

Report of the Nevada Legislative Counsel Bureau

BULLETIN No. 13



NEVADA LEGISLATIVE
COUNSEL BUREAU

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NEVADA LEGISLATIVE COUNSEL BUREAU

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J. E. SPRINGMEYER.....	Legislative Counsel

LETTER OF TRANSMITTAL

To the Members of the Legislature of the State of Nevada.

GENTLEMEN: Pursuant to the provisions of section 4, chapter 102, Statutes of Nevada 1947, I have the honor to submit herewith the biennial report of the Nevada Legislative Counsel Bureau for the period beginning January 1, 1949, and ending December 31, 1950.

Respectfully submitted,

J. E. SPRINGMEYER,

Legislative Counsel.

FOREWORD

The Nevada Legislative Counsel Bureau is a fact-finding organization designed to assist legislators, State offices, and citizens in obtaining the facts concerning the government of the State, proposed legislation, and matters vital to the welfare of the people. This office will always be nonpartisan and nonpolitical; it will not deal in propaganda, take part in any political campaign, nor endorse or oppose any candidates for public offices.

The primary purpose of the Bureau is to assist citizens and officials in obtaining effective State Government at a reasonable cost. The plan is to search out facts about government and to render unbiased interpretations of them. Its aim is to cooperate with public officials and to be helpful rather than critical. Your suggestions, comments, and criticisms will greatly aid in accomplishing the object for which we are all working—the promotion of the welfare of the State of Nevada.

REPORT OF THE LEGISLATIVE COUNSEL BUREAU 1949-1950

Section 3, of chapter 102, Statutes of Nevada 1947, reads as follows:

SEC. 3. It shall be the duty of the counsel (a) to collect information concerning the state government and its cost, and matters pertaining to the general welfare of the State; (b) to examine the effects of previously enacted statutes; (c) to deal with important issues of public policy and questions of statewide interest; (d) to prepare a legislative program in the form of bills or otherwise, as in its opinion the welfare of the state may require, to be presented to the next session of the legislature; and (e) to establish and maintain in cooperation with the attorney general preceding any regular legislative session a bill-drafting service for the purpose of aiding and assisting members of the Legislature in the preparation of bills, resolutions, and measures.

One of the several reasons for the creation of the Nevada Legislative Counsel Bureau was to provide the Legislature with information on the functions of offices, departments, institutions, and agencies of the State of Nevada and what they cost. In other words, where does the money come from, what is it spent for, and is the taxpayer getting his money's worth?

Mr. Frank Helmick, the late legislative counsel, in his report to the 1947 session of the Nevada Legislature, remarked as follows:

Many of the State departments or agencies have a peculiar attitude toward the Legislature and the public they are supposed to serve. A session of the Legislature, to some departments, is something to be endured and to get over with as early as possible. If a department is able to wrangle more funds from the Legislature than is necessary, the feat is something to brag about to other and more unfortunate department heads. And, if it can be done without laying the whole picture before the lawmakers, so much the better. There is little thought given by one department or institution to the needs of another, or of the possibility that, if one department's demands are met, funds must be taken away from another. It's everybody for himself and the devil take the hindmost. This lack of cooperation continues throughout the years, and only a few departments render any sort of aid to another. Many departments operate on the theory that only that information a department believes the Legislature, or taxpayer, should know should be given them, and if there are special funds available, or surpluses remaining in operating funds, that is the business of the department involved and is

of no concern to anyone else. * * * One of the best means of curbing extravagance and waste in government is full publicity, and until the Legislature requires that the State officers and heads of departments, institutions, and agencies give a full accounting of their stewardship of the people's money, extravagance and waste will continue. * * *

From the time when Nevada first became a State until 1945 when the Legislative Counsel Bureau was first created, the only contact that various State departments had with the Legislature occurred right during legislative sessions, when time is short, pressures are being exerted in all directions, and there is little opportunity to explain the complications of governmental management and finances to legislators, who for the most part, have only brief contact with the State's government once every two years. Your Legislative Counsel is happy to report that in the great majority of cases he has received complete cooperation from every department and agency with which he has had contact. All the desired information relative to the finances and operation of the various State departments and agencies has been given willingly and to such extent as time has permitted, keeping in mind that the Legislative Counsel Bureau is a two-man agency, and has not the time nor the staff to cover these matters to the desired detail. There is need for a promotion of understanding between the departments and agencies of the executive branch of Nevada's government and the Legislature. Your Legislative Counsel feels that progress is being made in that direction, and that increased understanding between the two branches of Nevada's government will slowly but surely result in an improved and more efficient government.

As far as lack of cooperation between the State's various departments and agencies is concerned, it must be pointed out that it will always be difficult to achieve the desired cooperation because of loose organizational structure of Nevada's present governmental system. There are 109 State departments, boards, offices, agencies, and institutions in Nevada's government, each one practically independent of every other one, and each going his own separate way. It is impossible to see the forest because of the trees; each department sees its own particular job, and over-all coordination is difficult to achieve because of Nevada's disjointed governmental system. Functional departmentalization along with centralized and definite lines of responsibility would go far towards achieving better governmental management.

The President's Committee on Administrative Management in its report entitled, "Administrative Management in the Government of the United States," clearly sets forth the basic purpose of any governmental reorganization:

In proceeding to the reorganization of the government, it is important to keep prominently before us the ends of reorganization. Too close a view of machinery must not cut off from sight the true purpose of efficient management. Economy is not the only objective, though reorganization is the first step to saving; the elimination of duplication and contradictory policies is not the only objective, though this will

follow; a simple and symmetrical organization is not the only objective, though the new organization will be simple and symmetrical; higher salaries and better jobs are not the only objectives, though these are necessary; better business methods and fiscal controls are not the only objectives, though these, too, are demanded. There is but one grand purpose, namely, to make democracy work today in our national government; that is, to make our government an up-to-date, efficient, and effective instrument for carrying out the will of the nation. It is for this purpose that the government needs thoroughly modern tools of management.

In 1924 the State Survey Commission employed the New York Bureau of Municipal Research to do a study on the organization and management of the government of the State of Nevada. Although this survey was conducted by perhaps the most eminent administrative analyst in the field of state government, A. E. Buck, none of the recommendations made therein ever became law. The following is a significant quotation from that study:

It has long been apparent to the State officials, to members of the Legislature, and to citizens generally, that the organization of the State government of Nevada, simple enough at the start, has become an unwieldy and inefficient governmental machine through the additions from time to time of new duties and functions to various offices, and through the creation of a large number of boards and commissions. Constitutional offices created for specific purposes have been compelled by Legislative enactment to take on new duties which have no logical relation to their prime purpose and for whose efficient administration these offices had no special qualifications. The small taxable wealth of the State and the consequent paucity of public revenue precluded the use of the methods employed in wealthier states of creating new offices and commissions for all the new governmental functions which the State was gradually assuming. The result has been that the Legislature from time to time placed new duties and functions on offices already existing and created numerous boards whose ex officio members were already in the employment of the State. New commissions with salaried officials were also created. The final result of this perfectly natural though makeshift policy of the Legislature was a State government consisting not only of the constitutional elective offices in the administrative departments, but of a bewildering array of boards and commissions and appointive officers.

This quotation from the 1924 study is still applicable today. Its criticism of unwieldy structure is mild in view of the increasing acuteness of the problem caused by 25 years of growth and inaction. The State itself has grown in a rapid but haphazard fashion, and the administrative structure has followed suit. As the complexity of government increases, more formal machinery becomes necessary to handle matters which at one time could be satisfactorily dealt with

informally. Further, as the complexity of government increases, a loosely knit administrative structure becomes progressively more inefficient. This is the case in Nevada today.

In 1948, Mr. Albert Gorvine compiled a study for the Nevada Legislative Counsel Bureau entitled, "Administrative Reorganization for Effective Government Management in Nevada," setting forth numerous proposals for reorganization and consolidation of various State departments and agencies. Students of government in Nevada recognize that the 1949 Nevada Legislature enacted more good and constructive legislation than any Legislature in Nevada's history, and in doing so, it enacted into law a goodly number of recommendations made in the well-known Gorvine report. The Gorvine report recommendations enacted into law were: (1) consolidation of the administration of various State highway revenue-producing Acts, commonly known as the "Motor Vehicle Consolidation Law," (2) the enactment of a powerful budget control law, (3) the abolition of the office of the State Auditor and the creation of the office of Legislative Auditor, thus placing the post-audit function in the legislative branch, (4) the reorganization of the State Welfare Department, (5) the reorganization of the Nevada State Library, and (6) reorganization of the Department of Buildings and Grounds. Parallel recommendations on these six matters were made by the Legislative Counsel Bureau to the 1949 Nevada Legislature.

The Gorvine report sets a general pattern of reorganization and consolidation in the government of the State of Nevada. As slow and careful study is made of the various State departments, institutions, and agencies, the need for various changes and reorganizations will become apparent and proven, and while the finally recommended form of such changes and reorganizations may differ from specific recommendations in the Gorvine report, the general pattern set forth in the report provides an adequate guide. Slow and careful reorganizational studies not only mean that the job will be done with minimum survey expenditures, but that the facts relative thereto may be completely and accurately compiled. In addition, it enables the people and legislators to become familiar with the problems involved. It should also be noted that while such surveys are being made, the Legislative Counsel Bureau will continue to gather facts and information on the various phases of government and various public problems, and will compile great quantities of financial information relative to the various State departments, institutions, and agencies.

Fitting into this general pattern is Legislative Counsel Bureau Bulletin No. 10 entitled, "Survey of the Nevada Hospital for Mental Diseases," containing 34 recommendations relative to reorganization and operation of that institution. Legislative Counsel Bureau Bulletin No. 11, entitled, "Report of the Legislative Auditor," contains the most comprehensive financial information relative to Nevada's government, and the various State departments, institutions, and agencies, ever compiled. It is earnestly suggested that the recommendations contained in Bulletins Nos. 10 and 11 be given careful study and consideration by members of the Legislature and citizens of the State of Nevada.

The Nevada Legislative Counsel Bureau made 19 separate and distinct recommendations to the 1949 Nevada Legislature that were possible of enactment into law, and of this number, 12 were enacted and are in full force and effect at this time. The recommendations enacted into law were as follows:

- (1) Authorization for the printing of enrolled bills.
- (2) The establishment of a 40-hour work week in the offices of all State departments and agencies.
- (3) The enactment of a powerful budget-control law.
- (4) The abolition of the office of the State Auditor, and the creation of the office of the Legislative Auditor, placing the post-audit function in the legislative branch of the government.
- (5) The enactment of provisions in the budget-control law requiring all departments and agencies, whether the sources of their funds are private, federal, or earmarked by the constitution for special purposes, to submit budgets for legislative approval.
- (6) Various State departments and agencies whose administrative expenses were heretofore paid from a percentage of their collections were required to operate on funds appropriated by the Legislature on the basis of budgets properly justified.
- (7) Provision that the entire State property tax rate be earmarked for the General Fund, with the exception of small portions earmarked for the University of Nevada and the Consolidated Bond Interest and Redemption Fund, and elimination of the practice of supporting certain State departments and agencies and programs with earmarked portions of the State property tax.
- (8) The construction of a new State office building.
- (9) The reorganization of the Department of Buildings and Grounds.
- (10) The reorganization of the Nevada State Library and of the funds incidental thereto.
- (11) The reorganization of the State Welfare Department.
- (12) Provision for study of the feasibility and desirability of placing all counties on a fiscal year basis.

The following recommendations adopted by the Legislative Counsel Bureau for presentation to the 1951 Session of the Nevada Legislature are not necessarily placed in the order of their importance.

(1) PERSONNEL

That an adequate and comprehensive personnel system be created, with provision for uniform job and salary classifications, and for the selection of employees on the basis of merit. Mr. Albert Gorvine, in his report entitled, "Administrative Reorganization for Effective Government Management in Nevada," devoted all of chapter IV in the report to the advantages of an adequate, well-engineered merit system as applied to State departments, agencies, and institutions. Sixteen pages of chapter IV cover the problem completely in Nevada. There is no doubt of the need for uniform job and salary classifications; people doing approximately the same work should receive approximately the same pay. The absence of any method of achieving such uniformity has lowered the morale of State employees, resulted in some unrest and dissatisfaction, and promoted a listless "who cares"

attitude on the part of various employees, all of which results in loss to the State and to the taxpayers.

Great strides can be made toward the solution of this problem by the creation of a uniform job and classification system under the guidance of a qualified director of personnel. But it appears that, while we are at it, we might as well make an effort to obtain more capable personnel also. The fact that a Public Employees' Retirement System was set up in 1947 means that a system of employment promoting some permanence of tenure is necessary if the retirement system is to be of value to very many employees. There is no doubt that employee turn-over has been high in most departments through the years. On the other hand, it should be carefully noted that a properly engineered merit system does not set up a "super government" within the government—that once employees are "in" they cannot be removed. For instance, if an employee cannot fit into the operation of a department, cannot cooperate with the officer in charge, or is a disturbing influence, those things are grounds for dismissal, and, as long as such things are true and factual, there is no question of the properly engineered merit system preventing such dismissal. At the present time 20 states have comprehensive civil service programs, and in the remaining 28, including Nevada, merit systems are in operation which cover at least those employees engaged in federal-state public assistance and employment security programs. There must be a reason for all this. While it may take some 10 or even 20 years for all the advantages of a state-wide merit system to appear, since it will be necessary to "blanket in" all present employees, it appears that we ought to start now. During the fiscal year 1949-1950 the government of the State of Nevada actually expended \$16,842,416, and it employed at various times between 1,400 and 1,550 employees. Many private businesses operating on a far smaller scale and having far fewer employees have comprehensive personnel programs, and if that is the case in private business it should be the case in a government as large as the State of Nevada's. For instance, the city of Reno has a personnel system providing uniform job and salary classifications and providing for the selection of employees on the basis of merit. The proposed general personnel system does not duplicate the present merit system, but rather consolidates the two, and repeals the law creating a merit system for the three State departments dependent wholly or partially upon federal funds at the present time. The proposed bill provides a method of financing whereby each department, agency, or institution will pay a pro rata share of the administrative cost depending upon the number of their employees in the classified service. This means that a large amount of federal money will be contributed to the cost of administration, as well as money from special earmarked funds such as funds under the control of the Department of Highways or the Basic Magnesium project, etc. The share to be borne by the agencies supported by legislative appropriation from the General Fund will cost approximately \$12,500 a year. Hence, a legislative appropriation of \$25,000 for each biennium will be necessary. In addition, it will be necessary for the Legislature to create a \$25,000 working fund at the beginning, to operate as a pool into which contributions from the departments and agencies may be deposited, and

from which expenditures can be made. The director would be in the classified service, and would be selected by competitive examination under the provisions of the personnel system.

(2) PURCHASING

That a central State purchasing agency be created, with the provision that its facilities be made available to the counties, cities, and schools of Nevada on a voluntary basis. Mr. Frank Helmick, in his report to the 1947 Legislature, remarked as follows:

Creation of the office or department of purchasing agent should be on the Legislative program this session. At the present time, every department, agency, or institution of the State makes purchases, and particularly small purchases, with no control whatever over them except the amount of money they have available to spend. In most instances, it is like sending the small boy of the family to the store to buy something for supper. * * * A favorite device of a department is to make the purchase piece-meal. That is, have the office billed for a part of the equipment each month until paid for. * * * Some departments are even able to buy automobiles by that system. Combining the purchase of office supplies, fuel, flour, and other necessities would result in savings that would pay the cost of the operation of the purchasing agent's office and return a neat sum to the treasury besides. Every other state has a similar system. Few, if any, of the State officers, or department heads in Nevada, however, favor such a program.

Mr. Albert Gorvine, in his study entitled, "Administrative Reorganization for Effective Government Management in Nevada," remarked as follows:

Nevada has no organization for central purchasing. The Highway Department and the Department of Employment Security however, do their purchasing, to some extent, on a scientific basis. In order to secure the most favorable prices, they purchase in quantity and call for bids. Other departments do not do this because they are not large enough to require such quantities of supplies as would enable them to purchase in bulk. Therefore, they must buy all their supplies in small quantities at a higher unit cost. The State institutions, however, which together use large quantities of the same supplies, purchase separately and sometimes at retail prices. A detailed investigation by the State would undoubtedly reveal that the savings resulting from wholesale purchasing would be considerable. It has been conservatively estimated by those long engaged in public purchasing, as well as by those who have made a study of purchasing practices, that from ten percent (10%) to fifteen percent (15%) of the total amount of annual purchases can be saved by efficient centralization.

Another unfortunate aspect of the existing situation is that there is no central place where a department can secure com-

plete and impartial information as to the type of equipment best suited to its needs. For example, there are numerous types of recording devices available such as Soundscribers, Recordacs, and a variety of wire recorders. One may be best for recording conferences, a second may be best for simple dictation, a third may be best if it is desired to retain the original recordings indefinitely. An office desiring to make such a purchase should have available complete and accurate information on the advantages and disadvantages of each type of equipment. Competing salesmen are not the most reliable sources of such information.

The present dispersed method of purchasing makes it extremely difficult to eliminate the possibility of rebates to the individuals who do the purchasing for each department. This is not to say that such practices necessarily exist at present; however, there is no assurance that they will not arise in the future as the State develops. It is much easier to establish controls over a single purchasing officer than over the multitude of individuals presently performing such duties. Careful public scrutiny, which is not the case at present, will be directed toward the activities of a central purchasing officer and will immediately reveal any apparent irregularities.

Contrary to popular opinion, central purchasing will not necessarily require large storage facilities. Goods can be contracted for in bulk at wholesale prices, with the seller making deliveries of small quantities as needed from time to time. With respect to items used by all, the central purchasing officer can arrange with the Highway Department for the joint utilization of the latter's present storage facilities.

In a public information document entitled, "The Heart of the State Purchasing Problem," the Nevada Taxpayers' Association remarked as follows:

Seventy-three state agencies, boards, bureaus, divisions, departments and institutions which were covered in this survey annually purchase an assortment of commodities ranging all the way from brassiers to bolts. Among the diverse purchases may be found such commodities as automobiles, on the one hand, and needles and thread on the other. Most of these items, together with several hundred others, are purchased singly and with apparently considerably less thought and planning than an efficient housewife gives to the weekly grocery shopping. It is estimated that, in the agencies covered, at least \$150,000 biennially could be saved if a more modern system were operated. And this study did not include the Highway Department or the University of Nevada. The University was not included, since its purchase methods were analyzed in a separate study of the University; and the Highway Department was not included, since it operates largely on its own funds.

The survey covered the fiscal year 1948-1949 and the report

was based on 135 pages of tabular material compiled by the Nevada Taxpayers' Association.

