

THE THIRD DAY

CARSON CITY (Wednesday), January 19, 1955.

Assembly called to order at 11:03 a. m.

Mr. Speaker in the Chair.

Roll called.

All present except Messrs. Ivers, Reynolds and Stark, who were excused.

Prayer by the Chaplain, Reverend Arthur S. Kean.

Pledge of allegiance to the flag.

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

Motion carried.

INTRODUCTION, FIRST READING, AND REFERENCE

By Mr. Mount:

Assembly Bill No. 9—An Act to amend an Act entitled "An Act to provide for the licensing and registration of motor vehicles in the State of Nevada, defining the duties of certain officers in connection therewith, prescribing certain rules and regulations, defining certain powers and duties, and other matters properly connected therewith, and repealing all Acts or parts of Acts in conflict or inconsistent with this Act," approved March 19, 1925.

Mr. Mount moved that the bill be referred to the Committee on Roads and Transportation.

Motion carried.

Mr. Speaker appointed Messrs. Adams and Vaughan as a committee to escort Chief Justice Merrill to the rostrum to administer the oath of office to the attachés.

The appointed committee escorted Chief Justice Merrill to the rostrum. The Chief Justice administered the oath of office to the attachés.

By Mr. Hendel:

Assembly Bill No. 10—An Act entitled "An Act defining and relating to narcotic drugs, prohibiting the use, sale, distribution, or administration thereof, except under the lawful direction of duly licensed practicing physicians, dentists, veterinarians, manufacturers, apothecaries and others, prohibiting the unlawful possession, use, sale, distribution or administration thereof, and to make uniform the law with reference thereto, prescribing penalties for the violation hereof, and other matters properly relating thereto, and repealing all Acts and parts of Acts in conflict herewith," approved February 24, 1937.

Mr. Hendel moved that the bill be referred to the Committee on Public Health and Public Morals.

Motion carried.

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

Messrs. Swackhamer and Berrum escorted the President pro tempore of the Senate to the Speaker's rostrum.

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

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

IN JOINT SESSION

At 2 p. m.

President of the Senate in the Chair.

The Secretary of the Senate called the Senate roll.

All present, except Senators Slattery and Wiley, who were excused.

The Chief Clerk of the Assembly called the Assembly roll.

All present, except Messrs. Ivers and Stark, who were excused.

The President of the Senate appointed Senator Lemaire and Assemblyman McElroy to wait upon the Governor.

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

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

The Sergeant-at-Arms announced that Governor Charles H. Russell was at the bar of the Assembly.

The appointed committee escorted the Governor to the rostrum.

The Governor delivered his message as follows:

MESSAGE OF THE GOVERNOR TO THE FORTY-SEVENTH LEGISLATURE OF NEVADA

STATE OF NEVADA

EXECUTIVE CHAMBERS

CARSON CITY, January 19, 1955.

To the Honorable, the Senate and the Assembly:

It is a privilege and honor to meet with you, the members of the forty-seventh session of the Nevada State Legislature. I do so with a full realization of the problems that must come before you and the responsibility we have in working together to meet those problems.

I congratulate you on being selected to represent the people of Nevada, and I offer the cooperation of the administration of the State. I, and my staff, as well as the departments of state government are here to work with you, for the task that faces all of us involves great responsibility.

Nevada is the fastest growing state in the nation. Since 1950 our population has increased 36.3 percent, according to an estimate of the United States Bureau of the Census. We have grown in population from 160,083 in 1950 to a population of 218,000, as of July 1 of last year. We still are growing rapidly.

Nevada thus has emerged from the status of a widely scattered community to the status of full state responsibility with rapidly growing city-areas of population.

We must meet this growth with increased public services in nearly every department and must provide funds for the school financial situation, a problem that is the direct result of the State's rapid growth.

FINANCES AND SCHOOLS

Assessed valuations, which provide the ad valorem taxes, as well as other state revenues have increased during the last two years, and, frankly, were it not for the increased needs and demands for education, Nevada could meet its normal financial requirements without additional revenue.

During the present biennium, state aid to the elementary and high schools is \$9,523,001. If the present formula for state aid to schools is continued throughout the coming biennium the State, due to increased enrollments, would be required to provide \$13,311,041. We have found the present formula inadequate to provide basic needs.

A year and a half ago, realizing the seriousness of the school situation, I named a state-wide committee of responsible men and women to study this condition. The Special Session of the Legislature a year ago provided \$30,000 for a comprehensive survey of the schools.

