

THE FOURTH DAY

CARSON CITY (Thursday), January 18, 1973

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

Mr. Speaker presiding.

Roll called.

All present except Messrs. Bennett and Mello, who were excused.

Prayer by the Chaplain, Father Robert G. Pumphrey.

Pledge of allegiance to the Flag.

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

Motion carried.

MOTIONS, RESOLUTIONS, AND NOTICES

Mr. Speaker announced that Messrs. Bennett and Mello would be excused for the remainder of the week for the purpose of attending a seminar on federal legislation.

MESSAGES FROM THE SENATE

SENATE CHAMBER, Carson City, January 18, 1973

To the Honorable the Assembly:

I have the honor to inform your honorable body that the Senate on this day adopted Senate Concurrent Resolution No. 1.

JUDY AHLSTROM

Assistant Secretary of the Senate

Mr. Speaker announced that if there were no objections, the Assembly would recess for the purpose of hearing Mr. Clinton Wooster.

Assembly in recess at 10:07 a.m.

ASSEMBLY IN SESSION

At 10:43 a.m.

Mr. Speaker presiding.

Quorum present.

MOTIONS, RESOLUTIONS, AND NOTICES

Senate Concurrent Resolution No. 1.

Mr. Dreyer moved the adoption of the resolution.

Resolution adopted.

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

Motion carried.

Assembly in recess at 10:55 a.m.

ASSEMBLY IN SESSION

At 1:38 p.m.

Mr. Speaker presiding.

Quorum present.

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

The Committee on Escort in company with Chief Justice Gordon Thompson, Justice Cameron Batjer, Justice John Mowbray, and Justice Al Gunderson of the Supreme Court of the State of Nevada appeared before the bar of the Assembly.

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

The Committee on Escort in company with His Excellency, Mike O'Callaghan, Governor of the State of Nevada, appeared before the bar of the Assembly.

The Committee on Escort escorted the Governor to the rostrum.

The Speaker of the Assembly welcomed the Governor and invited him to deliver his message.

Mr. Speaker requested that his remarks be entered in the Journal:

Governor, we welcome you to the Joint Session of the Nevada Legislature. Your appearance here tonight is a first for television in Nevada. Your address is being carried live on every television station in the State of Nevada. This historic telecast is a cooperative venture of KTVN Reno and the Donrey media group as a public service. It is being presented by the First National Bank to all residents of Nevada.

The Governor delivered his message as follows:

MESSAGE TO THE LEGISLATURE OF NEVADA
FIFTY-SEVENTH SESSION, 1973

Mr. President, Mr. Speaker, Distinguished Members of the Legislature, My Fellow Nevadans:

It is again my privilege to carry out one of the highest obligations required of the Chief Executive by the people of Nevada.

I bring you a cordial greeting from the men and women who serve State Government. They join me in expressing the earnest hope that your deliberations will bring forth a new dimension of creative excellence in the legislative process.

I would like to especially welcome the 20 members of the Assembly and the five members of the Senate who have taken their seats for the first time at the start of this Fifty-Seventh Session.

I would also like to praise the contributions of those who either retired since the last session or who departed under circumstances less voluntary.

In my first appearance before the Legislature, I pledged to work within the framework of existing taxes while warning that our tax revenues were not accelerating at the rate we had anticipated.

Now, two years later, I am pleased to report that the picture has brightened considerably.

While we had anticipated about \$40 million in sales tax revenues for the current fiscal year, it appears the total will be closer to \$45 million. Gaming revenues, estimated at \$42 million, will total about \$43.8 million.

Our State, then, is in excellent health. We continue to prosper; we continue to grow.

Thus, for the second time, I am able to tell the citizens of Nevada that in my judgment there is no need for any new general taxes or any general tax increase during the next biennium.

This does not suggest we can afford to abandon our commitment to fiscal responsibility. Sound money management is—or should be—a benchmark for measuring the effectiveness of government.

The operating budget I bring before you reflects this philosophy. We are recommending \$278 million for the biennium, compared to \$217 million in the previous 2-year period. At the same time, we are planning to maintain an unappropriated cash balance, or reserve, of \$13.4 million—a record amount.

There are two reasons why this large reserve is essential:

First, the Zubrow Report, commissioned by the Legislature in 1960, recommended the State should maintain an unappropriated balance of 10 percent of its annual revenue.

Second, and even more persuasive, is the unpredictability of the federal government in apportioning money to Nevada and other states.

One example is related to federal revenue sharing. To date, Nevada has received \$3.6 million in revenue sharing funds and another \$900,000 will be forthcoming in April.

At the same time, however, other federal funds appropriated for Nevada failed to materialize.

Presidential vetoes killed \$1 million earmarked for the Nevada Rehabilitation Division and more than \$1 million destined for the Division of Aging Services.

Also withheld was \$900,000 for the Southern Nevada Comprehensive Mental Health Center.

Adding up, then, we have received \$3.6 million on one hand and lost more than \$3 million on the other.