The survey revealed 10 major deficiencies as follows:

- (1) Of the departments covered, only on rare occasions does the State receive a cash discount and this is rarely above 1 or, at the most, 2 percent.
- (2) Ninety-seven percent of all State purchases are made on the open market at the prevailing price for small purchases. The consolidation of similar purchases by departments on a bid basis is not used.
- (3) Thirty-six percent of all bills paid are for totally less than ten dollars (\$10), while the number of items purchased amounting to less than 10 dollars is well over 75 percent.
- (4) There are numerous purchases of less than one dollar and 16 percent of the total number of purchases are for less than five dollars (\$5), while only 8 percent are for more than one hundred dollars (\$100). The larger purchases are found most frequently in the State Prison, Orphans Home, and State Mental Hospital (it being kept in mind that the University and the Highway Department are not included in this study).
- (5) There is a good deal of variation between the various agencies as to the price paid for the same commodity. This cost difference often runs as high as 15 percent, and is usually the result of the quantity purchased.
- (6) Many agencies duplicate each other's purchases of expensive and infrequently used office equipment.
- (7) There is no inventory control over most commodities and, in practically every instance, the goods are certified as being received by the same person who makes the original purchase, thus making collusion possible.
- (8) Purchases reflect a lack of long-range planning on the part of departments. There are recorded instances, for example, of the department purchasing the same item twice on the same day.
- (9) The purchase of automobiles individually by the agencies has been seriously abused. A spot check of state-owned cars revealed that, without exception, they were the most expensive model of a particular make and equipped with expensive and unnecessary accessories.
- (10) Without taking the University of Nevada and the State Highway Department into consideration, \$150,000 biennially could be saved through the inauguration of more modern and centralized purchase methods.

There is a definite trend toward establishing modern, centralized purchasing agencies to do all of the buying for the State on a professional basis. While it is difficult to determine the savings made by centralized purchasing, according to the Council of State Governments there is evidence they are about 20 percent. Such savings

result in many ways. Better over-all administration is supplied, coordinating the buying and use of supplies by the departments. Specially trained staff replaces the larger number of employees who were buying for the various departments. More competitive bidding and lower prices result from bid offerings being sent out from a single office for larger quantities. Unnecessarily large varieties of different types of commodities purchased are reduced through standardization programs. Specifications are developed for the particular quality of the material needed. A testing and inspection program assures actual delivery of amount and quality of commodity purchased.

The key to the success of the centralized purchasing agency usually lies in its being headed by a competently trained, capable administrator. In 25 states the purchasing director has no fixed term of office, but serves on an indefinite basis. In five others he is under civil service. The salary—paid state purchasing directors averages about \$6,000 per year in the various states, and in one case is as high as \$13,000.

The degree to which purchasing is centralized in a single buying agency varies considerably from state to state. In all but five states there is some degree of centralized buying. In 19 states, central agencies do all the buying for the state except for the legislative and judicial branches. In 20 others it is highly centralized, but in each case one or two departments or agencies are permitted to buy independently of the central agency. In this latter group the universities, colleges, and highway departments are the units most frequently exempt from centralized purchasing. In 12 of these 20 states the universities or colleges are exempt and in five the highway departments are exempt. Instead of the purchasing law exempting certain agencies from centralized purchasing, a number of states provide that with the permission of the purchasing director certain appropriate types of commodities may be purchased independently by any department or agency.

A number of states authorize their political subdivisions, if they choose, to buy through the state purchasing agency in order to take advantage of the lower prices which result. About one-fifth of the states permit local school systems to buy on state contracts. Savings range from 15 to 25 percent on commonly used types of supplies and equipment.

There has been a very marked trend in recent years to expand the functions of the purchasing department. A concept has arisen that the purchasing department should become the materials manager for the state. In such states, warehouses and special types of central stores are maintained to service the various departments and agencies. In eight states, the purchasing department is responsible for maintenance of a perpetual inventory of the state's property and equipment. The purchasing director frequently has authority to transfer property between departments and to dispose of surplus property by sale or otherwise. Purchasing of insurance on buildings and equipment, in the states where it is permitted, often rests with the purchasing department, as well as the buying and leasing of property.

Another phase of the department's expansion has been in making it responsible for provision of central "housekeeping" services. The

purchasing departments of nine states operate central mimeographing and duplicating services. In eight states, central mailing rooms are operated by the purchasing department. Seven states operate car pools under the management of the purchasing director. Four purchasing departments have set up repair and servicing shops for typewriters and other office machines. Remarkable savings have been shown through the centralizing of these general "housekeeping" services.

The cost of operating the centralized purchasing departments are indicated as being very low in various states. According to the Council of State Governments, of the 40 states reporting, only five spend more than 1 percent of the dollar value of all their purchases for operation of the purchasing department. The cost of operating the average purchasing department at current price levels appears to be roughly three-fourths of 1 percent of the dollar value of purchases made. Comparisons among states of these costs of operating figures would be very misleading. One would have to know the type of job done in order to make comparisons. For example, some states where only a few large contracts are let for highways, tires, cars, coal, etc., would have a lower operating cost for the centralized purchasing agency than would other states where purchasing agencies buy all types and amounts of commodities.

The purchasing laws of a number of states specify in detail the procedures and methods of operation to be followed. A few states, however, leave a great deal more discussion with the purchasing director. In New Jersey and Maryland, for example, he may purchase by negotiation rather than by competitive bidding when, in his judgment, that is in the best interest of the state.

One question on which there has been some disagreement is whether or not bid or performance bonds should be required by purchasing departments. If they are required, their cost is added to the bids of suppliers. A survey has indicated that the statutes of 35 states do not require them. Two states demand them only for certain specified articles. While the statutes of many states do not require the bonds, they permit the purchasing director to do so when in his discretion they are needed to protect the interest of the state.

Another costly practice now seldom followed is newspaper advertising for bids. Twenty states report that they spent less than five hundred dollars in the last year on newspaper advertising, and 16 states spent only between five hundred dollars and five thousand dollars. Only two states spent over five thousand dollars.

A belief has persisted that state bidders should be given an advantage over out-of-state bidders in selling to the state. As a rule this is done only to the extent of awarding contracts to a state bidder in case of high bids. Thirty-two of the forty-one states reporting indicated that they give actual price advantage to state bidders. This position is based on a belief that public funds should not be used to subsidize individual state bidders through higher prices. Five states, however, provide that state bidders are to be given a 5 percent preference. In one state, this preference may be at the discretion of the purchasing director. In two additional states, a 5 percent preference is given on state manufactured articles rather than to state bidders,

and in another this type of preference may be granted at the purchasing director's discretion.

Revolving funds are an essential part of the operation of the purchasing departments in 23 states. They are used for quantity purchases in advance of needs or to facilitate prompt payment to suppliers. Revolving funds vary from ten thousand dollars to one million dollars.

To summarize, it is worthy of note that 42 of the 48 states have now developed centralized purchasing systems, and that the remaining states are giving serious consideration to the establishment of a central purchasing agency. Purchasing organizations in the several states reflect the trend toward integrated financial control, and no less than 18 purchasing agencies are located within a unified finance department which covers not only the function of purchasing, but also accounting and budgeting. Fifteen other states either give the purchasing agencies separate departmental status, place it within the executive department, or make it an independent office reporting to the governor. Contrary to public opinion, central purchasing will not necessarily require large storage facilities. Goods can be contracted for in bulk at wholesale prices with the seller making deliveries of small quantities as needed from time to time. With respect to items used by all, the central purchasing officer can arrange with the Highway Department for the joint utilization of the latter's present storage facilities. It appears that a central state purchasing agency, with provision that its facilities be made available to the counties, cities, and schools, if they so choose, can affect a substantial saving for everyone concerned.

There is a small purchasing agency for surplus property operating in the State government at the present time. The 1947 Nevada Legislature enacted chapter 184, Statutes of Nevada 1947, which authorized the Board of Control to purchase war surplus property, authorized the appointment of a purchasing agent, and set up a revolving fund of ten thousand dollars. Provision should be made to transfer the functions of the Board of Control, in connection with surplus property, to the central purchasing agency, if such is created.

During the fiscal year 1949-1950, approximately \$1,596,656.75 was expended for purchases of materials, supplies, and property; said purchases being distributed in the following manner:

MATERIALS AND SUPPLIES		
General office supplies.....		\$79,308.41
Stationery, general office supplies, paper.....	\$69,858.62	
Special paper stocks.....	9,444.79	
Engineering and drafting supplies.....		5,687.62
Vellum and tracing stock.....	748.82	
Other engineering and drafting supplies.....	4,889.80	
Photography supplies.....		5,776.14
Film and plates.....	518.95	
Sensitized papers.....	120.40	
Other photography supplies.....	5,141.79	
Duplicating supplies.....		5,423.24
Stencils.....	959.61	
Other duplicating supplies.....	4,463.63	

Petroleum products		\$313,930.63
Fuel oil, butane, etc.....	51,947.82	
Antifreeze	5,543.02	
Diesel oil and distillate.....	6,797.83	
Gasoline	22,757.62	
Greases and lubricants.....	5,770.25	
Petroleum products (not separable).....	221,114.09	
Auto parts and equipment.....		184,678.30
Repairs and replacement parts.....	139,796.84	
Tires and tubes	38,071.06	
Accessories (heaters, seat-covers, etc.).....	2,271.05	
Other accessories (incl. ming plate, etc.).....	4,539.44	
Supplies and materials, maintenance and operational stores.....		357,045.83
Small tools	908.98	
Cleaning materials	1,205.23	
Shovels, picks, hoes, rakes, axes, etc.....	513.96	
Rope, sacks, lanterns, stoves, ovens, canvas.....	1,605.97	
Paints, turpentine, cleaners, traffic lacquers, etc.	57,812.48	
Lumber, lath, stakes, nails, plywood, building materials, etc.	68,039.61	
Fencing, wire, steel posts, galvanized posts, gates, etc.	12,878.06	
Road oil	55,952.29	
Cement, sand and gravel, etc.	16,463.01	
Machine bolts, bolts, screws, miscellaneous hardware	28,259.85	
Electrical supplies, conduit cable, wire, outlets, bulbs, etc.....	18,726.28	
Traffic beads, reflector buttons, scotchlight.....	4,770.04	
Stock signs, steel blanks for signs.....	1,640.77	
Sheet steel, angle iron, pipe, reinforcing steel, etc.	12,102.15	
Hose, rubber tubing, etc.....	1,105.77	
Steel and fabric tapes.....	30.65	
Plumbing supplies	22,825.99	
Other operational stores, warehouse or hardware misc. categories	42,204.72	
Supplies—Miscellaneous		77,677.84
Fuel, wood and coal	2,480.18	
Janitorial supplies, soaps, towels, etc.....	9,220.61	
First aid and medical.....	14,119.13	
Livestock feeds and mashes.....	47,328.89	
Laboratory chemicals and solvents.....	2,543.34	
Misc. laboratory supplies.....	1,985.19	
Highway Department—Roads		30,441.77
Oil mix	20,274.65	
Gravel	355.00	
Sand	6.30	
Guardrail posts	123.87	
Standard signs	682.45	
Printing Office		4,365.12
Printing materials and supplies.....	4,365.12	
Food and Clothing		151,015.87
Foodstuffs	127,696.44	
Clothing, shoes, etc.....	23,319.23	

PROPERTY ACQUISITIONS

Mobile equipment		298,965.67
Automobiles	51,588.40	
Trucks and pick-ups	63,599.21	
Heavy construction and maintenance equipment	168,865.99	
Light equipment (kettles, tractors, etc.).....	9,043.94	
Additions, betterments to equipment.....	868.13	

Office furnishings and equipment		\$63,676.85
Office equipment (furniture and fixtures).....	26,760.94	
Office equipment (machines)	25,846.27	
Rugs, draperies, blinds, etc.....	4,039.44	
Heat, lighting, ventilating equipment.....	11,413.58	
Other furniture and furnishings.....	618.62	
Other equipment		19,577.07
Drafting	600.84	
Engineering	1,173.14	
Reproducing	5,696.05	
Shop—Heavy	2,571.61	
Shop—Light	2,741.02	
Electric generating plants.....	1,587.00	
Electric, diesel, or gas pumps.....	1,890.27	
Gas or diesel power plants.....	2,921.00	
Electric motors	703.09	
Other miscellaneous equipment.....	193.05	
Grand Totals	\$1,597,514.75	\$1,597,514.75

The above figures were obtained through the post-audit examination of all claims submitted by all the various State departments, offices, institutions and agencies during the fiscal year, totalling in excess of 100,000 claims, and involving the punching of approximately 32,000 International Business Machine punch cards in order that proper tabulations might be made. The above figures do not include purchases made by the University of Nevada.

(3) MENTAL HOSPITAL

That a new law be enacted reorganizing the administration of the Nevada State Hospital for Mental Diseases is to quote certain excerpts from the law. Bureau Bulletin No. 10 entitled, "Survey of the Nevada Hospital for Mental Diseases," contains extensive information on the organization, administration, and property of the mental hospital. It is recommended that the 1951 Legislature give attention and study to the survey and the 34 recommendations contained therein.

(4) SCHOOL OF INDUSTRY

That a new law be enacted reorganizing the administration of the Nevada School of Industry. It appears that the most accurate and concise method of describing the administrative organization of the Nevada School of Industry is to quote certain excerpts from the law. Sections pertaining to administrative organizations read as follows:

SEC. 9. The permanent board of government of said institution shall consist of the governor of Nevada and four persons to be appointed by him, and removable by a majority vote of the members of the board. The terms of office of such members, other than the governor, shall expire one each year, beginning January 1, 1915, and in the appointments the times of expiration of the first appointees shall be designated in the respective appointments, and thereafter their terms of office shall be four years each. The members of said board shall serve without compensation, but necessary and reasonable expenses incurred by them in the performance of their duties as members of said board shall be paid out of the appropriations made for the maintenance of said school, when approved

by the board. They shall appoint a superintendent of the school, whose salary shall be not more than three thousand six hundred (\$3,600) dollars per year, payable monthly, and who shall hold office during the pleasure of the board. The board of government is hereby authorized to accept gifts, and in order that the home herein provided for may be prepared as soon as possible, to borrow money at a rate not to exceed six (6%) per cent, to be repaid from the fund created by this act.

SEC. 10. The superintendent shall give such bond for the faithful performance of his duties as shall be prescribed from time to time by the board, and shall, subject to the regulations prescribed by the board, be invested with the custody of the lands, buildings and other property belonging to the institution. He shall appoint, subject to the approval of the board, all teachers, officers, and employees who shall hold office during his pleasure.

SEC. 11. The board shall cause to be organized and maintained a department of instruction for the inmates of said school, with a course of study corresponding, as far as practicable, with the course of study in the state public schools and not higher than the high-school courses. They shall adopt a system of government embracing such rules and regulations as are necessary for the guidance of the teachers, officers, and employees, for the regulation of the hours of labor and study, for the preservation of order, for the enforcement of discipline, and for the industrial training of the inmates. The ultimate purpose of all such instruction, training, discipline and industries shall be to qualify inmates for profitable and honorable employment and to enable them to lead useful lives after their release from the institution rather than to make said institution self-supporting.

SEC. 12. The rules and regulations of said school and the conduct thereof by said board and said superintendent shall be in strict harmony with and obedience to the laws of the State of Nevada, and the judgments and orders of the district courts of the several judicial districts rendered and made in accordance with the laws of Nevada.

SEC. 13. This act shall be construed in conformity with the intent as well as the expressed provisions thereof, and shall confer upon the board authority to do all those lawful acts which it deems necessary to promote the prosperity of the school, and the well-being and education of its inmates, including the organization of trade schools, purchase of materials for use therein, and the doing of all other things, not prohibited, which are required to carry out the purposes of this act. The board is further authorized to pay those committed to said school small weekly or monthly sums in lieu of clothing and other necessary articles, if, in its judgment, such a course would better promote discipline and training; and for this purpose and also to meet small current and incidental expenses the said board is hereby authorized to place in the hands of the superintendent of this industrial school, through requisi-

tions approved by the state board of examiners and issued and paid by warrants as provided herein, sums of money, not to exceed five hundred dollars at any one time; *provided*, that the superintendent shall make a complete financial report each month to the board of trustees of all moneys handled by him.

An examination of the aforementioned sections indicates that the board of government is a hybrid board composed of the Governor, serving in an *ex officio* capacity and four laymen appointed by the Governor serving without pay on a part-time basis. The board of government is an example of the administrative type of board with considerable power and authority over the administrative functions of the School of Industry. This is proven by the fact that the board is authorized to accept gifts, to approve the appointment of employees by the superintendent, to establish a department of instruction in the school; to promulgate rules and regulations for the guidance of the teachers, officers and employees; for the regulation of the hours of labor and study; for the preservation of order; for the enforcement of discipline; and for the industrial training of the inmates; to pay inmates small weekly or monthly sums in lieu of clothing and other necessary articles; to allow the superintendent a contingent fund not exceeding \$500 for current and incidental expenses; and to generally do all those lawful acts which it deems necessary to promote the prosperity of the school. It appears that, as defined in the law, the powers and duties of the board of government are not as extensive as those of the board of commissioners of the Nevada Hospital for Mental Diseases, but, nevertheless, the general scope of operations of the two boards appear to be quite similar. It is suggested that the reader examine chapter III of the Legislative Counsel Bureau Bulletin No. 10 entitled, "Survey of the Nevada Hospital for Mental Diseases," for a comparison of the administrative organization of the two institutions. The general remarks set forth in the aforesaid chapter III are also applicable to the board of government of the Nevada School of Industry. However, it must be carefully noted that the administration on the grounds of the School of Industry is in the hands of one man, the superintendent, and is not divided as is the case at the Nevada Hospital for Mental Diseases. Also, the School of Industry is far smaller in every way than the Mental Hospital, and, consequently, the problems are also correspondingly smaller. As of December 1950, there were 26 boys living at the institution, and one girl being cared for at an institution for girls in Utah, said girl being under the control of, and whose care is paid for by the School of Industry. At that time the School of Industry employed five persons, including the superintendent, with one additional part-time employee.

Mr. Ward Swain assumed the duties of superintendent of the Nevada School of Industry on August 1, 1950, and the Legislative Counsel has great confidence in the ability and integrity of Mr. Swain. It is believed that many improvements and beneficial changes have been brought about since Mr. Swain assumed his new duties, and it appears that good progress will be made under his supervision. Discourse on important problems in existence at the institution as of June 30, 1950, is contained in the audit report of the Nevada School of Industry as

compiled by the Legislative Auditor. It is strongly recommended that every legislator examine the Legislative Auditor's report of the institution, as it contains a number of problems that might require legislative debate.