That survey has been completed and the findings are in the George Peabody College Report on Public Education in Nevada.

From this Peabody report the state-wide committee I named made recommendations that, along with the Peabody report, have been submitted to you. I urge that you seriously study, and follow, the recommendations made by the committee.

I fully realize that all phases of the Peabody report cannot be adopted at one session of the Legislature. It will take a period of years to place all of the recommendations in operation. I do believe, however, that the committee's recommendations should be adopted and made effective July 1, 1956.

I do not feel that transition from the current school formula to the school committee plan can be accomplished more speedily due to the bare mechanics involved.

If this latter recommendation is followed by you, it will be necessary for the State to provide \$16,771,452 for the biennium beginning July 1, 1955.

For too long Nevada has not met the responsibility of a planned program for the schools. Every two years the problem has been met only with stop-gap measures.

Every other state is facing the same problem, yet ours is more acute due to our unprecedented growth.

UNIVERSITY OF NEVADA

The State's only institution of higher education is growing in proportion with all Nevada. Here, again, where we have the responsibility of providing better education for our young men and women, we face increasing costs.

The development of the University of Nevada and Nevada Southern is of the utmost importance. We are living in an age when higher education must be made available to all to meet the demands for training in this business and scientific age.

I am recommending an increase of 25 percent over the appropriation made for the University two years ago, exclusive of capital investments.

GAMBLING

I am determined that Nevada's licensed gambling industry shall not be invaded by hoodlums nor organized crime.

Two years ago I asked that the Tax Commission, of which I am Chairman, be given more power to provide stronger and more stringent regulations of the gambling industry. The 1953 Legislature did not see fit to grant such requests. Events in the last two years have proven that even more authority than requested at that time is absolutely necessary.

I now earnestly request that the present laws be amended to provide:

A gambling division under the Nevada Tax Commission to be headed by a three-member board, the Chairman of which shall be the Executive Secretary of the Commission. Each of the three board members to be full-time members of the Tax Commission and each to receive a salary of \$10,000 a year.

These three, in heading the gambling division, would be in charge of the division staff and of investigation of all license applications, as well as other gambling matters.

They would consider all gambling license applications and would refer their decision to the over-all Commission with definite recommendations. The three board members would serve as voting members of the Nevada Tax Commission with full voting powers on gambling matters only. The original members of the Commission would remain as members of the Commission to carry on Tax Commission matters and with the Gambling Division Board would serve as a Board of Review on gambling matters.

I also urge, as I did two years ago, that the Commission be given complete power to deny or revoke any gambling license in the public interest.

I also have asked that solid and respected businessmen interested in the economy and stability of the State and in no way connected with the gambling industry, as a state service and without state funds, form an economic or crime commission. This commission to employ a qualified person whose duties would be to appraise and evaluate crime in Nevada and report its findings to the state authorities and to work with the State, counties and cities toward a better state-wide and national understanding of the gambling industry in Nevada.

Nevada is the only state that has legalized gambling aside from on-track pari-mutuel betting, and therefore the regulation of gaming is of the greatest importance to the State.

There is no question that gambling contributes directly and indirectly to the state economy. However, I feel that it is paramount to further strengthen the laws that regulate this industry and thereby provide additional protection to the State as well as to the industry itself.

To meet financial requirements of a largely expanded gambling division staff, I recommend that the 5 percent of the state gambling license fees now allowed for costs of administration of the Gambling Act be increased to 6 percent or the equivalent thereof.

I make these recommendations to keep gambling in Nevada clean and on a sound level of operation, thus protecting the public and the industry.

SURVEYOR GENERAL

Nevada voters, last November, acted to remove the office of Surveyor General from the list of constitutional offices. That action was in line with my recommendations to, and favorable action by, the legislative sessions of 1951 and 1953. In order to carry out what is now a clear mandate from the people, I urge that this Legislature take the necessary steps to finally abolish the office of Surveyor General.

CONSTITUTIONAL CHANGES

Two years ago the Legislature acted favorably upon my recommendation that the Superintendent of Public Instruction be made an appointive office, instead of elective, through amendment of the Constitution. I urge you to pass the necessary resolution, at this session, to insure that this matter go before the voters of the State for final ratification at the 1957 general election.

In the interest of more efficient and economical government, once again, I am urging that you act favorably to amend the Constitution to provide for: (1) annual sessions of the Legislature; (2) establishment of home rule in the counties; (3) make the offices of Regents of the University of Nevada appointive instead of elective; and (4) make the office of Attorney General appointive instead of elective.

