MINUTES OF THE JUNE 23, 2005
MEETING OF THE
INTERIM FINANCE COMMITTEE
LEGISLATIVE COUNSEL BUREAU
Carson City, Nevada

Chairman William J. Raggio called a meeting of the Senate Committee on Finance and the Assembly Committee on Ways and Means sitting as the Interim Finance Committee (IFC) to order on Thursday June 23, 2005, at 8:16 a.m. in Room 4100 of the Legislative Building. Exhibit A is the agenda. Exhibit B is the guest list. All exhibits are available and on file at the Fiscal Analysis Division of the Legislative Counsel Bureau.

COMMITTEE MEMBERS PRESENT:

Senator William J. Raggio, Chairman
Assemblyman Morse Arberry Jr., Chairman
Assemblyman Moises Denis
Assemblywoman Heidi Gansert
Assemblywoman Christina R. Giunchigliani
Assemblyman Lynn Hettrick
Assemblyman Horne sitting for Assemblyman Joseph Hogan
Assemblywoman Sheila Leslie
Assemblyman John Marvel
Assemblywoman Kathy McClain
Assemblyman Marcus Conklin sitting for Assemblyman Richard Perkins
Assemblywoman Debbie Smith
Assemblywoman Valerie Weber
Senator Mark Amodei sitting for Senator Bob Beers
Senator Barbara Cegavske
Senator Bernice Mathews
Senator Dean Rhoads

COMMITTEE MEMBERS EXCUSED:

Senator Bob Coffin
Senator Dina Titus
Assemblywoman Ellen Koivisto
Assemblyman Bob Seale

LEGISLATIVE COUNSEL BUREAU STAFF:

Lorne Malkiewich, Director, Legislative Counsel Bureau
Brenda J. Erdoes, Legislative Counsel
Scott G. Wasserman, Chief Deputy Legislative Counsel
Mark W. Stevens, Fiscal Analyst, Assembly

Steve Abba, Principal Deputy Fiscal Analyst
Gary L. Ghiggeri, Fiscal Analyst, Senate
Robert Guernsey, Principal Deputy Fiscal Analyst
Connie Davis, Interim Finance Committee Secretary
Becky Lowe, Fiscal Analysis Division Secretary

A. ROLL CALL.

Lorne Malkiewich, Director, Legislative Counsel Bureau, called the roll, and Chairman Raggio announced a quorum of each House was present.

*B. APPROVAL OF GIFTS, GRANTS, WORK PROGRAM REVISIONS, ALLOCATION OF BLOCK GRANT FUNDS AND POSITION CHANGES in accordance with Chapter 353, *Nevada Revised Statutes*.

Chairman Raggio announced testimony would be heard on the following work programs:

- ✓ Items 9, 50, and 151 also required a revision
- ✓ Items 49, 51, 53, 75, 78, 89, 91, 99, and 104 also required a public hearing
- ✓ Items 54; 154; 163, and 164
- ✓ Item 150 was a duplication of Item 149 and should be deleted
- ✓ Item 20, 46, and 101 were withdrawn

ASSEMBLYMAN HETTRICK MOVED APPROVAL OF ALL WORK PROGRAMS NOT ENUMERATED BY THE CHAIRMAN.

ASSEMBLYMAN MARVEL SECONDED THE MOTION.

THE MOTION CARRIED. (Senator Coffin, Senator Titus, Assemblywoman Koivisto, and Assemblyman Seale were excused. Assemblyman Denis, Assemblywoman Gansert, Assemblywoman Giunchigliani, and Assemblywoman Weber were not present for the vote.)

I. Work Program Revisions Requiring Interim Finance Committee Review.

1. **Office of the Governor – High Level Nuclear Waste – FY 05 –** Transfer of $6,000.00 from the Out-of-State Travel category to the State Funded Contracts category, $8,000.00 from the In-State Travel category to the State Funded Contracts category, $19,100.00 from the Operating category to the State Funded Contracts category, and $10,900.00 from the Operating category to the Information Services category to fund projected expenditures for the remainder of the fiscal year. Requires Interim Finance approval since the amount transferred to the State Funded Contracts category exceeds 10% of the legislatively-approved level for that category.

   Refer to motion for approval under Item B.

2. **Office of the Governor – High Level Nuclear Waste – FY 05 –** Addition of $130,000.00 in County Reimbursements to provide oversight activities related to the Yucca Mountain Program. Requires Interim Finance approval since the amount added to the Clark County category exceeds $50,000.00.

   Refer to motion for approval under Item B.

3. **Office of the Governor – Energy Conservation – FY 05 –** Addition of $54,339.00 in federal U.S. Department of Energy, Energy Efficiency and Renewable Energy Activities – Geothermal Outreach grant funds to fund awareness outreach activities related to the economic and environmental benefits of geothermal energy development, and to facilitate energy efficiency activities. Requires Interim Finance approval since the amount added to the Geothermal Program category exceeds $50,000.00.

   Refer to motion for approval under Item B.

4. **Office of the Governor – Energy Conservation – FY 05 –** Addition of $30,000.00 in federal Department of Energy Wind Resource Development grant funds to fund various wind energy related expenditures such as attendance at meetings and conferences, collection of data and promotional publications. Requires Interim Finance approval since the cumulative amount added to the Cooperative Agreement category exceeds $50,000.00.

   Refer to motion for approval under Item B.

5. **Office of the Attorney General – Administrative Account – FY 05 –** Transfer of $40,000.00 from the Personnel Services category to the FDA Drug Program category to cover projected expenditures for the remainder of the fiscal year in the Tobacco Enforcement Unit. Requires Interim Finance approval since the amount transferred to the FDA Drug Program category exceeds 10% of the legislatively-approved level for that category.

   Refer to motion for approval under Item B.

6. **Office of the Attorney General – Insurance Fraud – FY 05 – Transfer of** $75,000.00 from the Reserve category to the Personnel Services category to cover projected expenditures for the remainder of the fiscal year. Requires Interim Finance approval since the amount transferred to the Personnel Services category exceeds $50,000.00.

   Refer to motion for approval under Item B.

7. **Office of the Secretary of State – FY 05 –** Transfer of $100,000.00 from the Elections Expense category to the Operating category to fund projected expenditures for the remainder of the fiscal year. Requires Interim Finance approval since the amount transferred to the Operating category exceeds $50,000.00.

   Refer to motion for approval under Item B.

8. **Office of the Secretary of State – FY 05 –** Addition of $56,638.00 in funds transferred from the Secretary of State's Special Services Account to fund projected expenditures for the remainder of the fiscal year. Requires Interim Finance approval since the amount added to the Personnel Services category exceeds $50,000.00.

   Refer to motion for approval under Item B.

9. **Department of Administration – Purchasing – FY 05 –** Transfer of $25,953.00 from the Reserve category to the Personnel Services category to fund projected expenditures for the remainder of the fiscal year. Requires Interim Finance approval since the amount transferred from the Reserve category exceeds 10% of the legislatively-approved level for that category.

   Greg Smith, Administrator, Department of Administration, Purchasing Division, appeared before the Committee to request a transfer of funds from the Reserve category to the Personnel Services category to fund revenue expenditures that had not been budgeted for the remainder of the fiscal year.

Mr. Smith advised that the request had been revised from $25,953 to $31,127.49 to cover expenditures that were not budgeted for cost-of-living adjustments. Expenses included retroactive pay for a former employee with Employers Insurance Company of Nevada (EICON) and reclassification of five positions, as requested, by the previous administrator as well as two recent reclassifications.

ASSEMBLYMAN MARVEL MOVED APPROVAL OF ITEM 9 AS REVISED.

ASSEMBLYMAN ARBERRY SECONDED THE MOTION.

THE MOTION CARRIED. (Senator Coffin, Senator Titus, Assemblywoman Koivisto, and Assemblyman Seale were excused. Assemblyman Denis, Assemblywoman Gansert, Assemblywoman Giunchigliani and Assemblywoman Weber were not present for the vote.)

10. **Department of Administration – Purchasing – Commodity Food Program – FY 05 –** Transfer of $42,694.00 from the Reserve category to the Personnel Services category to fund projected expenditures for the remainder of the fiscal year. Requires Interim Finance approval since the cumulative amount transferred from the Reserve category exceeds $50,000.00.

Refer to motion for approval under Item B.

11. **Department of Administration – Buildings and Grounds – FY 05 –** Transfer of $29,691.00 from the Reserve category to the Operating category and $44,080.00 from the Reserve category to the Utilities category to fund projected expenditures for the remainder of the fiscal year. Requires Interim Finance approval since the amount transferred from the Reserve category exceeds 10% of the legislatively-approved level for that category.

Refer to motion for approval under Item B.

12. **Department of Administration – Building and Grounds – Marlette Lake – FY 05 –** Transfer of $25,392.00 from the Reserve category to the Personnel Services category to fund projected expenditures for the remainder of the fiscal year. Requires Interim Finance approval since the amount transferred to the Personnel Services category exceeds 10% of the legislatively-approved level for that category.

Refer to motion for approval under Item B.

13. **Department of Administration – State Public Works Board – FY 05 –** Transfer of $30,605.00 from the Personnel Services category to the In-State Travel category to cover projected expenditures for the remainder of the fiscal year as a result of increased construction activity and airfare prices. Requires Interim Finance approval since the amount transferred to the In-State Travel category exceeds 10% of the legislatively-approved level for that category.

    Refer to motion for approval under Item B.

14. **Department of Administration – Victims of Crime – FY 05 –** Addition of $1,230,444.00 in federal Victims of Crime Act, Victims' Compensation grant funds, $1,138,987.00 in Fines, Forfeitures and Penalties, and $591,763.00 in other various revenue sources. Deletion of $982.00 in Miscellaneous Revenue and $5,636.00 in Treasurer's Interest to increase revenue authority based on projected receipts and to fund projected expenditures for the remainder of the fiscal year. Requires Interim Finance approval since the amount added to the Victims Payments category exceeds $50,000.00.

    Refer to motion for approval under Item B.

15. **Department of Information Technology – Director's Office – FY 05 –** Addition of $228,030.00 in federal Homeland Security Grant Program funds transferred from the Division of Emergency Management to integrate multiple mountaintop communication sites into an enterprise electronic access control system to protect the state's communication infrastructure from unauthorized access. Requires Interim Finance approval since the amount added to the Emergency Management Grant Funds category exceeds $50,000.00.

    Refer to motion for approval under Item B.

16. **Department of Information Technology – Director's Office – FY 05 –** Transfer of $24,115.00 from the Reserve category to the Personnel Services category, $3,686.00 from the Reserve category to the Operating category, $10,320.00 from the Reserve category to the Equipment category, and $6,077.00 from the Reserve category to the Information Services category to purchase ergonomic equipment for agency staff housed in the Kinkead Building and to fund projected payroll costs for the remainder of the fiscal year. Requires Interim Finance approval since the amount transferred from the Reserve category exceeds 10% of the legislatively-approved level for that category.

    Refer to motion for approval under Item B.

17. **Department of Information Technology – Computing Division – FY 05 –** Transfer of $652.00 from the Reserve category to the In-State Travel category and $22,291.00 from the Reserve category to the Utilities category to cover projected expenditures for the remainder of the fiscal year. Requires Interim Finance approval since the amount transferred to the Utilities category exceeds 10% of the legislatively-approved level for that category.

    Refer to motion for approval under Item B.

18. **Department of Information Technology – Communications – FY 05 –** Transfer of $125,465.00 from the Reserve category to the Equipment category to replace a snowcat and trailer needed to ensure prompt response time and access to mountaintop sites when critical state communication system outages occur under extreme weather conditions. Requires Interim Finance approval since the amount transferred to the Equipment category exceeds $50,000.00.

    Refer to motion for approval under Item B.

19. **Department of Information Technology – Communications – FY 05 –** Transfer of $76,300.00 from the Reserve category to the Microwave Radio System category to purchase equipment and parts for the continued operation of the state's communication systems. Requires Interim Finance approval since the amount transferred to the Microwave Radio System category exceeds $50,000.00.

    Refer to motion for approval under Item B.

20. **Department of Education – Distributive School Account – FY 05 –** Addition of $700,000.00 in Prior Year Refunds to pay eight school

districts impacted by a miscalculation in the fiscal year 2004 year-end adjustments for the Net Proceeds of Minerals. Requires Interim Finance approval since the amount added to the Prior Year Payments category exceeds $50,000.00. **WITHDRAWN 5/24/05.**

Withdrawn

21. **Department of Education – Distributive School Account – FY 05 –** Transfer of $41,757.00 from the Aid to Schools category to the Transportation category to allow for pupil transportation for Wadsworth-Nixon and Schurz area students for the remainder of the fiscal year. Requires Interim Finance approval since the amount transferred to the Transportation category exceeds 10% of the legislatively-approved level for that category.

    Refer to motion for approval under Item B.

22. **Department of Education – Other State Education Programs – FY 05 –** Addition of $37,000.00 in Charter School Fees to allow for the receipt of annual compliance monitoring and administrative costs related to state-sponsored charter schools pursuant to NRS 386.570(3)(a) and (b). Requires Interim Finance approval since the amount added to the Charter School Administration category exceeds 10% of the legislatively-approved level for that category.

    Refer to motion for approval under Item B.

23. **Department of Education – GEAR UP – FY 05 –** Addition of $57,996.00 in federal Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR UP) grant funds to align budget authority with GEAR UP grant authority approved by the federal government. Requires Interim Finance approval since the amount added to the Aid to Schools category exceeds 10% of the legislatively-approved level for that category.

    Refer to motion for approval under Item B.

24. **Department of Education – Elementary and Secondary Education – Title II, V and VI Grants – FY 05 –** Addition of $2,684.00 in federal Title V grant funds and the deletion of $377,148.00 in federal Improving Teacher Quality grant funds to align revenue authority with funding levels approved by the federal government for designated education programs, adjust projected personnel costs for the remainder of the fiscal year, and to establish two expenditure categories to effectively display costs in order to comply with the requirements of the Teacher Quality and Technology programs. Requires Interim Finance approval

since the amount added to the Teacher Quality-State Program category exceeds $50,000.00.