The 1949 Nevada Legislature appropriated \$64,806 for the support of the Nevada School of Industry for the biennium 1949-1951. This is not only an extremely limited sum to cover the cost of operation of the institution over a two-year period, but the Legislative Auditor's report indicates that \$37,150.22 was expended during the first year of the biennium. During the first year, \$4,447.22 in excess of one-half of the entire appropriation was expended. This means that a correspondingly lesser amount will be available during the second year of the biennium. In other words, the 1951 Nevada Legislature may be presented with a request for a deficiency appropriation in the amount of approximately \$5,000 to enable the School of Industry to continue operating for the balance of the biennium. This fact, along with the Legislative Auditor's Report, indicates that fiscal practices at the Nevada School of Industry prior to June 30, 1950, have been somewhat loose and possibly wasteful. Additional details may be obtained in the office of the Legislative Counsel Bureau.

Discussion with members of the board of government indicates that the board has rarely met during the last 10-year interval, that only one member has even visited the grounds of the institution even a few times, that no members of the board check expenditures nor the books and accounts of the institution, that the board has never required that the superintendent be bonded in accordance with section 10 of the School of Industry Law, and that the board has largely neglected its supervisory duties through the years. This is a very common occurrence with administrative boards composed of laymen serving on a part-time basis without pay. They are busy with their own affairs and have very little time to devote to the supervision of an institution. As a matter of fact, when the office of the Legislative Counsel Bureau made a survey of members and their terms in November 1949, it was discovered that the terms of all the members of the board of government had expired, and when it was necessary to appoint a new superintendent in the summer of 1950 there was uncertainty as to the composition of the board, and new members had to be speedily appointed. This, of course, is a responsibility of the appointing authority. True democracy is achieved by a system of checks and balances, and it is humbly suggested that closer contact, supervision, and financial examination on the part of the board of government would be beneficial to the institution and would result in improved protection of the public funds and property.

The 1949 Legislature appropriated \$64,806 for the support of the School of Industry for the biennium 1949-1951, and it appears that \$81,000 will be requested for the next ensuing biennium, an increase of \$16,194. Of the amount requested, it is proposed to expend approximately \$11,000 for the purchase of new equipment, truck, and tractor, and approximately \$20,000 for building repairs and renovations. Although the institution has a very favorable appearance from the outside, extensive repairs and renovations are badly needed inside

of the main buildings. It is recommended that the 1951 Nevada Legislature appropriate the funds requested for building repairs and renovations, and to provide for the other needs of the institution.

Mr. Richard Clendenden, in an article entitled, "A Look at Our Training Schools," printed in "The Child" magazine for October 1950, remarks as follows:

That complex and unique institution, the training school for delinquent children (generally just called the training school) does one of the most difficult of all jobs for children. It is difficult not merely because such a school must meet the diverse needs of around the clock living. It is difficult chiefly because delinquent behavior grows out of a tremendous variety of human needs, which the training school must try to fulfill. Again, the training school has not had as much public understanding and support as many other types of agencies working for children. This is not surprising, for delinquent behavior violates the rights of other people, and the public demands that such behavior be curbed and controlled. * * *

However, the mere pointing out that delinquency may result from a variety of casual factors does not fully indicate how complex are the needs that boys and girls bring to the training school. Whatever the cause of the delinquency, each child is an individual who has achieved certain levels of growth and development, who has his own peculiar background of experience, his own special human relationships, his own ideas, his own loyalties, his own personality. * * * Training schools are now receiving a larger proportion of seriously disturbed children, and a smaller proportion of fairly stable boys and girls who help to balance the group as a whole. * * * Indeed, as better services to children are developed in local communities, it is logical to anticipate that the training schools will be called upon to work with an increasingly large proportion of seriously disturbed children. * * *

The training school program is complex because it must be geared to meet widely diverse needs. It is complex because its program must encompass the whole gamut of services and facilities necessary to meet the demands of twenty-four hour care. * * *

Some schools, for example, have gone all out for vocational training, trusting that the acquisition of certain vocational skills would somehow equip the majority of their youngsters with the tools necessary to work out a successful adjustment to society. Others developed strict military regimes, hoping that the rigid inculcation of habits of obedience would somehow result in conformity to the demands of organized society. Recently some schools have gone on a psychiatric binge, apparently determined to treat every delinquent as a sick child.

Each of these types of programs fall short of meeting the highly diversified needs of the youth it serves. More and more the training schools are trying to make more effective use of a wide variety of training and treatment resources. One youngster may require special educational help; another a

period of controlled training. One may need intensive relationship therapy; another, relief from the demands of close personal relationships. One may need to acquire vocational skill; still another may need a chance to grow and develop free from warping influences in his own home or community. To meet these needs requires the selective use of experiences in group living; of recreational activities; of educational and vocational training programs; of religious influence; and of psychological, medical, and social services. These facts not only emphasize need of flexibility in the training school program, but also suggest that each and every aspect of that program is a part of treatment. Increasingly, training school administrators are emphasizing that neither clinical, nor educational, nor any other one set of services can encompass the treatment program. * * * Indeed, unless the total program is oriented in terms of a common treatment philosophy, the effectiveness of any specialized service will be greatly impaired. This fact cannot be overemphasized. Truly all care is treatment. * * *

The training school's effectiveness, however, cannot be measured entirely in terms of its internal services, for its program is affected by the services of many other agencies. In selecting children to enter the school, for example, an important role is played by the court. Again, the intake will be affected by the work of agencies providing foster home care, when they accept children who might otherwise be placed in a training school. After children leave a training school, they need various after-care services to help them adjust to the community. In some states these services are provided by the training school itself, but in many they are provided by various other agencies.

Each of these programs, including the training school, is in some measure supported by the others. Each program is adversely affected when there are gaps in the supporting services. These facts show the need for close cooperation among the agencies involved. They also point to the need for broad social planning in relation to all socially disadvantaged children. This is a problem that reaches beyond the training school, but one in which the training school has a vital stake. Unless workers professionally knowledgeable carry continuing responsibility for such planning, others less qualified will do it for us. We cannot afford to limit our concern to the particular program we administer. * * *

In several states the results of these activities are taking their most dramatic form in proposals for administrative reorganization of the services involved. * * * Need for sweeping administrative reorganization of services may result from our own failure to plan broadly in relation to the needs of children. Unless we develop sound working relationships between agencies giving services to children, unless we move together in developing a broad, comprehensive program of services, thorough administrative reorganization of our serv-

ices may be the only means to achieve these ends. * * *

One proposal is to place training schools for delinquents within the administrative structure of the state welfare department, the department that is responsible for many services for other socially disadvantaged children. * * * If a single administrative agency is responsible for the supervision or direction of the schools the services of several agencies may be geared more effectively as well as certain duplications eliminated. * * * However, if a plan for administrative reorganization is to be effective, and to make a positive contribution to the welfare of children and youth, several principles should be observed.

We must recognize, for example, that no new reorganization plan will meet all the problems of the training school or of any other service. It will not automatically bring forth a larger supply of qualified personnel or increased financial support. It will not spontaneously fill gaps in present services. These are basic problems for which there are no easy answers. To contend that a reorganization plan will solve them invites public disillusionment. * * *

Establishment of a new agency or extension of an old one that cuts across the functions of several other agencies may result in competitive rather than coordinative services. There is danger, too, that in our efforts to coordinate, relate, or integrate services we may lose sight of the identity of each. This danger is increased when the training school programs are administratively merged with large multi-functional agencies that carry responsibilities for other programs besides services to children, such as the public assistance programs in state welfare departments. * * *

Needless to say, the training school program requires highly skilled administration, as well as public understanding and support. It cannot be administered from a distantly located central office. Nor will properly qualified administrators be attracted to a position having the status of errand boy. Successful administration of a training school is a full-time job requiring a high degree of skill, imagination, and patience. If this job is to be done successfully, it must include large responsibilities for the direction of staff and program. An advisory body for each school, concerned only with this school program and working directly with its administrator, may be helpful in giving guidance to its program and in establishing and maintaining public understanding and support. A reorganization plan must recognize these basic facts.

In discussing after-care, Mr. Clendenden, in an article entitled "After the Training School—What?" published by the Federal Security Agency, remarked as follows:

Some persons believe that responsibility for after-care should rest on the training schools; that it should be regarded as a logical extension of the institutional program. They point out that the training school usually retains legal juris-

diction over a child for some time after he is placed. Legally, the training school has a continuing responsibility which it cannot evade. * * *

Still other persons favor the development of a single after-care program to serve all youngsters from the several training schools within one state. This plan, it is argued, embraces most of the advantages of the former plan, particularly if it is administered by the same agency of the state which supervises the training schools. Representing the same central agency, the workers would fully share the training school's stake in the future success of the children placed. Giving full time to the work, they could acquire specialized skills in dealing with the age group served. In addition, it is maintained that this plan has certain advantages. Combining the case-loads would justify the employment of enough workers to insure geographical coverage. * * *

It is argued, a child should be served by an agency not especially identified, not solely concerned, with services for the delinquent child. He must not continue to identify himself as a delinquent. This plan also has the advantage of utilizing an already existing pattern of services, a pattern which in some degree is usually state-wide. * * * On the other hand, carrying a diversified case-load also means that the worker cannot be selected or trained for work with a specialized group. If that worker is young and immature, he or she may experience real difficulties in working with an aggressive adolescent—difficulties somewhat different from those involved in working with the younger more dependent child. * * *

Obviously, the service should provide for comprehensive coverage. It should enable the worker to reach any child under care without delay. Children experiencing difficulties in family or community adjustment cannot wait for help. To the extent possible, the workers providing the service should have identity and extensive acquaintance with local communities. Regardless of the agency to which they may be responsible, the workers should also have a thorough understanding of and a continuing relationship to the training school. This relationship should give the worker contact with and information about the child while in the training school. It should supply the training school with information about the child's family. It should involve cooperative planning in relation to the work with the child and his family and to placement of the child. Finally, whenever necessary, it should involve cooperative planning in relation to problems which may develop following the placement of a child.

Placing responsibility for the administration of the School of Industry with the State Welfare Department would bring about a closer coordination of services for children. If the School of Industry was part of the state child welfare program, the child welfare workers would be better informed about the school, and so able to provide more effective social services. Such services would include preadmis-

sion studies to be made available to the School of Industry; work with the family while the child is in the School of Industry in preparation for his return; and provision for after-care services, including supervision of the child in his own home or development of other plans if the child's own home is not suitable.

The job of the superintendent of the School of Industry is primarily working with the children at the school. Time does not permit him to provide these social services throughout the State. Provision of such services by the industrial school would also be expensive in terms of travel and would not have the advantage provided through continuing contact by a local worker.

While the child welfare services of the State Welfare Department is willing to provide social services to the School of Industry on a voluntary cooperative basis, such service would not be as effective as it would be under a unified administration. Voluntary arrangements tend to lose their effectiveness as time goes on, and there is no assurance that they would be continued should there be a change in administration. There is also the possibility of duplication of service, lack of exchange of adequate information, and less coordination of effort. These disadvantages would also hold as far as voluntary arrangements between the superintendent of the School of Industry and the various probation officers of the State are concerned. Responsibility to the same administrative organization eliminates these disadvantages, and utilizes existing resources most efficiently. Bringing the School of Industry and the State Welfare Department together would not cost a single penny, and it would guarantee that the various services and workers of the department would be available for the service of the children of the school.

Also, it would provide an additional check and balance on the fiscal affairs of the school which might have some beneficial effects. After reading the audit report on the Nevada School of Industry as compiled by the Legislative Auditor, it appears that steps should be taken to help prevent the recurrence of such problems as indicated therein, keeping in mind that while there is every confidence in the ability and integrity of the new superintendent, there is no guarantee that future superintendents will reach the same degree of ability and integrity.

But, it should be made clear that consolidation of the Nevada School of Industry with the State Welfare Department would be meaningless, and will not produce results unless all parties concerned believe in the value of such consolidation. As is the case in all laws, the basis of compliance is consent. There is much room for the view that little would be achieved by such consolidation, and that conflict of personalities and viewpoints might result. The superintendent of the school makes the point that the School of Industry is a penal institution; that the welfare department should do its work with parents and children prior to the children being committed to the school; that welfare work has no place in the correctional field; that welfare work should be confined to prevention work; and that due to the fact that the school is a long distance from the home office of the welfare department, there would be an additional burden and expense in transacting school business through the welfare department. The point is

made that there is no comparison between the Nevada State Orphans Home and the Nevada School of Industry, since the Orphans Home does no work in the correctional field. The superintendent has indicated that he does not desire to be placed in a burdensome position, because in cooperation with the board of government, he has a definite program designed to improve correctional results, and to achieve a financial gain for the institution. The views of the superintendent should be given very weighty consideration by the Legislature before any change is enacted into law.

(5) TABULATING MACHINERY

That sufficient funds be appropriated to the office of the State Controller for the purchase or rental of badly needed accounting or tabulating machinery and equipment.—At the present time, the office of the State Controller is processing in excess of 100,000 claims per year, making a comparable number of warrants, and making an even greater number of ledger entries with antiquated and worn-out bookkeeping machines. The warrants are typed on typewriters manually. The keeping track of withholding taxes, deductions for the Public Employees' Retirement System, and deductions for group hospital insurance have all meant an increasing load on the office of the State Controller. Such things as the acquisition of the Basic Magnesium project by the State meant that many hundreds of extra claims must go through the State Controller's office every two weeks. Keeping in mind that the State Controller operates on a budgeted fund appropriated by the Legislature, some two and one-half years ago the situation became so acute that the State Controller was forced to make arrangements with the Highway Department to have old-age assistance warrants made on International Business Machines equipment in the Highway Department. Again, it is to be noted that in each of the last two fiscal years it took the State Controller's office approximately two months to compile and issue the Annual Report of the State Controller. With the proper machine equipment, the data necessary for the annual report could be ground out in a matter of hours—in one day. In view of all this, and after consultation with the heads of other departments that are in somewhat similar positions in varying degrees, the Legislative Counsel contacted five large manufacturers of machine equipment, and each one agreed to make a study of various departments free of charge, and thereby offer suggestions for improved accounting methods, and the use of accounting and tabulating machinery that would eventually result in savings in the cost of government. Summaries of the five studies have been incorporated in the minutes of the meetings of the Legislative Counsel Bureau, and the originals are available for examination and discussion in the office of the bureau. It is recommended that the 1951 Nevada Legislature, after examination of the aforementioned studies and consultation with department heads, appropriate sufficient funds to obtain modern tabulating machinery for the office of the State Controller, for the following reasons: (a) The present bookkeeping machines are worn out and must be replaced; (b) the workload in the Controller's office is gradually increasing; (c) it is an uneconomical procedure to type most of the warrants manually; (d) in order to exercise proper budget control as required by the Budget

Law of 1949, it is absolutely necessary to obtain accurate and detailed information relative to expenditures by the various departments, institutions, and agencies in a matter of minutes, and such information can only be obtained by the use of modern tabulating machinery; (e) it will enable the keeping of the books and accounts of all the smaller State departments and agencies in a uniform manner in one place, and thereby enable the Legislative Auditor to audit them all annually with only a small staff; (f) it will relieve the smaller departments and agencies of the burdens of keeping books, and thus enable their employees to devote more time to their primary jobs; and (g) the entire job can be done with the present or reduced staff in the office of the State Controller. As a matter of fact, modern tabulating machinery would mean a reduction of two employees in the office if the present inadequate system of accounting is maintained. It is going to be necessary to spend some money in order to save money, and, keeping in mind that the government of the State of Nevada is a big business, it cannot be placed on an efficient basis using horse and buggy methods.

(6) RECODIFICATION OF LAWS

That the necessary enabling legislation be enacted, and sufficient funds be appropriated, to make a new compilation or revision of the laws of Nevada, and that the actual printing of the compilation be performed by the State Printing Office. In 1929 the Legislature provided for the revision, compilation, annotation, and indexing of the laws of Nevada, and appropriated \$25,000 to carry out the job. The Act created a commission of five members to supervise the work, and it was authorized to enter into a contract for the work with a reputable firm that was engaged in the business of revising and compiling laws or law books. The Act declared that, at the discretion of the commission, the compilation could be printed at the State Printing Office, or the contract with the compiling firm could include provisions for them to print, publish, and sell the compilation. A San Francisco law book firm compiled and printed the laws of Nevada in six volumes, and it appears at this writing that not only did the firm receive the \$25,000 appropriated by the Legislature, but also the purchase price of all sets, as it appears that no free sets were distributed to anyone. In 1942, the firm on its own initiative and without legislative authorization issued a two-volume supplement to the Nevada Compiled Laws, covering the period 1931-1941. In 1950, the firm issued a one-volume supplement covering the period 1943-1949. At the present time, it is necessary to make a three-step search in order to find all the Nevada law that is in full force and effect, namely, search of the Nevada Compiled Laws of 1929, the 1931-1941 Supplement, and the 1943-1949 Supplement. It is difficult to find all the law with any degree of certainty. It is to be noted that recodification and revision of the whole body of the statutes of the State is a long, arduous, and expensive process, but it appears that the job should be tackled as soon as possible as the problem becomes more acute with every session of the Legislature. It now appears that, if the proper approach is made to the problem, a code can be compiled that can be expanded and revised from time to time, and it will never be necessary to do the complete job all over again. There is great need for the elimination of conflict-

ing statutes, obsolete provisions, ambiguous wording, etc. While it appears immaterial whether the State hires its own experts to do the work of recodification, or whether it contracts with a law book firm to do the job of recodification, it is recommended that the actual printing of the compilation be performed by the State Printing Office. The reasons for this are two-fold: (a) the elimination of the element of profits; (b) if the whole program is carefully planned, once a code is printed, subsequent changes made from session to session can be inserted therein by our State Printing Office using a large amount of the type that is already set for the official statutes of Nevada. Any system of continuous code revision demands that the printing be done as close as possible to and in full collaboration with the men doing the actual codification. If the whole program is properly coordinated, it would be unnecessary to do the whole job over again every 10 or 15 years, at great cost. Also, if the State prints and distributes the volumes, it can make private individuals pay a purchase price for sets, and charge them for the service of maintaining and keeping their sets up to date through the years. The net result would be that the whole program would eventually pay for itself, and there would be no cost to the taxpayers of the State. For additional details it is suggested that examination be made of Legislative Counsel Bureau Bulletin No. 9 entitled "Survey of Recodification Problems in Nevada."

