

THE SECOND DAY

CARSON CITY (Tuesday), January 21, 1975

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

Mr. Speaker presiding.

All present.

Prayer by the Chaplain, Father Robert G. Pumphrey.

Pledge of allegiance to the Flag.

Assemblyman Dini 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.

MOTIONS, RESOLUTIONS, AND NOTICES

By Assemblymen Hickey, Hayes, Demers, and May:

Assembly Joint Resolution No. 10 of the 57th Session—Proposing to amend section 7 of article 6 of the Constitution of the State of Nevada to permit the Supreme Court of this State to hear oral argument outside of the seat of government.

Resolved by the Assembly and the Senate of the State of Nevada, jointly, That section 7 of article 6 of the constitution of the State of Nevada be amended to read as follows:

[Sec:] *Sec. 7. The terms of court. The times of holding the Supreme Court and District Courts shall be as fixed by law. The terms of the Supreme Court shall be held at the seat of Government [; and the] , except that the Supreme Court may hear oral argument at other places in the state. The terms of the District Courts shall be held at the County seats of their respective counties; Provided, that in case any county shall be hereafter divided into two or more districts, the Legislature may by law, designate the places of holding Courts in such Districts.*

Assemblyman Dini moved that the resolution be referred to the Committee on Judiciary.

Motion carried.

By the Committee on Ways and Means:

Assembly Resolution No. 2—Provides an allowance for each Member of the Assembly for periodicals, stamps, and stationery.

Assemblyman Mello moved the adoption of the resolution.

Remarks by Assemblyman Mello.

Resolution adopted.

INTRODUCTION, FIRST READING, AND REFERENCE

By Assemblymen Ashworth and Dreyer:

Assembly Bill No. 1—An Act relating to the State Legislature; repealing provisions relating to the prefiling of legislative bills and resolutions; and providing other matters properly relating thereto.

Assemblyman May moved that the bill be referred to the Committee on Legislative Functions.

Motion carried.

IN JOINT SESSION

At 6:58 p.m.

President of the Senate presiding.

The Secretary of the Senate called the Senate roll.

All present except Senator Young who was excused.

The Chief Clerk of the Assembly called the Assembly roll.

All present except Assemblyman Barengo who was excused.

The President of the Senate appointed a Committee on Escort consisting of Senator Bryan and Assemblyman Dini to wait upon the Governor of the State of Nevada and escort him to the Assembly Chamber.

The President of the Senate appointed a Committee on Escort consisting of Senator Hilbrecht and Assemblyman Heaney to wait upon the Justices of the Supreme Court and escort them to the Assembly Chamber.

The Committee on Escort in company with Chief Justice E. M. Gunderson, Justice Cameron Batjer, Justice John C. Mowbray, Justice Gordon Thompson, and Justice David Zenoff 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 Committee on Escort in company with His Excellency, Mike O'Callaghan, Governor of the State of Nevada, appeared before the bar of the Assembly.

The Committee on Escort escorted the Governor to the rostrum.

The Speaker of the Assembly 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-EIGHTH SESSION, 1975

Mr. President, Mr. Speaker, distinguished Members of the Legislature, my Fellow Nevadans:

For the third time, I have the high honor and privilege to come before the Legislature, and before all the people of Nevada, to report on the condition of our State. Familiarity has not diminished the significance of the occasion. Indeed, I feel more keenly aware of my duty, and more eager to discharge it, than during previous appearances in this chamber.

Barely 700 days have elapsed since most of us last met for this purpose, but they have been days of lightning which left a lasting design on the fabric of our society. Profound changes have occurred, some of them painful, even agonizing, to evoke. The American people have faced one crucible after another—a transition in government, the energy crisis, and the tandem perils of inflation and rising unemployment.

Through it all, the people have endured and, in some areas, even prospered. Nevada is an example. Some might think it ironic that less than one week after the President described the State of the Union as "not good," I can come before you to describe the State of the State as excellent.

The truth is that Nevada, more than many other states, has survived the tremors of a plunging national economy. With two notable exceptions—the gasoline tax and the sales tax—our sources of revenue have more than matched the headlong gallop of inflation during the present biennium. As a consequence, the economic pulse of our State is strong and steady.

This note of optimism does not carry with it the luxury of complacency. We would be derelict in our responsibility if we failed to heed ominous warnings of developments which could jeopardize our present stability.