Refer to motion for approval under Item B.

25. **Department of Education – Occupational Education – FY 05 –** Addition of $4,433.00 in funds transferred from the Education State Programs' budget, $6,438.00 in General Fund Salary Adjustment, $7,352.00 in federal Technical Preparation Education grant funds, and $199,219.00 in federal Vocational Education grant funds to allow for the receipt and reallocation of federal Vocational (Carl Perkins Basic) and Technical Preparation grant refunds from school districts and to allow for projected personnel services and indirect costs for the remainder of the fiscal year. Requires Interim Finance approval since the amount added to the Occupational Education Basic Aid to Schools category exceeds $50,000.00.

    Refer to motion for approval under Item B.

26. **Nevada System of Higher Education – University of Nevada, Las Vegas – FY 05 –** Addition of $463,033.00 in Student Fees to allow for the collection of additional nonresident tuition to be used for part-time instructors and ~~facility~~ ***faculty*** overload required to meet the additional student enrollment demands. Requires Interim Finance approval pursuant to Section 8 of Chapter 328, Statutes of Nevada 2003.

    Refer to motion for approval under Item B.

27. **Nevada System of Higher Education – Western Nevada Community College – FY 05 –** Addition of $5,844.00 in Student Fees to allow for the collection of additional nonresident tuition to be used for part-time instructors and ~~facility~~ ***faculty*** overload required to meet student enrollment demands. Requires Interim Finance approval pursuant to Section 8 of Chapter 328, Statutes of Nevada 2003.

    Refer to motion for approval under Item B.

28. **Nevada System of Higher Education – Nevada State College at Henderson – FY 05 –** Addition of $24,720.00 in Student Fees to allow for the collection of additional nonresident tuition to be used for part-time instructors and ~~facility~~ ***faculty*** overload required to meet student enrollment demands. Requires Interim Finance approval pursuant to Section 8 of Chapter 328, Statutes of Nevada 2003.

    Refer to motion for approval under Item B.

29. **Department of Cultural Affairs – Nevada State Library and Archives – Archives and Records – FY 05 –** Addition of $181,237.00 in federal Library Services and Technology Act grant funds to support a digital library and archives system which would contain digitized versions of newspapers, manuscripts, photographs, maps, sound records, and other Nevada-related government publications. Requires Interim Finance approval since the amount of the grant exceeds $100,000.00.

    Refer to motion for approval under Item B.

30. **Department of Agriculture – Administration – FY 05 –** Addition of $31,280.00 in Client Fees transferred from the Medical Marijuana Registry budget to cover projected expenditures for the remainder of the fiscal year. Requires Interim Finance approval since the cumulative amount added to the Personnel Services category exceeds $50,000.00.

    Refer to motion for approval under Item B.

31. **Department of Agriculture – Administration – FY 06 –** Addition of $31,485.00 in Client Fees transferred from the Medical Marijuana Registry budget to cover anticipated costs of a clerical trainee position approved in fiscal year 2005. Requires Interim Finance approval since the amount added to the Personnel Services category includes costs for new staff.

    Refer to motion for approval under Item B.

32. **Department of Agriculture – Livestock Inspection – FY 05 –** Addition of $141,600.00 in federal Homeland Security grant funds transferred from the Division of Emergency Management to purchase four vehicles, and various handheld equipment to enable the agency to respond to attacks on agriculture or the state food supply. Requires Interim Finance approval since the amount added to the state Homeland Security category exceeds $50,000.00.

    Refer to motion for approval under Item B.

33. **Department of Agriculture – Livestock Inspection – FY 05 –** Transfer of $11,764.00 from the Reserve category to the Equine Infectious Anemia Testing category to replace two incubators and related supplies. Requires Interim Finance approval since the cumulative amount transferred from the Reserve category exceeds $50,000.00.

    Refer to motion for approval under Item B.

34. **Department of Agriculture – Plant Industry – Pest, Plant Disease and Noxious Weed Control – FY 05 –** Addition of $30,000.00 in United States Forest Service (USFS) Sudden Oak Death grant funds and transfer of $8,732.00 from the USFS Sudden Oak Death category to the Personnel Services category to cover projected expenditures for the remainder of the fiscal year. Requires Interim Finance approval since the cumulative amount added to the Personnel Services category exceeds $50,000.00.

    Refer to motion for approval under Item B.

35. **Department of Agriculture – Plant Industry – Pest, Plant Disease and Noxious Weed Control – FY 05 –** Addition of $40,000.00 in United States Department of Agriculture Imported Fire Ants grant funds; $21,130.00 in United States Department of Agriculture Bio-Control Toadflax grant funds; $16,200.00 in United States Department of Agriculture Gypsy Moth Survey grant funds; $77,264.00 in United States Department of Agriculture Pest Detection grant funds; and $14,740.00 in United States Department of Agriculture Emerging Plant Pest grant funds to provide man months, operating, survey and equipment costs associated with various federal grant pest survey and detection efforts. Requires Interim Finance approval since the amount added to the Personnel Services category exceeds $50,000.00

    Refer to motion for approval under Item B.

36. **Department of Agriculture – Plant Industry – Pest, Plant Disease and Noxious Weed Control – FY 05** – Addition of $104,460.00 in United States Department of Agriculture Pest Detection grant funds to cover projected salary expenditures for the remainder of the fiscal year. Requires Interim Finance approval since the cumulative amount added to the Personnel Services category exceeds $50,000.00.

    Refer to motion for approval under Item B.

37. **Department of Agriculture – Veterinary Medical Services – Animal 5 –** Addition of $82,429.00 in federal Epidemiology and Laboratory Capacity for Infectious Diseases grant funds transferred from the Health Division to implement and coordinate surveillance, prevention, detection and control efforts related to the West Nile Virus. Requires Interim Finance approval since the amount added to the West Nile Virus category exceeds $50,000.00.

    Refer to motion for approval under Item B.

38. **Department of Agriculture – Predatory Animal and Rodent Control – FY 05 –** Addition of $152,399.00 in Predator Fees transferred from the Department of Wildlife to continue to provide predator management services for various projects. Requires Interim Finance approval since the amount added to the Department of Wildlife Predatory Reduction category exceeds $50,000.00.

    Refer to motion for approval under Item B.

39. **Commission on Mineral Resources – Minerals – FY 05 –** Transfer of $50,000.00 from the Reserve category to the Personnel Services category to fund projected expenditures for the remainder of the fiscal year. Requires Interim Finance approval since the cumulative amount transferred to the Personnel Services category exceeds $50,000.00.

    Refer to motion for approval under Item B.

40. **Commission on Mineral Resources – Minerals – FY 05 –** Transfer of $12,500.00 from the Reserve category to the Abandoned Mine Land Support category to cover projected expenditures in the Abandoned Mine Lands program for the remainder of the fiscal year due to increased public awareness efforts, supplies and fuel costs. Requires Interim Finance approval since the cumulative amount transferred to the Abandoned Mine Land Support category exceeds $50,000.00.

    Refer to motion for approval under Item B.

41. **Gaming Control Board – FY 05 –** Addition of $575,000.00 in Investigation Fees to fund the costs associated with an increase in the number of applications received for registration as a gaming employee as described in NRS 463.335. Requires Interim Finance approval since the amount added to the Operating category exceeds $50,000.00.

    Refer to motion for approval under Item B.

42. **Department of Business and Industry – Housing Division – FY 05 –** Addition of $465,000.00 in Loan Repayment revenue and $35,000.00 in Interest Income due to early payoffs of home loan projects and increased payments from project loans which will fund projected projects for the remainder of the fiscal year. Requires Interim Finance approval since the amount added to the Home Program Administration category exceeds $50,000.00.

    Refer to motion for approval under Item B.

43. Department of Business and Industry – Weatherization – FY 05 – Transfer of $15,600.00 from the Reserve category to the Personnel Services category to fund projected expenditures for the remainder of the fiscal year. Requires Interim Finance approval since the amount transferred from the Reserve category exceeds 10% of the legislatively-approved level for that category.

Refer to motion for approval under Item B.

44. Department of Business and Industry – Industrial Relations – FY 05 – Transfer of $28,273.00 from the Personnel Services category to the Operating category to allow for increases in rent for the Henderson, Carson City and Elko offices. Requires Interim Finance approval since the amount transferred to the Operating category exceeds 10% of the legislatively-approved level for that category.

Refer to motion for approval under Item B.

45. Department of Business and Industry – Industrial Relations – Occupational Safety and Health Enforcement – FY 05 – Transfer of $16,676.00 from the Personnel Services category to the Operating category to allow for increases in rent for the Henderson and Reno offices. Requires Interim Finance approval since the cumulative amount transferred to the Operating category exceeds $50,000.00.

Refer to motion for approval under Item B.

46. Department of Business and Industry – Dairy Commission – FY 05 – Transfer of $23,000.00 from the Reserve category to the Equipment category to replace a stolen vehicle. Requires Interim Finance approval since the amount transferred to the Equipment category exceeds 10% of the legislatively-approved level for that category. **WITHDRAWN 6/3/05**

Withdrawn

47. Department of Human Resources – Administration – FY 05 – Transfer of $110,780.00 from the Transfer to Grants Management Unit category to the Bureau of Alcohol and Drug Abuse Maintenance of Effort (BADA MOE) category, $49,220.00 from the Suicide Prevention (S.B. 49) category to the BADA MOE category, and $100,000.00 from the Transfer to Grants Management Unit category to the Douglas County Suicide Prevention Program category to cover an unanticipated fiscal year shortfall resulting from an increased Maintenance of Effort requirement for the Health Division's Substance Abuse Prevention and Treatment block grant and to fund the Douglas County Suicide

Prevention Program. Requires Interim Finance approval since the amount transferred to the BADA MOE category exceeds $50,000.00.

Refer to motion for approval under Item B.

48. Department of Human Resources – Grants Management Unit – FY 05 – Transfer of $3,000.00 from the Out-of-State Travel category to the Information Services category and $9,000.00 from the In-State Travel category to the Information Services category to purchase two additional software licenses from Micro-Edge which will provide full concurrent operations for existing staff. Requires Interim Finance approval since the cumulative amount transferred to the Information Services category exceeds 10% of the legislatively-approved level for that category.

Refer to motion for approval under Item B.

49. Department of Human Resources – Health Care Financing and Policy – Administration – FY 05 – Addition of $1,833.00 in federal Title XIX grant funds, $428.00 in federal Title XXI grant funds, $22.00 in federal Health Insurance for Work Advancement grant funds, and $2,014.00 in funds transferred from the Stale Claims Account for payment of a fiscal year 2004 stale claim. **Requires Interim Finance approval since this action involves the allocation of block grant funds and requires a public hearing.**

Patrick Cates, Administrative Services Officer, Department of Human Resources, Division of Health Care Financing and Policy, appeared before the Committee to request a transfer of $1,833 in federal Title XIX grant funds, $428 in federal Title XXI grant funds, $22 in federal Health Insurance for Work Advancement grant funds, and $2,014 in funds from the Stale Claims Account. Mr. Cates explained that reimbursement from the various funding sources was required to pay stale claims in fiscal year 2005 for an upgrade of Accountant I to an Accountant II retroactive to July 1, 2003.

There was no response to Chairman Raggio's request for public testimony.

ASSEMBLYWOMAN LESLIE MOVED APPROVAL OF ITEM 49.

ASSEMBLYMAN ARBERRY SECONDED THE MOTION.

THE MOTION CARRIED. (Senator Coffin, Senator Titus, Assemblywoman Koivisto, and Assemblyman Seale were

excused. Assemblyman Denis, Assemblywoman Gansert, Assemblywoman Giunchigliani, and Assemblywoman Weber were not present for the vote.)

50. Department of Human Resources – Health Care Financing and Policy – Medicaid – FY 05 – Transfer of $42,136,983.00 to various categories to cover projected medical provider payments, administrative and medical expenditures to sister agencies and projected contract obligations to the division's fiscal agent. Requires Interim Finance approval since the amount transferred to the Medical Assistance to the Aged, Blind and Disabled category exceeds $50,000.00.

Patrick Cates, Administrative Services Officer, Department of Human Resources, Division of Health Care Financing and Policy, appeared before the Committee to request transfers of authority between expenditure categories to meet projected expenditures for the remainder of fiscal year 2005. Item 50 required a revision (Exhibit D), and Mr. Cates explained that adjustments were being made to operating categories in order to pay First Health Services for the provision of fiscal agent and health care management services. Mr. Cates advised that when the original work program was submitted, agency representatives were in the process of estimating "final check runs" for the state fiscal year. Since that time, all "provider check runs" for Medicaid had been released, and the work program, if approved, would allow the Division to move authority to accurately record the categories in which the expenditures occurred.

ASSEMBLYMAN HETTRICK MOVED TO APPROVE ITEM 50 AS REVISED.

ASSEMBLYMAN MARVEL SECONDED THE MOTION.

Assemblyman Horne asked whether the Division had sufficient cash on hand and expenditure authority to process the remaining provider check runs for fiscal year 2005.

Mr. Cates indicated the Division had sufficient cash on hand to process all check runs in fiscal year 2005.

THE MOTION CARRIED. (Senator Coffin, Senator Titus, Assemblywoman Koivisto, and Assemblyman Seale were excused.)

51. Department of Human Resources – Health Care Financing and Policy – Nevada Check-Up – FY 05 – Addition of $1,502,221.00 in Federal Title XXI grant funds to cover unanticipated medical expenses

as a result of increased cost per eligible expenses and catch-up of claims backlog for the remainder of the fiscal year. **Requires Interim Finance approval since this action involves the allocation of block grant funds and requires a public hearing.**

Patrick Cates, Administrative Services Officer, Department of Human Resources, Division of Health Care Financing and Policy, appeared before the Committee to request the Committee's approval to augment the Check Up budget for fiscal year 2005 by $1,502,221 in federal Title XXI revenue, which was the federal match for the supplemental appropriation in the amount of $773,871 approved by the 2005 Legislature with passage of S.B. 512.