SAFETY

The terrible and tragic toll on Nevada's highways was 145 in 1954, but we cannot lose sight of the equally, but less spectacular accident toll in industry and business.

Steps must be taken to eliminate, insofar as possible, all accidents, in all fields of industry.

Presently, Nevada's safety regulations for business and industry are a hodge-podge, administered by several agencies and departments.

I recommend that you give careful study to the problem of codifying industrial safety laws so that better protection for workers may be achieved with a resulting decrease in accidents.

HIGHWAY PATROL

To reduce deaths on the highways I recommend laws to: (1) provide for compulsory mechanical inspection of all vehicles; (2) legalize the use of an approved alcohol test for suspected drunken drivers; (3) permit the Highway Patrol to establish speed limits when conditions warrant; (4) provide for enforcement to insure use of chains or other approved devices when road conditions warrant; (5) make it a misdemeanor to enter any improved highway without making a complete stop, regardless of whether the intersection is signed; (6) make it unlawful for any person to be in, or about a motor vehicle while under the influence of intoxicants or drugs.

In order to implement and enforce necessary safety regulations I urgently recommend that the staff of the Highway Patrol be increased by a minimum of ten men.

HIGHWAYS

Highway construction in Nevada last year reached an all-time high. However, with increased federal funds construction will be greatly increased, starting this year.

In order for Nevada to take full advantage of the increased federal funds, provided on a matching basis, it will be necessary to increase road use taxes.

Indications are that, at the request of President Eisenhower, large sums soon will be made available for improvement of the interstate highway system connecting the principal cities of these United States.

It is imperative that segments of this system joining Nevada with California be completed as rapidly as possible. This is necessary to provide needed facilities for evacuation of our neighbors from heavily populated coastal areas in event of disasters.

This Legislature should memorialize the Congress urging such construction be given the highest possible priority so that work may be started as soon as funds become available.

These are matters of urgent and vital concern and should have approval.

CAPITAL IMPROVEMENTS

You will be presented with requests for capital improvements by state departments, state institutions and the University of Nevada.

First consideration, in my opinion, of capital improvements should be given for construction of a classroom building for the Southern Branch of the University of Nevada, for a geriatrics building at the Nevada State Hospital and for a new highway building for Carson City.

A new highway building would release the space now occupied by the Highway Department in the state building completed in Carson City in 1951, and this needed space could also house state agencies now, out of necessity, renting space in Reno.

The largely augmented highway program starting this year will require additional space for that department which is not now available.

Any capital improvements should be made through authorized bond issues.

DISASTER RELIEF AND CIVIL DEFENSE

The recent and continued droughts and the earthquakes of last year show the necessity of an Act authorizing withdrawals from the State's General Fund of sums up to \$50,000 to assist in such disasters.

Other than a fund of \$30,000 for use in matching federal drought funds, Nevada has no way of matching other federal disaster funds.

Nevada's Civil Defense Agency proved its worth during the last year when it was called upon to investigate and join in the administration of relief in the drought and earthquake emergencies. This is the agency which the federal government requires investigate and often administer such problems.

AGRICULTURE

Another of our State's basic industries, and a producer of wealth, is agriculture, in all its phases. This industry, despite droughts, floods, and emergencies caused by nature, has grown and prospered.

Its development, too, has posed problems and made increased expenditures necessary to keep pace with Nevada's growth.

Experiments in cloud seeding now are under way. They should be continued and I recommend the Legislature investigate this method of increasing precipitation. Additional land development is predicated upon increasing our surface-water supply and development of underground water.

MINING AND OIL INDUSTRIES

Production of minerals and oil form one of Nevada's basic industries, providing new wealth, income and jobs. It is incumbent upon us to encourage the development of this important segment of Nevada's economy.

Lead and zinc mining operations in Nevada are in a depressed condition, due to the national policy toward foreign importations.

Gold and silver mining continues at a low level.

I suggest you forcefully call attention of the Congress, in Washington, to the desirability of allowing a free market for gold. Such step would materially increase employment, add new wealth to our State and Nation and generally aid our entire economy.

With the discovery of oil, in commercial quantities, since you last met, Nevada has joined the oil producing states.

I recommend you take steps to permit Nevada to become a full member of the Interstate Oil and Gas Compact Commission so that we may join, on a voluntary basis, with our sister states in preventing waste of this natural resource.