We cannot assume that the fortunes of our State are separate from the fortunes of our nation. We have not escaped the impact of the national recession. In any event, it is cruel to talk of prosperity to a young Nevadan who is looking for a job with quiet desperation, or to an older Nevadan who no longer can afford even the most humble necessities of life.

Equally cruel are academic debates about the economy which ignore the human heartbeat. When we talk about the victims of unemployment and inflation, we are not discussing statistics, but human beings very much like you and me. They have the same hopes, same dreams, and their anger and frustration must be understood and shared by those of us who are more fortunate.

Compassion, after all, costs us nothing, and yet it is the most priceless gift of the human spirit.

THE BUDGET IN BRIEF

The budget which I offer for legislative consideration was shaped with the intent of responding to the principal needs of the people of Nevada.

At the same time, I am again recommending against the imposition of any new general taxes and against any increase in existing general taxes.

It should be added that Nevada is one of only eight states which has had no such increase since 1969.

I am again recommending that 61 cents of every tax dollar appropriated go for support of our schools.

I am again recommending that 18 cents of every tax dollar appropriated go for support of human resource programs—health, welfare, and rehabilitation.

The budget, as proposed, also is intended to reflect our mounting concern over the national economic climate and the potential impact of decisions made at the federal level in the critical area of energy conservation.

In my judgment we must proceed with caution and prudence. Accordingly, I am recommending that we reserve an unappropriated cash balance which would total \$19.9 million at the end of the next biennium.

As an added safeguard, my administration was conservative in estimating revenues for the next 2 years. The necessity is painfully clear: While income from taxes on gaming and casino entertainment exceeded expectations in the past 2 years, the percentage of increase in the sales tax plummeted from 16 percent to less than 6 percent in the 5-month period between July and November of last year.

Even more critical is the decline in gasoline tax collections. Because of increased prices at the pump, revenue in this area actually has *decreased* by 3 percent during the present fiscal year.

We all share the common hope that these are temporary aberrations in our otherwise healthy economic climate. Again, however, we cannot afford the luxury—or the folly—of complacency.

My budget proposal includes \$368 million for the operating costs of state government—\$178 million in fiscal year 1976 and \$190 million for the following year.

In addition, I am recommending \$25.8 million for capital improvements, principally in the area of corrections, mental health, mental retardation, and higher education; \$19.5 million for one-time only appropriations, and \$1.6 for park improvements.

Much of the increase in government operation and capital improvements is the direct consequence of inflation. It costs more, much more, to purchase goods and services than 2 years ago. And with inflation now increasing at an unprecedented pace, it is estimated that our operating costs in fiscal year 1976 will be 23 percent higher than this year.

It is for this reason that I have directed most of the agencies of state government to omit requests for additional staff positions in the next biennium. We simply cannot afford a substantial increase in new employees at a time when the economic security of our present employees has been threatened by inflation.

Among the exceptions to this general moratorium are the State Prison, where the inmate population has exploded to alarming proportions; the State Division of Narcotics and Dangerous Drugs, where the need for additional enforcement is

clearly indicated; and the Division of Parole and Probation and mental health and mental retardation programs serving both children and adults.

Because of a number of factors, including improved productivity and work performance standards, we have been able to decrease the rate of growth in state government during the past 4 years. A total of 1,195 new workers have been hired, compared to 1,601 who were added during the previous 4 years, and 1,398 who went on the payroll between 1963 and 1967.

In reducing the percentage rate of growth by more than half, we have saved the taxpayers of Nevada an estimated \$30 to \$40 million. This is sound management and reflects great credit on the men and women who serve our government.

Before proceeding to the specifics of my recommended programs, I would like to pause to extend a cordial greeting to all the members of this distinguished body and to representatives of the news media who will report your deliberations.

In particular, I want to welcome those members of the Senate and the Assembly who are participating in the legislative process for the first time.

It is not necessary that we always agree. Indeed, honest differences between the executive and the legislative branches are part of the strong fiber, the checks and balances, of the democratic process.

As long as our differences are philosophical and not political or personal, the interests of the people will be well served.

This is a big state in more ways than one. There is room for every political persuasion, every dissenting opinion, every new idea. There is room for us all.

ELECTION CAMPAIGN REFORM

At present, there is wide disparity in the requirements for the reporting of campaign contributions among those who seek political office. There is one law for federal candidates, another for legislative candidates and no law at all for other statewide candidates.