(7) INSURANCE DEPARTMENT

That the function of licensing and regulating insurance companies be separated from the office of the State Controller, that a separate Department of Insurance be created, that said department be headed by a director selected under the provisions of the personnel system and whose qualifications are strictly defined in the law, that the salary of the director be commensurate with his qualifications and responsibilities, that an adequate appropriation be made to the said department in order that the provisions of the Nevada Insurance Laws be carried out to the fullest extent, and thereby avoid the eminent federal regulation of the insurance business in this State.

Because of limited staff and cramped quarters, the Insurance Commissioner is in no position to comply with all of the various phases of the statutes which have been passed by the Legislature. There are many functions which the Commissioner and his staff are forced to neglect simply because they do not have the time to take care of them all. From time to time, citizens of Nevada request information about, or actual investigations of, agents or companies that are operating in Nevada. There may have been violations of the law, and while the Insurance Commissioner and his staff keep abreast of their correspondence, launching any kind of an investigation to determine whether there have been infractions of the law is completely out of the question. As there is no money available for travel expenses, it becomes evident that adequate investigation is impossible. Ordinary office routine is sufficient to occupy the time of the limited staff. The load of ordinary office correspondence is increased by out-of-state companies that write to Nevada requesting interpretations of Nevada's insurance laws. Nevada's laws are not sufficiently broad enough to cover most of these inquiries, as they deal with new phases of insurance. The suggestion

has been made that there should again be a complete recodification of Nevada's insurance laws by insurance attorneys.

Chapter 100, Statutes of Nevada 1947, provided for the regulation of rates of casualty, motor vehicle, fire, marine, and inland marine insurance, and that all rates and changes in rates shall be received and approved by the Nevada Insurance Commissioner. In actual practice, it is found that such rate changes are filed with the Insurance Commissioner as required by the law, but that there is no time for such changes to be reviewed by the Insurance Commissioner. It has been estimated that to do this one job alone at least one technical man and one stenographer would be required. Section 121 (1) of the same law provides for the promotion of rules and statistical plans for the use of rate makers, and for use in annual company statements, to more or less determine the fairness of rates, and to determine whether rating systems comply with the standards set forth in other sections of the law. It has been indicated that this involves a great deal of work, and administration of the section has not been feasible to date. This law requires that rate making organizations be licensed by the Insurance Commissioner, and that their operations be restudied every five years. The licensing of rate making organizations is a simple matter, but restudying them every five years provides still another impossibility. Insurance companies are required to file rating systems with the Insurance Commissioner, and once such plans are set up they are hard to change. No insurer is required to record or report its loss experience on a classification basis that is inconsistent with the rating system filed by it. The law also states that the Insurance Commissioner may appoint rate organizations, or advisory organizations, to assist him in statistical studies of rates. Companies are willing to assist in the matter voluntarily, but the point has been made that as soon as such companies are appointed, it is tantamount to automatic approval of their rate plan, and this cannot be done until someone finds the time to make an adequate study of the rate plans. So far the Insurance Commissioner has appointed only one statistical organization to make studies of rates. It has been indicated that the new rate law has meant a carload of rate correspondence, and to comply with all the requirements of the 1947 law two men and two stenographers would be necessary. The two men would have to be rate specialists, with a comprehensive knowledge of underwriting and rate procedure. Under the 1941 law, the office was sufficiently staffed to handle everything but the examinations of companies, and this last matter has become even more impossible of accomplishment since that time. Sixty-seven new companies have entered the picture since 1942, ordinary licensing has increased, and there has been a steady increase in the State's insurance business. All this has added up to making the work a major task.

Chapter 152, Statutes of Nevada 1947, require written examinations before the issuance of agents' licenses, but provided no funds in order to carry out the requirements of the Act. The law provides that prospective agents may take their examinations in places other than the State Capitol, but no funds are provided for giving the examinations outside of the Commissioner's office. The Act required the Insurance Commissioner to prepare for the use of an applicant, a complete and

comprehensive booklet containing the information on which the written examination is based, so that the applicant can study the insurance business in preparation for the examination. Since no funds were provided for the printing of the booklet, it was printed and sold to prospective agents.

It appears that the Insurance Commissioner's office has been unable to maintain complete statistics on the operations of the office, primarily because of the size of the work load. All State insurance policies are properly listed, along with the amounts of the insurance, and the names of the insurers. Statistics on companies operating in Nevada show a jump from 276 in 1941 to 345 in 1947, and 355 in 1949. The number of licenses issued in 1941 amounted to 2,885, while in 1946 the number increased to 3,326, and to 3,692 in 1949, keeping in mind that an insurance agent may have licenses for several insurance companies. One resident agent is known to have 43 licenses for 43 insurance companies, but this is a rare and unusual extreme. There are a goodly number of agents representing up to seven or eight companies, however.

The statement has been made that the Nevada Insurance Commissioner should participate in the examinations of out-of-state insurance companies, which are made every three years. The examination is made in the home office of the insurance company and is handled through the National Association of Insurance Commissioners. The United States is divided into six zones, each zone being composed of eight states. There is a commissioner who acts as chairman of each zone, and he has charge of the examinations. The actual examination of the insurance companies is done by the various state commissioners, and they are rotated so that every so often they participate in an examination. Nevada's Commissioner finds that he has no time to serve in such a capacity, because of the large amount of work at home. This not only throws a bad light on Nevada's operations, but hampers the work of the National Association of Insurance Commissioners.

For additional details on all these matters it is suggested that an examination be made of Legislative Counsel Bureau Bulletin No. 6, entitled, "A Survey of the Functions of the Insurance Commissioner." Bulletin No. 6 discusses in some detail the imminence of federal regulation of the insurance business in this State. The "Washington Legislative Bulletin," as issued by the Council of State Governments on June 1, 1950, remarks that "as a result of a law passed in 1945, federal anti-trust and related acts were to be applicable to the business of insurance after January 1948 to the extent that such business is not regulated by state law." The Federal Trade Commission has recently completed a six-volume review of state insurance laws. After weighing the quality of state laws and the sufficiency of enforcement, it is expected that the Federal Trade Commission will begin court tests to determine what it can and cannot do in regulating insurance companies—a function that has heretofore rested exclusively with the states." To put it in simple words, a reasonably adequate job of regulating the business of insurance in this State will have to be done in the very near future, or the federal government will move in.

According to the Controller's annual report for the fiscal year 1948-1949, the office of the Insurance Commissioner collected \$259,148.79

in license fees and taxes on insurance premiums. During the fiscal year 1949-1950 the office collected \$295,902.09. All of this money is deposited in the General Fund, and is available for appropriation by the Legislature for other purposes. The office of the Insurance Commissioner is supported by direct appropriation from the General Fund, except for fees collected for examination of insurance agents, which sums may also be used for administrative purposes. It is impossible to determine the cost of operating the office of the Insurance Commissioner, to collect the fees, and to regulate the operations of the insurance companies. The appropriation for the office of the State Controller includes appropriate items for the salary of the insurance examiner, and for the salary of the insurance clerk. These are the only items definitely chargeable to the insurance department; there is nothing appropriated for travel, for office expenses, etc. The work of the Insurance Commissioner cannot be segregated from the work of the Controller as far as costs are concerned. In the General Appropriation Act, the appropriations for salaries of the insurance examiner and the insurance clerk are segregated, but that is all. On that limited basis, it can only be determined that for the biennium 1947-1949 the Legislature appropriated \$10,780 for the operation of the Insurance Commissioner's office, and for the biennium 1949-1951, the Legislature appropriated \$9,800. All this points out the need for a separate, adequate, budgeted appropriation for the office of the Insurance Commissioner. If federal regulation is to be avoided, enough money must be provided to enable the office to do an adequate job of regulation at the State level. The aforementioned amount collected by the office indicates that it will always pay for itself and then some. Good governmental practice demands that the Legislature appropriate, on a budgetary basis, the money necessary for the operation of various State departments and offices. On the basis of demonstrated need, the Legislature should appropriate the necessary funds for efficient operation. At the present time, there are a goodly number of special earmarked funds in existence which continue from year to year without the Legislature ever having the necessity to examine the funds and the way the money is dispersed and used from them, keeping in mind that under the provisions of the Budget Act of 1949, the 1951 Nevada Legislature will approve budgets for all State departments and agencies for the first time. The insurance laws of Nevada require the regulation and licensing of the insurance business, and imposes many duties upon the office of the Insurance Commissioner. The Legislature has set forth the duties in the law, and if it means what it says, it should put up the money to do the job. If it does not do so, then the law should be amended so as to place only a minimum and practical number of duties upon the office, keeping in mind that such a course might eventually result in federal intervention.

The 1949 Nevada Legislature took away the power of the State Controller, acting as ex officio Insurance Commissioner, to place all insurance on all property belonging to the State, and gave such power to the State Board of Finance, which is composed of the Governor, State Controller, State Treasurer, and two lay members appointed by the Governor. In addition, it enacted chapter 314, Statutes of Nevada 1949, which amends section 129 of the Insurance Law, said section

defining the powers and duties of the Insurance Commissioner. The relevant portion of section 129 reads as follows:

SEC. 129. The state controller of Nevada is hereby designated as ex officio insurance commissioner and charged with the rights, powers, and duties appertaining to the enforcement and execution of all the insurance laws of this state. He shall have the power: * * *

(4) To appoint a director of the insurance department of the State of Nevada who shall devote his full time to the performance of the rights, powers, and duties appertaining to the enforcement and execution of the laws of this state. The director's salary shall be four thousand two hundred (\$4,200) dollars per year. Any person appointed hereunder as director of the insurance department of the State of Nevada shall have the followings qualifications:

(a) He shall be a person competent and fully qualified to perform the duties of the office.

(b) He shall have had at least three (3) years' experience as an employee in the office of an insurance commissioner or as an official of an insurance company.

The intent of this section, as amended, was to create a separate insurance division or department in the office of the State Controller, and to have a properly qualified specialist in complete charge of said division or department and of the regulation of the insurance business. It is possible that the law was not amended far enough, because the State Controller is still authorized to be ex officio Insurance Commissioner. It was intended that he continue to appoint a director in charge of the insurance division or department, that the director have full power and authority to conduct the operation. It was visualized that the relationship between the two officers be something akin to that existing between the Governor and heads of departments appointed by the Governor. It appears that this general intent has not been carried out and that there has been no change in the level of operations since chapter 314, Statutes of Nevada 1949, was enacted. This is even indicated by that certain pamphlet issued by the office of the Insurance Commissioner entitled, "General Insurance Laws (1950)" which indicates that it was compiled by the Insurance Commissioner, and the Deputy Insurance Commissioner.

It is a settled principle in government that only rarely are properly qualified and trained specialists for technical jobs obtained by popular election. The Commissioner of Insurance should have at least five years of responsible experience as an executive officer of an insurance company, or as an administrative officer of a state insurance department, and he should not be subject to elective politics. The real way to achieve a qualified specialist is to legally require that he shall be appointed on the basis of merit under the provisions of a State merit system, and that he shall be in the classified service. But, he should have minimum interference from elected officers who do not have extensive familiarities with the technicalities of the business. It is really immaterial who appoints the director of the insurance department or division, but he must be free to do the job. With the State

Controller designated as ex officio Insurance Commissioner by law, and with the insurance operation being a part of the State Controller's office, there is nothing to prevent the State Controller from extensively participating in the regulation of the insurance business, even though a director of insurance is presently authorized by the law. The only way to get away from this is to create a separate department of insurance with a qualified director appointed by the Governor under the terms of a state merit and personnel system. With such a separate department, the Governor will have no more time to participate in its management than he does in the management of the various other State departments of which he appoints directors. In a number of states, departments of finance have been created with the regulation of insurance being a division within such department. But, it must be carefully noted that the director of the department is not ex officio Insurance Commissioner, and the head of the insurance division is given a reasonably free hand to operate in his special field. A number of insurance men have indicated that in the absence of extensive consolidation of State departments and agencies, they would prefer a separate insurance department in charge of a director whose qualifications are carefully set forth in the law, and who would be appointed under the provisions of a state merit and personnel system. Such a step, along with an appropriation of approximately \$60,000 for a two-year operation would probably guarantee reasonably adequate regulation of the insurance business and eliminate the threat of federal intervention.

(8) STATE PRINTING OFFICE

That the laws governing the operation of the State Printing Office be amended so as to provide that all State departments and agencies pay for their own printing from their own funds, that the State Printer no longer budget for the printing of approximately 37 State departments, agencies, and institutions, and that a continuing fund be created for the State Printing Office in order that it may operate as a self-supporting agency. Mr. Frank Helmick, formerly Legislative Counsel, in his report to the 1947 Legislature, remarked as follows:

Extra funds are appropriated by the Legislature to pay the costs of printing of a department or agency under a unique system that provides that the money go directly to the account of the State Printer, to be used for printing by a given department only. Some of the State departments are included in the preferred list of free printing, others must pay the State Printer out of their appropriations for supplies. Still others receive their printing free of charge although they are not, strictly speaking, connected with the State. The free list should either be expanded to include them all, or all departments should be required to pay the printing charges from their own appropriations for supplies and incidentals. All the present system means is that it permits the concealment of expenditures of about \$35,000 that should be charged directly to the departments involved. A change in the system would mean cheaper operation, and it would reveal the actual amount appropriated to a given department.

This recommendation is again renewed; most departments and agencies have a better idea of what their printing needs are going to be for the forthcoming biennium than does the State Printer, and it will be a simple matter for them to budget their printing in the same manner that they budget other items. What is happening at the present time is that the Legislature appropriates a given sum of money for an agency, and then gives it an additional sum inside the State Printer's budget, and unless a person examines both budgets, he does not have the complete story of the amount that a given agency is going to spend.

This recommendation was made to the 1949 Legislature, and Senate Bills Nos. 204, 205, and 206 were introduced in order to carry out the recommendation. The General Appropriation Act was passed by the Legislature before it had a chance to consider the three bills, and it was impossible to readjust the General Appropriation Act in accordance with their provisions if they had been passed. However, members of the finance committees agreed that the recommendation was sound, and that it should be enacted into law at the next session.

What has all this to do with the recodification problem and the provision of necessary equipment for the State Printing Office? Senate Bill No. 206 provided an appropriation of \$50,000 which was to be used as a revolving fund for the operation of the State Printing Office, *and never again would it be necessary for the Legislature to appropriate specifically for the operation of said Printing Office.* Provision was made whereby every State department and agency would pay for printing performed, and, like a private enterprise, it would be up to the State Printing Office to operate on the moneys received from said State departments and agencies for the printing work performed; in other words, the State Printing Office would be conducted on a business basis similar to a private enterprise. And here is the important point: Under such a system, the State Printer could gradually build up needed funds for the acquisition of the necessary printing equipment that would make it an easy matter to print the new code and take care of the increased printing load of the State government. It would be unnecessary to make a sizeable appropriation from the General Fund for the purchase of equipment; the Printing Office would gradually save the money for the purpose in the process of doing business with the other State departments and agencies. However, it must be clearly understood that sufficient funds must be appropriated to each department to cover their printing costs. The recommended system will not save money, but it will mean better control of printing expenditures, it will enable the State Printing Office to operate on a business-like basis similar to a commercial shop, and it will enable additional printing equipment to be purchased on a long-term basis without hitting the General Fund a hard blow with a sizeable appropriation all at once.

(9) PHOTOSTAT ROOM

That the administration and control of the photostat room be placed under the authority of the Secretary of State, that all equipment therein be placed under his jurisdiction, and that funds for the operation of the photostat room be appropriated as a part of the over-all appropriation for the operation of the office of Secretary of State.

Chapter 130, Statutes of Nevada 1947, reads as follows:

SECTION 1. The State of Nevada is hereby authorized to purchase one (1) film-a-record machine for the use of all state offices and to purchase one (1) dex-i-graph machine to be used by the department of vital statistics in the reproduction of copies of birth and death records.

The 1947 Legislature appropriated \$4,800 to carry out the provisions of this Act, but no provision was made for salaries of employees to run the machines, nor was there any determination of who was to have administrative authority over the Film-a-record machine. At the same time, the 1947 Legislature appropriated sufficient money in the equipment budget of the Secretary of State to purchase another Dex-i-graph machine for the use of the office of the Secretary of State. The Department of Health bought its own Dex-i-graph machine, placed it in their office upstairs, and at the present time operate it with their own employees. However, their photostat records are printed and developed in the photostat room, and they provide their proper share of paper and chemicals for their own work.

Attention is called to the words "State of Nevada" in section 1 of the aforementioned Act; there is no designation as to just who is to administer the Act. In 1947, the Board of Control, being composed of five elected State officials, decided to endeavor to carry out the legislative intent, and they purchased a Film-a-record machine (a micro-film machine), and helped to create the photostat room in conjunction with the Secretary of State, who is also a member of the Board of Control. The photostat room contains the Film-a-record machine belonging to the State of Nevada, and the Dex-i-graph machine belongs to the Secretary of State. In order to create a photostat room it was necessary to build walls, darkrooms, and install a hot water boiler, tubs, and other necessary equipment. A portion of the cost of construction was paid by the Board of Control, and a portion by the Secretary of State. The Secretary of State, as *ex officio* Motor Vehicle Commissioner, placed one or more men in the room at different periods, depending upon the work load, and the Board of Control hired a man to work in the room.

At that time, the Board of Control was custodian of the State buildings and grounds by law, and two funds were available to them for maintenance and repair of buildings and grounds, namely, the appropriated fund, and the Board of Control Repair Fund which was maintained by a one-half cent property tax. The Board of Control Repair Fund was created by legislative enactment in 1941 for the purpose of repairing and keeping in repair various State buildings. However, the Board of Control decided that in order to carry out the intent of the 1947 Legislature in creating a photostat room, it would pay its employee in said room from the Board of Control Repair Fund.

The 1949 Legislature removed the Board of Control from the custody of State buildings and grounds, and created a Department of Buildings and Grounds, with a superintendent appointed by the Governor, in an effort to define duties and eliminate divided authority and responsibility, and to achieve full-time and expert supervision over the State buildings and grounds. As originally drawn, the bill repealed the

Board of Control repair fund law because of the desirability of supporting the Department of Buildings and Grounds by one direct appropriation on a budget basis. However, the 1949 Legislature passed the General Appropriation law first, and amended the Board of Control Repair Fund law placing said fund on a direct appropriation basis. This left two appropriated funds for the maintenance and repair of buildings and grounds. This made it necessary to change the new buildings and grounds bill, and make Board of Control funds available to the new department. The Board of Control Repair Fund law should be repealed at the next session of the Nevada Legislature, thus enabling the new Department of Buildings and Grounds to be maintained by a single appropriation.

As a result of all this, during the present biennium, Mr. Stanley Finch, who was originally an employee of the Board of Control, is now paid from a fund under the control of the superintendent of buildings and grounds, even though he works entirely in the photostat room. This set-up is foreign to the buildings and grounds operation, and the administration of the photostat room is divided between the Secretary of State and the Board of Control and/or the department of buildings and grounds.