That is some kind of revenue sharing.

Let us agree that common sense requires us to be cautious in our spending programs. We cannot depend upon a bonanza from the federal government. Our actions must be governed accordingly.

The increase in the proposed operating budget for the next biennium reflects a strong level of support for education as well as our Park System and a broad spectrum of social services and health programs.

Included is a substantial recommended increase, from \$8 million to \$14.7 million, for aid to welfare recipients who are permanently and totally disabled.

Approval would permit the State to expand its eligibility criteria and add an estimated 3,400 recipients who presently depend entirely upon the counties for welfare medical assistance.

Before examining the specifics of my budget proposal, I respectfully invite the attention of the Legislature to a recommendation to create a new Division of Land Use Planning in the Department of Conservation and Natural Resources.

This, in my view, is an item of critical importance. The State has hired a statewide planner and also has implemented long-range planning in water resources. It is essential that we have a companion effort with respect to land.

Finally, I would like to comment briefly on state employment procedures. In 1971, I announced a new policy under which out-of-state residents would be considered for state jobs *only* if no qualified Nevadans were available.

In 1969, 8.3 percent of all persons hired were out-of-state residents. In 1970 it was 7.7 percent.

Last year and the year before, however, less than 2 percent of all new hires were residents of other states.

It is my firm belief that residents of Nevada are entitled to first consideration when vacancies occur in government.

It is a policy which I shall continue in the years ahead.

PROTECTING OUR CHILDREN

The use of narcotics and drugs has reached epidemic proportions in the cities of America.

We are confronted by a crisis that threatens to overwhelm law enforcement and destroy the fabric of society.

We have acted upon the problem in the past. It is clearly evident that a great deal more must be done—and now.

Failure to act will not necessarily jeopardize the generation represented by those in attendance tonight.

But failure to act will surely imperil another generation—our children.

As a parent, I would gladly exchange my own well-being for the mental and physical health of my children. So would we all.

We do not have that choice. The affection we feel for our children, our aspirations and dreams for their future, will not solve the monstrous problem of drug abuse.

It will be solved only if we commit ourselves—and our resources—to an aggressive and wide-ranging attack on every deadly area of narcotics and drug addiction.

The program I present to you tonight would strike from three directions—education, rehabilitation and enforcement. I respectfully commend it to you as a matter of priority consideration.

Education

Our one best hope for breaking the endless cycle of narcotics and drug addiction is education. We know that young people are responsive to reason and logic. We must communicate the message to them, clearly and forcefully.

The Legislature, in 1971, approved my request for \$163,000 to establish a narcotics and drug abuse education program for Nevada elementary school teachers.

Some 28 sixth grade teachers participated in the first seminar, during the summer of 1971, and then carried the message to their classrooms.

The program was expanded to include fifth grade teachers last summer. As a result, hundreds of Nevada school children are now learning facts that could save their lives.

The success of the program cannot be disputed. Preliminary findings tell us that impressionable and inquiring minds are absorbing valuable knowledge.

It is an encouraging start—but only a start. We must now move forward.

I am recommending to the Legislature that \$252,000 be appropriated in the next biennium to complete the program at the fifth and sixth grade levels and then expand it into the seventh and eighth grades of all Nevada schools.

The logic seems obvious. It would be foolish to provide early education on the dangers of drug abuse and then drop the subject entirely.

Far more realistic is a continuing effort to insure that the message is getting across, from the fifth through the eighth grades.

The new program will also provide training for teacher-counselors whose influence will extend far beyond the junior high school classroom. They will be trained to offer support to community groups such as the YMCA, the Police Athletic League and other youth organizations.

I consider the expansion of the education program a matter of extreme importance, and I earnestly recommend legislative approval.

Rehabilitation

We have another mandate. We must try to salvage the lives of those who already have fallen victim to the poisonous effects of narcotics and drugs.

Many local organizations could qualify for much-needed federal assistance if matching funds were available. Often, however, the match cannot be provided.

I am therefore recommending a \$350,000 appropriation for the biennium to help finance drug abuse control at the local level.

The moneys would be administered by the State Division of Alcoholism and Drug Abuse. This agency is presently working in conjunction with the Drug Abuse Council to formulate a federally mandated state plan to combat narcotics.

I am also recommending the expenditure of \$79,000 for the development of a narcotics rehabilitation program within the Department of Parole and Probation. This would be matched by \$110,000 in federal funds during the biennium and would enable the department to reduce the use of dangerous drugs among convicted offenders.

Statistics demonstrate the need for such a program. Narcotics arrests in Clark County alone have increased 715 percent since 1966. The result has been a staggering increase among individuals who need counseling and supervision.

Enforcement

Our final mandate calls for action against the lowest element in society—those who distribute or sell narcotics and dangerous drugs.

We must put them behind bars—permanently if necessary—or at least put them out of business.

The State Division of Narcotics and Dangerous Drugs has worked tirelessly to find and identify major smugglers, transporters and dealers. Division personnel played a major role in the arrest of more than 50 drug offenders at Lake Tahoe.

