to the problems that confront us, my administration will give priority to the creation of a task force of men and women who will help guide us toward productive, efficient and economical government.

They will come from business, industry and professional and educational groups. They will be loaned to the State without cost to the taxpayers to conduct the studies that are needed.

I am confident this task force will be a vital factor in providing the direction for state government in the years to come.

In addition to this type of study being undertaken on the executive level, there are several studies which I would hope the Legislature would initiate and carry out.

RECOMMENDED LEGISLATIVE STUDIES

1. *Juvenile Court Act*

There is a growing concern over the methods of handling juvenile offenders and the growing rate of crime among the young people of our nation.

I strongly urge you to make a complete and careful reevaluation of our juvenile court system and take the action you deem necessary to make it conform to the modern needs of our society.

2. *Court System Study*

The Board of Governors of the State Bar Association of Nevada has endorsed a plan for a legislative study and survey of the court structure of Nevada with the aim of modernizing the courts which were established 102 years ago.

I recommend this for your consideration and urge action upon it.

3. *Labor Study*

Serious consideration and attention should be given to the labor problems that have plagued this State, particularly Clark County, during the past year to determine how state government can be used to prevent recurrences.

It is my hope that appropriate committees of the Senate and Assembly will, early in the session, initiate hearings that would develop the viewpoints of both management and labor.

It is essential to Nevada's economy that a method be devised for satisfactorily avoiding the disruptive disputes of the past.

The laboring men and women of Nevada are highly dependent upon the Nevada Industrial Commission and the Employment Security Department in the event of accident or misfortune.

I urge you to carefully examine all applicable laws in order to determine if adequate protection now exists.

SPECIFIC LEGISLATION

In the following areas, I am making specific recommendations for action at this session:

1. *Repeal of the 1965 Parole Act*

I urge you to repeal the provisions of the so-called Early Parole Act passed by the 1965 Legislature.

This act has received the overwhelming disapproval of most all Nevadans.

2. *Criminal Code*

One of our greatest unresolved problems has been an antiquated, unwieldy century-old criminal code.

Thanks in great part to the splendid job done by your Legislative Commission Subcommittee, headed by Speaker Mel Close, you will have presented to you an entire new code.

I urge you to give careful consideration to the recommendations of the Commission.

Changes in the proposals may be desirable and some will be called to your attention.

But, I'm sure you will be able to work out differences of opinion and adopt a new criminal code which we have needed so badly for so long.

3. *Law Enforcement Assistance*

There is an increasing need for a state criminal identification agency to aid local law enforcement officers in combating the high crime rate.

This is strongly urged by law enforcement personnel throughout the State.

I join with them in asking that you give careful consideration to their proposal to help in the fight against the increasing, disgraceful crime rate.

4. *State Supreme Court*

The number of cases before the State Supreme Court has been growing rapidly, casting an increasingly heavy workload upon the three justices.

Nevada's Constitution provides for an increase from three to five justices by legislative action.

The court has recommended that this be done.

I concur in this recommendation.

5. *Conservation, Parks, Recreation*

Conservation of our natural resources is one of our greatest challenges.

It is a challenge that must be met now, for tomorrow may be too late.

We are moving forward in the effort to make the creation of a park at Lake Tahoe a reality.

We also plan continuing efforts to insure that Lake Tahoe remains free from pollution, so that future generations of Nevadans can enjoy the lake and land around it.

I urge that a portion of the money in the Parks budget for capital improvements be used for the first step of development of the Red Rock Recreation Area near Las Vegas.

Development of the Red Rock area as a park will be a cooperative effort between the State and the Bureau of Land Management, which will spend approximately \$150,000 for campsite improvements in the near future.

6. *Water*

Very quickly, we must take the necessary steps for a statewide water inventory and analysis, moving toward the adoption of a plan which will guarantee the water needs of future generations.

In view of the present uncertainty surrounding the fate of the Southern Nevada Water Project at the federal level, I would suggest the Legislature take some initiative of its own in this matter.

It has been suggested by some that the project be financed by private industry.

It might be well to consider this possibility instead of waiting and hoping that Congress will some day get around to appropriating the funds.

7. *Mining*

Mining has a bright future in Nevada in the years to come, but only if our outdated mining laws are brought into step with our present situation.

Amendments should be made to the present code to encourage and facilitate mining exploration, and make such ventures attractive to those who would invest in the State's mineral wealth.