It appears that the photostat machine is an essential part of the office of the Secretary of State, and that two stenographers would be necessary to replace the photostat machine and its operator. While the 1947 Legislature appropriated \$1,500 for the purchase of a photostat machine for the use of the office of the Secretary of State in reproducing copies of documents on file in his office, photostat fee collections have repaid the original purchase price for the machine at least six times over during 1948 and 1949. Photostat fee collections amounted to \$3,058 during 1948, and \$3,265 during 1949.

The Secretary of State has indicated that his office does not have a sufficiently large appropriation to do work for any other State department or agency free of charge, that it is just large enough to do his own work, and that the fees his office collects go into the General Fund under the Uniform Fee Law, and thus are not available for expenditure by the office of the Secretary of State. The Uniform Fee Law provides for a fee of 50 cents per photostat page for legal size copies or smaller. That is the fee charged to persons or firms outside of the government for photostatic copies of their own records on file in the office of the Secretary of State. However, copies of records on file in the office of the Secretary of State are made available without charge upon the request of other State departments or agencies. The law makes it mandatory that fees be charged when other State departments and agencies request photostatic copies of records not on file in the office of the Secretary of State, but the fee is reduced to 35 cents per page. The Secretary of State emphasizes that the Legislature has not appropriated enough money to do work without charge for all the State departments and agencies, and the fact that work is not free or nearly so tends to eliminate unnecessary photostating.

It is to be noted that a goodly number of State departments and agencies are not supported by appropriation from the General Fund, as, for instance, the Employment Security Department which expends

only federal money for administrative purposes. If the photostating fees of the Secretary of State were low or nonexistent, the departments and agencies supported in whole or in part by federal money would be getting work done at the expense of the General Fund of Nevada.

It appears that there is not enough work in the photostat room for a large portion of each year to keep both a man employed by the department of buildings and grounds and a man employed by the Secretary of State busy. For about five months of each year motor vehicle certificates are photostated, and then four men are necessary, the additional men being supplied by the motor vehicle registration division of the Public Service Commission. There would be need for more than one man if the various State departments and agencies provided enough work to be micro-filmed. While there is no charge for the use of the micro-film machine, at the present time no State department or institution has been able to find sufficient funds to pay the cost of the necessary micro-film. Also, there is a problem in indexing records, and putting them in proper shape for micro-filming. Incidentally, there is a great need for photostating warrants stored in the basement of the office of the State Controller, and it is recommended that sufficient funds be appropriated to the office of the State Controller to provide the necessary micro-film. It is becoming very necessary to relieve the extremely crowded storage problems existing in the basement of the office of the State Controller.

The 1949 Legislature also appropriated sufficient funds to the office of the Secretary of State to purchase a Portagraph, which is designed for the photostating of large maps, etc.

The Secretary of State has indicated that his office handles a very large proportion of the work performed in the photostat room, that his office owns at least 50 percent of the equipment, that the Department of Buildings and Grounds was not interested in the room and that its functions are foreign to the operation of that department, and that the room should be placed under the authority and direction of the Secretary of State. He has indicated that the photostat room is so essential to the work of his office that he would seriously object to the transfer of the room to some other department.

After careful consideration and study of this matter, as indicated in the minutes of the meeting of the Legislative Counsel Bureau held on April 20, 1950, it is recommended that the administration and control of the photostat room be placed under the authority of the Secretary of State, that the Board of Control Repair Fund Law be repealed, that funds for the operation of photostat room be appropriated as part of the over-all appropriation for the operation of the office of the Secretary of State, and that a single appropriation be made for the support of the Department of Building and Grounds.

(10) SPECIAL TAX FOR SUPPORT OF SCHOOLS AND UNIVERSITY OF NEVADA

That section 6 of Article XI of the Constitution of the State of Nevada be amended so as to provide that legislative support and maintenance of the University of Nevada and the schools of the State shall be by legislative appropriation only, and eliminate the requirement of a

special tax. Section 6 of Article XI of the Constitution of the State of Nevada reads as follows:

SEC. 6. The legislature shall provide a special tax in addition to the other means provided for the support and maintenance of said university and common schools.

As originally drawn in 1864, section 6 provided that the Legislature shall provide a special tax of one-half of one mill on the dollar of all taxable property in the State, in addition to other support. In 1889, the section was amended so as to require a special tax not exceeding two mills on the dollar of all taxable property in the State. In 1938, the section was amended to its present form.

In 1947, the Nevada Legislature passed a new school code, and appropriated \$3,700,000 for State aid to elementary and high schools in accordance with the requirements of the apportionment formulas set forth in the school code. The 1949 Nevada Legislature appropriated \$4,660,300 for the same purposes. Due to the very large amount necessary, along with the fact that portions of the property tax were earmarked by law for other purposes, it was found impossible to provide the entire amount of the State aid in the form of a property tax, and it was necessary to provide the entire amount by direct appropriation from the General Fund which receives its revenues from many sources, but, apparently through oversight, the Legislature did not provide even a token tax on property in order to comply with the requirements of section 6 of Article XI.

The 1949 Nevada Legislature amended the law relative to State support for the University of Nevada, and provided that the University shall be supported by direct appropriation from the General Fund. However, in order to comply with the requirements of section 6 of Article XI, it also earmarked one cent of the State's share of the Property Tax for the use of the University of Nevada. When State departments, institutions, or programs operate on an earmarked portion of the State Property Tax, the results are two-fold: When property valuations increase, as they have been doing in late years, the tax rate produces more money for the operation of the departments, institutions, or programs than the Legislature can safely contemplate, and thereby making their budget meaningless to just that extent. When property valuations decrease, as has happened in a number of times in the past, the agencies are hamstrung in their operations. The State departments, institutions, and programs should then state their needs to the Legislature in the form of properly prepared budgets and proper cushions for emergencies, and, if satisfied, the Legislature can directly appropriate in accordance therewith. Almost all of the State departments and agencies are supported at the present time by direct appropriation, and the Legislature knows exactly what it is appropriating and the agencies know exactly what they are receiving. Consequently, it is recommended that section 6 of Article XI be amended to do away with the requirement for a special tax, and that the schools of the State and the University of Nevada be given State support in the form of Legislative appropriation only.

(11) PROPERTY TAX FOR AID TO RURAL SCHOOLS

That section 201 of the School Code as amended by Chapter 259, Statutes of Nevada 1947, be amended so as to provide that State aid to rural schools be furnished by direct legislative appropriation rather than by a tax on property. This recommendation is based on the same premises as the previous recommendation, except that no constitutional question is involved. Section 201 should be amended so as to provide that State aid to rural schools be furnished by direct legislative appropriation in accordance with need demonstrated by properly prepared budgets.

(12) SALARIES OF DEPUTY SUPERINTENDENTS OF PUBLIC INSTRUCTION

That sections 23 and 27 of the School Code be amended so as to eliminate the requirement that salaries of Deputy Superintendents of Public Instruction shall be fixed by the State Board of Education. This recommendation is primarily designed to eliminate a conflict in the law that would develop if a bill creating a State personnel system is enacted into law. Such a personnel system contains provision for uniform salary classifications, and the salaries of Deputy Superintendents of Public Instruction should be determined by a scientific and uniform pay plan promulgated by a department of personnel, in the same manner as all other State employees. There are other ramifications to this situation also. By law, the 1949 Legislature definitely set the salary of the office deputy at \$3,900 per year. The 1949 Legislature appropriated sufficient money from the Distributive School Fund to provide similar salaries for field deputies, although it did not specifically determine their salaries. Under the provisions of section 201, the Board of Education authorized field deputies to receive salaries of \$4,500 a year, which constitute raises of \$600 per year. The \$600 difference between the \$3,900 appropriated by the Legislature and the \$4,500 authorized by the Board of Education is being paid directly out of the Distributive School Fund without the Legislature having appropriated such an additional sum. Consequently, the office deputy is receiving a salary of \$600 a year less than the salaries paid field deputies. This is a deplorable situation in many ways; legislative intent is being violated, and people doing approximately the same type of work are not being paid the same salaries.

(13) SUPERVISION APPROPRIATIONS FROM THE DISTRIBUTIVE SCHOOL FUND

That section 27 of the School Code, providing for the compensation and expenses of Deputy Superintendents of Public Instruction, be amended so as to provide that their salaries and expenses shall be paid by legislative appropriation from the General Fund rather than from the Distributive School Fund. While a small portion of the revenues to the Distributive School Fund are in the form of interest on school land contracts and on bonds, by far the largest proportion is in the form of legislative appropriation from the General Fund. The Distributive School Fund is primarily intended as a fund from which State apportionments to the elementary schools of Nevada can be made. Consequently, when the Legislature appropriates from the General

Fund to the Distributive School Fund, and then reappropriates from the Distributive School Fund, there is a duplication of appropriations which serves no useful purpose. At the present time, part of the support for the Department of Education is provided by legislative appropriation from the General Fund, and part provided by legislative appropriation from the Distributive School Fund. All phases of the operations of the Department of Education should be supported by direct appropriation from the General Fund. Years ago the Distributive School Fund would receive support from an earmarked property tax, and in those times it was common practice for the Department of Education to request that the Legislature appropriate for certain phases of their operations from the Distributive School Fund on the theory that such appropriations would be easier to obtain since they would not be subject to the squeeze that always develops on the General Fund. However, at the present time, this situation has disappeared because the Distributive School Fund is itself supported almost completely by appropriation from the General Fund.

**(14) TRAVEL APPROPRIATIONS FROM THE
DISTRIBUTIVE SCHOOL FUND**

That section 14 of the School Code be amended so as to provide that travel expenses of the Board of Education shall be provided by legislative appropriation from the General Fund rather than from the Distributive School Fund. This recommendation is based upon the same premises as the previous recommendation; the Board of Education is a part of the Department of Education, and its travel expenses should be provided by legislative appropriation from the General Fund in the same way that support for the rest of the department is provided.

**(15) SCHOOL RESEARCH APPROPRIATIONS FROM
DISTRIBUTIVE SCHOOL FUND**

That sections 180 and 183 of the School Code be amended so as to provide that money for school research shall be provided by legislative appropriation from the General Fund rather than from the Distributive School Fund. This recommendation is based upon the same premises as the two previous recommendations; school research is just one phase of the operations of the Department of Education. As a matter of fact, for some time this appropriation has been used to pay the salary of a stenographer in the department who does a great deal of other work besides school research.

**(16) SCHOOL LUNCH APPROPRIATION FROM THE
DISTRIBUTIVE SCHOOL FUND**

That section 7 of the law providing for the establishment of school lunch programs in public schools be amended so as to provide that funds for the administration of the program shall be provided by legislative appropriation from the General Fund rather than from the Distributive School Fund. This recommendation is based upon the same premises as the three previous recommendations; the school lunch program is a phase of the operations of the Department of Education, and should be supported by legislative appropriation from the General Fund, in the same manner that support is provided for the rest of the department.

(17) STATE AUTOMOBILE POOL

That study and consideration be given to the feasibility and desirability of the creation of a State automobile pool for the use of elected and appointed officials and employees of the State of Nevada, with improved controls over the use of State-owned automobiles. Legislative Counsel Bureau Bulletin No. 12 entitled "A Survey of State-owned Automobiles in Nevada," contains information on automobiles owned by the State of Nevada. It is recommended that the 1951 Legislature give attention and study to the survey and the recommendations contained therein.

(18) OUT-OF-STATE TRAVEL

That the Board of Examiners rescind that certain regulation requiring that officers and employees of the various State departments and agencies obtain the prior consent of the Board of Examiners for out-of-State travel, and thereby eliminate a routine procedure that involves time and trouble, and has little practical value. Contrary to popular opinion, this is not a matter of law. It appears that many years ago a Board of Examiners promulgated such a rule and regulation, and the practice of obtaining the consent of the Board of Examiners for out-of-State travel has been continued for years, even though there is no evidence that the rule has been promulgated by the present Board of Examiners. It seems generally agreed that a rule or regulation promulgated by a board many years ago would not be in full force and effect unless readopted by the present board.

Permission for out-of-State travel is given in a very routine manner by the Board of Examiners. A State official who desires to make an out-of-State trip merely types a brief letter to the board explaining the nature of the trip, and leaves space at the bottom of the letter for the signatures of at least two of the three-man board. The letter is then presented individually to the board members in their own offices, and the letter is signed by the various board members in almost every case immediately upon presentation and in a very routine manner. As a matter of fact, it is quite common for State officials and employees to present the request for permission for out-of-State travel to the Board of Examiners after the trip is made. Analysis of this matter indicates that it is impossible to determine the need or necessity for an out-of-State trip unless there is extremely intimate knowledge of all the facts surrounding the matter. In other words, in a majority of cases the officer or employee only has the information, the members of the Board of Examiners do not have the time to make a detailed examination, and they are almost invariably forced to take the word of the applicant for permission. The post-audit examination of claims made by the Legislative Auditor for the fiscal year 1949-1950 indicates that \$25,663.83 was expended during that year for out-of-State travel by State officers and employees. Details may be obtained in the office of the Legislative Counsel Bureau.

(19) TRAVEL REIMBURSEMENT

That the wording of section 2 of the law authorizing the payment of travel reimbursement to various officers and employees be expanded to include the officers and employees of all boards, commissions, departments, agencies, and institutions, irrespective of the sources of their

funds, and thereby achieve uniformity and economy in travel reimbursement that would rebound to the benefit of the departments and their employees alike. A great many of the laws governing the operation of various boards and agencies have their own wording on the amount of travel reimbursement or on the conditions under which travel reimbursement may be paid to members of the board or employees. For instance, each member of the Board of Medical Examiners may receive "traveling expenses going to and coming from the meetings of the board." The 1949 Legislature re-enacted section 2 with amendments, and while it is a settled legal principle that in cases of conflict of laws, the law of latest enactment will prevail, it is a common occurrence for various boards and agencies to present travel claims for the disbursement of funds in the State treasury that may be in accordance with the provisions in their own laws, but violate the provisions of section 2. As a matter of fact, the present law authorizing payment of travel reimbursements to various officers and employees has wording making its provisions applicable to all State employees "required to file claims with the State Board of Examiners for allowance and approval." But the catch is that some of the boards and agencies do not consider themselves State boards or agencies, but at the most merely as quasi State boards or agencies, and hence, that section 2 is not applicable to them. This theory is based upon a certain Supreme Court decision that defines a quasi State agency as one who receives its funds from only a segment of the taxpayers in the State. It appears that all boards and agencies existing by authority of law, and having their funds on deposit in the State Treasury should operate in a uniform manner, be subject to the same controls, and receive the same travel reimbursement. It appears that all of them would save money if the provisions of section 2 were applied, and it appears that all board members and employees operating by authority of law should be treated alike.

(20) APPROPRIATIONS FOR BUILDINGS AND GROUNDS

That the Department of Buildings and Grounds be supported by a single legislative appropriation, on a budget basis, located in the General Appropriation Act, instead of by two legislative appropriations as heretofore, and that the law creating the Board of Control Repair Fund be repealed. Some discussion of this matter may be found under recommendation No. 9 above. Prior to July 1, 1949, the Board of Control was custodian of State buildings and grounds by law, and two funds were available to the Board for the maintenance and repair of buildings and grounds, namely, the appropriated fund, and the Board of Control Repair Fund, which was maintained by a one-half cent property tax. The Board of Control Repair Fund was created by legislative enactment in 1941 for the purpose of repairing and keeping in repair various State buildings. The 1949 Legislature removed the Board of Control from the custody of State Buildings and Grounds, and created a Department of Buildings and Grounds, with a superintendent appointed by the Governor, in an effort to define duties and eliminate divided authority and responsibility, and to achieve full-time and expert supervision of the State buildings and grounds. As originally drawn, the bill repealed the Board of Control Repair Fund Law

because of the desirability of supporting the Department of Buildings and Grounds by one direct appropriation on the budget basis. However, the 1949 Legislature passed the General Appropriation Law first, and amended the Board of Control Repair Fund Law, placing said fund on a direct appropriation basis. This left two appropriated funds for the maintenance and repair of buildings and grounds. This made it necessary to change the new buildings and grounds bill and make Board of Control funds available to the new department. The Board of Control Repair Fund Law should be repealed, and thus enable the new Department of Buildings and Grounds to be maintained by a single appropriation.

**(21) PERCENTAGE OF COLLECTIONS FOR ADMINISTRATION—
GAMBLING TAX**

That section 10(f) of the Nevada Gambling Law be amended so as to eliminate the provision that 5 percent of the collections shall be available to meet the cost of the administration of the Act, and that funds for the administration of the Act shall be provided by direct legislative appropriation from the General Fund, upon presentation of budgets in the manner required by law. Good government and sound financial practice demands that the Legislature exercise supervision over the expenditures of as many State agencies as possible. While the State Budget Act of 1949 requires that the Nevada Tax Commission submit budgets to the Legislature for the various phases of their biennial operations, and that their expenditures be in accordance with such budgets as approved by the Legislature, it is recommended that all collections under the Nevada Gambling Law revert entirely to the General Fund, and that funds for the administration of the Act shall be provided by direct legislative appropriation from the General Fund. It appears desirable that the cost of the administration and collection of the gambling tax should be handled in the same manner as the cost of administration and collection of the cigarette tax and the liquor tax, which were placed on a direct appropriation basis in 1949 on a level with all other State departments and agencies.

**(22) PERCENTAGE OF COLLECTIONS FOR ADMINISTRATION—
MOTOR VEHICLE FUEL TAX**

That sections 6570.03 and 6570.09, Nevada Compiled Laws, 1931-1941 Supplement, being sections 3 and 9 of the Motor Vehicle Fuel Tax Law, be amended so as to eliminate the provision that 5 percent of the collections shall be available to meet the cost of administration of this Act, and that funds for the administration of the provisions of this Act shall be provided by direct legislative appropriation from the Highway Fund, upon presentation of budgets in the manner required by law. This recommendation is based upon the same premises as the previous recommendation; the only difference is that the legislative appropriation must be made from the Highway Fund, as was done by the 1949 Legislature when it appropriated from the Highway Fund for the administration of the various divisions consolidated under the authority of the Public Service Commission by the Motor Vehicle Consolidation Law.

**(23) PERCENTAGE OF COLLECTIONS FOR ADMINISTRATION—
USED FUEL TAX**

That section 6570.42, Nevada Compiled Laws, 1931-1941 Supplement, being section 23 of the Used Fuel Tax Law, be amended so as to eliminate the provision that 5 percent of the collections shall be available to meet the cost of administration of the Act, and that funds for the administration of provisions of this Act shall be provided by direct legislative appropriation from the Highway Fund, upon the presentation of budgets in the manner required by law. The recommendation is based upon the same premises as the two previous recommendations; the legislative appropriation must be made from the Highway Fund, since section 5 of Article IX of the Constitution provides that the proceeds from motor vehicle licenses and taxes from motor vehicle fuel shall be used exclusively for the construction, maintenance, and administration of highways.