They also worked with Mineral County authorities to arrest the purchasers of a plane load of marijuana. In addition, the division recently uncovered a hashish oil factory and confiscated more than \$100,000 in illegal drugs.

However, the State is working against enormous odds because of a critical shortage of qualified agents. There are simply too few to do the job.

Accordingly, I am recommending legislative action to *double* the number of agents within the Division of Narcotics and Dangerous Drugs.

I am further recommending an expenditure of \$16,000 to pay for narcotics detection equipment.

Finally, I am recommending \$25,000 for the biennium to establish a Narcotics Conviction Fund. It would be used to pay individuals for information resulting in the arrest and conviction of those who traffic in narcotics and drugs.

Let me cite a frightening statistic: 55 percent of all crime in Nevada is drug-related, yet less than 2 percent of the law enforcement effort is concentrated specifically on this problem.

The situation is intolerable. I urge this Legislature to act quickly and forcefully.

COMPASSION FOR OUR CHILDREN

There should be no disagreement concerning our obligation to provide for the needs of Nevada's less fortunate children—those who live in poverty or suffer from emotional, mental or physical problems. They are the bewildered victims of circumstances beyond their comprehension and control.

I am recommending a number of improvements in existing programs and the creation of one new program.

All, in my judgment, merit favorable legislative consideration.

Aid to Dependent Children

State support for this program has increased only modestly since its inception in 1955.

Between 1962 and 1970, for example, the average monthly grant went up only \$2. The last legislative approved increase, for \$1, came in 1970 and established the average grant at \$32.

However, because of a relatively low caseload, the Interim Finance Committee last year authorized the Welfare Division to pay \$35.

My recommendation: Raise the average monthly grant to \$42, an increase of 20 percent over the amount presently paid and 31 percent more than the last level established by the Legislature.

Under the formula which applies to Nevada, the federal government pays only the first \$22 of the average grant. The remainder must come from the State General Fund.

By establishing the grant at \$32, effective in 1970, the Legislature obligated the State to pay \$10 of that amount.

I am now suggesting that the State increase its commitment by 100 percent, from \$10 to \$20, by raising the average grant to \$42.

Foster Home Payments

I am proposing that the monthly grant per child be increased from \$100 to \$120. The adjustment is necessary in view of the high costs related to the placement of children with emotional problems.

Emotionally Disturbed Children's Clinic

Construction of this facility in Southern Nevada will fulfill one of the most compelling needs in our entire network of social service programs.

At present, Nevada's emotionally disturbed children are treated under costly contracts negotiated with clinics in other states. This is an unsatisfactory situation, serving neither the best interests of the child nor the State of Nevada.

Attempts to treat emotionally disturbed children in conventional mental institutions have not proven successful. They have different needs that can only be met by specialized programs.

I am recommending an expenditure of \$498,000 for the biennium, to be partially matched by federal funds, for the operation of a Clinic for Emotionally Disturbed Children in Southern Nevada. This will include the cost of rent for temporary quarters until a permanent facility is erected.

I am further proposing an appropriation of \$990,000 for construction of the permanent facility, which would come from the State's share of federal revenue sharing funds.

Maternal, Child and Special Children

The responsibilities of this bureau, already wide ranging, have been further extended to provide care for greater numbers of crippled children, including victims of cystic fibrosis.

I am recommending a substantial increase—some \$800,000—in the operating budget of the bureau for the next biennium.

Dental Care

Some 3,000 Nevada children under the age of 14 from low-income families and state institutions receive services from the Bureau of Dental Health.

The importance of this program, which also receives federal support, is obvious. I am recommending five new positions and I urge your approval.

Mental Retardation

Two cottages for mentally retarded children, one in Las Vegas and the other in Sparks, are in need of additional staff and training aids to provide necessary program services.

I recommend that the present budget of \$1.1 million be increased by \$400,000.

EDUCATING OUR CHILDREN

By tradition and necessity, education commands a major share of our tax dollar. Sixty-one percent of general fund revenues are specifically earmarked for our universities, public schools and other educational facilities.

While education is the most expensive area of government, it is also the soundest investment that can be made by an enlightened people. The destiny of our State will be shaped by young men and women who have been prepared for leadership through the pursuit of scholastic excellence.

With this in mind, I am recommending a record \$160 million for support of Nevada education in the next biennium.

Elementary and Secondary

My proposal in this area would increase the amount expended for each pupil from the present \$889 to \$1,001 in the first year of the biennium and \$1,060 in the second year.

This strong level of support is the same as recommended by the educational leaders of our State. Included is a substantial recommended appropriation for children with special educational needs.

Higher Education

My recommendation calls for an increase of 41 percent, from \$39.7 million in the present biennium to \$56.2 million for the 2-year period just ahead. In my appearance before the Legislature in 1971, I recommended continued full support for the Elko Community College and enabling legislation to open similar colleges in Clark County and Carson City.