With new scientific techniques, Nevada could be on the verge of a new Comstock Era—but only if an updated mining code assures that their use would be economically sound.

8. *Highway Safety*

I think you should be aware of the Federal Highway Safety Act of 1966, which sets the national criteria for improvement of highway safety, including mandatory vehicle inspection, mandatory driver training in our public schools and uniformity in state, county and city traffic laws.

Standards for state performance are in preparation by a proper federal authority.

We must be prepared as a state to comply with the act when these standards are established.

Necessary legislation should be considered and passed this session.

9. *National Guard*

This administration is preparing legislation for your consideration proposing a complete revision of the military statutes of this State.

This has not been done, except on a piecemeal basis, since 1929.

To illustrate the antiquity of our present military code, there exists a provision that a Nevada trooper can draw a \$2 a day hay allowance for his horse.

I urge your serious consideration and passage of this important legislation.

10. *Firemen*

The Federated Fire Fighters of Nevada, the Nevada State Fire Advisory Board, the Nevada State Fire Chiefs' Association, the Nevada State Firemen's Association and the State Fire Marshal have prepared a series of legislative recommendations for your consideration.

Among these recommendations is a comprehensive study of state fire laws and extensive recodifying and proposed additions to Nevada's fire laws prepared by the State Fire Marshal.

I urge you to give special attention to this proposal.

11. *Central Records Bureau*

I am recommending legislation be enacted creating a central records system for recording marriages, divorces and marriage annulments in Nevada similar to the method used to keep statistics of births and deaths.

The change would bring Nevada into line with 43 states which maintain central recording systems of this type.

The program will be self-maintaining through fees charged for certificates.

12. *State Purchasing*

The present law governing state purchases makes no distinction between Nevada bidders and those from out-of-state.

California and Arizona, among other states, provide a 5 percent differential favoring local bidders whose businesses add to the local economy.

That procedure makes good sense.

I recommend that you consider making a similar provision in Nevada's purchasing law.

13. *Savings and Loan*

There has been an area of concern surrounding the full effectiveness of the State's control over savings and loan associations.

Legislation to strengthen the State's position in regulating these institutions will be brought before you.

I urge you give it serious, fair consideration.

GAMBLING

During the last several years, Nevada's image, and that of its legalized gambling industry has deteriorated.

Gambling has come under increasingly frequent and bitter attack from outside the State.

If the condition continues and worsens, the industry and our economy as we know it today will be in serious trouble. It may not survive.

We do not intend to let that happen.

We must convince people outside the State, including federal officials, that the tail is not wagging the dog; we control gambling—it does not control us.

I have already taken steps which I believed necessary to insure strong control

and enforcement of present laws and regulations. I believe they will greatly improve the picture we present to people outside the State.

More must be done.

I ask you, now, to consider revision of our gaming laws to give the State more authority—more muscle—in controlling its most important industry.

One valuable addition to the arsenal of gaming enforcement would be the ability to *fine* an offending licensee.

Counsel for the Gaming Board has indicated this would be of valuable assistance in situations where a severe penalty such as revocation or suspension might not be in order.

I am also submitting for your consideration a proposal to allow gaming authorities the power, upon Court order, to place casinos into receivership where violations are charged, during the pendency of the hearings upon the charge.

This will permit their continued operations while disciplinary proceedings are pending. It will eliminate the problem of throwing hundreds of people out of work and seriously disrupting a local economy by closing a club.

In the past, the drastic effects of emergency closure have been a deterrent to effective action.

THE UNIVERSITY

You are all aware that by constitutional provision, we have only one institution of higher learning in the State of Nevada.

The growth of our State has resulted in the establishment of Nevada Southern University in Las Vegas as a branch of that institution.

All Nevadans are proud of the remarkable growth of the Nevada Southern campus. My administration pledges itself to make it a full partner in our university system.

I believe the time has come to end intersectional rivalries for the tax dollars needed to expand the two campuses.

If the University is to grow, the two campuses must grow together.

In many areas, competition between the two schools is good and desirable, but the quality of education should not suffer because of blind rivalry.

I urge you to forget that you are from the North or South and work together as Nevadans, judging projects on their merits, not their locations. Both campuses must grow within the limits of financial responsibility and capability to benefit the entire State.

With the growing complexity and scope of higher education, the need for impartial evaluation of university aims, programs and budgets become more apparent each year.