The Nevada Legislature took a positive step in 1973 when it enacted a measure requiring all aspirants for the Senate or the Assembly to report the amount of moneys expended in campaigns.

Now, I believe the time has come for the law to be expanded. I am therefore recommending legislation to require all candidates for state office to report to the Secretary of State the following:

—The total number of dollars obtained from campaign contributors.

—The individual source of each contribution exceeding an established minimum amount, which might be \$100 or \$500.

—Finally, the total number of dollars expended on the campaign.

I am also recommending that Nevada's cities and counties adopt similar reporting requirements. If they fail to do so, then the Legislature might want to consider the imposition of a law applying to local subdivisions when it convenes in 1977.

Such uniform legislation is not only desirable but fair. At the present time, some candidates not covered by law still feel compelled to make a complete financial disclosure. Others are not so constrained.

It is time to put everyone on the same ground through the weight of law.

TAHOE COMPACT

Nevada lawmakers have shown commendable concern for the protection and preservation of Lake Tahoe and its surrounding valley. This is evidenced by the Tahoe Compact, which stipulates—and I quote—“There is a need to maintain an equilibrium between the region's natural endowment and its manmade environment, to preserve the scenic beauty and recreational opportunities of the region. It is recognized that for the purpose of enhancing the efficiency and governmental effectiveness of the region, it is imperative that there be established an areawide planning agency with power to adopt and enforce a regional plan of resource conservation and orderly development, to exercise effective environmental controls and to perform other essential functions, as enumerated in this title.”

A report to the President of the United States by the Secretary of the Interior, in response to Congressional mandate, confirms the value of the agency. However, 5 years of operation have revealed certain deficiencies in the law which should be corrected or supplemented.

As a great natural treasure of our State and nation, Lake Tahoe must be safeguarded for succeeding generations.

Accordingly, I request the Legislature to review the compact law, and in cooperation with California, initiate such changes and adjustments as are necessary to assure the implementation and enforcement of the act. By so doing, the objectives set forth as article 1 of the compact law may be achieved.

ENERGY

Two days from now, as your Governor and as the new chairman of the Western Governors' Conference, I will travel to Denver to meet with Interior Secretary Rogers C. B. Morton and the chief executives of other Western states.

The invitation was extended by Secretary Morton, who will be representing the President in spelling out the specifics of the national energy policy and its impact on the West.

I am concerned—deeply concerned—about the potential effect of the policy if it is implemented without regard to the problems of Nevada and other states which must build and maintain large highway systems.

Earlier tonight, I mentioned the decrease in revenue from the gasoline tax, a source which provided the State Highway Department some \$17.6 million last year with \$11.6 million going to our cities and counties.

This decrease clearly demonstrates that when gasoline prices go up, consumption goes down. The result is a loss of revenue.

The President estimated that in the months just ahead the price of gasoline will increase by between 10 and 15 cents per gallon. If this occurs, we can anticipate a further decline in sales which in turn will affect tourism, our number one industry. In all probability, it would increase the cost of food, clothes, and other supplies which are trucked into Nevada.

The imposition of excise taxes on foreign oil imports is expected to produce \$30 billion in revenue. Yet, it is my understanding that only \$2 billion will be returned to the states under the general revenue sharing formula.

This would amount to no more than \$4.3 million for all Nevada governmental entities and the State would receive only \$1.4 million—despite the fact the State is responsible for maintaining roads carrying 83 percent of our traffic.

All of us realize the critical dimensions of the energy shortage. We can understand the compelling need to use less of our resources.

However, if this must be accomplished through higher excise taxes, then I believe at least *half* of those taxes should be sent back to the states. I also believe that a greater proportionate share of the moneys returned should be earmarked for those states which maintain the largest highway systems.

There are other puzzling questions which require answers. For example, if only imported oil is taxed, what happens to domestic oil prices? Will they be frozen or will the oil companies be allowed further windfall profits? Let us hope not.

I am convinced that the President and his advisors are working in earnest to find solutions to a very complex problem. Certainly they deserve the support of the American people in this endeavor.

But I am also convinced that a solution which may be acceptable to a geographically small, but heavily populated Eastern state is not necessarily consistent with the interests of Nevada and other Western states.

From the early moments of last year's energy shortage, the people of Nevada participated enthusiastically in conservation programs. They formed car pools, turned down heaters and turned off lights. Not unlike most Americans, they accepted discomfort and inconvenience with humor and grace.