At that time I said, "There would seem justification for greater acceleration in the area of community colleges, but my proposal is for slow and orderly development to avoid any possibility of duplication with our 4-year institutions."

It is now apparent that no such duplication exists. It is equally apparent that Nevada's three community colleges are fulfilling a critical need in our higher educational system. Many hundreds of young people are being equipped with knowledge and skills.

Because of their demonstrated value, I am recommending a 300 percent increase, from \$2.3 million to \$9.1 million, for Nevada's community colleges.

Other Recommendations

I respectfully invite the attention of the Legislature to two items in the education budget which I consider worthy of special consideration:

1. Increased staff support for the University of Nevada libraries in Las Vegas and Reno. This will enable the libraries to expand their hours of operation for the convenience of students.

2. Establishment of a 4-year University course of study leading to a degree in law enforcement at both the Las Vegas and Reno campuses.

State School Study

Some 12 major recommendations were forthcoming in a study of Nevada education authorized by the Legislature at my request.

Some of these proposals, requiring only administrative action, already have been acted upon by the Department of Education. Others would need legislative implementation.

All Members of the Senate and the Assembly should have received copies of this study. Those who may have been overlooked may obtain the document from my office.

I commend the study to the attention of the Legislature for consideration and appropriate action.

PROTECTING OUR SOCIETY

A nationwide Gallup Poll announced earlier this week revealed that *one of every three* Americans living in densely populated urban areas was mugged, robbed or suffered property loss during the last 12 months.

That tells us a great deal about the troubled society in which we live.

It also tells us that we must move quickly and aggressively to halt the alarming increase in crime before we are overwhelmed.

Mr. Gallup's poll emphasized the reluctance on the part of some victims to report incidents to the police.

Some were apathetic.

Others were worried about having to appear in court.

Still others feared reprisals from their assailants.

Nevada is relatively fortunate. We have none of the large urban areas sampled in the Gallup Poll. But our cities are growing and we are very much aware that the incidence of crime is also growing.

We can all wish for a more perfect society in which there is no injustice, little crime and no poverty. Until that day arrives, however, we cannot sacrifice our society to lawless elements.

We cannot live as prisoners in our own homes.

We cannot tolerate a reign of fear.

I am submitting three proposals tonight which call for statutory changes in Nevada's criminal justice laws. Some may consider them harsh. But the criminal acts covered by these new laws are of sufficient magnitude to warrant strong punishment.

Capital Punishment

I am recommending the imposition of the death penalty for the following:

- Anyone who kills a peace officer while that officer is acting in the line of duty;
- Any inmate of the Nevada State Prison who kills a member of the prison staff.

Crimes Involving Firearms

I am recommending legislation to require an additional period of imprisonment for persons who commit certain felonies while in possession of a firearm.

In other words, a person convicted of burglary could be sentenced to an additional prison term by virtue of the fact he carried a weapon while committing the burglary.

The added sentence could not be served at the same time as the sentence imposed for burglary. It would have to be served *after* the burglary penalty was paid.

I am not suggesting that burglary is the only felony for which the added sentence could be imposed. Many other crimes, such as felonious assault and robbery should also be included at the discretion of the Legislature.

The State of Ohio, which already has such a law, specifies no fewer than 29 felonies requiring an added sentence if a firearm is involved.

Revocation of Bail

I am recommending the revocation of bail in cases where there is reasonable cause to believe the suspect, while free on bond, has committed another felony.

There are legal points involved here, and the mandatory revocation of bail could be invoked only after certain requirements were satisfied before the court.

But there is precedent. Other states have enacted the legislation I propose, and I believe it is worthy of favorable consideration in Nevada.

In addition to my recommendations in the area of criminal justice, I am proposing strong state support for those agencies involved in the law enforcement effort.

Crime Commission

Local law enforcement agencies in Nevada will be eligible to receive \$2 million in federal funds if the State provides \$200,000 in matching funds.

This seems an excellent investment and I urge the required appropriation.

Also, the Crime Commission is requesting an increase in its staff, from three to six, to improve the effectiveness of its identification and communications system.

I recommend approval.

Parole and Probation

I have previously discussed the staggering increase in the number of narcotics offenders who are assigned to this department for counseling and supervision.

I propose an increase in the department's staff amounting to 11 new positions in the first year of the biennium and 6 more positions in the second year.

I also recommend an increase of \$700,000 in the department's budget for the biennium.

Probation Subsidies

This is the program under which juvenile offenders are supervised by adult counselors in the community as an alternative to institutional commitment.

In my judgment, the program demonstrated more quantity than quality during its first year of operation. However, since it does have promise, I am recommending an appropriation of \$885,000 in the next biennium so it can be further evaluated and pitfalls experienced in other states hopefully can be avoided.

PRESERVING HUMAN DIGNITY

We owe a special measure of consideration to Nevada's older citizens.

Many of them were pioneers, since Nevada in the early years of this century was still a frontier state.