Chairman Raggio noted Item 51 required a block grant hearing and asked for public testimony.

There was no response to Chairman Raggio's request for public testimony.

ASSEMBLYWOMAN LESLIE MOVED FOR APPROVAL OF ITEM 51.

CHAIRMAN ARBERRY SECONDED THE MOTION.

THE MOTION CARRIED. (Senator Coffin, Senator Titus, Assemblywoman Koivisto, and Assemblyman Seale were excused.)

52. Department of Human Resources – Mental Health and Developmental Services – Administration – FY 06 – Addition of $227,294.00 in federal Public Health Preparedness and Bioterrorism Response Activities grant funds transferred from the Health Division to develop and implement a statewide public information campaign regarding the mental health and emotional issues inherent in crisis or disaster situations, and to provide crisis/disaster preparedness training to mental health and substance abuse crisis response teams. Requires Interim Finance approval since the amount added to the Centers for Disease Control Bioterrorism category exceeds $50,000.00.

Refer to motion for approval under Item B.

53. Department of Human Resources – Mental Health and Developmental Services – Administration – FY 06 – Addition of $168,031.00 in federal Community Mental Health Services Block grant funds from the U.S. Substance Abuse and Mental Health Services Administration to continue programs that improve the delivery of mental

health services to adults with serious mental illness. **Requires Interim Finance approval since the amount includes new staff and involves the allocation of block grant funds and requires a public hearing.**

Carlos Brandenburg, Ph.D., Administrator, Division of Mental Health and Developmental Services, appeared before the Committee to request approval for the Division to receive $168,031 in Community Mental Health Services Block grant funds from the U. S. Substance Abuse and Mental Health Services Administration.

Chairman Raggio noted Item 53 required a block grant hearing and asked for public testimony.

There was no response to Chairman Raggio's request for public testimony.

ASSEMBLYMAN MARVEL MOVED APPROVAL OF ITEM 53.

ASSEMBLYWOMAN LESLIE SECONDED THE MOTION.

THE MOTION CARRIED. (Senator Coffin, Senator Titus, Assemblywoman Koivisto, and Assemblyman Seale were excused.)

54. Department of Human Resources – Mental Health and Developmental Services – Northern Nevada Adult Mental Health Services – FY 05 – Transfer of $75,000.00 from the State Transitional Living category to the Utilities category to cover projected expenditures for the remainder of the fiscal year. Requires Interim Finance approval since the amount transferred to the Utilities category exceeds $50,000.00.

Harold Cook, Ph.D. Clinic Director, Department of Human Resources, Northern Nevada Adult Mental Health Services (NNAMHS), identified himself for the record and introduced Liz O'Brien, Administrative Services Officer, Department of Human Resources, Northern Nevada Adult Mental Health Services. Dr. Cook appeared before the Committee to request approval to transfer $75,000 from the State Transitional Living category to the Utilities category to cover a projected shortfall in utility expenses, the result of unexpected rate increases.

In response to a question Chairman Raggio asked, Dr. Cook indicated the transfer would be sufficient to cover projected expenditures for the remainder of the fiscal year.

Assemblywoman Leslie questioned the freeze placed on services in the Transitional Living category as the result of a problem with the NNAMHS new billing system. Additionally, Ms. Leslie questioned why the problem was not brought forth during the Legislative Session and whether resolution would occur by July 1, 2005, since funding had been appropriated for supported living arrangements and services were not being provided.

Dr. Cook indicated the NNAMHS had experienced some difficulties due to a combination of problems with the new computer billing system, which had impeded the ability to bill Medicare and Medicaid, and with the Medicaid fiscal agent, First Health Services. Dr. Cook advised that NNAMHS staff were working on fiscal year 2004 and fiscal year 2005 billing simultaneously and expected that billing problems would be resolved within the next several months. However, in the meantime available funding to run the agency had been reduced necessitating the request for a transfer of funds.

In response to questions Ms. Leslie asked regarding the billing problem and lifting the freeze on housing services for mentally ill clients, Dr. Cook indicated the freeze on services would be lifted with the start of the new fiscal year.

Ms. Leslie expressed concern that clients were not being provided the services they needed, which, for her, topped the priority list of problems to be resolved. Ms. Leslie indicated regular progress reports should be provided to the Committee since the next meeting would probably not take place until September.

In response to additional questions from Ms. Leslie, Dr. Cook indicated the problems would not be entirely resolved by July 1, 2005. Dr. Cook indicated the issues, although not complicated, were detailed, and Ms. O'Brien and her staff were working with staff from First Health Services on a weekly basis to resolve the detailed coding errors plaguing the new computer billing system.

Ms. Leslie pointed out that the clients being hurt by the billing problem were the severely mentally ill whose housing needs could not be met and indicated that whatever needed to be done to speed up resolving the problems should be done.

In response to a question from Chairman Raggio concerning availability of funding on July 1, 2005, Dr. Cook indicated it was staff's intention to open the residential programs to the waiting list on July 1, 2005.

In response to a question from Chairman Raggio regarding resolution of the billing problem, Dr. Cook indicated that weekly and sometimes daily meetings were occurring with First Health Services towards resolving the billing problems.

Chairman Raggio asked Dr. Cook to convey the Committee's intense interest to First Health Services' staff regarding the issues under discussion.

Mike Torvinen, Administrative Services Officer, Department of Human Resources, Director's Office, advised that, as indicated by Dr. Cook, staff from Mental Health and Developmental Services, Division of Child and Family Services, Medicaid, and First Health Services were meeting on a weekly basis to work through the billing process. Additionally, Mr. Torvinen indicated that First Health Services had hired two full-time equivalent staff, one each for the Division of Child and Family Services and Mental Health and Developmental Services, to assist with the reconciliation of prior claims.

Chairman Raggio advised that the issue would be placed on the agenda for the following meeting of the Interim Finance Committee.

Expressing support for Ms. Leslie's concerns, Assemblyman Arberry asked that monthly progress reports be provided to the Committee's staff.

ASSEMBLYWOMAN LESLIE MOVED APPROVAL OF ITEM 54 TO TRANSFER FUNDS FROM THE STATE TRANSITIONAL LIVING CATEGORY TO THE UTILITIES CATEGORY.

ASSEMBLYWOMAN SMITH SECONDED THE MOTION.

In response to questions from Assemblyman Denis, who asked if the coding problems with the new billing system had been identified, Dr. Cook advised that the problems had been identified, and staff was in the process of correcting the problems. As previously indicated, Dr. Cook advised that additional staff had been hired to assist with resolving the problems.

THE MOTION CARRIED. (Senator Coffin, Senator Titus, Assemblywoman Koivisto, and Assemblyman Seale were excused.)

55. Department of Human Resources – Mental Health and Developmental Services – Northern Nevada Adult Mental Health Services – FY 05 – Addition of $264,680.00 in Medicaid funds transferred from the Division of Health Care, Financing and Policy to continue payments to Mojave Mental Health Services for the division's Medicaid-eligible clients. Requires Interim Finance approval since the amount added to the Mojave category exceeds $50,000.00.

Refer to motion for approval under Item B.

56. Department of Human Resources – Mental Health and Developmental Services – Northern Nevada Adult Mental Health Services – FY 05 – Addition of $200,000.00 in revenue received from Pharmacy Sales to provide needed medications for clients of Lake's Crossing Center and Rural Clinics for the remainder of the fiscal year. Requires Interim Finance approval since the amount added to the Pharmacy for Other Agencies category exceeds $50,000.00.

Refer to motion for approval under Item B.

57. Department of Human Resources – Mental Health and Developmental Services – Rural Clinics – FY 05 – Addition of $68,688.00 in federal grant funds passed through from the State Health Division, Bureau of Alcohol and Drug Abuse, to continue providing services to clients who have a co-occurring mental illness and alcohol or drug abuse problem. Requires Interim Finance approval since the amount added to the Bureau of Alcohol and Drug Abuse category exceeds $50,000.00.

Refer to motion for approval under Item B.

58. Department of Human Resources – Mental Health and Developmental Services – Rural Clinics – FY 05 – Transfer of $231,000.00 from the Personnel Services category to the Indigent Drug Program category to cover projected expenditures for the remainder of the fiscal year. Requires Interim Finance approval since the amount transferred to the Indigent Drug Program category exceeds 10% of the legislatively-approved level for that category.

Refer to motion for approval under Item B.

59. Department of Human Resources – Mental Health and Developmental Services – Southern Nevada Adult Mental Health Services – FY 05 – Addition of $2,671,089.00 in Medicaid funds transferred from the Division of Health Care, Financing and Policy to

record payments to Mojave Mental Health Services for the division's Medicaid-eligible clients. Requires Interim Finance approval since the amount added to the Mojave category exceeds $50,000.00.

Refer to motion for approval under Item B.

60. **Department of Human Resources – Mental Health and Developmental Services – Southern Nevada Adult Mental Health Services – FY 05 –** Addition of $2,651.00 in Medicaid Case Management funds and $21,300.00 in federal Independent Living grant funds transferred from the Division of Aging Services to continue mental health outreach programs for senior citizens diagnosed with serious mental illness. Requires Interim Finance approval since the amount added to the Division of Aging grant category exceeds 10% of the legislatively-approved level for that category.

    Refer to motion for approval under Item B.

61. **Department of Human Resources – Mental Health and Developmental Services – Southern Nevada Adult Mental Health Services – FY 05 –** Addition of $21,001.00 in federal Projects for Assistance in the Transition from Homelessness grant funds to continue providing shelter and residential support to people with mental illness who are homeless or are in imminent danger of becoming homeless. Requires Interim Finance approval since the amount added to the Homelessness grant category exceeds 10% of the legislatively-approved level for that category.

    Refer to motion for approval under Item B.

62. **Department of Human Resources – Mental Health and Developmental Services – Southern Nevada Adult Mental Health Services – FY 05 –** Transfer of $282,000.00 from the Medications category to the Operating category, $72,000.00 from the Medications category to the Maintenance of Buildings and Grounds category, $7,000.00 from the Medications category to the Food Service category, $8,000.00 from the Medications category to the Information Services category, $1,000.00 from the Medications category to the Training category, and $39,000.00 from the Medications category to the Utilities category to cover projected expenditures for the remainder of the fiscal year. Requires Interim Finance approval since the amount transferred to the Operating category exceeds $50,000.00.

    Refer to motion for approval under Item B.

63. Department of Human Resources – Mental Health and Developmental Services – Southern Nevada Adult Mental Health Services – FY 06 – Addition of $82,996.00 in Ryan White Title I Emergency Care Act grant funds received from the Clark County Health District to continue providing mental health services to southern Nevada clients diagnosed with HIV/AIDS. Requires Interim Finance approval since the amount added to the Clark County Ryan White category exceeds $50,000.00.

Refer to motion for approval under Item B.

64. Department of Human Resources – Mental Health and Developmental Services – Southern Food Service – FY 05 – Transfer of $14,554.00 from the Food Contract category to the Desert Regional Center (DRC) Cooking Program category to cover projected expenditures for the remainder of the fiscal year. Requires Interim Finance approval since the amount transferred to the DRC Cooking Program category exceeds 10% of the legislatively-approved level for that category.

Refer to motion for approval under Item B.

65. Department of Human Resources – Mental Health and Developmental Services – Southern Food Service – FY 05 – ***Increase transfer*** ~~Addition~~ of $136,691.00 ~~in General Funds transferred~~ from Southern Nevada Adult Mental Health Services (SNAMHS) to continue providing daily meals to inpatients at SNAMHS ***28-bed*** ~~20-bed~~ emergency hospital annex. Requires Interim Finance approval since the amount added to the Food Contract category exceeds $50,000.00.

Refer to motion for approval under Item B.

66. Department of Human Resources – Mental Health and Developmental Services – Sierra Regional Center - FY 05 – Transfer of $325,000.00 from the Certified Training Center Jobs and Day Training category to the Non-Certified Training Center Jobs and Day Training category to cover projected expenditures for the remainder of the fiscal year. Requires Interim Finance approval since the amount transferred to the Non-Certified Training Center Jobs and Day Training category exceeds $50,000.00.

Refer to motion for approval under Item B.

67. Department of Human Resources – Mental Health and Developmental Services – Sierra Regional Center – FY 05 – Addition of $25,660.00 in Medicaid funds transferred from the Division of Health

Care, Financing and Policy to record payments to Mojave Mental Health Services for the division's Medicaid-eligible clients. Requires Interim Finance approval since the amount added to the Mojave category exceeds 10% of the legislatively-approved level for that category.

Refer to motion for approval under Item B.

68. Department of Human Resources – Mental Health and Developmental Services – Desert Regional Center – FY 05 – Transfer of $617,089.00 from the Certified Training Center Jobs and Day Training category to the Residential Placements category to cover projected expenditures for the remainder of the fiscal year. Requires Interim Finance approval since the amount transferred to the Residential Placements category exceeds $50,000.00.

Refer to motion for approval under Item B.

69. Department of Human Resources – Mental Health and Developmental Services – Desert Regional Center – FY 05 – Transfer of $17,064.00 from the Certified Jobs and Day Training Centers category to the In-State Travel category to fund projected expenditures for the remainder of the fiscal year. Requires Interim Finance approval since the amount transferred to the In-State Travel category exceeds 10% of the legislatively-approved level for that category.

Refer to motion for approval under Item B.

70. Department of Human Resources – Mental Health and Developmental Services – Desert Regional Center – FY 05 – Transfer of $137,583.00 from the Certified Jobs and Day Training Centers category to the Personnel Services category to fund projected expenditures for the remainder of the fiscal year. Requires Interim Finance approval since the amount transferred to the Personnel Services category exceeds $50,000.00.