We will continue to cooperate. But we should not be required to assume a larger burden than our sister states to the east.

That is the message I will carry to Denver.

CORRECTIONS AND LAW ENFORCEMENT

The California Court of Appeals held this week that under certain circumstances, such as fear of great bodily harm, a prison inmate has the legal right to escape from the institution.

It is not necessary to agree with the court's decision, which certainly will be appealed, to acknowledge that something is very wrong with many of the prisons in America. Alternatives simply must be found to a system that breeds anger, hostility, and mindless acts of savagery. In such a climate, the objective of rehabilitation is virtually impossible to attain.

Arguments have been presented to me that we should build no more prisons and should, in fact, phase out all existing penal facilities.

However, our first obligation must be the protection of society from the habitual or dangerous offender. Prisons fulfill that need.

We are left with one practical course of action: The modernization of existing correctional institutions. Nevada is moving in that direction.

NEVADA STATE PRISON

The Legislature in 1973 took the first step toward the abandonment of the old Maximum Security Prison by approving the construction of a new section at the more modern Medium Security Facility.

This offered some relief for the dangerous problem of overcrowding but it was a stop-gap measure at best. Today, both the maximum and medium prisons are housing more inmates than ever before. Budget estimates for the current biennium anticipated a total prison population of 690. As of last month, however, there were 865 inmates.

For this reason, I am assigning the highest possible priority to my budget request for a \$7.4 million appropriation to construct the Clark County Correctional Center for youthful offenders in Las Vegas.

This would not be just another prison with the same climate of violence and fear. It would be limited to young offenders who are nonviolent and who are considered excellent prospects for rehabilitation.

It would recognize the negative effects of overcrowding by providing dormitories with single rooms for 150 men. Four other units would accommodate an additional 100, divided equally among a reception-diagnostic unit, a protective custody housing unit, a work-release unit, and a work crew unit.

As planned, this facility would be totally self-contained with dining and kitchen areas provided. Perhaps most important, ample space and materials would be provided for vocational and academic education facilities.

I respectfully urge the Legislature to give this request favorable consideration. The need has been clearly demonstrated and there are no alternatives at hand.

Meanwhile, the expanding population at the prisons here in Carson City has created a serious security problem. I am therefore recommending a total of 60 new positions to bolster a staff that has performed remarkably well under the most difficult circumstances.

This is the largest single personnel increase contained in my budget recommendation. I can assure you it is a worthwhile investment for the taxpayers of Nevada.

MENTAL OFFENDERS FACILITY

Another contemporary step forward in the field of corrections was legislative approval, again in 1973, of a maximum security unit at the Nevada Mental Health Institute in Sparks.

It will house mentally-disturbed persons who have been charged with crimes, and who are considered security risks, but who have not been convicted.

Since construction will be completed during 1975, I am recommending the addition of 15 new professionals to augment a staff that has already begun work on the program.

NARCOTICS DIVISION

The Investigation and Narcotics arm of the Nevada Commission on Crime, Delinquency, and Corrections has done an excellent job in an area where the personal safety of agents is always in jeopardy.

The division continues to maintain a fine record in pursuing the suppliers of drugs, rather than the users. The sellers of controlled substances account for about four of every five arrests made by division personnel.

Because of the importance of this endeavor, I am recommending an increase of 14 new positions during the next biennium. They are needed to strengthen the investigative enforcement, and surveillance activities of the division.

NATIONAL GUARD

At my request, the Legislature in 1973 approved a 50 percent tuition waiver for members of the Nevada National Guard who are enrolled at any institution of

higher learning in Nevada. A total of 550 guardsmen took advantage of this offer to further their education.

In recognition of their contribution to the State, and to the military strength of the nation, I am recommending that active members of the National Guard be exempted from the payment of the privilege tax and the registration fee for one private automobile or pickup truck when the vehicle is used for personal transportation.

The cost to the State will not be excessive and it is my conviction that the exemption is justified.

VETERANS

All of us are aware that many men and women who served our nation with loyalty and honor in the Armed Forces are in need of compassion and assistance.

The older veteran all too frequently is the victim of service-connected illnesses or disabilities. The younger veteran, meanwhile, often finds it difficult to enter or re-enter the civilian labor force.

Under present Nevada law, a disabled veteran, specifically designated as such by a provision in the U.S. Code, is entitled to a \$10,000 reduction in assessed valuation on real property or personal property. This statute, however, limits eligibility to only those persons who entered military service while residents of Nevada.