**(24) EARMARKING A PORTION OF COLLECTIONS FOR
ADMINISTRATION—MOTOR VEHICLE REGISTRATION**

That section 30 of the Motor Vehicle Registration Law and section 10 of chapter 133, Statutes of Nevada 1949, the latter providing for the consolidation of administration of State highway revenue producing Acts, be amended so as to eliminate the earmarking of 50 cents for each motor vehicle registration for the administrative expense of the Motor Vehicle Division, and that funds for the entire administration of the provisions of the Act on consolidation of administration of State highway revenue producing Acts be provided only by direct legislative appropriation from the Highway Fund, on presentation of budgets in the manner provided by law. While this method of earmarking a portion of revenues collected for administrative expenses, is slightly different from the percentage method, this recommendation is based upon the same premises as the three previous recommendations. The entire cost of administration of the Motor Vehicle Consolidation Law should be provided by direct legislative appropriation from the Highway Fund, said procedure enabling the Legislature to exercise maximum supervision over the expenditures of the several divisions under the authority of the Public Service Commission, and still complying with provisions of section 5 Article IX of the Constitution, which provides that the proceeds for motor vehicle licenses shall be used exclusively for the construction, maintenance, and administration of highways.

(25) SUPERINTENDENT OF THE NEVADA HIGHWAY PATROL

That sections 5, 6, and 10 of chapter 133, Statutes of Nevada 1949, known as the consolidation of administration of State Highway Revenue producing Acts be amended so as to provide for a superintendent of the Nevada Highway Patrol who shall also be ex officio superintendent of the Nevada State Police, with a commensurate salary. When the 1949 Legislature enacted the Motor Vehicle Consolidation Law, it combined the membership of the Nevada State Police, the inspectors of the Public Service Commission, and used fuel tax inspectors into a new highway patrol for the purpose of combining the enforcement of various State highway revenue producing Acts, and for the purpose

of uniform enforcement of all highway laws, and thus enable the entire operation to be financed by the Highway Fund. However, it was desired to retain some of the advantages of a State police organization, such as being able to enforce other laws and apprehend criminals off of the highways if necessity demand it. Consequently, it was provided that the position of superintendent of the Nevada State Police be retained at a salary of \$4,500 per year to be paid out of the General Fund, that the superintendent be able to deputize highway patrolmen as State policemen, and that the superintendent of the Nevada State Police be ex officio superintendent of the Nevada Highway Patrol. At the same time, the law provided for the position of chief patrolman who receives a salary not exceeding \$4,200 per year, and who actively and immediately directs the operations of the Nevada Highway Patrol. It is obvious that these two jobs are duplications, and since highway patrol operations are the primary functions of this enforcement group, and since the chief patrolman is bearing the huge burden of supervision, it is recommended that the law be amended so as to designate the chief patrolman as superintendent of the Nevada Highway Patrol and ex officio superintendent of the Nevada State Police, with a salary of at least \$4,500 per year. The consolidation of these two positions will save \$4,200 per year, and the superintendent of the Nevada Highway Patrol can handle all duties pertaining to both patrol and police operations.

**(26) ELIMINATION OF THE ONE THOUSAND DOLLAR
BALANCE IN THE CIGARETTE TAX FUND**

That section 11, chapter 52, Statutes of Nevada 1949, said chapter being amendatory to the Cigarette Licensing and Revenue Law, be amended so as to eliminate the retention of a one thousand dollar balance in the fund at the time that transfers are made to the General Fund. The original purpose of the one thousand dollar balance provision was to guarantee that there would be some money in the fund for the purpose of making refunds to taxpayers immediately after deposits in the General Fund if such refunds became necessary. However, revenues are deposited daily in the funds, refunds are never made on short notice and without proper investigation, and the retention of the one thousand dollar balance merely creates a bookkeeping problem and such retention is unnecessary. Under the present law, the one thousand dollar balance is retained apart from the General Fund, when it should be in the General Fund and available for legislative appropriation, and to meet the general expenses of government instead of remaining idle in the Cigarette Tax Fund.

**(27) ELIMINATION OF THE THREE THOUSAND DOLLAR
BALANCE IN THE LIQUOR TAX FUND**

That section 21, chapter 55, Statutes of Nevada 1949, said chapter being amendatory to the Liquor Licensing and Revenue Law, be amended so as to eliminate the three thousand dollar balance in the fund at the time that transfers are made to the General Fund. This recommendation is based upon the same premises as the previous recommendation.

(28) APPROPRIATIONS FOR THE JUNIOR LIVESTOCK SHOW

That sections 8 and 9 of the Act creating the Junior Livestock Show Board be amended so as to provide that legislative appropriations for the Junior Livestock Show shall be expended on a fiscal year basis and shall revert at the end of each biennium. At the present time, the wording of the above sections is such as to make appropriations available on a calendar year basis, which may violate section 1 of Article IX of the Constitution of the State of Nevada which requires that the fiscal year shall commence on the first day of July of each year. The appropriation for the Junior Livestock Show should be made on a fiscal year basis in the same manner that they are made for all other State departments, institutions, and agencies. The making of appropriations on a fiscal year basis would aid in the compilation of financial statements relative to the Junior Livestock Show on a fiscal year basis, and make the whole thing uniform with statements submitted by other departments and agencies in the government. The principle of reversion at the end of each biennium is a sound and standard procedure in this State. It means tighter legislative control of the purse strings, and eliminates confusion as to the amount of money available for expenditure during a given biennium.

(29) FEES FROM COMMISSIONED ABSTRACTERS

That section 1454, Nevada Compiled Laws 1929, be amended so as to provide that fees from commissioned abstracters be paid into the General Fund instead of into the State Library Fund. The 1949 Nevada Legislature passed a number of laws resolving the confusion surrounding the deposit of various fees and collections. It passed a number of laws providing that the various fees and collections shall all go into the General Fund, and that the Nevada State Library shall be supported by direct appropriation from the General Fund only, which is as it should be. Through an oversight, it was neglected to amend the law relative to fees from commissioned abstracters, so as to provide that such fees shall go into the General Fund on a uniform basis with all other fees and collections. While fees from commissioned abstracters are very small each year, the inconsistency in the law should be eliminated, and the fees should go into the General Fund in the same manner as other fees and collections.

(30) COUNTY DELINQUENCIES IN TAX SETTLEMENTS

That section 6532, Nevada Compiled Laws 1929, be amended so as to provide a penalty of 1 percent for county delinquencies in the periodical tax settlements to the office of the State Controller and State Treasurer for the use and benefit of the State. At the present time, county delinquencies cause bookkeeping delays, and time and money is expended in efforts to bring the tax settlements up to date. A small penalty might have a salutary effect, and might cover the expenses of pursuing the back settlements.

(31) ESCHEAT OF ESTATES

That sections 7530.06 and 9882.315, Nevada Compiled Laws, 1931-1941 Supplement, be amended so as to provide that estates shall

permanently escheat to the State within a period of six years after judgment instead of 10 years. The 10-year period represents a very long period of time over which the State Controller must record these accounts before reverting them to the Permanent School Fund. It appears that six years would be an adequate period of time to determine the escheat, and besides, the six-year period would conform to the six-year limit provided by the statute of limitations on actions upon judgments or decrees of any court.

(32) MENTAL HOSPITAL BUILDING FUND

That legislation be enacted reverting the \$1,040.50 balance remaining in the Mental Hospital Building Fund to the Post-War Reserve Fund, since the construction authorized by the 1947 Legislature has been completed, unless the 1951 Legislature authorizes additional construction at the institution. Sums standing idle in funds such as this invite expenditures for purposes that may not be authorized by the act of appropriation. After construction is completed, the remaining balance should revert to the funds from which the original appropriation was made, unless additional construction is authorized.

(33) INSURANCE RECOVERY FUNDS

That legislation be enacted reverting to the General Fund the small balances remaining in the Mental Hospital Fire Insurance Recovery Fund, and the Agricultural Society Fire Insurance Recovery Fund. This recommendation is based upon the same premises as the previous recommendation; there should be a minimum number of idle balances in the State treasury, and such moneys should revert to those funds that are available for legislative appropriations and to meet the various expenses of government.

(34) INDUSTRIAL INSURANCE CONTRIBUTIONS

That section 77 (d) of chapter 168, Statutes of Nevada 1947, known as the Nevada Industrial Insurance Act, be amended so as to provide that each State department, agency, and institution shall pay industrial insurance out of its own funds, whether appropriated or otherwise, on claims payable directly to the Nevada Industrial Commission, and thereby eliminate the blanket appropriation for the purpose in the General Appropriation Act. The blanket appropriation in the General Appropriation Act is designed to pay the industrial insurance contributions to the Nevada Industrial Commission from the various State departments, institutions, and agencies that are supported by General Fund Appropriations. Other departments and agencies pay their own contributions from their own separate, earmarked, or continuing funds. This results in a disjointed system; the Nevada Industrial Commission directly contacts the State departments and agencies that pay from their own funds, but in the case of agencies supported by General Fund appropriations it has no direct contact with them, and must work out the proposition with the State Controller. Two weeks out of each year are devoted by the Deputy State Controller to the working out of the industrial insurance contributions from the General Fund agencies. He should be relieved of this duty, and the General Fund agencies should do their own work on this matter. The

Nevada Industrial Commission has indicated that it prefers to contact each State department and agency separately and directly. It is also to be noted that good cost-accounting analysis of the various State departments and agencies demands that each one pay its own contributions, and that such expenditures be charged against their own operations.

(35) RETIREMENT CONTRIBUTIONS

That section 12 (a) of chapter 124, Statutes of Nevada 1949, said chapter being amendatory to the Public Employees' Retirement Act, be amended so as to provide that employers' contributions shall be paid by each State department, agency, and institution out of its own funds, whether appropriated or otherwise, on funds payable directly to the Public Employees' Retirement Board, and thereby eliminate the blanket appropriation for the purpose in the General Appropriation Act. This recommendation is based upon the same premises as the previous recommendation. The Public Employees' Retirement Board has indicated that it would prefer to contact each State department and agency separately and directly for retirement contributions.

(36) GENERAL APPROPRIATION ACT

That the General Appropriation Act be the last measure passed by the Legislature for the session, and that it contain all appropriations for all purposes from all sources, and thereby enable legislators and the people to obtain an over-all view of the cost of the proposed spending programs. Of the total number of laws enacted by the 1949 Nevada Legislature, two-thirds were enacted after the General Appropriation Act was passed, resulting in considerable confusion in the State government. For instance, as previously discussed in Recommendations Nos. 9 and 20, this resulted in continuance of the Board of Control Repair Fund, with two appropriations for the operations of the Department of Buildings and Grounds, and continuing the divided operations in the photostat room. As another example, the 1949 Legislature appropriated sufficient money in the General Appropriation Act for the salaries of the State Bank Examiner and two deputy bank examiners under the old law designating the Bank Examiner as ex officio State Auditor. Afterwards, the 1949 Legislature abolished the position of State Auditor and created the position of Legislative Auditor, and it was necessary to appropriate money for the salary of the Legislative Auditor without being able to reduce the salary budget for the office of the Bank Examiner by the amount of salary of one deputy, since the General Appropriation Act had already been signed into law. The result was that the Bank Examiner has more money in his salary budget for this biennium than he needs, but, being a good public servant, he is not spending more than he needs, and the unspent balance will revert at the end of the current biennium. The point is, this is not good appropriation procedure; there is no guarantee that public employees will always be so conscientious in the future. The State Budget Act of 1949 provides that the proposed budget bill be printed in the executive budget document, and it can be changed and discussed by the finance committees of the houses without actual introduction in the Legislature until near the end of the session, when some semblance of agreement on the appropriations may be reached. This procedure

will eliminate the very cumbersome amendment procedure that has always been necessary in the past because the bill was introduced in its very preliminary form. While an omnibus appropriation measure has not worked well in the Congress of the United States, due to the huge number and size of the appropriations, it is very feasible and desirable in an operation of the size that exists in the State of Nevada. If the actual introduction of the bill is delayed until near the end of the session, it would be a very simple matter for the Director of the Budget, or other officials concerned with State finances, to get all the desired appropriations into the General Appropriation Act.

(37) AUTOMOBILE FOR THE GOVERNOR'S OFFICE

That sufficient funds be appropriated to the equipment budget for the office of the Governor so as to enable the purchase of an automobile for the Governor, and that a certain Lincoln sedan be obtained from the Department of Highways for this purpose at trade-in value. As indicated in Legislative Counsel Bureau Bulletin No. 12, entitled, "A Survey of State-Owned Automobiles in Nevada," it is cheaper for the State to provide an automobile for any State officer or employee who travels in excess of 14,000 miles per year on State business. The Governor should have an automobile commensurate with the dignity and duties of his position. It is to be noted that if a State automobile pool is created it may not be necessary to have a special car for the Governor; he could use the automobile of his choice from the automobile pool as needed.

(38) EXECUTIVE ASSISTANT TO THE GOVERNOR

That section 20 of the State Budget Act, passed by the 1949 Nevada Legislature and authorizing the Director of Budget to serve as executive assistant to the Governor, be repealed; that the functions of the private secretary to the Governor be expanded to include those of executive assistant, and that sufficient funds be appropriated to provide one extra stenographer in the office of the Governor. Section 20 reads as follows:

SEC. 20. The governor shall, at his discretion, have the power and authority to delegate to the director of the budget various functional duties of the governor's office. The director may be authorized to represent the governor at board meetings, to sign various official papers and documents in the name of the governor, to give assistance to the governor in the performance of duties authorized by law and the constitution, and to generally aid the governor in supervising and improving the administrative organization of the government of Nevada.

It appears that the primary intent of the State Budget Act of 1949 was to create an improved system of budget control in the State government, and to provide a director of the budget who would devote almost all of his time to budget control and pre-audit examination of claims for the Board of Examiners. All of this work constitutes a full-time job, and budget control and pre-audit examination of claims suffers in direct proportion to the amount of time a director of the budget devotes to duties as executive assistant to the Governor. It is very easy for the Director of the Budget to become nothing more than

executive assistant to the Governor. The old 1865 law authorizing the Governor to appoint a private secretary appears to be designed to create an executive assistant to the Governor, although the wording is brief and the title is different from modern conceptions of the position. It is recommended that a new law be enacted expanding the functions of the private secretary to include those of executive assistant. There is no doubt that a huge mass of business goes through the Governor's office, and that the present staff is insufficient in size to handle the job properly. Sufficient funds should be appropriated in the salary budget of the Governor's office to provide necessary clerical and stenographic assistance.

(39) MEMBERSHIP OF THE STATE PLANNING BOARD

That the State Engineer and the State Highway Engineer be relieved of their duties as members of the State Planning Board, and that the membership of the State Planning Board be reduced from 11 to 9 thereby, since these two officials are heavily overloaded with the work of their own departments.

(40) SALARIES OF EMPLOYEES OF THE STATE PLANNING BOARD

That the law creating the State Planning Board be amended so as to provide that the salaries of the secretary and office employees of the Planning Board be paid only from funds appropriated to the planning board. Sections 4 and 5 of the Act creating the State Planning Board read in part as follows:

SEC. 5. * * * The board may appoint such technical and clerical assistance and make such other expenditures as may be necessary to carry into effect the purposes of their acts. All expenditures made by the board, however, shall be within the limits of the appropriation provided for the use of the board, or as hereinafter provided from funds appropriated by the legislature for construction work or major repairs.

SEC. 5. * * * The cost of supervision and inspection shall be a charge against the appropriation or appropriations made by the legislature for said building or buildings. * * *

It is recommended that the reader examine the Legislative Auditor's audit report of the appropriated fund on the Nevada State Planning Board, and building project funds of the Nevada State Planning Board. The 1947 Nevada Legislature appropriated \$10,000 for the support of the Planning Board, the Planning Board requested \$15,000 in 1949, but the 1949 Legislature appropriated only \$5,000 for the support of the Planning Board. On the authority of the chairman and the secretary, claims are drawn on the appropriated fund for operating expenses of the Planning Board, and on building project funds appropriated or created by the Legislature to finance various construction projects. In other words, these various funds are under the control of the State Planning Board, or more specifically, are under the control of the chairman and the secretary. Quoting from the Legislative Auditor's audit report of the appropriated fund of the Nevada State Planning Board as follows:

It will be noted on the statement submitted herewith that the balance as of July 1, 1948, was augmented by transfers

from the Mental Hospital Building Fund and from the Prison Building Fund, to be used for Planning Board salary payments. On the claims drawn in favor of the Planning Board, the following explanation appears:

'For salary payments to the technician and stenographer erroneously charged to the Planning Board Fund.' These amounts are included in amounts shown as 'Salary Payments—Planning Board' on statements of receipts and disbursements of the above-mentioned building project funds. The latter statements are incorporated in an audit report on Planning Board building projects, and specific reference to the payment of Planning Board salaries from building project funds is made in that report.

The Legislative Auditor's report indicates that \$1,266.59 was transferred from the Mental Hospital Building Fund, and \$1,000 from the Prison Building Fund during the fiscal year 1948-1949. Said amounts were used for salary payments to a stenographer, and the technician who later became the secretary of the Board.

Quoting from the Legislative Auditor's audit report of building project funds of the State Planning Board, as follows:

The following tabulation shows office salaries of the Planning Board charged to building projects:

Prison Building Fund.....	\$8,316.34
Superintendent's residence, Nevada State Hospital.....	45.00
Nevada State Hospital Building Fund.....	6,306.93
Total.....	\$9,668.27

The law states that, 'supervision and inspections' is chargeable to the various building projects. Inspectors' salaries have been charged to the different projects, which is proper. But whether administrative expenses such as office salaries of the Planning Board can be considered 'supervision' in a strict sense, is problematical.