They labored long hours and endured hardships that are inconceivable in this age of leisure and modern technology. They raised families, participated in community affairs and helped foster the growth of a prosperous state and nation.

They are entitled to harvest the rewards of honest endeavor by spending their twilight years in comfort and dignity.

All too often, however, they are forgotten citizens who live in poverty and misery and to whom death is sometimes a welcome alternative.

At a time when rising inflation constantly erodes the buying power of the dollar, most of our senior citizens are forced to subsist on low incomes that increase rarely, if at all.

They are proud people who are reluctant to ask for help.

But they need our help and we have a moral imperative to act.

Division for Aging Services

Nevada lawmakers have not been insensitive to the needs of our elderly. Two years ago, at my request, the Legislature created the Division for Aging Services.

The division has already established five senior citizen centers throughout the State. It has started programs on nutrition. It has helped find jobs for those who need them.

You will find in my budget a request for a \$29,000 supplemental appropriation to cover the cost of administering the aging program until the end of the current fiscal year.

The request is necessary because anticipated federal funds, which had been promised, failed to materialize.

I believe we should feel the obligation to continue existing services at their present level. We will be unable to do so without the supplemental appropriation.

In addition, I am requesting a special appropriation of \$50,000 to be channeled to local nonprofit organizations which sponsor programs for the aging.

These organizations are eligible for federal matching funds but lack the resources to qualify. The special appropriation would remedy the problem and greatly expand services provided to older Nevadans at the local level.

In addition to the assistance provided by the Division for Aging Services, I believe there are other major areas where we can relieve the burdens of our senior citizens.

Property Tax Relief

I am proposing a property tax rebate, up to a maximum of \$350, for households in which the taxpayer is 62 years of age or older.

The rebate would be made directly from the State General Fund and would not affect local revenue sources. However, individual counties would have the option of offering their own rebates if they so chose.

In addition to owners or buyers of conventional dwellings, those eligible for the cash rebate would be mobile home owners as well as those participating in cooperative housing corporations or owning condominiums.

I can think of nothing more tragic or shameful than an attitude which permits an older citizen of limited means to lose his home because he cannot pay his property tax.

It has happened before. It should not happen again.

Medicare

Until a few months ago, public employees were ineligible for the benefits of Medicare because they did not qualify for Social Security. However, recent federal legislation now permits them to participate in the Medicare Program.

For those public employees who desire Medicare coverage, I propose to take the necessary administrative steps to establish the program.

This coverage will incur no expense to the State.

Auto Insurance

Numerous Nevadans have complained to me that they have been refused automobile insurance solely because of their age.

This is an unreasonable and unjust penalty to impose upon elderly citizens who may be excellent insurance risks.

I am proposing legislation to prohibit insurance companies from refusing to issue policies or increasing the cost of premiums on the basis of age alone.

Each case should be determined on its merits. If an individual is in good health and has a good driving record, he should not be denied coverage.

PROTECTING THE CONSUMER

No-Fault Insurance

I am convinced that Nevadans are deeply concerned about the issue of no-fault insurance.

People in every walk of life seem committed to the concept of auto insurance reform.

It is one of the most prominent issues of our time, one that is being discussed and debated in legislatures across the land and in the Congress of the United States.

The people of Nevada have made clear to me their dissatisfaction with our present system of compensation for automobile accidents.

They complain of the system's shortcomings in failing to compensate accident victims on a speedy and fair basis. A sizeable number speak from personal experience. Many have been frustrated because of lengthy, expensive and often unsuccessful attempts to obtain relief.

Since a clear majority of our people appear to support the concept of no-fault insurance, it is incumbent upon me to recommend that this Legislature devise a practical program that best serves their needs.

I might add that national concern on the issue of no-fault insurance undoubtedly will prompt congressional action if states fail to act.

Methods of no-fault auto insurance are almost as varied as the number of states which have adopted the reform. What is suitable for one state may not apply to another.

I therefore urge the Legislature to carefully evaluate all testimony, and review the several studies to determine which of the proposals would best fit the needs of all Nevada people.

My administration will lend the Legislature all possible assistance during deliberations on this highly important issue.

Consumer Affairs Division

This is the age of the consumer. If he is not quite king, he is certainly heir-apparent.

Recognizing the growing importance of consumerism, I earlier created, by Executive Order, a Division of Consumer Affairs within the Nevada Department of Commerce.

This division has wielded substantial influence and brought many benefits to the people of Nevada.

Its record of performance underscores the need for new legislation on behalf of the consumer as well as to protect the honest businessman in Nevada.

I therefore am urging legislative approval of the following:

- A Consumer Bill of Rights;
- Legislative enactment of a Consumer Affairs Division;
- Reform of state laws which prohibit the advertising and discounting of prescription drug prices.

First, the Consumer Bill of Rights:

I propose a mini-FTC (Federal Trade Commission) law, prohibiting the use of unfair methods of competition and deceptive practices.

This legislation would prohibit false and misleading advertising, declaring illegal such devious methods as "bait and switch" advertising or misrepresentation of goods and services.