Refer to motion for approval under Item B.

71. **Department of Human Resources – Mental Health and Developmental Services – Desert Regional Center – FY 05 –** Transfer of $270,923.00 from the Certified Jobs and Day Training Centers category to the Non-Certified Jobs and Day Training Centers category to fund projected expenditures for the remainder of the fiscal year. Requires Interim Finance approval since the amount transferred to the Non-Certified Jobs and Day Training Centers category exceeds $50,000.00.

    Refer to motion for approval under Item B.

72. **Department of Human Resources – Mental Health and Developmental Services – Desert Regional Center – FY 05 –** Addition of $192,313.00 in Medicaid funds transferred from the Division of Health Care, Financing and Policy to record payments to Mojave Mental Health Services for the division's Medicaid-eligible clients. Requires Interim Finance approval since the amount added to the Mojave category exceeds $50,000.00.

    Refer to motion for approval under Item B.

73. **Department of Human Resources – Mental Health and Developmental Services – Facility for the Mental Offender (Lake's Crossing Center) – FY 05 –** Transfer of $57,000.00 from the Personnel Services category to the Medications category and $12,000.00 from the Information Services category to the Medications category to cover projected expenditures for the remainder of the fiscal year. Requires Interim Finance approval since the amount transferred to the Medications category exceeds $50,000.00.

    Refer to motion for approval under Item B.

74. **Department of Human Resources – Health Division – Office of Health Administration – FY 05 –** Transfer of $55,700.00 from the Reserve category to the Personnel Services category to cover projected expenditures for the remainder of the fiscal year. Requires Interim Finance approval since the amount transferred to the Personnel Services category exceeds $50,000.00.

    Refer to motion for approval under Item B.

75. **Department of Human Resources – Health Division – Office of Health Administration – FY 05 –** Addition of $23,656.00 in federal Maternal Child Health block grant funds and $41,184.00 in Administration Charges for agency indirect costs to cover projected

salary and operating expenditures for the remainder of the fiscal year. **Requires Interim Finance approval since this action involves the allocation of block grant funds and requires a public hearing.**

Chairman Raggio announced that Item 75 required a public hearing.

Amy Roukie, Administrative Services Officer, Department of Human Resources, Health Division, identified herself for the record and introduced Richard Whitley, Deputy Administrator, Department of Human Resources, Health Division.

Ms. Roukie appeared before the Committee to request augmentation of revenue and expenditure authority based on the new notice for award of federal Maternal and Child Health Services Block Grant funds and indirect funding to support projected salary and operating expenditures for the remainder of the fiscal year.

There was no response to Chairman Raggio's request for public testimony.

ASSEMBLYMAN DENIS MOVED APPROVAL OF ITEM 75.

ASSEMBLYMAN HORNE SECONDED THE MOTION.

THE MOTION CARRIED. (Senator Coffin, Senator Titus, Assemblywoman Koivisto, and Assemblyman Seale were excused.)

76. Department of Human Resources – Health Division – Radiological Health – FY 05 – Addition of $93,044.00 in Radioactive Material and X-Ray Fees to cover projected rent and indirect cost allocation expenditures for the remainder of the fiscal year. Requires Interim Finance approval since the amount added to the Operating category exceeds $50,000.00.

Refer to motion for approval under Item B.

77. Department of Human Resources – Health Division – Health Facilities Hospital Licensing – FY 05 – Addition of $7,457.00 in federal Clinical Laboratory Improvement Amendments Program grant funds, $837,090.00 in Licenses and Fees and $2,291.00 in Photocopy Service Charges to fund projected travel and operating costs, complete the agency's database project and provide a temporary position to reduce the backlog in the Medical Laboratory Program. Requires Interim

Finance approval since the amount added to the Operating category exceeds $50,000.00.

Refer to motion for approval under Item B.

78. Department of Human Resources – Health Division – Community Health Services – FY 05 – Addition of $119,760.00 in federal Family Planning Program grant funds, $17.00 in Sexually Transmitted Disease Control grant funds, and $270.00 in Temporary Assistance to Needy Families block grant funds; deletion of $41,361.00 in Preventive Health and Human Services block grant funds, $66,315.00 in Substance Abuse Prevention Treatment block grant funds, and $41,971.00 in County Participation funds to cover projected salary costs, purchase laptop computers for program and field staff and to cover the costs of contract nurses for the remainder of the fiscal year. **Requires Interim Finance approval since this action involves the allocation of block grant funds and requires a public hearing.**

Chairman Raggio announced that Item 78 required a public hearing.

Amy Roukie, Administrative Services Officer, Department of Human Resources, Health Division, appeared before the Committee to request a reduction in block grant funding for the Community Health Services Budget Account 3224.

Ms. Roukie explained that the reductions were based on changes in current federal funding allocations as well as several other adjustments including a reduction in Substance Abuse Prevention and Treatment (SAPT) grant funding from the Bureau of Alcohol and Drug Abuse (BADA). The reduction in funding was based on the lack of need to support the Human Immunodeficiency Virus (HIV) and Tuberculosis (TB) screenings in Nevada's correctional facilities. Additionally, a previously submitted work program reduced the authority in category 01, Personnel, and placed the reduction in another category to support contract services for nursing staff. However, Ms. Roukie indicated that full-time equivalent positions had been obtained for nurses, and the authority for salaries in category 01 had to be replaced.

There was no response to Chairman Raggio's request for public testimony.

ASSEMBLYMAN HETTRICK MOVED APPROVAL OF ITEM 78.

ASSEMBLYWOMAN GANSERT SECONDED THE MOTION.

THE MOTION CARRIED. (Senator Coffin, Senator Titus, Assemblywoman Koivisto, and Assemblyman Seale were excused.)

79. **Department of Human Resources – Health Division – Sexually Transmitted Disease Control – FY 05 –** Addition of $121,666.00 in rebates from pharmaceutical companies to purchase additional AIDS Drug Assistance Program pharmaceuticals. Requires Interim Finance approval since the amount added to the Rebate category exceeds $50,000.00.

Refer to motion for approval under Item B.

80. **Department of Human Resources – Health Division – Sexually Transmitted Disease Control – FY 05 –** Transfer of $29,926.00 from the Aids Education category to the Personnel Services category to fund projected salary expenditures for the remainder of the fiscal year. Requires Interim Finance approval since the cumulative amount transferred to the Personnel Services category exceeds $50,000.00.

Refer to motion for approval under Item B.

81. **Department of Human Resources – Health Division – Immunization Program – FY 05 –** Addition of $299,399.00 in federal Immunization Program grant funds to continue to immunize Nevada children by conducting additional spring and early summer immunization clinics. Requires Interim Finance approval since the amount added to the Vaccines for Children category exceeds $50,000.00.

Refer to motion for approval under Item B.

82. **Department of Human Resources – Health Division – Maternal Child Health Services – FY 05 –** Transfer of $24,500.00 from the Personnel Services category to the System Development Grant category, $63,000.00 from the Personnel Services category to the Newborn Hearing Screening category, and $73,604.00 from the Personnel Services category to the Real Choices System Change category to utilize available salary savings for program expenditures in the respective federal grant categories. Requires Interim Finance approval since the amount transferred to the Real Choices System Change category exceeds $50,000.00.

Refer to motion for approval under Item B.

83. Department of Human Resources – Health Division – Maternal Child Health Services – FY 05 – Addition of $128,536.00 in federal Abstinence Education grant funds, $70,008.00 in federal Care Injury Prevention grant funds, $185,503.00 in federal Oral Disease Prevention grant funds, $26,893.00 in federal Rape Prevention grant funds, and $32,843.00 in federal Children's Oral Health grant funds to meet program needs and the expenditure requirements of the federal grants for the remainder of the fiscal year. Requires Interim Finance approval since the amount added to the Oral Disease Prevention category exceeds $50,000.00.

Refer to motion for approval under Item B.

84. Department of Human Resources – Health Division – Women, Infants and Children Food Supplement – FY 05 – Transfer of $2,731.00 from the Personnel Services category to the Out-of-State Travel category, $28,740.00 from the Personnel Services category to the In-State Travel category, $107,711.00 from the Personnel Services category to the Operating category, $36,000.00 from the Personnel Services category to the Central Bank Contract category, and $92,430.00 from the Personnel Services category to the Information Services category to cover projected expenditures for the remainder of the fiscal year. Requires Interim Finance approval since the amount transferred from the Personnel Services category exceeds $50,000.00.

Refer to motion for approval under Item B.

85. Department of Human Resources – Health Division – Emergency Medical Services – FY 06 – Addition of $274,652.00 in Homeland Security grant funds transferred from the Division of Emergency Management to purchase two command post vehicles and two fully-equipped multiple casualty medical response trailers. Requires Interim Finance approval since the amount added to the Homeland Security Grant category exceeds $50,000.00.

Refer to motion for approval under Item B.

86. Department of Human Resources – Health Division – Alcohol and Drug Rehabilitation – FY 05 – Transfer of $9,755.00 from the Personnel Services category to the Operating category and $44,525.00 from the Personnel Services category to the State Funded Grants category to utilize General Fund salary savings to meet the required Maintenance of Effort for the Substance Abuse Prevention and Treatment block grant. Requires Interim Finance approval since the cumulative amount transferred to the State Funded Grants category exceeds $50,000.00.

Refer to motion for approval under Item B.

87. Department of Human Resources – Health Division – Alcohol and Drug Rehabilitation – FY 05 – Addition of $160,000.00 in MAXIMUS funds transferred from the Department of Human Resources Director's Office to meet the Maintenance Of Effort required by the Substance Abuse Prevention and Treatment block grant. Requires Interim Finance approval since the amount added to the State Funded Grants category exceeds $50,000.00.

Refer to motion for approval under Item B.

88. Department of Human Resources – Health Division – Public Health Preparedness Program – FY 05 – Addition of $484,760.00 in Epidemiology and Lab Capacity for Infectious Diseases grant funds to continue the program to establish laboratory capacity in the detection and surveillance of food and airborne pathogens and the West Nile Virus. Requires Interim Finance approval since the amount added to the Epidemiology and Lab Capacity category exceeds $50,000.00.

Refer to motion for approval under Item B.

89. Department of Human Resources – Welfare Division – Administration – FY 05 – Addition of $18,088.00 in federal USDA Food Stamp Program grant funds, $16,412.00 in federal Child Support Program grant funds, $22,717.00 in federal TANF block grant funds, $12.00 in federal Child Care Development Program grant funds, $8,056.00 in federal Title XIX grant funds, and $523.00 in Intra–Agency Cost Allocation funds to cover projected salaries for the remainder of the fiscal year. **Requires Interim Finance approval since this action involves the allocation of block grant funds and requires a public hearing.**

Roger Mowbray, Deputy Administrator, Administrative Services, Department of Human Resources, Welfare Division, appeared before the

Committee to request approval to increase the authority for various federal funding sources in the Welfare Administration budget. Approval of the request would provide the funding to cover the federal share of the authority needed to match the state funds for the legislatively-approved cost-of-living salary increase for the current fiscal year.

There was no response to Chairman Raggio's request for public testimony.

ASSEMBLYWOMAN GIUNCHIGLIANI MOVED APPROVAL OF ITEM 89.

ASSEMBLYWOMAN WEBER SECONDED THE MOTION.

THE MOTION CARRIED. (Senator Coffin, Senator Titus, Assemblywoman Koivisto, and Assemblyman Seale were excused.)

90. Department of Human Resources – Welfare Division – Administration – FY 05 – Addition of $240,000.00 in United States Department of Agriculture Food Stamp Program grant funds to pass through funds to the University of Nevada, Reno, for the Food Stamp Nutrition Education Program which targets specific children groups and provides nutritional education programs intended to promote healthier eating habits. Requires Interim Finance approval since the amount added to the Nutrition Educational Network category exceeds $50,000.00.

Refer to motion for approval under Item B.

91. Department of Human Resources – Welfare Division – Temporary Assistance to Needy Families – FY 05 – Transfer of $47,981.00 from the Cash Assistance category to the County Transfer category to meet contractual obligations with the Clark County Department of Family Services for the provision of emergency assistance to eligible needy families and children. **Requires Interim Finance approval since this action involves the allocation of block grant funds and requires a public hearing.**

Chairman Raggio announced Item 91 required a public hearing.

Roger Mowbray, Administrative Services Officer, Department of Human Resources, Welfare Division, appeared before the Committee to request the transfer of authority from the Cash Assistance category to the County Transfer category to meet contractual obligations with Clark County.

There was no response to Chairman Raggio's request for public testimony.

ASSEMBLYWOMAN GIUNCHIGLIANI MOVED APPROVAL OF ITEM 91.

SENATOR AMODEI SECONDED THE MOTION.

THE MOTION CARRIED. (Senator Coffin, Senator Titus, Assemblywoman Koivisto, and Assemblyman Seale were excused.)

92. Department of Human Resources – Welfare Division – Child Assistance and Development – FY 05 – Transfer of $1,500,000.00 from the At-Risk Child Care category to the Quality Assurance category, $427,000.00 from the Extended Day Care category to the Quality Assurance category, $204,500.00 from the Extended Day Care category to the Operating category, $118,500.00 from the Extended Day Care category to the CCDBG Program Costs category, $101,500.00 from the NOEN/TANF Child Care category to the CCDBG Program Costs category, $580,000.00 from the NOEN/TANF Child Care category to the Systems and Indirect Costs category and $119,000.00 from the NOEN/TANF Child Care category to the CCDF Administration category to cover increased lease costs for a new child care classroom training facility in northern Nevada, to align projected child care caseload expenditures with the appropriate program, and to cover postage, janitorial and security services for the remainder of the fiscal year. Requires Interim Finance approval since the amount transferred to the Quality Assurance category exceeds $50,000.00.

Refer to motion for approval under Item B.