During the fiscal year 1949-1950, \$1,946.35 was expended from the Prison Building Fund for salaries of the secretary and stenographer, and \$883.25 was expended from the State Office Building Fund for their salaries. In other words, although the 1949 Nevada Legislature reduced the appropriation of the State Planning Board, the legislative intent was circumvented by expending money from building project funds under the control of the Planning Board for office salaries for the secretary and stenographer. This may be in violation of the provisions of section 4 which require that "all expenditures made by the board, however, shall be within the limits of the appropriation provided for the use of the board, * * *." These claims should have been stopped by the Board of Examiners, the Budget Director, and the State Controller. In addition, the post-audit examination of claims issued by the chairman and secretary of the Planning Board reveals that for some time the secretary was paid \$40 per month out of the Planning Board appropriated fund for rental of his own automobile, apparently to circumvent the law on travel allowances for State employees which provides that State employees may receive travel allowances not exceed-

ing seven and one-half cents per mile. This was eventually stopped by the Director of the Budget in his operations as clerk of the Board of Examiners on the authority of an Attorney General's opinion. Attempts were then made to issue claims for travel reimbursement to the secretary for the use of his car between Reno and the Nevada State Prison, two miles beyond Carson City, but these claims were not allowed because they had the semblance of being a commuting reimbursement, such claims having long been refused payment by the Board of Examiners and the Controller. The secretary of the State Planning Board is also ex officio surplus property purchasing agent for the Board of Control, and as such he may expend funds from the Board of Control Surplus Property Revolving Fund. On several occasions, the secretary claimed reimbursement from the Surplus Property Revolving Fund in the amount of \$40 for "handling charges" which appear to resemble the reimbursement made for rental of the Dodge sedan. Such reimbursements in lieu of travel reimbursements appear to violate the law authorizing travel reimbursement on the basis of seven and one-half cents per mile. Additional details may be obtained in the office of the Legislative Counsel Bureau.

(41) BOARD OF PRINTING CONTROL

That sections 7495, 7496, 7500, and 7503, Nevada Compiled Laws 1929, be amended or repealed so as to abolish the Board of Printing Control and transfer its functions to the Superintendent of State Printing. The Board of Printing Control is composed of the Superintendent of State Printing, the Secretary of State, and the State Controller. The permission of the Board of Printing Control is required by law in order that a State department, institution, or agency may have printing done elsewhere than at the State Printing Office. This appears to be the sole function of the board, and invariably, if the Superintendent of State Printing is willing that such printing be done elsewhere, the board gives its consent. In other words, the Superintendent of State Printing actually decides the matter anyway, in view of the work load, etc., at the printing office. This ex officio board appears unnecessary. Boards that are not operating, or not serving a particularly useful purpose, should be eliminated in order to gradually eliminate the loose ends of the governmental structure.

(42) BOARD OF IRRIGATION

That the law creating the Board of Irrigation be repealed. The Board of Irrigation was created in 1901, and as far as anyone can remember has never functioned. It should be eliminated from the statutes.

(43) BOARD OF PUBLICITY

That the law creating the Board of Publicity be repealed. The Board of Publicity was created in 1937, and the members are the Governor, the Highway Engineer, the Superintendent of State Printing, and two members appointed by the Governor. The 1937 Legislature appropriated \$2,500 in order to carry out the purposes of the Act. No further appropriation was made until 1947 when the Legislature appropriated \$5,000 to the Board of Publicity for the purpose of showing the famous model mine exhibit at the Utah Centennial Exposition.

The board has functioned very little, as is always the case with boards or commissions in government serving on a part-time basis without pay, and who have no full-time staff to work on the program. As a rule, little is done unless responsibility is clearly placed upon a single, full-time officer, and this board might as well be eliminated from the governmental structure. If the Legislature ever decides it wants a publicity program, a Department of Publicity should be created with a full-time director in charge, and some money to finance the operation. At the present time, the State's only mediums of publicity are the "Highways and Parks" magazine and the highway maps issued by the Highway Department. The Carson City Chamber of Commerce handles a large volume of correspondence concerning inquiries that are State-wide in nature.

(44) STATE RANGE COMMISSION

That the law creating the State Range Commission be repealed. The State Range Commission was created in 1929, with the Governor, the State Engineer, and a member of the Nevada Tax Commission as members. As far as anyone can remember, it has never functioned. It should be eliminated from the statutes.

(45) RECLAMATION AND SETTLEMENT BOARD

That the Nevada Reclamation and Settlement Act creating the Reclamation and Settlement Board be repealed. The Nevada Reclamation and Settlement Act provided for the reclamation, improvement and equipment of lands within the State for rural homes for soldiers, sailors, marines, and other loyal citizens. It created a Reclamation and Settlement Board consisting of the Governor, State Engineer, and three members appointed by the Governor. Governors have not appointed the three members for many years, possibly not since 1919 when the Act was passed. As far as anyone can remember, the board has never functioned, and it appears that the Act should be repealed merely to eliminate the loose ends of the governmental structure. However, the State Engineer has indicated that there might be some possibility of using the Act, and his views should be carefully considered before repeal. If some use can be found for the Act and the board, they might be retained; otherwise, there is no use of retaining a nonfunctioning agency.

(46) STATE IMMIGRATION BUREAU

That the law creating the State Immigration Bureau be repealed. The Bureau was created in 1887, and the State Controller, the Surveyor General, and the Superintendent of Public Instruction are members. As far as anyone can remember, it has never functioned, and it should be eliminated from the statutes.

(47) STATE PAROLE OFFICER

That sufficient funds be appropriated for the support of the office of the State Parole Officer to provide an adequate salary for the chief parole officer, to provide for one office administrator, and to provide for one full-time stenographer. The 1949 Nevada Legislature gave a 10 percent increase in salaries to most State officers and employees.

The chief parole officer was lost in the shuffle, and received no salary increase. The law provides that the parole officers and other employees of the State Board of Parole Commissioners shall be paid such salaries as the board shall determine within the total appropriation therefor; the 1949 Legislature simply neglected to appropriate sufficient funds to the office to provide a salary increase. The 1949 Legislature enacted the "Uniform Act for Out-of-State Parolees' Supervision," which provides the authority for the State to enter into interstate contacts in this field. There has been a huge increase in the work load of the office as a result of entering into the interstate contact for parolees' supervision, and funds should be provided for an office administrator to supervise the office work, as well as for a full-time stenographer. A very fine and efficient office procedure and filing system has been installed during the past year, and a large number of parole cases are handled with dispatch. It is recommended that the biennial report of the office be examined; full details are contained therein.

(48) SALARY OF STATE LIBRARIAN

That section 3 of chapter 276, Statutes of Nevada 1949, being the State Library Law, be amended so as to increase the salary of the State Librarian to \$4,800 per year. The State Library Law properly provides a few minimum qualifications for the State Librarian; the qualifications are not too strict, and, if complied with, will help to insure that a good man will be placed in charge of the specialized field in which the State Library operates. But the salary provided by law at the present time is only \$3,800 per year. No qualified librarian will take the job for this salary. It is recommended that the salary be increased to at least \$4,800 per year in order that a trained librarian may be obtained for the position. A trained librarian is badly needed in the State Library, since the institution is not in good shape, a great deal of material has not been catalogued, and a huge amount of work has to be done on many phases of its operation. The State Library has long been underfinanced, it is requesting a modest increase in appropriations for the next biennium, and it is recommended that the amount requested be appropriated. Details on conditions in the State Library may be obtained in the office of the Legislative Counsel Bureau.

(49) EMPLOYMENT OF WIVES OF SUPERINTENDENTS OF INSTITUTIONS

That, since the laws of the three institutions involved range from specific permission on the matter to none at all, section 4851, Nevada Compiled Laws, 1931-1941 Supplement, generally known as the "nepotism law," be amended so as to provide that the wife of the superintendent of the Nevada School of Industry, the wife of the superintendent of the Nevada State Orphans' home, and the wife of the warden of the Nevada State Prison, may be employed by the respective institutions. It is to be noted that the law governing the Nevada State Prison already makes such provision, and that such employment is permissible under the law governing the Nevada State Orphans' home, since such law specifically designates a board as the appointing authority. The wives of the superintendents of the Orphans' Home and the School of Industry cannot avoid contact with the children and participating in their

care. For too long they have worked without any compensation whatsoever, or, as in some previous years, some compensation was paid without the authority of law. The wife of the warden of the Nevada State Prison must occasionally serve as a matron for female prisoners, and is entitled to compensation for such services. The conflict of laws between the "nepotism law" and the various wording or lack of wording in the laws governing the three State institutions, should be resolved.

(50) CALIFORNIA-NEVADA COMMITTEE ON LAKE TAHOE PROBLEMS

That the recommendations of the California-Nevada committee on Lake Tahoe problems be enacted into law. The senate of the 1949 Legislature adopted Senate Resolution No. 5, which created an interim committee to investigate the problems of fire protection, police protection, and sanitation in the Lake Tahoe area, and to consult with representatives of the State of California in connection with such problems. The resolution provided that the senators of Washoe, Ormsby, and Douglas Counties be members of the interim committee. Meetings have been held with representatives of the State of California during the two-year interval, and recommendations agreed upon for solution of the many and vital problems existing in the area. Details may be obtained in the office of the Legislative Counsel Bureau.

(51) SURVEYOR GENERAL

That sections 19 and 22 of Article V of the Constitution of the State of Nevada be amended so that the office of the Surveyor General no longer be a constitutional office. Mr. Albert Gorvine, in his study entitled "Administrative Reorganization for Effective Government Management in Nevada," remarks as follows:

The Surveyor General is today the least important of the major constitutional officers. His functions are the administration of land-grant statutes, the maintenance of land-ownership records, and the settlement of county boundary disputes. As State Forester Firewarden, he also co-operates with the forestry division of the United States government. In the early days of Nevada, the Surveyor General had a much greater responsibility, namely, that of parceling out and selling State lands. Since, at present, there is little desirable State land available for distribution, this once important function of the Surveyor General's office is now virtually eliminated. As a result, the Legislature has placed a conservation duty of fire control under his jurisdiction. He is also a member of the Board of Control, Commission of Industry, Agriculture, and Irrigation, and the Board of Fire Control.

The Gorvine report goes on to recommend the creation of a new Department of Conservation and Economic Development, with the State Engineer designated as the director of the new department. The Gorvine report further remarks:

The office of the Surveyor General remains as presently constituted, but will be required to work closely with the new Department of Conservation and Economic Development. Because this official is independent and no qualifications can

be set for this office under the constitution, it was deemed unwise to consolidate this office with the Department of Conservation and Economic Development.

It appears that at the very least, the functions of this office could be transferred to the office of the State Engineer, and the salaries of at least one and possibly two officers and employees eliminated. But nothing can be done until the Constitution is amended, and that procedure requires passage of a joint resolution by two consecutive regular sessions of the Legislature, and then approval by the people at the next general election. This means that such a constitutional amendment would not be effective until November 1954 at the earliest. The office operates under the authority of a number of statutes as well as a constitutional provision. It would be unwise to enact statutes abolishing the office until constitutional limitations are eliminated; there is many a slip between the cup and the lip. There is nothing to prevent the transference of statutory functions, but the savings would not be too large until the position itself is abolished. The Legislature might devote some attention to eliminating a number of other positions from the Constitution, also.

(52) FINANCIAL STATEMENTS

That section 19 of Article IV of the Constitution of the State of Nevada be amended so as to eliminate the requirement that receipts and expenditures of the public money be published with the session laws, since such information is contained in the annual pamphlets of the State Treasurer and State Controller. Under the present provision, two annual reports of the State Treasurer are included in each issue of the "Statutes of Nevada." This means additional paper and expense added to the cost of printing the Statutes, and should be eliminated. The annual pamphlet reports of the State Treasurer and State Controller are issued many months before the volumes of Statutes are distributed, and including the Treasurer's report in the volumes serves no useful purpose.

(53) LIMITATIONS ON LENGTH OF SESSIONS

The Legislature of the State of Nevada has long been troubled by a mass of legislation during the last two weeks of its limited session, and the last few days produce a peak of business that sorely tries the tempers and legislative abilities of the members. There is no time for adequate consideration of worthy legislation, and poor legislation may be jammed through with sheer exhaustion stifling opposition. No legislator can remember when a Legislature actually adjourned within the constitutional limit of 60 days; instead the clock is stopped and the Legislature works several days under the date of the sixtieth day. In other words, the provisions of the Constitution are circumvented by a subterfuge and it is not inconceivable that at some time in the future, when the validity of extremely important legislation is at stake, interested parties may test its constitutionality on the grounds that it was passed after the 60-day limit. It would not be difficult to present witnesses and published evidence to that effect. While the courts could hardly declare a law unconstitutional on such grounds without throw-

ing a large portion of the statutory structure of the State in jeopardy, the dignity and integrity of the Legislature and the courts would be lessened in the eyes of clear-thinking citizens, and soon the demand would be made for a real, workable solution of the problem. Every Constitution must be interpreted from time to time, but there should be no circumvention of its provisions by trickery and subterfuge.

When the Constitution was framed in 1864, it was felt that there should be a limit on the length of a session, as the salary paid to legislators (subsequently set at \$8 a day for such an honored and esteemed office) was deemed to be a temptation to legislators to prolong the session and dilly-dally at the Capitol at the expense of the State. So the convention at Carson City inserted section 29 in the Constitution. But why not limit the salaries and costs of sessions without limiting the duration of sessions? The important thing is that the State gets full value for money expended, and waste be eliminated. The 60-day limit on regular sessions, and the 20-day limit on special sessions, should be removed and members paid a specified sum for regular sessions and special sessions. The present law provides that members shall receive \$15 per day with a maximum amount of \$900 per session. In other words, members are paid that sum per session during the term for which they are elected, at the rate of \$15 per day, payable weekly during the session, until the full \$900 is paid. After that no more compensation would be paid regardless of how long the Legislature is in session. The law, as it stands now, is fairly adequate except that the word "regular" should be inserted before the word "session" in line 6. The reason for that now becomes apparent.

Section 29 of the Constitution limits special sessions to 20 days. The reasoning that would eliminate a 60-day limitation on regular sessions also applies to the 20-day limitation on special sessions. As the law now stands (Statutes of 1945, chapter 161, page 250) the 20-day limitation would allow members to get \$300 at the most for a special session. It follows then that if the constitutional limitation on special sessions is removed, a further amendment should be made to chapter 161, section 1, by inserting after the word "session" in line 6, the following words: "and three hundred (\$300) dollars at any special session."

With the above amendments to chapter 161, the principal reasons for limitations on the duration of sessions are removed because the cost is still under control of law just as much as before. The Legislature could raise its salary, of course, but it can do that under the present law, and the amount that it votes itself at the present time has nothing to do with the duration of its session. Section 33 of the Constitution adds still another restraint. Quote: "* * * but no increase of such compensation shall take effect during the term for which the members of either house shall have been elected."

The same holds true for employees of the Legislature. At the present time, employees are paid for each day that they work, and that includes each day over 20 or 60 that the Legislature actually is in special or regular session, respectively. Hence, we find the anomaly, peculiar to Nevada, of session limitations specified by the Constitution, and still employees are being paid for actual session work accomplished after said limitations have been reached. The records of the

Controller, over a period of many years, will verify this statement. In other words, employees are paid for their work by the day whether there are constitutional limitations on the length of sessions or not. The removal of such limitations would not increase the employee costs of any given session.

**(54) CORRECTION OF TYPOGRAPHICAL AND CLERICAL
ERRORS IN ENROLLED BILLS**

That a permanent interim committee, composed of the rules committee of the senate and assembly, be created for the purpose of correcting typographical and clerical errors, and errors in style of printing and in enrolled bills after they are signed by the Governor. Such committee may be called into session by the Governor, or by the desire of the majority of the entire membership of the committee. Some provision should be made for correcting such errors after the bills have been signed into law. For instance, the 1949 Nevada Legislature enacted a law designed to increase the amount of the county's share of motor vehicle registration fees from 25 cents to 75 cents for each registration. Through clerical error, the law now provides that each county shall receive \$1 for every registration, instead of the 75 cents as passed by the Legislature. In other words, any clerk or employee has the power to change the laws and to violate the intent of the Legislature under certain conditions. It would not be impossible for such changes to be made willfully, although such action constitutes a felony. Under present laws, if a statute were willfully altered it appears that to change it back would require a Legislative Act, which might not be possible until a subsequent session, since such a thing might not be discovered until long after the Legislature adjourned. It seems unreasonable to allow a situation to continue where a clerk would have such tremendous power over the laws as passed by the Legislature; more power even than the Governor or any elected official, except possibly the Supreme Court. The time may come when a clerical error would be so serious, that it would be necessary to call a special session of the Legislature to correct it, at great expense.

(55) EMPLOYEES OF THE LEGISLATURE

That the exact number, titles, and salaries of employees of the Legislature be defined by law. This is now possible for the first time in the history of the Nevada Legislature, due to certain procedural changes, and the methods of hiring employees as enacted by the 1947 and 1949 sessions. There was a time when the hiring of employees by the Legislature reached such proportions that it was a subject of wide criticism. In order to make it possible to reduce staff, it was necessary to extensively revise legislative procedure and eliminate a goodly number of jobs, and at the same time inaugurate a new method of hiring employees. New procedural steps included: (1) new methods of compiling the history of bills whereby it becomes necessary to hire only two history clerks instead of five, and whereby the printing of a daily history is being done at less expense than the old method which involved more employees; (2) new methods of compiling the journals of the houses, which involves the employment of only two persons instead of the eight previously needed; (3) the printing of the enrolled

bills which now requires the hiring of only four persons instead of the 12 to 15 that were formerly employed; (4) the elimination of the mailing room as a legislative function, and transferring mailing duties to the State Printing Office, which means that three employees now do the work formerly performed by 35; (5) the transference of the hiring of bill drafting staff from the Legislature itself to the office of the Attorney General, which has resulted in an average reduction of stenographic employees from nine to four, a saving of five employees.

In the old days, it was customary for each legislator to bring one or more of his friends to the session for employment. The 1947 Legislature amended the standing rules of the houses so as to create a standing committee on legislative functions, composed of members of both parties in the same way as all other standing committees are composed, to hire the employees needed by each house. To illustrate what has been done in this field, the 1945 session employed 98 attachés, the 1947 session employed 62 attachés, and the 1949 session employed 43 attachés. This means that the 1949 session expended approximately \$26,400 less for staff than was expended by the 1945 session. Total cost of legislative sessions has remained about the same, because the salaries of legislators were increased from \$10 per day to \$15 per day beginning in 1947.

It is now proposed to put the final lid on the size of the legislative staff by enacting a law that will specifically designate the titles and numbers of positions that may be filled. This was not possible until the 1949 Legislature provided by law for the printing of enrolled bills; prior to that time it was necessary to leave room for the hiring of additional employees to typewrite the enrolled bills as the load became heavier near the end of the session. As demonstrated by the 1949 session, four enrolling clerks are quite sufficient if the enrolled bills are printed, instead of the varying number up to 15 that was needed under the old system. It was clearly demonstrated during the 1949 session that 14 employees could do the job in the senate, and 22 employees could do the job in the assembly, or a total of 36. Maximum economy would be achieved by legal definition of the exact number, titles, and salaries of employees.