Second, legislative enactment of a Consumer Affairs Division:

The division has served the public well. It has helped literally thousands of Nevada consumers—and without charge.

Since its inception, the Carson City office of the Nevada Consumer Affairs Division has handled more than 2,300 complaints and the Las Vegas office has processed another 2,200 complaints.

The division's demonstrated success, the support and gratitude it receives from Nevada consumers—all point out the urgent need for legislative enactment of the Consumer Affairs Division as a full-fledged arm of state government.

Finally, prescription drug pricing:

I recommend reform of the existing Nevada state law. The present law prohibits advertising the prices of prescription drugs and does not permit discounts. As such, it suffocates the spirit of honest competition and perpetuates the hardship caused by expensive prescription medicines.

Our senior citizens and other deserving groups on fixed incomes should not be deprived of discounts on needed medical supplies. Nor should the general consumer public be deprived of the healthy benefits of fair competition.

At the same time strict standards must be enforced to preserve the quality of prescription drugs.

HELPING THE WORKING MAN

I am proposing the adoption of two major programs to guard the economic interests and physical well-being of the working men and women of Nevada—temporary disability benefits and an effective program of rehabilitation.

Temporary Disability Benefits

We have laws to provide financial assistance to workers who are injured on the job, just as we have laws to provide benefits for those who are out of work through no fault of their own.

But there is no system of insurance to cover workers for temporary disabilities which occur off the job. The result has been economic disaster for many Nevada families who simply cannot afford the loss of a paycheck.

Temporary disabilities do not follow an eight-to-five schedule. They can occur any time and they can wipe out years of careful economic planning and economic security.

I am not committed to any single program to provide temporary disability benefits. It is my hope, however, that the Legislature will enact a program which provides the greatest benefits at the lowest possible cost to the working men and women of Nevada.

Rehabilitation

I am recommending legislative action to establish a comprehensive program of rehabilitation services to be provided by the Nevada Industrial Commission to injured workers.

Present laws guarantee sufficient medical services, but rehabilitation programs are woefully inadequate. What is needed is authorization for the commission to take all necessary steps to return the injured worker to his job, or at least lessen his handicap.

The benefits of effective rehabilitation are well known to the medical profession. Early and strenuous therapy can prevent an injury from becoming a permanent disability.

By adopting such a program, I am convinced the State would save many thousands of dollars that are now being paid on a long-term basis to the disabled.

Equally important would be the impact on the injured worker who could return to his job with a feeling of pride, satisfaction and accomplishment.

Benefit Payments

In addition, I am recommending two further appropriations from the General Fund to assist a great many deserving Nevadans.

The Legislature in 1971 approved a substantial increase in NIC benefits for workers injured after April 9 of that year. Excluded from the increase, however, were victims of silicosis and the permanently and totally disabled. Also excluded were the widows and dependent children of NIC claimants.

I am proposing that the Legislature earmark \$200,000 to provide increases of 10 percent over the next biennium to persons in these categories.

Second, I recommend an expenditure of \$120,000 for the biennium to continue benefits paid to silicosis victims who are permanently and totally disabled. Without legislative action, the benefits will expire on July 1 of this year.

Finally, I urge the Legislature to take other steps to strengthen Nevada's industrial compensation system. The NIC Labor-Management Committee has worked tirelessly to develop many progressive programs. These programs would be of immediate and substantial benefit to those who are the backbone of our society—our working men and women.

I commend these programs to your attention, and I very much hope they will receive your favorable consideration.

SAFEGUARDING NATURE'S GIFTS

I believe the proposals contained in my recommended budget for the Department of Conservation and Natural Resources reflect the commitment of this administration to environmental protection and orderly development.

Environmental Protection Commission

Created by the Legislature in 1971, the commission is responsible for administering the State's air and water pollution control laws. It has the authority to make regulations, grant variances and assess fines.

The commission has done fine work despite the fact it was not funded during the present biennium. Now, an operating budget is needed to pay for the costs of consulting services and compliance hearings.

The request for \$60,000 has my strong approval.

Humboldt River Project

I am requesting a \$50,000 appropriation to pay the nonfederal costs of an environmental and wildlife impact study for the Humboldt River Upstream Storage Project.

This same appropriation would also pay for a similar study for the proposed Rock Creek Dam in Lander County.

The federal government already has committed \$100,000 for a preliminary study of the Humboldt River Project. If all goes smoothly, three storage dams will eventually be constructed to provide flood control and recreation and irrigation benefits.

Gleason Creek Project

I am requesting another \$50,000 to pay the nonfederal costs for construction of the Gleason Creek Project in White Pine County.

I believe this proposal has considerable merit, since it would provide much-needed flood protection for the City of Ely.

Bicycle Paths

I am recommending that the State Parks Division receive \$250,000 for the biennium to help counties and cities to develop bicycle paths, either separately or in conjunction with existing road systems.

The State's investment would be matched by local funds.