I am recommending that the law be amended to extend this benefit to all eligible disabled veterans presently living in Nevada, regardless of whether they were residents of our State when they entered the Armed Forces.

In addition, I am recommending an appropriation of \$30,000—\$15,000 in each year in the biennium—which would be disseminated by the State Commissioner for Veterans Affairs to major recognized veterans organizations. These organizations, in turn, would use the money to assist their members and other qualified veterans.

TAX RELIEF FOR ELDERLY

I respectfully invite the attention of the Legislature to a provision in my budget to greatly expand property tax relief for older Nevadans. This can be accomplished without additional cost to the State.

You will recall that the bill enacted by this body in 1973 granted property tax rebates of up to \$300 for a household in which the taxpayer was 65 years of age or older.

Unfortunately, this pilot legislation proved inadequate, principally because the State did not use precise data on which to estimate the number of persons who would be eligible. The result was that only about 700 elderly Nevadans were found eligible and each collected an average rebate of \$108.

My new proposal would give refunds to nearly 5,000 more citizens by lowering the qualifying age from 65 to 62 and raising the annual income limitation from \$5,000 to \$10,000. In addition, I am asking for refunds based on a percentage of property taxes paid according to income levels. These changes would benefit elderly citizens who either own their own property or are renters.

At a time when so many older people are victimized by inflation, I believe this proposal deserves priority consideration and I commend it to your attention.

STATE EMPLOYEES

There should be very little suspense about the recommendation I am making for increases in salaries for the State's 7,200 classified employees.

The reason there should be little suspense is that it has been in the newspapers and on television for the past 2 weeks.

My budget proposal calls for a 15 percent increase effective January 1, 1975. In addition, classified employees would receive up to 7 percent more on January 1, 1976, depending upon the rate of increase in the Consumer Price Index.

This recommendation took the following into account:

1. Between September 1972 and September 1974, the Consumer Price Index increased slightly more than 20 percent. For this period, classified state employees received only one adjustment, and that was no more than 5 percent. Thus, the 15 percent I am asking will merely permit our classified employees to "catch up" to the pace of inflation.

2. Surveys conducted by the Personnel Division have made it clear that state

salaries generally are lagging behind those paid by city and county governments in the principal population areas of Nevada. Even with the 15 percent increase this year, our employees would still trail their counterparts in some of those political subdivisions.

My budget also recommends a 35 percent increase in the State's contribution to the Employees Group Health Insurance Plan during 1975-76 and a 10 percent increase the following year. And I am proposing that the State increase its contribution to the Public Employees Retirement System by another 1 percent.

Finally, I believe all state employees should be covered by unemployment insurance. This blanket coverage is being provided for the first time during the present calendar year. However, there is no assurance that Washington will fund the program for state employees in the future. I am therefore recommending that we assume the obligation.

As indicated earlier in my remarks, I have been most pleased with our personnel practices in state government.

Long before we were required to draft an affirmative action plan by the federal government, we already had moved rapidly forward in offering opportunities to qualified minorities and qualified women.

This affirmative action plan, now on my desk, is a blueprint for the future but it is also a reminder that our efforts in the past have produced effective results.

PUBLIC EMPLOYEES RETIREMENT

You will find in my budget a request for \$2,009,700 to provide a \$50 per month increase for those public employees who retired prior to July 1, 1963.

The formula used prior to that date allowed the individual to retire at a maximum monthly income of \$390. Many retired at lesser amounts with the current average monthly benefit being \$186.51. As a result, benefits paid are very low, particularly by contemporary standards.

SOCIAL SERVICES

If there is one specific section of my budget to which I would invite the attention of the Legislature, it is to those programs administered by the Department of Human Resources in the critical area of social services.

These include a wide spectrum of mental health and mental retardation programs for children as well as assistance for our elderly citizens in need.

Within the limitations of the budget, my administration is recommending program increases and capital improvements. It is my sincere wish that we could do even more, for these are programs where human needs are the greatest and human compassion is most valued.

I am recommending 15 percent increases in each of the following categories—Aid to Dependent Children, Old Age Assistance, and Aid to the Blind.

These adjustments, if approved, would raise the average Aid to Dependent Children payment from \$45 to \$51.50, the maximum Old Age Assistance payment from \$185 to \$212.75, and the maximum Aid to the Blind payment from \$215 to \$247.25.