93. Department of Human Resources – Welfare Division – Energy Assistance Program – FY 05 – Addition of $950,364.00 in federal Low Income Home Energy Assistance (LIHEA) grant funds and $7,700,000.00 in Universal Energy Charges to cover projected client payments, arrearage payments and administrative expenditures as a result of an aggressive outreach campaign waged in the fourth quarter of fiscal year 2004. Requires Interim Finance approval since the amount added to the LIHEA Payments category exceeds $50,000.00.

Refer to motion for approval under Item B.

94. Department of Human Resources – Aging Services – Older Americans Act – FY 05 – Addition of $220,500.00 in federal Title III-B

Support Services grant funds, $331,900.00 in federal Title III-C Nutrition Services grant funds, and $113,500.00 in federal Title III-E National Family Caregiver Services grant funds to continue to provide support services, nutrition services and caregiver services to older Nevadans. Requires Interim Finance approval since the amount added to the Title III-C Nutrition Services category exceeds 10% of the legislatively-approved level for that category.

Refer to motion for approval under Item B.

95. Department of Human Resources – Aging Services – Elder Protective Services/Homemaker Programs – FY 05 – Transfer of $10,000.00 from the Personnel Services category to the Purchase of Service category and $10,000.00 from the In-State Travel category to the Purchase of Service category to fund projected expenditures for the remainder of the fiscal year. Requires Interim Finance approval since the amount transferred to the Purchase of Service category exceeds 10% of the legislatively-approved level for that category.

Refer to motion for approval under Item B.

96. Department of Human Resources – Child and Family Services – Juvenile Justice Programs – FY 05 – Addition of $355,340.00 in federal Office of Juvenile Justice and Delinquency Prevention (OJJDP) formula grant funds to continue passing through federal grant funds to local jurisdictions for the prevention of juvenile delinquency. Requires Interim Finance approval since the amount added to the OJJDP grant category exceeds $50,000.00.

Refer to motion for approval under Item B.

97. Department of Human Resources – Child and Family Services – Child and Family Services Administration – FY 05 – Addition of $860,000.00 in federal Title IV-E funds to allow the Universities of Nevada, Reno and Las Vegas to continue providing training to individuals preparing for careers as social workers with the division. Requires Interim Finance approval since the amount added to the Specialized Training category exceeds $50,000.00.

Refer to motion for approval under Item B.

98. Department of Human Resources – Child and Family Services – Child and Family Services Administration – FY 05 – Transfer of $37,000.00 from the Operating category to the In-State Travel category to cover projected expenditures for the remainder of the fiscal year. Requires Interim Finance approval since the amount transferred to the

In-State Travel category exceeds 10% of the legislatively-approved level for that category.

Refer to motion for approval under Item B.

99. Department of Human Resources – Child and Family Services – Child and Family Services Administration – FY 05 – Transfer of $69,659.00 from the Personnel Services category to the Community Mental Health Services Grant category to cover additional program costs related to the delivery of mental health services to children with serious emotional disturbances. Requires Interim Finance approval since the amount transferred to the Community Mental Health Services Grant category exceeds $50,000.00.

Diane Comeaux, Deputy Administrator, Department of Human Resources, Division of Child and Family Services, identified herself for the record and introduced Jim Baumann, Administrative Services Officer, Department of Human Resources, Division of Child and Family Services.

Ms. Comeaux appeared before the Committee to request the transfer of $69,659 from the Personnel Services category to the Community Mental Health Services Grant category to pay for additional program services through June 30, 2005. Ms. Comeaux advised that the allocation of block grant funding required a public hearing.

There was no response to Chairman Raggio's request for public testimony.

SENATOR AMODEI MOVED APPROVAL OF ITEM 99.

ASSEMBLYWOMAN WEBER SECONDED THE MOTION.

THE MOTION CARRIED. (Senator Coffin, Senator Titus, Assemblywoman Koivisto, and Assemblyman Seale were excused.)

100. Department of Human Resources – Child and Family Services – Youth Community Services – FY 05 – Addition of $2,744,351.00 in federal Title IV-E grant funds to allow the division to pass through funds to Washoe County for those costs not associated with Child Welfare Integration. Requires Interim Finance approval since the amount added to the IV-E Washoe County category exceeds $50,000.00.

Refer to motion for approval under Item B.

101. **Department of Human Resources – Child and Family Services – Youth Community Services – FY 05 –** Addition of $13,330.00 in federal Title IV-E grant fund received from the U.S. Department of Health and Human Services, $128,148.00 in Medicaid Rehabilitation funds, and $180,908.00 in funds transferred from the Stale Claims account to make provider payments for services received in fiscal year 2004. Requires Interim Finance approval since the amount added to the Stale Claims category exceeds $50,000.00. **WITHDRAWN 6/14/05.**

Item 101 was withdrawn.

102. **Department of Human Resources – Child and Family Services – Caliente Youth Center – FY 05 –** Addition of $35,227.00 in Federal Emergency Management Agency (FEMA) grant funds transferred from the Division of Emergency Management to make road and bridge repairs and to remove debris left behind from flooding that occurred in January 2005. Requires Interim Finance approval since the amount added to the FEMA category exceeds 10% of the legislatively-approved level for that category.

Refer to motion for approval under Item B.

103. **Department of Human Resources – Child and Family Services – Caliente Youth Center – FY 05 –** Transfer of $240,000.00 from the Personnel Services category to the Operating category and $24,000.00 from the Personnel Services category to the Utilities category to cover projected expenditures for the remainder of the fiscal year. Requires Interim Finance approval since the amount transferred to the Operating category exceeds $50,000.00.

Refer to motion for approval under Item B.

104. **Department of Human Resources – Child and Family Services – Summit View Youth Correctional Center – FY 05 –** Deletion of $193,225.00 in federal Juvenile Accountability block grant funds transferred from the Juvenile Accountability block grant budget to reflect a reduction in the block grant allocation from the federal government. Requires Interim Finance approval since the amount deducted from the Personnel Services category exceeds $50,000.00.

Diane Comeaux, Deputy Administrator, Department of Human Resources, Division of Child and Family Services, appeared before the Committee to request approval to deaugment revenues and expenditures in the Summit View Youth Correctional Center budget by $193,225 to reflect a reduction in Juvenile Accountability block grant funds.

There was no response to Chairman Raggio's request for public testimony.

ASSEMBLYWOMAN GIUNCHIGLIANI MOVED APPROVAL OF ITEM 104.

ASSEMBLYWOMAN WEBER SECONDED THE MOTION.

THE MOTION CARRIED. (Senator Coffin, Senator Titus, Assemblywoman Koivisto, and Assemblyman Seale were excused.)

105. Department of Human Resources – Child and Family Services – Youth Parole Services – FY 05 – Transfer of $33,000.00 from the Transitional Community Reintegration category to the Operating category to cover projected expenditures for the remainder of the fiscal year. Requires Interim Finance approval since the amount transferred to the Operating category exceeds 10% of the legislatively-approved level for that category.

Refer to motion for approval under Item B.

106. Department of Human Resources – Child and Family Services – Southern Nevada Child and Adolescent Services – FY 05 – Transfer of $50,000.00 from the Personnel Services category to the Maintenance of Buildings and Grounds category and $27,000.00 from the Personnel Services category to the Utilities category to cover projected expenditures for the remainder of the fiscal year. Requires Interim Finance approval since the amount transferred to the Maintenance of Buildings and Grounds category exceeds $50,000.00.

Refer to motion for approval under Item B.

107. Department of Corrections – Prison Medical Care – FY 05 – Addition of $342,700.00 in Budgetary Transfer to fund projected expenditures for the remainder of the fiscal year. Requires interim Finance approval since the amount added to the Inmate Drivens category exceeds $50,000.00.

Refer to motion for approval under Item B.

108. Department of Corrections – Prison Medical Care – FY 05 – Addition of $603,665.00 in Budgetary Transfer and $449,002.00 in funds transferred from Inmate Welfare (AB 389); deletion of $66,775.00 in funds transferred from the Washington/Wyoming Contract and

$19,361.00 in Miscellaneous Sales to CMS; and transfer of $100,000.00 from the Operating category to the Inmate Drivens category to align revenue to projections and fund projected expenditures for the remainder of the fiscal year. Requires Interim Finance approval since the amount added to the Inmate Drivens category exceeds $50,000.00.

Refer to motion for approval under Item B.

109. Department of Corrections – Correctional Programs – FY 05 – Deletion of $50,000.00 in Budgetary Transfer to fund projected expenditures in the Medical Care budget for the remainder of the fiscal year. Requires Interim Finance approval since the cumulative adjustments to the Personnel Services category exceeds $50,000.00.

Refer to motion for approval under Item B.

110. Department of Corrections – Ely State Prison – FY 05 – Addition of $28,000.00 in Budgetary Transfer to fund projected utility expenditures for the remainder of the fiscal year. Requires Interim Finance approval since the cumulative amount added to the Utilities category exceeds $50,000.00.

Refer to motion for approval under Item B.

111. Department of Corrections – Ely State Prison – FY 05 – Addition of $51,000.00 in Budgetary Transfer to fund projected expenditures for the remainder of the fiscal year. Requires Interim Finance approval since the cumulative amount added to the Utilities category exceeds $50,000.00.

Refer to motion for approval under Item B.

112. Department of Corrections – High Desert State Prison – FY 05 – Addition of $141,000.00 in Budgetary Transfer to fund projected expenditures for the remainder of the fiscal year. Requires Interim Finance approval since the amount added to the Utilities category exceeds $50,000.00.

Refer to motion for approval under Item B.

113. Department of Corrections – High Desert State Prison – FY 05 – Deletion of $50,000.00 in Budgetary Transfer to fund projected expenditures in the Medical Care budget for the remainder of the fiscal year. Requires Interim Finance approval since the cumulative amount deducted from the Personnel Services category exceeds $50,000.00.

Refer to motion for approval under Item B.

114. Department of Corrections – High Desert State Prison – FY 05 – Deletion of $51,000.00 in Budgetary Transfer to fund projected utilities and inmate driven expenditures at the Ely State Prison for the remainder of the fiscal year. Requires Interim Finance approval since the amount deducted from the Personnel Services category exceeds $50,000.00.

Refer to motion for approval under Item B.

115. Department of Corrections – Northern Nevada Correctional Center – FY 05 – Addition of $102,341.00 in Budgetary Transfer; deletion of $40,057.00 in Client Income and $4,231.00 in Bakery Sales; and transfer of $20,000.00 from the Maintenance Contracts category to the Utilities category to align revenue to projections and to fund projected expenditures for the remainder of the fiscal year. Requires Interim Finance approval since the amount added to the Utilities category exceeds $50,000.00.

Refer to motion for approval under Item B.

116. Department of Corrections – Nevada State Prison – FY 05 – Addition of $81,875.00 in Budgetary Transfer to fund projected utility expenditures for the remainder of the fiscal year. Requires Interim finance approval since the amount added to the Utilities category exceeds $50,000.00.

Refer to motion for approval under Item B.

117. Department of Corrections – Nevada State Prison – FY 05 – Addition of $42,956.00 in Budgetary Transfer to fund projected expenditures for the remainder of the fiscal year. Requires Interim Finance approval since the cumulative amount added to the Utilities category exceeds $50,000.00.

Refer to motion for approval under Item B.

118. Department of Corrections – Southern Desert Correctional Center – FY 05 – Deletion of $125,000.00 in Budgetary Transfer to fund projected

expenditures in the Medical Care budget for the remainder of the fiscal year. Requires Interim Finance approval since the amount deducted from the Personnel Services category exceeds $50,000.00.

Refer to motion for approval under Item B.

119. Department of Corrections – Southern Desert Correctional Center – FY 05 – Deletion of $616,505.00 in Budgetary Transfer to fund projected expenditures in other departmental budgets for the remainder of the fiscal year. Requires Interim Finance approval since the amount deducted from the Personnel Services category exceeds $50,000.00.

Refer to motion for approval under Item B.

120. Department of Corrections – Warm Springs Correctional Center – FY 05 – Deletion of $109,875.00 in Budgetary Transfer to fund projected utility expenditures in the Nevada State Prison and the Ely State Prison budgets for the remainder of the fiscal year. Requires Interim Finance approval since the cumulative amount deducted from the Personnel Services category exceeds $50,000.00.

Refer to motion for approval under Item B.

121. Department of Corrections – Warm Springs Correctional Center – FY 05 – Deletion of $285,000.00 in Budgetary Transfer to fund projected expenditures in other departmental budgets for the remainder of the fiscal year. Requires Interim Finance approval since the amount deducted from the Personnel Services category exceeds $50,000.00.

Refer to motion for approval under Item B.

122. Department of Corrections – Southern Nevada Women's Correctional Center – FY 05 – Addition of $70,000.00 in Budgetary Transfer to fund projected expenditures for the remainder of the fiscal year. Requires Interim Finance approval since the amount added to the Inmate Drivens category exceeds $50,000.00.

Refer to motion for approval under Item B.

123. Department of Corrections – Stewart Conservation Camp – FY 05 – Addition of $44,132.00 in Budgetary Transfer and deletion of $11,781.00 in Client Income to align revenue to projections and to fund projected expenditures for the remainder of the fiscal year. Requires Interim Finance approval since the cumulative amount added to the Personnel Services category exceeds $50,000.00.

Refer to motion for approval under Item B.

124. Department of Corrections – Indian Springs Conservation Camp – FY 05 – Deletion of $107,089.00 in Budgetary Transfer to fund projected expenditures in other departmental budgets for the remainder of the fiscal year. Requires Interim Finance approval since the amount deducted from the Personnel Services category exceeds $50,000.00.

Refer to motion for approval under Item B.

125. Department of Corrections – Indian Springs Conservation Camp – FY 05 – Deletion of $15,000.00 in Budgetary Transfer to fund projected expenditures in the Medical Care budget for the remainder of the fiscal year. Requires Interim Finance approval since the cumulative amount deducted from the Personnel Services category exceeds $50,000.00.

Refer to motion for approval under Item B.