I further recommend that the Legislature take steps to provide a just and equitable form of taxing the oil producing industry, and at the same time encourage exploration for oil.

I also recommend that the necessary mineral, geological and topographical surveys conducted cooperatively by the Bureau of Mines with the U. S. Geological Survey be continued and expanded. A complete mapping is necessary to encourage development of Nevada's resources.

STATE ENGINEER

The office of the State Engineer continues to face an increasing workload. The phenomenal growth of the Las Vegas area where about 500 wells are being drilled each month, makes it mandatory that a full-time Deputy State Engineer be assigned to that area and I so recommend.

Last Saturday, January 15, the compact between the seven Columbia River Basin states was signed, and I am asking your approval of this forward step when such a bill is presented to you.

Cooperative work, necessary for the orderly development of resources under the jurisdiction of this department, have been carried on during the current biennium with the U. S. Geological Survey; Soil Conservation Service; Weather Bureau; Bureau of Land Management; and the University of Nevada Experiment Station. Such work should be continued at an accelerated pace.

COLORADO RIVER COMMISSION

Specific authority must be given the Colorado River Commission to obtain or contract for power from any source. The present Act is restrictive to hydro-electric power.

A study also should be made as to the feasibility of amending the law to give the Commission authority to build, construct, acquire, operate and maintain facilities, if necessary or expedient, to the operation as a utility. Under the present law the Commission must act as a utility in its administration of power contracts, but is not a utility under the Act.

Nevada has intervened in the United States Supreme Court case of the State of Arizona against the State of California, concerning waters of the Colorado River. The intervention was necessary to obtain for Nevada its just share of the waters of the Colorado River. Two years ago funds were set aside for legal and engineering work in connection with that suit. Fifty thousand dollars each was set aside from Colorado River Commission funds for legal and engineering work.

Only part of those funds have been expended, but additional money must be set aside to carry on the intervention suit during the next two years.

AID TO DEPENDENT CHILDREN

Nevada is the only one of the 48 states that does not provide aid for dependent children. The object of such an Act is to provide assistance for children whose dependency is caused by conditions that deprive them of a normal home life.

Adoption of the Act would, I believe, be a step in the right direction in building up the youth of our State.

There are approximately 1,400 needy children in Nevada who would be eligible for assistance under such a program, in which the federal government would bear a portion of the cost.

I have consistently favored such an Act.

If such an Act is adopted it would be administered by the Nevada State Department of Welfare which, along with all state agencies, has been bearing an increasingly heavy workload due to the rapid growth of the State.

HEALTH DEPARTMENT

Public health services in Nevada are a direct service to the people and these services have been carried on during the last two years in proportion to available funds.

There is a growing need for greater services in several departments, principally in the sanitation, crippled children and mental health divisions.

The federal government has reduced matching funds with the result more state funds will be needed to carry on the present level of operations.

NEVADA STATE HOSPITAL

Great improvement in facilities and treatment has been made at the Nevada State Hospital. The staff has been augmented, resulting in better care.

The new building housing the kitchen, bakery, commissary, and dining rooms has brought further improvement. Critically needed, however, is a geriatrics building where aged persons would be more adequately cared for and their present quarters would then be used for the ever increasing number of other patients.

PLANNING BOARD

Scope of the activities of the Planning Board should be expanded to permit investigation of plans for development of all natural resources. I urge a section of the Planning Board be charged with responsibility for attracting new industry to Nevada and of assisting in the establishment of such industry. Full cooperation with all political subdivisions in planning and development then will be assured.

I further recommend authorizing this agency to assemble and distribute information concerning Nevada's scenic, recreational, agricultural, livestock, mineral and industrial opportunities.

Authority should be granted to formulate and activate such other programs as the board deems necessary in promoting our State's industrial and economic welfare.

I strongly urge your favorable action on such expanded program, realizing full well it will mean an increased appropriation to cover salaries of additional personnel and operation.

EMPLOYMENT SECURITY DEPARTMENT

The Employment Security Department does not contemplate any legislation which would extend the scope of the unemployment compensation laws. Under present conditions, it is my belief that it will not be necessary to increase employer tax rates. However, should benefits be increased, or the scope of the law extended, such an increase might become necessary.

The department, I am informed, does intend to expand its rate schedule to effect a more equitable assignment of employer rates by adding additional rates between the 2.7 maximum and the .1 percent minimum.