Recognizing the need for such an evaluation as a service to both the Executive and Legislative branches of government, a number of states have created commissions of higher education.

Membership on these commissions has been drawn from the professional and business fields, and from the ranks of faculty experts within the universities themselves.

We propose to investigate the desirability of creating such a commission in Nevada, with services available to both the Governor and Legislature.

PUBLIC SCHOOL EDUCATION

As your Governor, I consider the development of a quality educational system in Nevada to be the most vital and the most serious challenge we face.

In my view, education is the real answer to our most pressing social problems.

I also believe strongly in local control of our public schools. I mean the school trustees and the people on the local level are in the best position to know and reflect their desires concerning schools in that area.

In regard to school financial support—it is our constitutional responsibility, yours and mine, to provide adequate funds to continue to educate properly our young people. The Peabody Formula was originally based on providing good educational opportunities for all of our boys and girls in the State, wherever they may live.

A great deal of effort has been devoted to the establishment of a new formula, one possibly better suited to our changed situation. Serious consideration should be given this matter. However, let us be very cautious and deliberate before we

abandon the known quantity of Peabody as opposed to the unknown quantity of a new formula.

You will, during this session, I'm certain, be requested by school people to provide additional funds for public school education.

In the few short days we've been in office we have been unable to evaluate fully the merit of such a request.

I will not in this situation, or any other, make proposals or recommendations to you unless we have sufficient time to factually support and justify the same.

This should not, however, preclude you from making your own determination. If after due deliberation, you find that we are not meeting our responsibility to public education it will become your duty to make adequate provisions to correct the situation, even if additional revenue is needed.

I have mentioned earlier that it is my intent to have a number of task forces studying our major agencies in the State. I hereby charge the State Department of Education, the public schools and interested private citizens with this responsibility in the field of education. Providing leadership in the development of a comprehensive study of the needs of our public school system must be the State Department of Education's responsibility. I would want this agency to begin to assume the leadership role that is theirs.

HEALTH AND WELFARE

The State has an essential and proper role in the field of health and welfare.

We must assess the needs of our people today, and project them for tomorrow.

One of our most important responsibilities is assuring that all people in this State receive proper medical care. We must find adequate means for paying for the cost of that care.

The federal government has been made a major participant in the joint financing of medical services, not only for those over 65, but for children on public support, the blind, the disabled and those judged medically indigent.

The provisions of the federal law require that all states develop a joint program for most of those persons under Title 19 of the act. This must be done by 1969.

I propose we revise present state and county medical care programs to meet Title 19 standards and reduce the total cost to the State and counties.

The State cannot assume the full cost now paid by the counties for this care without new tax revenues.

Consequently, I will ask for a limited Title 19 program with a state-county formula for sharing matching costs. The specific proposal will be presented to you later in the session.

It will involve some revision of the proposed budget.

AIR POLLUTION

Problems of air pollution are becoming significant in Nevada, and must be met aggressively.

I will propose legislation calling for the State Board of Health to serve as a state air pollution control body to establish minimum standards, and to work cooperatively with the two district air pollution boards already in existence.

My administration will move ahead with programs to analyze the health and welfare programs of the State. It is also in the process of reviewing the effectiveness of the State Mental Hospital, the Youth Training Center for Boys at Elko, the Girls' School at Caliente and the Children's Home in Carson City.

Establishment of a new mental health center in Las Vegas will be recommended in the budget.

CONSTITUTIONAL AMENDMENTS

I am requesting that you consider three proposals for amending the Nevada Constitution.

I ask that you set the machinery in motion to initiate amendments lowering the voting age for citizens from 21 to 18; limiting the Governor to two consecutive 4-year terms; establishing annual sessions of the Legislature, with the even-year session devoted to budgetary matters and extraordinary items brought to the attention of the Legislature by the Governor.

There are valid and urgent reasons for each request.

Lowering the Voting Age

You have been asked before to consider an amendment permitting young adults of 18 to vote. It is now time to take action.

As we have seen in the last election, and in the campaigns before it, young men and women are among the most active—and knowledgeable—political workers.

Their willingness to accept civic responsibility should be rewarded with the privilege of voting.

So should their willingness to accept the sacrifices our country has called on them to make on its battlefields since our founding days.

I believe, firmly, that young Americans are ready, at 18, to assume the role of voting citizens. I ask you to initiate action to amend Section 1 of Article 2 of the Constitution and appropriate sections of the Nevada Revised Statutes to lower the voting age of citizens from 21 to 18 years.