126. Department of Corrections – Silver Springs Conservation Camp – FY 05 – Deletion of $50,000.00 in Budgetary Transfer to fund projected expenditures in the Medical Care budget for the remainder of the fiscal year. Requires Interim Finance approval since the cumulative amount deducted from the Personnel Services category exceeds $50,000.00.

Refer to motion for approval under Item B.

127. Department of Corrections – Offenders' Store Fund – FY 05 – Transfer of $434,062.00 from the Retained Earnings category to the Transfer to Inmate Welfare Account category to fund projected Assembly Bill 389 (1995 Legislative Session) payments to Prison Medical for the remainder of the fiscal year. Requires Interim Finance approval since the amount transferred to the Transfer to Inmate Welfare Account category exceeds $50,000.00.

Refer to motion for approval under Item B.

128. Department of Corrections – Inmate Welfare Account – FY 05 – Addition of $434,062.00 in funds transferred from the Offenders' Store

Fund and a transfer of $14,940.00 from the Transfer to SNWCC category to the Transfer to Medical category to fund projected Assembly Bill 389 (1995 Legislative Session) payments to Prison Medical for the remainder of the fiscal year. Requires Interim Finance approval since the amount added to the Transfer to Medical category exceeds $50,000.00.

Refer to motion for approval under Item B.

129. Department of Motor Vehicles – Field Services – FY 05 – Transfer of $65,000.00 from the Personnel Services category to the Operating category and $13,500.00 from the Personnel Services category to the Utilities category to cover projected expenditures for the remainder of the fiscal year. Requires Interim Finance approval since the amount added to the Operating category exceeds $50,000.00.

Refer to motion for approval under Item B.

130. Department of Motor Vehicles – Central Services – FY 05 – Transfer of $30,000.00 from the Personnel Services category to the Renewal by Mail category and $6,200.00 from the Personnel Services category to the Information Services category to cover projected expenditures for the remainder of the fiscal year. Requires Interim Finance approval since the amount transferred to the Renewal by Mail category exceeds 10% of the legislatively-approved level for that category.

Refer to motion for approval under Item B.

131. Department of Motor Vehicles – Verification of Insurance – FY 05 – Addition of $2,100,000.00 in Registration Fees to cover projected expenditures for the remainder of the fiscal year. Requires Interim Finance approval since the cumulative amount added to the Operating category exceeds $50,000.00.

Refer to motion for approval under Item B.

132. Department of Public Safety – Emergency Management Division – FY 05 – Addition of $40,502.00 in Waste Isolation Pilot Program funds transferred from the Nuclear Projects Office to insure the safe transportation of transuranic waste from the Nevada Test Site to the Western Isolation Pilot Plant in New Mexico. Requires Interim Finance approval since the cumulative amount added to the Waste Isolation Project category exceeds $50,000.00.

Refer to motion for approval under Item B.

133. Department of Public Safety – Emergency Management Division – FY 05 – Addition of $515,261.00 in federal Emergency Management Performance Grant (EMPG) funds to continue reimbursements to state and local agencies for emergency management and preparedness programs. Requires Interim Finance approval since the amount added to the EMPG Aid to Locals category exceeds $50,000.00.

Refer to motion for approval under Item B.

134. Department of Public Safety – Criminal History Repository – FY 05 – Transfer of $117,580.00 from the Reserve category to the Information Services category to cover projected expenditures for the remainder of the fiscal year. Requires Interim Finance approval since the amount transferred to the Information Services category exceeds $50,000.00.

Refer to motion for approval under Item B.

135. Department of Public Safety – Criminal History Repository – FY 05 – Transfer of $27,058.00 from the Reserve category to the Personnel Services category to cover projected expenditures for the remainder of the fiscal year. Requires Interim Finance approval since the cumulative amount transferred to the Reserve category exceeds $50,000.00.

Refer to motion for approval under Item B.

136. Department of Public Safety – Criminal History Repository – FY 05 – Addition of $346,892.00 in Civil Name Check funds to reflect the increased number of civil name checks processed. Requires Interim Finance approval since the amount added to the Civil Process Fee category exceeds 10% of the legislatively-approved level for that category.

Refer to motion for approval under Item B.

137. Department of Public Safety – Highway Patrol – FY 05 – Addition of $32,178.00 in Homeland Security grant funds transferred from the Division of Emergency Management to purchase protective equipment for the Highway Patrol's First Responders Hazardous Material Unit. Requires Interim Finance approval since the cumulative amount added to the Homeland Security Grants category exceeds $50,000.00.

Refer to motion for approval under Item B.

138. Department of Public Safety – Investigations – FY 06 – Addition of $116,349.00 in Homeland Security Law Enforcement Terrorism Prevention Program grant funds transferred from the Division of

Emergency Management to enhance the physical security of critical infrastructure and procure equipment for the Statewide Investigative Response Team. Requires Interim Finance approval since the amount added to the Homeland Security Retrofit category exceeds $50,000.00.

Refer to motion for approval under Item B.

139. Department of Public Safety – Parole and Probation – FY 05 – Addition of $24,768.00 in Going Home Prepared grant funds transferred from the Department of Corrections for the costs of two Social Worker positions which support the Department of Correction's Going Home Prepared program. Requires Interim Finance approval since the cumulative amount added to the Personnel Services category exceeds $50,000.00.

Refer to motion for approval under Item B.

140. Department of Public Safety – Traffic Safety – FY 05 – Addition of $230,466.00 in federal National Highway Traffic Safety Administration 163 Incentive Program grant funds to receive incentive funding for passing legislation lowering the legal limit for intoxication to .08 Blood Alcohol Content during the last legislative session, which will be used to continue Nevada's Highway Safety Program. Requires Interim Finance approval since the amount added to the 163 Incentive Program category exceeds $50,000.00.

Refer to motion for approval under Item B.

141. Department of Public Safety – Traffic Safety – FY 05 – Addition of $118,029.00 in National Highway Traffic Safety Administration 410 Incentive grant funds to provide programs for the prevention of alcohol impaired driving. Requires Interim Finance approval since the amount added to the Incentive Grant category exceeds $50,000.00.

Refer to motion for approval under Item B.

142. Department of Public Safety – Highway Safety Plan and Administration – FY 05 – Addition of $15,717.00 in Traffic Safety Administration Funds, $78.00 in Traffic Safety 157 Incentive Funds, $20,388.00 in Traffic Safety 410 Alcohol Funds transferred from the Office of Traffic Safety, and a deletion of $57,202.00 in Child Passenger Safety Funds, $201,773.00 in Traffic Safety 411 Incentive Funds, and $145,735.00 in Traffic Safety 163 Incentive Funds to adjust planning and administrative program allowance to administer projects and conduct programs that are designed to reduce traffic fatalities and serious

crashes. Requires Interim Finance approval since the amount added to the Professional Services category exceeds $50,000.00.

Refer to motion for approval under Item B.

143. Department of Public Safety – State Emergency Response Commission (SERC) – FY 05 – Transfer of $43,139.00 from the Reserve category to the SERC Grants category to meet anticipated obligations for grants to local emergency planning committees. Requires Interim Finance approval since the amount transferred to the SERC Grants category exceeds 10% of the legislatively-approved level for that category.

Refer to motion for approval under Item B.

144. Colorado River Commission – Fort Mohave Development Fund – FY 05 – Addition of $6,000,000.00 in Land Sales Income to accept revenue generated from a land sale in Laughlin and to fund related costs of the sale. Requires Interim Finance approval since the amount added to the Fort Mojave Development Fund category exceeds 10% of the legislatively-approved level for that category.

Refer to motion for approval under Item B.

145. Department of Conservation and Natural Resources – Administration – FY 06 – Addition of $269,575.00 in Homeland Security grant funds transferred from the Division of Emergency Management to purchase equipment and provide training to staff in the divisions of Forestry, State Parks, and Environmental Protection. Requires Interim Finance approval since the amount added to the Homeland Security category exceeds $50,000.00.

Refer to motion for approval under Item B.

146. Department of Conservation and Natural Resources – State Parks – FY 06 – Addition of $49,938.00 in Homeland Security subgrant funds transferred from the Director's Office to purchase equipment, protective clothing and provide hazardous material training for staff. Requires Interim Finance approval since the amount added to the Homeland Security category exceeds 10% of the legislatively approved level for that category.

Refer to motion for approval under Item B.

147. Department of Conservation and Natural Resources – Environmental Protection Administration – Safe Drinking Water Act

– FY 05 – Addition of $4,407.00 in Accrued Interest on Bonds and $1,715,172.00 in Proceeds from the Sale of Drinking Water Bonds to fund loans for water systems. Requires Interim Finance approval since the amount added to the Loans – Water Systems category exceeds $50,000.00.

Refer to motion for approval under Item B.

148. Department of Conservation and Natural Resources – Environmental Protection Administration – Bureaus of Waste Management and Corrective Actions – FY 06 – Addition of $48,577.00 in Homeland Security subgrant funds transferred from the Director's Office to provide homeland security training and equipment for departmental staff. Requires Interim Finance approval since the amount added to the Homeland Security category exceeds 10% of the legislatively-approved level for that category.

Refer to motion for approval under Item B.

149. Department of Conservation and Natural Resources – Forestry – FY 05 – Addition of $974.00 in federal Sierra Front grant funds, $237.00 in Clark County Endangered Species funds, $393.00 in Forest Fire Reimbursements, and $1,881.00 in Fire Reimbursement funds transferred from the Fire Suppression budget; and transfer of $13,126.00 from the Reserve category to the Personnel Services category to cover salary costs for non-General Fund employees for the remainder of the fiscal year. Requires Interim Finance approval since the cumulative amount transferred to the Personnel Services category exceeds $50,000.00.

Refer to motion for approval under Item B.

150. Department of Conservation and Natural Resources – Forestry – FY 05 – Addition of $974.00 in Sierra Front Cooperative grant funds, $237.00 in Clark County Endangered Species grant funds, $393.00 in Forest Fire Reimbursement and $1,881.00 in Fire Reimbursement funds transferred from the Fire Suppression budget; and transfer of $546.00 from the Toiyabe National Forest category to the Personnel Services category, $672.00 from the Humboldt National Forest category to the Personnel Services category, $942.00 from the Clark County Endangered Species category to the Personnel Services category, and $13,126.00 from the Reserve category to the Personnel Services category to fund projected salary expenditures for the remainder of the fiscal year. Requires Interim Finance approval since the cumulative amount added to the Personnel Services category exceeds $50,000.00.

Item 150 was a duplication of Item 149 and deleted from the agenda by Chairman Raggio in opening remarks.

151. Department of Conservation and Natural Resources – Forestry – Conservation Camps – FY 05 – Transfer of $83,762.00 from the Personnel Services category to the Training category to cover conservation camp training needs for the remainder of the fiscal year. Requires Interim Finance approval since the amount transferred to the Training category exceeds $50,000.00.

Pete Anderson, State Forester/Firewarden, identified himself for the record and introduced Debra Crowley, Administrative Services Officer, and Rich Harvey, Forestry Program Coordinator, Department of Conservation and Natural Resources, Nevada Division of Forestry.

Mr. Anderson appeared before the Committee to request approval to transfer funds from the Personnel Services category to the Training category to cover conservation camp training needs. Mr. Anderson advised that utilization of salary savings from the Personnel Services category would provide the funding to pay for laptop computers, projectors, group training materials, cardiopulmonary resuscitation (CPR) training mannequins, digital versatile disc (DVD) players and firefighter weight vests.

Chairman Raggio asked for information regarding the need for the quantities of equipment that had been designated for each camp.

Mr. Anderson indicated a need to purchase equipment for each of the camps based on “a significant geographical distance between the camps,” and that moving equipment from camp to camp would be cost prohibitive.

Chairman Raggio noted that backup material indicated the CPR mannequins were priced at $335 each, which totaled $3,350 for ten units, not $3,550, requiring a revision to the work program.

Mr. Anderson agreed with the revision.

Assemblyman Denis questioned the number of people being trained and frequency of training in each camp.

Rich Harvey, Forestry Program Coordinator, explained that while the camps varied in size, there were approximately 100 inmates at each camp and from 9 to 10 supervisory staff would be trained. Mr. Harvey advised that the frequency of training depended on the turnover among the inmates, but a CPR refresher course was provided every fire season for every employee.

In response to questions Mr. Denis asked regarding the computers, projectors, and DVDs, Mr. Harvey advised that the equipment was used to provide training for commercial drivers' license (CDL), CPR, blood borne pathogens, and supervision of inmates. With the number of classes that needed to be administered, Mr. Harvey said the ability to conduct the training via DVDs at each camp rather than a central location would prove to be more efficient and cost-effective.

Additionally, Mr. Harvey explained that while some of the training was conducted annually, other components occurred over the course of the year, such as fire shelter training and Inmate Supervisor Training (IST) refresher courses.

In response to questions Assemblywoman Giunchigliani asked regarding training costs, Mr. Anderson advised that costs were projected for traveling and moving equipment between each of the camps. Although the projections had not been provided as backup information to the work program request, Mr. Anderson advised he would provide the information to the Committee's staff.

Gary Ghiggeri, Senate Fiscal Analyst, advised that staff had learned funding requested for travel and the training would not be incurred before June 30, 2005, which necessitated the following revisions:

- ✓ Reduce transfer from category 01, Personnel Services to $27,957
- ✓ Transfer $16,161 to category 30, Training Equipment
- ✓ Transfer $11,796 to category 26, Information Services for laptop computers and DVDs

Mr. Anderson agreed with the revisions.

ASSEMBLYMAN MARVEL MOVED APPROVAL OF ITEM 151 AS REVISED.

SENATOR AMODEI SECONDED THE MOTION.

THE MOTION CARRIED. (Senator Coffin, Senator Titus, Assemblywoman Koivisto, and Assemblyman Seale were excused.)