State Park System

One of the most substantial percentage increases in my proposed budget would enable us to move rapidly ahead to improve and expand our State Park System.

For improvements, I am recommending an increase of \$250,000 for a total of \$1 million over the biennium.

For operating costs, including park rangers and seasonal help, I am recommending an increase of \$900,000 for a total of \$2.3 million for the biennium.

The budget for improvements, when supplemented by federal revenues, would benefit a number of state parks, including Lake Tahoe and Lahontan in Western Nevada, Red Rock, the Valley of Fire and Eagle Valley in Southern Nevada and Cave Lake in White Pine County.

I am also recommending a \$3 million expenditure from the General Fund for park land acquisition. The State could obtain the revenue by selling bonds authorized by the general public in a 1970 referendum. By so doing, however, we would be required to pay the interest on the bonds.

I suggest that we pay cash at this time and save the bonds for a later date.

IMPROVING OUR INSTITUTIONS

Nevada State Prison

The old maximum security facility here in Carson City is a bridge between present-day Nevada and our colorful, turbulent past. It is a bridge that is threatened with collapse.

More than a century old, the prison has been long obsolete by modern penal standards. Its physical dimensions are totally inadequate and represent a constant handicap to effective security. Moreover, space limitations prevent all but a few vocational programs for inmates.

It must be phased out—and the sooner the better.

I am proposing that the Legislature take the first step by approving construction of a new section, capable of housing 108 maximum-risk inmates, at the modern medium security prison in Carson City.

This would accomplish three important objectives:

- Relieve pressures at the old facility.
- Provide better surveillance for maximum-risk inmates.
- Make use of available space at the medium security facility.

Perhaps most important, it would signal the beginning of the end for a decaying old prison that has outlived its usefulness.

The new section would be paid for from \$2.6 million in federal revenue-sharing funds, with enough left over to construct a new vocational training building and remodel an existing vocational facility.

Mental Offenders Facility

I am recommending the expenditure of \$1.2 million, again from revenue sharing, for construction of a maximum security unit at the Nevada State Hospital.

The absence of such a facility represents a glaring omission in our network of state institutions. It would house mentally-disturbed persons who have been charged with crimes and are considered security risks but who have not been convicted.

These individuals should not be incarcerated at the State Prison since they have never been convicted of a crime. Nor can they be permitted to mingle with the rest of the population at the Nevada State Hospital if there is reason to believe they are capable of violent behavior.

A companion problem is adequate security to guard against escape attempts. We have an obligation to protect the public.

Women's Prison

A clear need exists for a new kitchen and dining hall at the women's prison in Carson City. You will find in my budget a recommendation for this facility.

Nevada State Hospital

In the opinion of health care professionals, the name of this facility should be changed to more accurately reflect its present and future role in the institutional field.

I concur in the recommendation to rename the hospital the Nevada Mental Health Institute.

By any name, however, the facility is old and in constant need of repair and remodeling. The suggested increase in the hospital budget reflects the need for these improvements.

Mental Health and Mental Retardation

A valuable service to our communities is performed by the statewide network of clinics within the Division of Mental Health and Mental Retardation. However, stronger level of support is needed if they are to meet the demands of the public.

I am recommending a substantial upgrading of staff and operational revenues for the Southern Nevada Comprehensive Mental Health Center, the Reno Mental Health Center, the Henderson Mental Health Center and all rural mental health clinics and community mental retard centers.

Children's Institutions

Certain physical improvements are needed at institutions for children in Southern and Eastern Nevada. They include:

—A recreation building for the Southern Nevada Children's Home at Boulder City.

—A gymnasium to be added to the multi-purpose building at the Nevada Girls Training Center at Caliente.

—A well, a water distribution system, a dining hall and materials to develop an athletic field at the Training Center for Boys at Elko.

PRESERVING HUMAN LIFE

Highway Safety

Every citizen can be proud that Nevada was 1 of only 12 states to reduce highway fatalities in 1972.

Traffic deaths in our State decreased by 4 percent. Nationally, meanwhile, they increased by 4 percent.

Much credit is due the motoring public in Nevada—visitors and residents alike. Credit also is due the 1971 Legislature for enacting two of my requests:

—First, a substantial increase in the personnel of the Nevada Highway Patrol.

—Second, the enactment of a motorcycle helmet law. Nine motorcycle deaths occurred on Nevada highways during the first year of the new law, compared to 23 in 1970 and 19 in 1971.

Let us agree, however, that much more needs to be done.

I am recommending additional and substantial increases in the manpower of the Nevada Highway Patrol—20 new positions during the first year of the biennium and 10 the second year.

I am also recommending a \$300,000 General Fund expenditure to enable the State Highway Department to continue its cooperative agreements with the counties for repairing and improving rural roads. The counties, in turn, would supply the labor and some of the equipment needed for construction and maintenance.

Emergency Medical Services

Geographically, Nevada is the nation's seventh largest state with 110,000 square miles. A correspondingly small population, spread out over great distances, severely limits our capacity to quickly deliver emergency medical services to the victims of accidents and illness.