Also, my budget recommends construction of the Children's Behavioral Facility in Washoe County and the construction of the Desert Developmental Center in Clark County for retarded citizens.

The Washoe County facility would offer services now being provided to Southern Nevada youngsters at the Emotionally Disturbed Children's Clinic there.

It would be constructed at a cost of \$1.6 million and an out-patient facility could be provided until the building is completed.

The Desert Developmental Center, meanwhile, would cost \$2.7 million to build. Here again, out-patient treatment could begin in the next fiscal year.

I am recommending staff increases at the major facilities which provide assistance in the areas of mental health and mental retardation—eight new positions at the Clark County Emotionally Disturbed Children's Clinic, three at the Henderson Mental Health Center, four at Rural Mental Health Clinics and three at the Nevada Mental Health Institute.

Equally important are programs to provide for the needs of foster children. In this area, I am requesting money to train professionals to serve as foster parents for difficult children with emotional problems. It is hoped that some 20 of these foster homes can be developed during the biennium.

I am also asking \$177,200 from the General Fund to expand programs and foster care payments for those who provide love and attention to mentally retarded children.

Also included in my request are funds for protective child services and child abuse prevention.

Finally, because of overcrowded conditions, I am asking \$680,000 to construct two additional cottages at the Nevada Girls' Training Center in Caliente, and I am asking for 12 new supervisory positions at the Nevada Youth Training Center at Elko.

These are all programs of proven or potential worth and it is my hope that they will receive your favorable attention.

As in previous years, education commands a major share of our tax dollar. I have indicated that 61 cents of every dollar received from Nevada citizens is invested in our young people. They, in turn, are the most promising hope we have for the future.

I am proposing a record appropriation for higher education—an increase to \$89.7 million for the biennium compared to \$67.5 million for the present 2-year period. It is money well spent, although the increase reflects our inflationary economy. Schools have been particularly hard hit by the rising costs of utilities, fuel, and other necessities.

Included in the higher education budget is a 47 percent increase in support for our Community College System—from \$7.9 million to \$11.6 million. Here again the increase is justified, since it is estimated that actual full-time equivalent student enrollment in the system will more than double during the next biennium.

I am also recommending a substantially greater support for elementary and secondary education. In the present year, the average amount expended for each pupil is \$1.009. The budget proposal would increase that to \$1.160 next year and \$1.243 the following year. These increases are possible because of record General Fund support for the Distributive School Fund.

In addition to this ongoing operational support, I am also recommending a one-time only appropriation of \$1 million to Nevada's local school districts. These moneys will permit local school districts to acquire library materials, purchase school buses and carry out minor construction projects.

Since 1971, the Legislature has appropriated a total of \$415,000 for narcotics and drug abuse education programs for Nevada's elementary school teachers. The program, by any yardstick, has been a success and has benefited hundreds of young people whose teachers were able to inform them of the grim consequences of drug usage.

This program already has been made available to children in grades 5 and 6 and program preparations have been made to offer it to youngsters in grades 7 and 8. However, this will require a new appropriation of \$250,000.

This endeavor has been an excellent example of state leadership. At the end of the biennium it will have been successfully developed and will then be absorbed by local school districts.

PREScription DRUG PRICES

At the last session, the Legislature approved my recommendation to remove the laws preventing the advertising of prescription drug prices. This measure was designed to help consumers, and especially our senior citizens, obtain the lowest prices for their prescription drug needs.

To complete this effort, I am recommending enactment of a law to require the posting of prescription drug prices. Such a law will permit comparison shopping and stimulate competition which will benefit a great many Nevadans.

HOUSING FINANCE AGENCY

The construction industry in Nevada and across the nation has fallen upon hard times. Housing starts are at the lowest level they have been in many years. The average potential home owner is being priced out of the market.

Accordingly, I am recommending the creation of a Housing Finance Agency within the Department of Commerce in an effort to expand middle income housing in our State.

The agency would issue tax-free revenue bonds and use the proceeds to reduce

the interest rate being paid by consumers who do not presently qualify for conventional home loans. After an initial appropriation, the program would be self-sustaining and able to repay the start-up costs.

CONSUMER AFFAIRS DIVISION

I would also like to call your attention to the fine work being done by the Consumer Affairs Division. It has compiled an outstanding record on behalf of consumers during the 4 years of its existence.

Last year alone, the division received more than 8,000 complaints and resolved 75 percent in favor of the consumer.