152. Department of Conservation and Natural Resources – Forestry – Inter-governmental Agreements – FY 05 – Transfer of $73,312.00 from the Reserve category to the Personnel Services category to fund projected salary expenditures for the remainder of the fiscal year. Requires Interim Finance approval since the amount transferred to the Personnel Services category exceeds $50,000.00.

Refer to motion for approval under Item B.

153. Department of Conservation and Natural Resources – Forestry – Inter-governmental Agreements – FY 06 – Addition of $58,560.00 in Homeland Security subgrant funds transferred from the Director's Office to provide training in hazardous materials. Requires Interim Finance approval since the amount added to the Homeland Security category exceeds $50,000.00.

Refer to motion for approval under Item B.

154. Department of Wildlife – Wildlife Administration – FY 05 – Transfer of $74,418.00 from the Equipment category to the Vehicles category, $20,550.00 from the Equipment category to the Information Services category, $31,941.00 from the Equipment category to the Utilities category, and $332,031.00 from the Equipment category to the Reserve category to cover projected expenditures for the remainder of the fiscal year and to provide an adequate level of reserves. Requires Interim Finance approval since the amount transferred to the Vehicles category exceeds $50,000.00.

Terry Crawforth, Director, Department of Wildlife introduced David Hansen, Administrative Services Officer, Department of Wildlife. Mr. Crawforth appeared before the Committee to request a transfer of funds to cover projected expenditures for the remainder of the fiscal year.

After learning revenues for the current fiscal year were insufficient to cover proposed expenditures, Mr. Crawforth indicated a determination was made to forego ordering the major portion of authorized vehicle purchases and to request a transfer of funds to various categories to cover projected shortfalls for gasoline, oil, natural gas, electricity, computer supplies, and Department of Information Technology (DoIT) services. The balance of funds would be placed in the Reserve category.

In response to changes in the Department's proposal, Gary Ghiggeri, Senate Fiscal Analyst, advised that the work program should be revised downward and provided the following accounting for the Committee's approval:

- ✓ Augment the Vehicle category by $74,418
- ✓ Augment the Utilities category by $31,941
- ✓ Augment the Reserve category by $332,031
- ✓ All other areas remained the same as represented on the work program

Mr. Crawforth agreed with Mr. Ghiggeri's accounting of the request.

ASSEMBLYWOMAN GIUNCHIGLIANI MOVED APPROVAL OF ITEM 154 AS REVISED BY STAFF.

ASSEMBLYWOMAN SMITH SECONDED THE MOTION.

THE MOTION CARRIED. (Senator Coffin, Senator Titus, Assemblywoman Koivisto, and Assemblyman Seale were excused.)

155. Department of Wildlife – Wildlife Administration – FY 06 – Transfer of $41,944.00 from the Reserve category to the Biodiversity category to create two websites: one for internal agency use and the other for the general public. Requires Interim Finance approval since the amount transferred to the Biodiversity category exceeds 10% of the legislatively-approved level for that category.

Refer to motion for approval under Item B.

156. Department of Transportation – Transportation Administration – FY 05 – Addition of $105,000.00 in Highway Fund Authorization to cover higher than anticipated costs associated with equipping the Freeway and Arterial System of Transportation (FAST) Operations Traffic Management Center. Requires Interim Finance approval since the amount added to the FAST Operations category exceeds $50,000.00.

Refer to motion for approval under Item B.

157. Department of Transportation – Transportation Administration – FY 05 – Addition of $185,000.00 in funds received from the sale of oil and gas to state agencies to fund projected expenditures for the sale of oil and gas for the remainder of the fiscal year. Requires Interim Finance approval since the amount added to the Sale of Oil and Gas category exceeds $50,000.00.

Refer to motion for approval under Item B.

158. Department of Transportation – Transportation Administration – FY 05 – Addition of $40,000,000.00 in Highway Fund Authorization to fund the costs associated with major construction projects currently underway including the Interstate 215/515 Henderson Interchange, Interstate 15 at Lamb Boulevard, Interstate 580 Freeway extension, Carson City Freeway, and the U.S. 395/Interstate 80 Spaghetti Bowl in Reno. Requires Interim Finance approval since the amount added to the Land and Building Improvements category exceeds $50,000.00.

Refer to motion for approval under Item B.

159. Department of Transportation – Transportation Administration – FY 05 – Addition of $400,000.00 in Highway Fund Authorization for the purchase of diesel and unleaded fuel for the remainder of the fiscal year. Requires Interim Finance approval since the amount added to the Operating category exceeds $50,000.00.

Refer to motion for approval under Item B.

160. Public Employees' Benefits Program – Public Employees' Health Program – FY 05 Transfer $13,881,066.00 from the Self Insured Medical Costs category to the Reserve category and $95,000.00 from the Reserve category to the Personnel Services category to fund projected payroll for the remainder of the fiscal year and to reserve self insured medical claims cost authority in accordance with the revised budget submission. Requires Interim Finance approval since the

amount transferred from the Self Insured Medical Costs category exceeds $50,000.00.

Refer to motion for approval under Item B.

161. Office of the Military – Military – FY 05 – Addition of $60,000.00 in federal Department of Defense grant funds to cover projected expenditures associated with the federal portion of the agency's phone bills for the remainder of the fiscal year. Requires Interim Finance approval since the amount added to the Communications category exceeds $50,000.00.

Refer to motion for approval under Item B.

162. Office of the Military – Military – FY 05 – Transfer of $30,000.00 from the Environment category to the Utilities category to cover projected expenditures for the remainder of the fiscal year. Requires Interim Finance approval since the amount transferred from the Environment category exceeds 10% of the legislatively-approved level for that category.

Refer to motion for approval under Item B.

Work program Items 163 and 164 were considered simultaneously.

163. Office of Veterans Services – Veterans Home Account – FY 05 – Transfer of $152,960.00 from the Personnel Services category to the Buildings, Land and Improvements category and $57,800.00 from the Personnel Services category to the Equipment category to replace closets in residents' rooms, replace handrails, and purchase parallel bars, storage containers and office furniture. Requires Interim Finance approval since the amount transferred to the Buildings, Land and Improvements category exceeds $50,000.00.

Darrel Hansen, Administrative Services Officer, Nevada State Veterans Home, appeared before the Committee to request approval of work programs 163 and 164 which would utilize surplus salary funding for upgrades to the Veterans Home and to purchase equipment.

Specifically Item 163 would use the funding to purchase closets, handrails, parallel bars, storage containers and furniture. Item 164 would use funds to upgrade the phone and security systems, provide concrete paths outside emergency exits, and purchase specialized beds for larger residents.

Mr. Hansen advised that funds would be used to replace existing 11.5 inch closets with new modular closets, which would add another 29 inches of space.

In response to questions Chairman Raggio asked, Mr. Hansen explained that the modular closets, which would be manufactured by Prison Industry, would slide into space now occupied by desks and attach to the wall for security.

Mr. Hansen also advised that existing oak handrails, that were beginning to splinter as a result of normal aging and impact from wheelchairs and walkers, would be replaced by vinyl handrails. Mr. Hansen explained that current rails posed a safety risk since the rails had been placed far enough away from the wall so that a resident's hand or arm could slip between the wall and the handrail. The new handrails were designed with a continuous retainer against the wall which would prevent a hand or arm from slipping between the handrail and wall.

In response to questions Chairman Raggio asked regarding Item 164, Mr. Hansen advised that the three specialized bariatric beds requested in Item 164 were designed to accommodate larger residents. Current beds were designed for residents weighing up to 300 pounds.

Chairman Raggio indicated the items being requested had been discussed during the 2005 Legislative Session when it was indicated sufficient funding was available in the agency's current fiscal year 2005 budget in lieu of the funding that was requested for the coming biennium.

Mr. Hansen advised that even with the transfer of funds from the Personnel Services category requested for the equipment and upgrades, the agency would still revert $1.50 million.

In response to a question from Assemblyman Denis regarding the bids for the closets, Mr. Hansen explained that a private bid and a bid from Prison Industry was obtained for the 156 closets, and the bid from Prison Industry was $200,000 lower than the private bid.

ASSEMBLYMAN MARVEL MOVED FOR APPROVAL OF ITEMS 163 AND 164.

ASSEMBLYMAN HORNE SECONDED THE MOTION.

THE MOTION CARRIED. (Senator Coffin, Senator Titus, Assemblywoman Koivisto, and Assemblyman Seale were excused.)

164. Office of Veterans' Services –Veterans' Home Account – FY 05 – Transfer of $92,500.00 from the Personnel Services category to the Equipment category and $47,000.00 from the Personnel Services category to the Buildings, Land and Improvements category to upgrade the phone system and the security system, concrete dirt paths outside emergency exits, and purchase specialized beds for larger residents. Requires Interim Finance approval since the amount transferred to the Equipment category exceeds $50,000.00.

Refer to motion for approval under Item 163.

THE FOLLOWING WORK PROGRAMS WERE RECEIVED AFTER THE MAY 31 IFC DEADLINE:

165. Department of Employment, Training and Rehabilitation – Employment Security – FY 05 – Addition of $797,987.00 in Workforce Investment Act (WIA) Federal grant funds, which will be distributed equally between the WIA, the Adult Education and Family Literacy Act (AEFLA), and the Carl D. Perkins Vocational and Technical Education Act programs. Requires Interim Finance approval since the amount of the grant exceeds $100,000.00. **RECEIVED JUNE 9, 2005.**

Refer to motion for approval under Item B.

166. Department of Education – Occupational Education – FY 05 – Addition of $255,996.00 in Transfer In-Federal Grant Revenue from the Department of Employment, Training and Rehabilitation. The funds will be utilized for Incentive Awards for Adult for Education and Vocational Education and Vocational Education Statewide Improvement Programs. Requires Interim Finance approval since the amount of the grant exceeds $100,000.00. **RECEIVED JUNE 9, 2005.**

Refer to motion for approval under Item B.

167. Department of Education – Continuing Education – FY 05 – Addition of $255,995.00 in Transfer In-Federal Grant Revenue from the Department of Employment, Training and Rehabilitation. The funds will be utilized for Adult and Vocational Education and GED online. Requires Interim Finance approval since the amount of the grant exceeds $100,000.00. **RECEIVED JUNE 9, 2005.**

Refer to motion for approval under Item B.

II. Reclassifications. Refer to motion for approval under Item B.

Agency	Agency/ Account Number	Position Number	Present Class, Code, Grade & Salary	Proposed Class, Code, Grade & Salary
Department of Public Safety	650/3673	0017	Administrative Assistant III, 2.211, grade 27, step 9, $36,769.68, Employer-Paid	Program Officer I, 7.649, grade 31, step 7, $40,110.48, Employer-Paid
Office of the Military	431/3650	0820	Construction Project Coordinator III, 6.750, grade 37, step 1, $40,110.48, Employer-Paid	Plumber I, 9.432, grade 31, step 1, $31,069.44, Employer-Paid
Office of Veterans' Services, Nevada Veterans' Nursing Home	240/2581	37001	Administrative Assistant III, 2.211, grade 27, step 5, $34,222.32, Employee/Employer-Paid	Health Information Coordinator I, 10.234, grade 29, step 5, $37,229.04, Employee/Employer-Paid

C. STATEMENT OF CONTINGENCY FUND BALANCE.

Gary Ghiggeri, Senate Fiscal Analyst, Fiscal Analysis Division, advised that as of June 9, 2005, the unreserved Contingency Fund balance was $12,133,621.44 (Exhibit D).

Mr. Ghiggeri noted a majority of the funding that remained, with the exception of the Highway Fund appropriation, the unreserved General Fund balance, and the appropriation for the Nevada Department of Transportation radio system, which had been extended to June 30, 2007, would be reverted to the fund of origin on June 30, 2005.

*D. REQUEST FOR ALLOCATION FROM THE IFC CONTINGENCY FUND.

1. Department of Business and Industry – Athletic Commission – Allocation to fund overtime and web services costs **(REVISED JUNE 3, 2005)**..... $3,080.00

   Bill Maier, Administrative Services Officer, Director's Office, Department of Business and Industry, appeared before the Committee to request a $3,080 allocation from the Contingency Fund to pay ongoing overtime and Department of Information Technology (DoIT) web services costs. Mr. Maier explained that the Commission had experienced 80 events during fiscal year 2005, which required additional staff overtime during evenings, weekends, and holidays.

ASSEMBLYMAN ARBERRY MOVED TO APPROVE ITEM D.

ASSEMBLYMAN DENIS SECONDED THE MOTION.

THE MOTION CARRIED. THE MOTION CARRIED. (Senator Coffin, Senator Titus, Assemblywoman Koivisto, and Assemblyman Seale were excused.)

2. Pursuant to Section 3 of Chapter 439, *Statutes of Nevada 2003* (Assembly Bill 544), allocation of funds for the purpose of meeting deficiencies created due to the increase in the Retired Employees' Group Insurance assessment:

   a. Nevada System of Higher Education $104,130.00

      Martin Kyte, Budget Officer, Nevada System of Higher Education, appeared before the Committee to request $104,130 from the Contingency Fund to cover the deficiency experienced in meeting the obligation to pay the increase in the Retired Employees' Group Insurance.

      ASSEMBLYWOMAN SMITH MOVED TO APPROVE ITEM 2.a.

      ASSEMBLYMAN CONKLIN SECONDED THE MOTION.

      THE MOTION CARRIED. (Senator Coffin, Senator Titus, Assemblywoman Koivisto, and Assemblyman Seale were excused.)

   b. Department of Business and Industry – Athletic Commission..... $443.00

      Bill Maier, Administrative Services Officer, Director's Office, Department of Business and Industry, appeared before the Committee to request $443 from the Contingency Fund to cover the deficiency experienced in meeting the obligation to pay the increase in the Retired Employees' Group Insurance.

      ASSEMBLYMAN DENIS MOVED TO APPROVE ITEM 2.b.

      SENATOR AMODEI SECONDED THE MOTION.