(56) BILL DRAFTING

That section 7 of chapter 42, Statutes of Nevada 1947, being the Act requiring the Attorney General to serve as the official bill drafter for the Legislature, be amended so as to provide that every bill shall be submitted to the Attorney General before introduction for the purpose of determining that the bill is in the proper form as prescribed by law. There is wording in the law now, to the effect that bills *may* be submitted to the Attorney General for the purpose of determining if the bills are in the proper form. It is proposed that the word "may" be changed to the word "shall," and thereby tend to eliminate the possibility of improperly drawn bills becoming law. Upon the determination that a bill is in proper form, it could be stamped with a mark of approval before delivery to the chief parliamentary officers of the houses.

(57) FINANCIAL STATEMENT TO THE LEGISLATURE

That chapter 34, Statutes of Nevada 1947, and chapter 214, Statutes of Nevada 1949, being two Acts requiring that financial statements be submitted to the Legislature, the Governor, and the Secretary of State, be repealed, and that their provisions be incorporated instead in chapter 205, Statutes of Nevada 1949, which is the law creating the position of Legislative Auditor, and thereby eliminate conflict of laws, and enable the handling of all financial statements through one agency where they may be compiled and distributed for the use of the Legislature, State officers, and the general public.

(58) FUNCTIONS OF THE LEGISLATIVE AUDITOR

That chapter 205, Statutes of Nevada 1949, which is the law creating the position of Legislative Auditor, be amended so as to provide that the Legislative Auditor shall have the power and duty to audit the books and accounts of all State offices, departments, boards, commissions, bureaus, agencies, or institutions operating by authority of law, and supported in whole or in part by any public funds, whether said public funds are funds received from the Federal Government of the United States or any branch or agency thereof, or from private or any other sources, and that funds be provided for a staff sufficient in size to audit each of the aforementioned State offices, departments, etc., annually. The 1949 Legislature excluded the Nevada Industrial Commission and the Basic Magnesium Project from audit by the Legislative Auditor, but it appears that their financial transactions should be subject to examination by an arm of the Legislature the same way as all other State departments, agencies, and institutions. But the Nevada Industrial Commission, and especially the Basic Magnesium Project, are very large operations, and one or two assistants will be necessary in order to audit their books and accounts annually.

**(59) AUTHORITY TO SUBPOENA WITNESSES—
LEGISLATIVE COUNSEL BUREAU**

That chapter 102, Statutes of Nevada 1947, being the law creating the Legislative Counsel Bureau, be amended so as to provide the bureau with the authority to subpoena witnesses.

(60) VACANCIES IN THE LEGISLATIVE COUNSEL BUREAU

That the law creating the Legislative Counsel Bureau be amended so as to provide that vacancies in the membership of the Counsel Bureau created by death or resignation, be filled by election by the remaining members of the Bureau, thus enabling the Bureau to function until new members are selected by the next legislative session.

(61) CARE OF LEGISLATIVE SUPPLIES AND EQUIPMENT

That the law creating the Legislative Counsel Bureau be amended so as to provide that the Counsel Bureau shall relieve the Secretary of State of the duties incidental to the care, custody, and acquisition of legislative supplies and equipment. At the present time, as an arm of the Legislature, the Bureau actually cares for and inventories

supplies and equipment belonging to the Legislature, and helps to prepare such supplies and equipment for each forthcoming session. By law, the Secretary of State has been caring for legislative supplies and equipment for many years; some one had to do the job after the Legislature adjourned and went home. Now that the Legislature has its own functioning agency, it appears that the Secretary of State should be relieved of the burdens incidental to legislative supplies and equipment, and that the Legislative Counsel Bureau should care for such supplies and equipment and be responsible to the Legislature for them.

At this point, it appears desirable to insert a few words relative to the University of Nevada. The office of the Legislative Counsel Bureau has not attempted to compile a survey of the University of Nevada for the years 1949-1950, but a large amount of information concerning the institution is available in the office of the Bureau. Legislative Counsel Bureau Bulletin No. 11, entitled "Report of the Legislative Auditor," contains the most comprehensive audit report ever compiled on the University of Nevada. The audit report not only contains detailed information on the finances, transactions, and accounts of the University, but also remarks and makes suggestions relative thereto. The Nevada Taxpayers' Association conducted a survey of the University which was published in the July 1950 issue of the "Nevada Tax Review," said survey revealing the finances and administration of the University, and making 14 specific recommendations. It is suggested that the survey and recommendations be given careful study and examination. It is interesting to note that a goodly number of the recommendations have already been carried into effect by the Board of Regents, the President, or other administrative officials of the University. It is proper to state without equivocation that a tremendous improvement in administrative practices and general operations of the University of Nevada has occurred between July 1, 1949, and December 31, 1950. Keeping in mind that there are always some weak spots in every operation, and that some undesirable things occur in spite of the good efforts of everyone concerned, it is desirable that members of the Legislature and people of the State of Nevada do not lose sight of the fact that many, many changes and improvements have been made at the University of Nevada, and said changes and improvements very heavily outweigh the few weak spots. The Legislative Counsel has attended all meetings of the Board of Regents, and has had many conversations with the members of the Board and administrative officers of the University. The Legislative Auditor and the Legislative Counsel have received great cooperation from all persons connected with the University.

The following are a few of the accomplishments at the University during the last two years. A comprehensive analysis of the entire organization of the University has been made, and the functions of each unit and the work load of faculty members has been determined. The Mackay School of Mines has been established as a separate college. A new policy of appointments and promotions has been inaugurated, along with improved regulations concerning the tenure of faculty members. Various changes in administrative personnel and faculty have been made for the general betterment of the operation. New

administrative and clerical personnel procedures have been inaugurated, including a classification and pay plan, job specifications, hours of work, holidays, etc. Improved administrative rules on scholastic standing have been promulgated, along with more specific regulations on probation, suspension, and disqualification. There has been improvement in the admission regulations for students from junior colleges. The University Retirement System has been integrated with the State Public Employees' Retirement System.

Improved accounting procedures and methods have been inaugurated in the office of Comptroller, keeping in mind that such streamlining may well require a number of years to bring to a successful conclusion. Primarily through the efforts of the University Comptroller, the 1951 Nevada Legislature will be presented with the finest budget document ever compiled for the University. It is believed that as a result of the audit report of the Legislative Auditor and the good budget document, Legislators will have a comprehensive and understandable picture of University finances and financial needs for the first time.

Through the adoption of bid procedures, considerable savings have been made in the purchasing of paper, supplies, and other items used at the institution. Studies have been made of the feasibility and desirability of the installation of a central telephone switchboard. Improvements have been made on the handling of long-distance telephone calls. Study has been made of the feasibility and desirability of microfilming University records. New rules on travel have been inaugurated.

The 1949 Nevada Legislature enacted chapter 301, Statutes of Nevada 1949, which appropriated \$50,000 to accomplish the first steps of a renovation of the University heating plant, to take care of any heating emergency during the two-year interval, and providing that the Board of Regents shall be in charge of the work. The Board of Regents has carried out the terms and intents of this Act, and proceeded with the first steps of the renovation program outlined therein, which will save anywhere from \$300,000 to \$500,000 of the cost of installation of a completely new heating plant. The wisdom of the 1949 Legislature is obvious when it is pointed out that the emergency did arise during 1950 because insurance companies forced the retubing of one of the old boilers in the central heating plant and the elimination of some of the load thereon. The wisdom of the Legislature is apparent when it is noted that this Act enabled the acquisition of boilers before the national emergency set in. For instance, a new boiler that will completely relieve the problem in the central boiler house is now sitting on the ground ready for installation. The wisdom of the Legislature is apparent when an analysis is made of the expenditure of the appropriated \$50,000, and many savings can be demonstrated. It is quite obvious that the University obtained at least \$67,500 worth of materials and installations for the less than \$50,000 expended, by doing its own work and dealing directly with manufacturers of equipment and thereby eliminating jobbers' and middlemen's profits. The installations do not require engineers to be in attendance 24 hours a day as is necessary, for instance, at the Nevada Hospital for Mental Diseases. The modern \$85,000 heating and ventilating system installed in the new gymnasium at the time of construction is

now operating in its entirety for the first time in many years, instead of two-thirds of the system standing idle every winter. The heating problem of the University of Nevada is not confined to the central heating plant; a huge amount of work must be done in each of the buildings in order to get the heat in the rooms where it is needed. A good heating plant means nothing unless results are obtained inside of the buildings. Other savings are apparent also. The boilers to be installed under the present program of renovation will burn a slightly more expensive oil, but will consume far fewer gallons of oil each year, with an ultimate saving to the University. It is strongly suggested that the 1951 Legislature appropriate the funds requested in the University budget for completion of the program of renovation of the University heating plant. Full details may be obtained in the office of the Legislative Counsel Bureau.

Along the same line, it is suggested that sufficient funds be appropriated to carry out the building renovation program as outlined in the University budget. For too long there have been insufficient funds to maintain the University buildings as they should be maintained, and the large capital investment at the University has been gradually deteriorating. While the national emergency may preclude the construction of new buildings at the University, it appears that modest amounts of materials might be available to keep them in repair and in good condition. It is suggested that the Board of Regents and the President of the University be placed in complete charge of the renovation of the heating plant and the University buildings, because intimate knowledge of the problems of each building can be obtained only by intimate contact with them over a long period of time, and, secondly, a large amount of the work can be done by the University's own maintenance staff with an ultimate saving in the over-all cost. For the larger jobs, the University can let contracts on a bid basis with the same degree of efficiency as anyone else.

Dr. Malcolm A. Love, newly elected President of the University of Nevada, has issued a general policy statement entitled "Ideas and Suggestions Concerning Policy and Principle." It is earnestly suggested that every person interested in the University of Nevada read and analyze this statement, because it serves as an index of many good things to come in the future. It appears that adherence to the principles set forth therein will result in the University of Nevada assuming its proper place as an outstanding University in the entire country.

It is suggested that the 1951 Legislature devote careful study and consideration to the athletic problem at the University, and the cost thereof in relation to the benefits received. Details of losses and financial transactions involved may be obtained from the audit report of the Legislative Auditor. Added details may be obtained in the office of the Legislative Counsel Bureau.

Turning to the new State office building, the 1949 Nevada Legislature enacted chapter 325, Statutes of Nevada 1949, which provided for the construction of said State office building, said construction to be financed by a bond issue not exceeding \$600,000 and also by an appropriation of \$350,000 from the Highway Fund. It is suggested that the 1951 Legislature carefully analyze the plans and the office building

itself in order to determine whether a dollar's worth of value has been obtained for every dollar expended. Considerable information relative to the project may be obtained in the office of the Legislative Counsel Bureau.

Turning to the printing of the Statutes of the State of Nevada, the biennial report of the Attorney General for the period July 1, 1948, to June 30, 1950, remarks as follows:

The 1949 legislature, in chapter 3 of the 1949 statutes, changed the method of printing bills and statutes most materially in that in the enrolled bill and the statute therefrom printed all of the original statute being amended and the part thereof stricken by the amendment is left in the enrolled bill and printed in the printed copy thereof—such stricken matter being indicated by brackets. Two years of experience reading and construing such statutes demonstrate that the leaving of such stricken or obsolete matter is most confusing and tends to destroy in a measure an accurate concept of the statutes. While the inclusion of such proposed stricken matter in the bill introduced in the legislature may accomplish a good purpose, still, in the printing of the enrolled bill, or rather the enrolling of a bill after its final passage, such obsolete matter should be left out entirely. We recommend to the legislature serious consideration of this matter. Likewise, the elimination of marginal notes from the printed statutes should be rectified returning to the use of marginal notes so as to facilitate the reading of such statutes, particularly long statutes, for the purpose of ascertaining the pertinent portion of the statute without the necessity of reading the entire statute to find the particular portion thereof.

For some time in the Nevada Legislature, as in all other state legislatures, when bills are introduced amending existing law, wording that is to be struck out is enclosed in brackets, and new wording is printed in italics. This system enables the legislator to determine at a glance the proposed changes in the existing law. The same thing holds true when the brackets and italics are printed in the Statutes; it is a simple matter to determine changes.

But the primary reason for printing the brackets and italics in the Statutes is to save money. A description of the process of printing bills in the Legislature will illustrate this point. When bills amending existing law are introduced, they are printed the first time with brackets and italics to show the proposed changes. Each time that the bills are amended they are reprinted with the proposed changes illustrated by brackets and italics. The printed bill is always in its final form, and when it has been passed by both houses it is immediately ready for enrollment. "Enrollment" means the final printing of the bill in the final form as passed by both houses of the Legislature preparatory to delivery to the Governor for approval. It is obvious that if the brackets and italics are left in, no typesetting is involved in printing the enrolled bill. If bracketed material is eliminated altogether, and/or italic material is changed to roman, considerable typesetting is involved before the bill can be enrolled. This involves some

time and expense either at the enrollment stage, or at the stage of printing the bound volumes of the Statutes after the Legislature has adjourned. If bracketed material is eliminated, and italic wording changed to roman, there will be additional delay in the final publication of the Statutes. If it is done at the enrollment stage there will be additional delay at that point with an effect upon the operations of the Legislature itself, especially at the end of the session. The Superintendent of State Printing has estimated that the elimination of the bracketed material and the changing of italic wording to roman will mean an additional cost of \$466 per session. If the bracketed material is eliminated only, and the italic wording allowed to remain, the Superintendent estimates that the additional cost will be \$266 per session. It is to be noted that if the reader so desires, all the Statutes of Nevada can be read in the Nevada Compiled Laws which contains no bracketed material and no italics.

The use of marginal notes also involves additional expense. Marginal notes are first set on a linotype machine, and then each slug of type is sawed with a power saw. The column of type on each page of the Statutes must be narrowed to accommodate the marginal notes; consequently more pages are involved in the printing of the Statutes. As an illustration of this, the Statutes of Nevada 1947 contain only 279 chapters, but 867 pages; while the Statutes of Nevada 1949 contain 327 chapters, but only 673 pages. The Superintendent of State Printing has estimated that the use of marginal notes will result in a 15 percent increase in the number of pages, and that the Statutes of 1949 would have been approximately 105 pages longer if the marginal notes were used. The Superintendent has estimated that the use of marginal notes will involve an extra cost of approximately \$1,225 per session.

It appears that the primary need is a complete and adequate index, which will enable the reader to readily locate the material in each paragraph and section of the Nevada Statutes.

The need for recodification of all of Nevada's laws has been previously indicated in this report. Such a plan visualizes the printing of the new code at the Nevada State Printing Office, and it also visualizes that a large proportion of the type used in printing the Statutes enacted at each session of the Legislature would also be used in printing the new code. All that would be necessary would be for the books of the code to be the same dimensions as the Statute books. It would be impractical to print the new code in the narrow column because of the cost involved, and because of the fact that additional volumes would be necessary in the set of books comprising the code. It appears that the best method would be to use the wide column of type in both the Statutes and the new code. If marginal notes are used in the Statutes, the Statutes would have to be reset in their entirety for use in the new code. At the present time, the Nevada Compiled Laws contains headnotes corresponding to marginal notes, and the new code would contain similar headnotes, thus making marginal notes unnecessary either now or in the future. It is suggested that the 1951 Nevada Legislature carefully study the proposal of the Attorney General before making changes that would provide additional printing costs of \$1,690 per session.

Chapter 197, Statutes of Nevada 1949, provides for the publication of Supreme Court decisions and State claims in newspapers. The 1949 Legislature appropriated \$7,200 for this purpose for the ensuing two-year interval. The Board of Examiners found that this sum was sufficient only to print Supreme Court decisions during the current biennium, and there is no printing of State claims during this biennium because of lack of funds. The lists of claims are posted on a bulletin board located in the main corridor of the State Capitol building, and the information contained therein is readily available to interested persons. It appears that the legal requirement of the publication of Supreme Court decisions and of State claims in newspapers is an unnecessary expenditure of public money.

The Superintendent of State Printing has estimated that it will cost approximately \$5,500 to print the next issue of the Nevada Reports. It appears that the State Printing Office could print each Supreme Court decision in pamphlet form for immediate distribution to attorneys, etc., and at the same time and using the same type make progress on the printing and compilation of each volume of the Nevada Reports which would be issued at a later date. At the present time, newspaper publishers are required to submit 400 copies of each newspaper containing Supreme Court decisions to the Clerk of the Supreme Court who distributes them to the legal fraternity of the State. Shortly thereafter, the "Pacific Reporter" is issued by a law book publishing concern. It appears that if newspaper publication was eliminated, and the State Printing Office required to print Supreme Court decisions in pamphlet form for immediate distribution, there would be no extra cost in printing the Nevada Reports, and the \$7,200 expended for newspaper publication could be saved. These facts have been verified by the members of the Supreme Court, the Clerk of the Supreme Court, and the Superintendent of State Printing. It is suggested that the 1951 Nevada Legislature carefully study the proposal with the view of making the necessary amendments to the existing law.

The Legislative Counsel Bureau has issued mimeographed copies of minutes of all meetings of the Bureau since June 1949, such minutes giving detailed descriptions of the progress of survey work on various matters, of various activities of the office, and miscellaneous items. The minutes of meetings should be read as supplements to this report.

REPORT OF LEGISLATIVE COUNSEL BUREAU

FINANCIAL STATEMENT OF LEGISLATIVE COUNSEL BUREAU
July 1, 1948, to June 30, 1950

	July 1, 1948, to June 30, 1949	July 1, 1949, to June 30, 1950
Balance July 1, 1948.....	\$11,944.06	
Receipts—		
Appropriation 1950-1951		\$24,080.00
Total To Be Accounted For.....	\$11,944.06	\$24,080.00
Disbursements—		
Salaries—		
Legislative Counsel	\$3,600.00	\$5,280.00
Legislative Auditor		4,664.50
Contract Services—Office	859.59	2,270.02
Contract Services—Field	1,199.00	400.00
Total Salaries	\$5,658.59	\$12,614.52
Travel—		
Legislative Counsel	\$247.70	\$270.67
Legislative Auditor		350.04
Counsel Bureau Members	366.30	280.62
Total Travel	\$714.00	\$1,001.33
Office Expense—		
Supplies, Stationery, Etc.	\$258.04	\$332.55
Postage, Express, Etc.	109.99	167.00
Telephone, Telegraph	108.75	187.31
Photostats		32.38
Repairs and Maintenance Office Equipment		28.80
Newspapers, Books, Manuals		51.25
Total Office Expense	\$476.78	\$799.29
Equipment	66.40	788.53
Printing	5,027.35	121.50
Total Disbursements	\$11,948.12	\$15,235.17
Balance Reverted to General Fund.....	.94	
Balance End of Period		\$18,744.83