However, it must be pointed out that the vast majority of businesses in Nevada are operated with integrity and fairness. The average retail merchant is most cooperative in correcting errors or clarifying misunderstandings.

There are several proposals to expand the work being done by the division. I urge you to carefully consider their merits with a view towards improving the protection afforded consumers in Nevada.

EQUAL RIGHTS AMENDMENT

Possibly no other proposal before this Legislature will be debated with more spirit than this proposed constitutional amendment.

I am keenly aware of the controversy and I have made it a point to acquaint myself with the principal arguments, both for and against. I might add that many of my personal acquaintances are sharply divided on the issue.

As Governor, I have stressed moving qualified women into top executive posts in state government. One of my appointees is the first woman in the history of Nevada state government to head a "super agency," the Department of General Services. On my own personal staff, three of my six highest-salaried assistants are women. I have more than doubled the number of women serving on state boards and commissions, and many of these appointments mark the first time women have been named to certain policymaking boards.

Under my administration, 42 percent of the total state work force is comprised of women, and women now hold 34 percent of all available supervisory and managerial positions in state government.

These statistics reflect a growing awareness of the contributions that can be made by women and a growing responsiveness to the moral imperative which requires their inclusion in the conduct of government.

The fact is, however, that discrimination based on sex does exist in many segments of our society. It is reflected in credit procedures and employment opportunities and in other areas as well.

Our society is in transition. More and more women are required to work not by choice but by necessity. In Nevada, there are presently 62,000 married women in the labor force. Another 14,000 Nevada households are headed by women who have the responsibility of supporting their children.

A proverb tells us that "women hold up half the sky." They also are willing to assume their share of obligations and responsibilities. In return, they are entitled to a full share of the rewards of life in a democratic society.

Accordingly, I urge the Legislature to ratify the 27th Amendment.

TAX STUDY

The Assessment and Tax Equity Committee was established at my request by the 1973 Legislature, since the financing of our form of government is based upon the principle of fair and proportionate taxation.

It was to ensure such equality of the tax burden that I asked for the study. The members of this committee, including three of the legislators present tonight, spent many long hours of careful and diligent review of our tax system. This report is available for your study.

I commend it to your attention and urge you to implement those of its recommendations designed to bring about a more equitable sharing of the tax burden in our State.

BICENTENNIAL COMMISSION

I am recommending an appropriation of \$150,000 for the Nevada American Revolution Bicentennial Commission to support its operating needs through the next biennium.

This seems a worthwhile investment, since the activities planned by the commission throughout the State should be a fitting testimonial to our history and heritage. These activities will provide a large harvest of memories, particularly for our children.

ONE-TIME APPROPRIATIONS

In the interest of conserving time, I will not go into great detail on a number of my requests for one-time appropriations. However, I would like to commend them briefly to your attention.

—\$3.2 million to establish a fund in the treasury from which industrial insurance benefits would be paid to victims of silicosis and survivors of victims who have died.

—\$3.5 million for the Highway Department to build a maintenance and equipment complex in Las Vegas. The existing headquarters no longer meets fire and safety codes.

—\$301,000 for the purchase of three bookmobiles and the books to stock them. These vehicles would serve the areas of Elko County, Clark County, and Washoe County. Included in the books would be those suitable for children 3 to 8 years old.

—\$268,000 for the Department of Economic Opportunity to operate a "New Careers Plan." This would offer 300 young Nevadans, ages 17 through 26, a chance to embark upon rewarding professional and para-professional careers.

—\$250,000 to provide training in ambulance equipment under the Emergency Medical Services Program.

—\$100,000 to the Bureau of Services to the Blind to purchase equipment and other necessary supplies for vending stands which would be managed by sightless operators.

—\$100,000 to Clark County for the construction of a facility which would serve as a "Halfway House" for boys who are scheduled to return to the community after custodial care at the Nevada Youth Training Center or the Spring Mountain Youth Camp. This facility would be operated by the county.

—\$20,583 to Lincoln County for hospital construction costs which were not covered by federal funds used on the project.

—\$100,000 to provide equipment and supplies for positions funded by three federal manpower programs.

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

Seconded by Assemblyman Hayes.

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 Gojack moved that the Joint Session be dissolved.

Seconded by Assemblyman Harmon.

Motion carried.

Joint Session dissolved at 7:48 p.m.

ASSEMBLY IN SESSION

At 7:55 p.m.

Mr. Speaker presiding.

Quorum present.