Limit Governor to Two Terms

I think it is essential in the executive branch of government that there be changes so new ideas and approaches through new people can enter into the political mainstream of any state.

On the federal level, we have seen fit to limit the President of the United States to two consecutive terms in office. This is wise.

I think the need for it is even stronger in the state where personalities and ease in establishing power centers can combine to create political machines.

This very often results in an executive, despite his own wishes and inclinations in the matter, seeking a third term when his own interests and the interests of the public would dictate otherwise.

I think that tradition in Nevada has safeguarded the concept of limiting Governors to not more than two terms in office, but as we grow, that tradition should be fortified by constitutional safeguard.

I therefore ask you to initiate action to amend Section 2 of Article 5 of the Nevada Constitution to limit the Governor to two successive elective terms in office.

Annual Sessions

Effectively, Nevada has had annual sessions of the Legislature for the past 14 years.

During this period, the Legislature has met in each year except 1962.

It is almost impossible in these rapidly changing times to predict the spending and other needs of the State accurately for 2 years in advance.

It is particularly difficult to estimate spending and revenue patterns.

Under the present system, state agencies must prepare their budgets for a 2-year period 8 months before they become effective—32 months before the spending period is to be completed.

The Legislature must act on the budget 3 months before the spending period begins and 27 months before it will end.

This has caused unrealistic budgeting and other practices.

I believe that if you and I are to follow a course of sound fiscal planning and management, annual sessions are required.

I am therefore urging you to initiate action to amend Section 2 of Article 4 of the Nevada Constitution to provide for budget sessions in even-number years for a period of not to exceed 30 days. Consideration should also be given to establish procedures whereby other legislation of a critical or emergency nature might also be allowed on the agenda.

Budget matters ordinarily involve only the finance and taxation committees leaving the remaining Legislators with little, if anything to do. They could and should occupy themselves with this type of legislation.

CLOSE

The Nevada Constitution provides that the Governor "shall communicate by message to the Legislature at every regular session the condition of the state and recommend such measures as he may deem expedient."

In making this report to you, I have made every effort to keep closely in mind the separation of powers between the Legislature and Executive Branch of government and the different functions, duties and responsibilities that each has.

At the same time, I impress on you that our aims are identical and that they can best be realized through a free flow of communication and exchange of ideas.

We have the same goal—the best possible government at the lowest possible cost for the citizens of Nevada.

Working together as a team, we will reach this objective.

From time to time throughout the session, as I become better acquainted with the needs in all areas, I will transmit to you other matters that I feel need your attention.

Nevada law requires that I submit my budget and budget message to you within 10 days after you convene. In this report I have avoided reference to specific budget matters.

Because of the short space of time between my inauguration and the opening of the session, I ask your permission to appear before you next week to present the budget.

You have my heartfelt wish for a productive session. I solicit your cooperation and pledge you mine.

Thank you.

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

Seconded by Assemblyman Jacobsen.

Motion carried unanimously.

The Committee on Escort escorted the Governor to the bar of the Assembly.

The Committee on Escort escorted the Justices of the Supreme Court to the bar of the Assembly.

Senator Monroe moved that the Joint Session be dissolved.

Seconded by Assemblyman Bryan Hafen.

Motion carried.

Joint Session dissolved at 8:17 p.m.

ASSEMBLY IN SESSION

At 8:24 p.m.

Mr. Speaker presiding.

Quorum present.

GUESTS EXTENDED PRIVILEGE OF ASSEMBLY FLOOR

On request of Mr. Mello, the privilege of the floor of the Assembly Chamber for this day was extended to Mr. and Mrs. Ralph Hoy and Mr. and Mrs. Willard Markee.

On request of Mr. Jacobsen, the privilege of the floor of the Assembly Chamber for this day was extended to Mrs. Paul Laxalt, Mrs. Lawrence Jacobsen, Mr. and Mrs. Ted Bacon, Mr. and Mrs. Wilson McGowan, Mr. and Mrs. Jac Shaw, Mr. and Mrs. Matt Benson, Mesdames Virgil Bernard, Leona Munk, Dean Bernard, and Ruth Shaw.

Mr. Swackhamer moved that the Assembly adjourn until Thursday, January 19, 1967, at 10 a.m.

Motion carried.