I am therefore recommending an appropriation of \$75,000 to the State Division of Highway Safety to assist the counties in the following areas:

—Training of emergency medical services personnel.

—Purchase of ambulances.

—Establishment of emergency communications.

Highway safety personnel would work in close cooperation with the State Division of Health, which will have overall responsibility for emergency medical services.

I am requesting three new positions in the Health Division for emergency medical services. Those hired would help train ambulance drivers and paramedical personnel in communities throughout our State, using funds provided in part by the Highway Safety Division.

We are obligated, morally if not legally, to provide assistance to the counties. By so doing, we will continue our commitment to the preservation of human life.

ASSISTING THOSE WHO SERVE

National Guard

I respectfully invite your attention to three recommendations in my budget pertaining to the Nevada National Guard:

1. A \$456,000 capital improvement expenditure to pay the nonfederal cost of expanding the guard armory and its emergency operations center here in Carson City. The federal share for this improvement will be \$1.1 million.

2. A 50 percent tuition waiver for members of the Nevada National Guard who are enrolled, or who will enroll, at any institution of higher learning in Nevada. The cost for the biennium would be \$157,000.

3. Some officers and enlisted personnel have indicated they would like to purchase Nevada license plates which identify them as members of the National Guard.

I believe they should be permitted to do so without paying the \$25 fee normally imposed for special plates. I recommend legislative authorization for the exemption.

A MORE EFFECTIVE GOVERNMENT

Reorganization

The Legislature in 1971 acted favorably upon my request for \$50,000 to pay for a detailed examination of state government. I am convinced this investment will pay for itself many times over.

The completed report is entitled *To Conduct the Public Business*. Its recommendations are wide-ranging and imaginative. Collectively, they offer a bold blueprint to reorganize government and ultimately save hundreds of thousands of tax dollars.

The document is characterized by flexibility and a laudable absence of pretense. It does not make claim to having all the answers.

The report does, however, set forth certain priorities as a framework for legislative consideration. This makes it very valuable, indeed, and I commend it to the Legislature for consideration and appropriate action.

State Employees

The citizens of Nevada demand and expect a high degree of professionalism among those who guard the public trust.

They know there is a direct corollary between effective government and the quality of its workforce. They also know that quality is difficult to achieve without adequate salaries and other benefits.

My proposal in this area 2 years ago was the most comprehensive ever put forth by a Governor in his legislative message.

The situation was critical. We had permitted state employee salaries and benefits to lag behind those of other political subdivisions and private industry in Nevada.

The Legislature, in acting positively, brought about a substantial improvement in the morale of state employees and a sharp reduction in the alarming rate of employee turnover.

The proposals contained in my current budget will assure continued economic equality for more than 6,000 able and dedicated professionals.

State employees bring to government a wide range of education and skills. They also bring energy and dedication.

I expect them to make a 100 percent effort for the people of Nevada.

In exchange, I believe they are entitled to fair compensation.

I know this Legislature agrees.

CONCLUSION

Honorable Members of the Legislature:

I have taken a great deal of your time this evening because I earnestly believe

the substance of the Executive Budget Message is a matter of singular importance to every Nevada citizen.

I thank you for your courtesy and forbearance.

I commend you for your pursuit of legislative excellence.

And I wish you Godspeed as you shape the destiny of our sovereign State.

Senator Pozzi 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 Mr. McNeel.

Motion carried unanimously.

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

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

Senator Monroe moved that the Joint Session be dissolved.

Seconded by Mr. Hickey.

Motion carried.

Joint Session dissolved at 7:56 p.m.

GUESTS EXTENDED PRIVILEGE OF ASSEMBLY FLOOR

On request of Mr. Robinson, the privilege of the floor of the Assembly Chamber for this day was extended to Mr. Jerry Berry.

On request of Mr. Broadbent, the privilege of the floor of the Assembly Chamber for this day was extended to Messrs. Dave Boroughf and Tom Jesch.

On request of Mr. Schofield, the privilege of the floor of the Assembly Chamber for this day was extended to Messrs. Robert Taylor and Jim Malloy.

On request of Mr. Getto, the privilege of the floor of the Assembly Chamber for this day was extended to Mr. Ted Wemyss and Mr. and Mrs. D. L. Carter.

On request of Mr. Jacobsen, the privilege of the floor of the Assembly Chamber for this day was extended to Mr. Gary Jacobsen.

On request of Mr. Howard, the privilege of the floor of the Assembly Chamber for this day was extended to Mrs. Chester R. Wood.

On request of Mr. McNeel, the privilege of the floor of the Assembly Chamber for this day was extended to Mr. Eric Lane.

Mr. Dreyer moved that the Assembly adjourn until Monday, January 22, 1973, at 10:30 a.m.

Motion carried.

Assembly adjourned at 8:12 p.m.

Approved:

KEITH ASHWORTH
Speaker of the Assembly

Attest: MOURYNE B. LANDING
Chief Clerk of the Assembly