      THE MOTION CARRIED. (Senator Coffin, Senator Titus, Assemblywoman Koivisto, and Assemblyman Seale were excused.)

c. Department of Corrections $50,608.00

Lori Bagwell, Administrative Services Officer, Department of Corrections, appeared before the Committee to request $50,608 from the Contingency Fund to cover the deficiency experienced in meeting the obligation to pay the increase in the Retired Employees' Group Insurance.

ASSEMBLYMAN HORNE MOVED TO APPROVE ITEM 2.c.

ASSEMBLYMAN MARVEL SECONDED THE MOTION.

THE MOTION CARRIED. (Senator Coffin, Senator Titus, Assemblywoman Koivisto, and Assemblyman Seale were excused.)

d. Department of Conservation and Natural Resources - Forestry Administration $4,979.00

Pete Anderson, State Forester/Firewarden, Department of Conservation and Natural Resources, Nevada Division of Forestry, appeared before the Committee to request $4,979 from the Contingency Fund to cover the deficiency experienced in meeting the obligation to pay the increase in the Retired Employees' Group Insurance.

ASSEMBLYMAN HETTRICK MOVED TO APPROVE ITEM 2.d

SENATOR MATHEWS SECONDED THE MOTION.

THE MOTION CARRIED. (Senator Coffin, Senator Titus, Assemblywoman Koivisto, and Assemblyman Seale were excused.)

In response to questions Assemblywoman Giunchigliani asked regarding the requests from the Contingency Fund, Mr. Ghiggeri clarified that the requests for allocation were pursuant to Section 3 of Chapter 439, *Statutes of Nevada 2003* (Assembly Bill 544).

*E. DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES – DIVISION OF FORESTRY:

1. Request to extend the reversion date from June 30, 2005 to June 30, 2006, of any remaining balance of the $2,663,100.00 allocation the agency received from the Interim Finance Committee Contingency Fund, under the resolution adopted April 8, 2004, which

was necessary to supplement the appropriation made in Section 25 of Chapter 327, *Statutes of Nevada 2003*, for unforeseen expenditures relating to the replacement of buses.

Pete Anderson, State Forester/Firewarden, Department of Conservation and Natural Resources, Nevada Division of Forestry, appeared before the Committee to request an extension on the reversion date of any remaining balance of the $2,663,100 Contingency Fund allocation provided to the Division at the June 23, 2004, Interim Finance Committee meeting.

The allocation was requested by the Division for the purchase of 32 15-passenger vans, 46 tool trailers, and 13 crew carrier vehicles for which Mr. Anderson provided the following report:

- Three tool trailers were built from components retrieved from the Tonopah Conservation Camp

- Two tool trailers were refurbished, leaving 41 tool trailers that needed to be purchased

- The tool trailer bid was received over budget, and to mitigate the situation, all 41 tool trailers were assembled in the Ely shop, saving the State of Nevada approximately $80,000

- All 32 passenger vans were successfully acquired, radios were installed, and the vans were put into service in August 2004

Mr. Anderson reported that State Purchasing terminated the contract with the contractor who was constructing the13 crew carriers due to non-performance. The 13 crew carriers were re-bid with an opening date of June 29, 2005. Additionally, Mr. Anderson explained that possession was taken of the 13 International cab and chassis, and one of the options included in the latest bid proposal involved the Forestry Division's Ely shop constructing a portion of the crew bodies under the supervision of the vendor and vendor certification attested to after completion.

SENATOR AMODEI MOVED TO APPROVE THE REQUEST AND EXTEND THE REVERSION DATE TO JUNE 30, 2006.

ASSEMBLYMAN CONKLIN SECONDED THE MOTION.

THE MOTION CARRIED. (Senator Coffin, Senator Titus, Assemblywoman Koivisto, and Assemblyman Seale were excused.)

2. Request to extend the reversion date from June 30, 2005, to June 30, 2006, of any remaining balance of the $2,048,000 allocation of a grant the agency received from the Disaster Relief Account in the Fund to Stabilize the Operation of State Government, pursuant to the resolution adopted September 15, 2004, for the purpose of paying the 25 percent match required for the public assistance grant from the Federal Emergency Management Agency to pay the costs of fire suppression and costs of emergency preventive restoration necessary in response to the Waterfall Fire.

   Pete Anderson, State Forester/Firewarden, Department of Conservation and Natural Resources, Nevada Division of Forestry, appeared before the Committee to request that the reversion date for any remaining balance of the $2,048,000 provided from the Disaster Relief Account at the September 15, 2004, Interim Finance Committee meeting for the Waterfall Fire be extended from June 30, 2005, to June 30, 2006.

   Mr. Anderson provided the following accounting:

   - The Waterfall Fire had cost all involved agencies over $20 million
   - The Division of Forestry and the State of Nevada Fire Suppression and Rehabilitation costs totaled approximately $7,264,000
   - Reimbursement totaling $5,448,000 had been received from the Federal Emergency Management Agency (FEMA) Public Assistance Grant, leaving a matching balance of $1,816,000
   - An estimated $213,000 would be returned to the Disaster Relief Account

   Mr. Anderson concluded his presentation indicating that “a tremendous amount of hard work and time” had been invested in the Waterfall Fire. Mr. Anderson expressed his appreciation to Division employees, who in partnership with staff from federal agencies and Carson City, had done a “wonderful job” stabilizing the damage caused by the fire. Mr. Anderson indicated a one-year extension was needed to process the last project worksheets from FEMA.

Senator Amodei indicated it was his understanding the Waterfall Fire salvage operation for city and private ground had been completed, but the U. S. Forest Service had not even begun the process for the federal land.

Mr. Anderson responded that the salvage operation for lumber from city and private land had been completed during the previous month, but the Forest Service had received no response on their salvage Request for Proposal (RFP). Mr. Anderson indicated it was his understanding the Forest Service was in the process of revising the RFP to make it more attractive to logging companies.

In response to questions Senator Amodei asked regarding the reason there were no responses to the Forest Service RFP, Mr. Anderson indicated it was his understanding the Forest Service RFP included the salvage of trees 12 inches in diameter and the breakeven point was approximately 18 inches in diameter. Mr. Anderson explained that Carson City had paid approximately $250,000 to a logging company to reduce the diameter of trees to 14 inches in order to remove as much lumber as possible from the burned area. Mr. Anderson explained that the Forest Service did not have the same capability and were in the process of re-assessing the original RFP.

In response to a question from Senator Amodei, Mr. Anderson advised that approximately 3,000 acres of the 8,000 acres that burned was Forest Service property.

In response to questions Assemblywoman Giunchigliani asked regarding funding approved during the 2003 Legislative Session to purchase a new helicopter, Mr. Anderson indicated the 1969-era Huey helicopter that was purchased would be refurbished during the coming winter months.

In response to a question Ms. Giunchigliani asked regarding whether funding had been approved to establish a Fire Safe Council, Chairman Raggio indicated the Senate had approved funding.

In response to a question Chairman Raggio asked concerning the status of the Brunswick Canyon brush fire, Mr. Anderson advised that the latest update was 90 percent containment with full containment expected within the next day or two.

ASSEMBLYWOMAN WEBER MOVED TO APPROVE THE REQUEST AND EXTEND THE REVERSION DATE TO JUNE 30, 2006.

SENATOR AMODEI SECONDED THE MOTION.

THE MOTION CARRIED. (Senator Coffin, Senator Titus, Assemblywoman Koivisto, and Assemblyman Seale were excused.)

*F. DEPARTMENT OF TRANSPORTATION – Request to extend the reversion date from June 30, 2005, to June 30, 2007, of any remaining balance of the $13,660,795 allocation the agency received from the Interim Finance Committee Contingency Fund, under the resolution adopted September 16, 2003, for radio system costs, infrastructure upgrades, and user equipment needed to transition from 150 MHz radio systems to 800 MHz radio systems.

Robert Chisel, Assistant Director for Administration, Nevada Department of Transportation, appeared before the Committee to request an extension of the reversion date from June 30, 2005, to June 30, 2007, of any remaining balance of the $13,660,795 allocated by the Interim Finance Committee (IFC) on September 16, 2003. Although A.B. 533, 73rd Legislative Session, extended the reversion date, IFC approval was also required.

Mr. Chisel attributed delays in the conversion of 150 MHz radio systems to 800 MHz radio systems to construction of mountaintop repeater sites in rural areas.

In response to questions Chairman Raggio asked regarding the extension, Mr. Chisel advised that 11 mountaintop sites were designated to be constructed in order for the radio transition to take place. Mr. Chisel explained that construction was underway for leased sites, but that the Department of Information Technology (DoIT), the agency responsible for constructing the mountaintop sites, had been unable to obtain Bureau of Land Management (BLM) and Forest Service permits for two sites. Requirements for the third site proved cost prohibitive at approximately $250,000 and the area covered was more than would have been beneficial to the project. Alternate sites were being researched and negotiations were underway with the Department of Energy for a site located at the Nevada Test Site.

Additionally, Mr. Chisel advised that the Public Works Board (PWB) had released the Request for Proposal (RFP) for sites to be constructed and should be opening the RFP within a week. DoIT representatives advised that the sites should be constructed by winter, weather permitting. Mr. Chisel said Secret Pass, Nevada Highway 229, would be operational by the end of the month.

Gary Ghiggeri, Senate Fiscal Analyst, Legislative Counsel Bureau, recommended that if the Committee chose to approve the request, the Department of Transportation be required to continue to report on expenditures and on the status of remaining projects.

ASSEMBLYMAN CONKLIN MOVED APPROVAL OF THE REQUEST TO EXTEND THE REVERSION DATE FROM JUNE 30, 2005, TO JUNE 30, 2007, AND THAT THE NEVADA DEPARTMENT OF TRANSPORTATION CONTINUE TO PROVIDE EXPENDITURE AND STATUS REPORTS TO THE COMMITTEE.

ASSEMBLYMAN HORNE SECONDED THE MOTION.

THE MOTION CARRIED. (Senator Coffin, Senator Titus, Assemblywoman Koivisto, and Assemblyman Seale were excused.)

*G. DEPARTMENT OF MOTOR VEHICLES – POLLUTION CONTROL ACCOUNT – Pursuant to Section 4 of NRS 445B.830, request for approval to distribute grant awards in fiscal year 2006 to local government entities from funds equal to one-sixth of the smog certificate sales revenue:

1. Clark County Department of Air Quality Management..... $911,282
2. Washoe County District Health Department,
   Air Quality Management Division $272,201

Troy Dillard, Administrator, Compliance Enforcement Division, Nevada Department of Motor Vehicles (DMV), appeared before the Committee to request approval to distribute dedicated grant awards from the Pollution Control Account to Clark and Washoe Counties.

Mr. Dillard advised that based on revised revenue projections included in the final legislatively-approved budget, grant awards were revised to provide:

Clark County Department of Air Quality Management $987,125

Washoe County Air Quality Management Division $294,855

ASSEMBLYWOMAN SMITH MOVED TO APPROVE THE DISTRIBUTION OF THE GRANT AWARDS FOR FISCAL YEAR 2006 AS REVISED.

ASSEMBLYMAN DENIS SECONDED THE MOTION.

THE MOTION CARRIED. (Senator Coffin, Senator Titus, Assemblywoman Koivisto, and Assemblyman Seale were excused.)

*H. STATE PUBLIC WORKS BOARD:

1. Project 03-C52, Comstock Historic District Commission Office; request to receive and spend additional funds - $25,000.00.

   There were no questions from members of the Committee.

2. Project 03-S01, Statewide Roofing; request to receive and spend additional funds - $947.33, Old Mint Building, Carson City.

   There were no questions from members of the Committee.

3. Project 01-C18, Furnishing/Build-Out, Library and Student Services Center, WNCC; request to receive and spend additional funds - $70,000.00.

   There were no questions from members of the Committee.

4. Cancel project 03-M54, Replace Kitchenette and Appliances – CYC, and transfer its remaining funds to projects 03-M26, Renovate Pool – CYC, and 03-C17, Metal Building.

   Evan Dale, Deputy Manager, Administration and Finance, Public Works Board, appeared before the Committee to request cancellation of Project 03-M54, renovation of kitchenettes at the Caliente Youth Center and to transfer the remaining project funds to Project 03-M26, renovation of the swimming pool at the Caliente Youth Center, and Project 03-C17, construction of a metal building for recreation.

   Mr. Dale explained that the three projects were consolidated into a single construction bid request, and the low bid exceeded the available construction budget. After the Caliente Youth Center (CYC) indicated the pool and the recreation building took priority over the kitchenettes, Mr. Dale advised it was decided to request a transfer of funds to the two highest ranking projects.

   In response to a question from Chairman Raggio, Mr. Dale indicated the Caliente Youth Center would be able to continue using the kitchen equipment they had.

ASSEMBLYMAN CONKLIN MOVED TO APPROVE ITEMS 1 THROUGH 4.

SENATOR MATHEWS SECONDED THE MOTION.

THE MOTION CARRIED. (Senator Coffin, Senator Titus, Assemblywoman Koivisto, and Assemblyman Seale were excused.)

5. Project Status Report (informational).

The Project Status Report was accepted by the Committee.

*I. INFORMATIONAL ITEMS – Reports on Letters of Intent and various reports from agencies (Exhibit C).

Chairman Raggio also announced that all informational items under Item I were accepted and testimony would not be required unless requested by a member of the Committee.

K. ADJOURNMENT.

Chairman Raggio extended his appreciation to staff for their dedication and hard work during the 2005 Legislative Session.

Chairman Raggio adjourned the hearing at 9:31 a.m.

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Senator William J. Raggio, Chairman
Interim Finance Committee

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Lorne Malkiewich, Director
Legislative Counsel Bureau, and Secretary
Interim Finance Committee

EXHIBITS INTERIM FINANCE COMMITTEE MARCH 31, 2005		
Exhibit	Witness/Agency	Description
A		Agenda June 23, 2005
B		Guest List
C		Informational Items
D	Patrick Cates	Revised Work Program
E	Gary Ghiggeri	Contingency Fund