NEVADA INDUSTRIAL COMMISSION

Operation of the Nevada Industrial Commission has been expanded and greatly improved as a result of the completed actuarial study and legislation enacted two years ago.

At this session relatively minor changes in the law will be asked by the commission. However, authorization should be made for the naming by the Governor of a committee from labor and management to review the existing industrial laws in a comprehensive manner so that changes agreed upon may be presented to the next session of the Legislature.

Presently, I feel, the commission rapidly is approaching a position comparing favorably with the operations of major insurance companies.

STATE PRISON

Principal construction at the State Prison during the last two years was the erection of five new residences, at a minimum cost.

Population at the prison leveled off during 1953 and held steady this last year. Needed, when funds are available, is a new maximum security block and a women's block.

The building of additional residences for guards will release space in the prison proper which, through remodeling, can provide needed dining space and administrative offices.

Required by state sanitary laws is a pasteurizer at the Prison Farm.

I urge you to visit the prison, prison farm and other state institutions. While we have not reached a desired goal at the institutions, a visit clearly will show the advancement that has been made in the last two years under capable administration.

NATIONAL GUARD

Nevada may well be proud of its National Guard organization, both ground and air forces, with a total of 861 officers and men. During the two years ending June 30, 1954, the federal government sent into Nevada, for expenditure by the Guard units, a total of \$4,721,439.

I urge your continued generous support of all phases of the activities of the Nevada National Guard to the end that our State will be prepared to play its part in any national or state emergency.

PURCHASING DEPARTMENT

Since its inception July 1, 1951, the centralized Purchasing Department has negotiated transactions totaling \$2,500,000 at a saving of \$400,000 to the taxpayers, over and above administrative costs.

These savings have more than proven the worth and need of this department.

FISH AND GAME

The phenomenal increase in hunting and fishing in Nevada means the State's Fish and Game Commission now is truly Big Business, with expenditures of \$716,812 during the last fiscal year. During 1953 those purchasing hunting and fishing licenses numbered 93,538 compared with 23,664 ten years ago.

You should give careful consideration to Nevada's fish and game problems since they pertain to one of the State's largest businesses and represent a resource which must be carefully guarded.

ATTORNEY GENERAL

Recommendations made by the Attorney General in his biennial report are referred to you for your careful consideration.

GENERAL RECOMMENDATIONS

Modernization of the machinery used for manufacturing vehicle license plates at the State Prison.

Allowing auto license plates to be issued by the motor vehicle division, in the more populous counties, thus relieving them of this burden.

Consider amending the Carrier Act to place collection of fees, issuance of plates and other matters on a fiscal year basis.

Grant authority allowing U. S. Defense Bond deductions on state pay checks.
Grant consent of the State to acquisition by the United States of lands to be used by the Department of Defense and the Atomic Energy Commission.

Provide adequate support for the State Park Commission so that our historic places, relics and natural beauties may be preserved.

Study the need for a state agency to promote development within and attract tourist travel to our State.

CONCLUSION

I have endeavored to outline for you, as briefly as possible, the more immediate needs of our State.

I fully realize that a number of my recommendations are of a controversial nature, yet I present them to you for your study and deliberation.

As the legislative branch of our government, yours is the power, right and responsibility to consider and to pass laws that will guide our State.

I extend to you my cooperation for I am sure that by working together we will achieve a sound program of legislation.

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

Seconded by Senator Lovelock.

Motion carried.

Senator Lattin moved that the Joint Session be dissolved.

Seconded by Senator Seevers.

Motion carried.

Joint Session dissolved at 2:45 p. m.

Mr. Speaker announced that if there were no objections, the Assembly would recess for ten minutes.

Assembly in recess at 2:45 p. m.

ASSEMBLY IN SESSION

At 3:03 p. m.

Mr. Speaker in the Chair.

Quorum present.

MESSAGES FROM THE SENATE

SENATE CHAMBER, CARSON CITY, January 19, 1955.

To the Honorable the Assembly:

I have the honor to inform your Honorable Body that the Senate on this day adopted Assembly Concurrent Resolution No. 1.

HERB ROWNTREE,

Assistant Secretary of the Senate.

Mr. McElroy moved that the Assembly adjourn until Thursday, January 19, 1955, at 10:30 a. m.

Motion carried.

Assembly adjourned at 3:08 p. m.

Approved:

CYRIL O. BASTIAN,
Speaker of the Assembly.

Attest: KEITH L. LEE,

Chief Clerk of the Assembly.