Assembly called to order at 9:44 a.m.
Mr. Speaker presiding.
Roll called.
All present.
Prayer by the Chaplain, Father Robert G. Pumphrey.
Pledge of allegiance to the Flag.

Mr. Torvinen 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 Messrs. Swallow, Dreyer, May, Prince, Frank Young, Kean, Schofield, Dini, and Wilson:
Assembly Bill No. 22—An Act relating to the vehicle privilege tax, eliminating the amount of the federal excise tax as a component of the manufacturer's suggested retail price in determining the tax base; and providing other matters properly relating thereto.
Mr. Swallow moved that the bill be referred to the Committee on Taxation.
Motion carried.

By Messrs. Lowman, Howard, Prince, Getto, Hafen, Wilson, Frank Young, Mrs. White, Messrs. Ronzone, Bryan, and Valentine:
Assembly Bill No. 23—An Act relating to the Nevada Highway Patrol; permitting the appointment of supplementary patrolmen within the budget limitations of a certain fund.
Mr. Lowman moved that the bill be referred to the Committee on Transportation.
Motion carried.

By Messrs. Lowman, Howard, Prince, Getto, Hafen, Wilson, Kean, Frank Young, Mrs. White, Messrs. Ronzone, and Bryan:
Assembly Bill No. 24—An Act to amend NRS 484.381, relating to the percentage of alcohol necessary in the blood to raise a presumption of intoxication while driving a vehicle, by lowering the percentage necessary; and providing other matters properly relating thereto.
Mr. Lowman moved that the bill be referred to the Committee on Transportation.
Motion carried.

By Messrs. Lowman, Howard, Prince, Hafen, Wilson, Ronzone, and Valentine:
Assembly Bill No. 25—An Act relating to drivers' licenses; providing
Justices of the Supreme Court and escort them to the Assembly Chamber.

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 Committee on Escort in company with Chief Justice David Zenoff, Justice Cameron Batjer, Justice Gordon Thompson, Justice John Mowbray, and Justice E. M. 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 Speaker of the Assembly welcomed the Governor and made the following remarks:

Members of the Legislature, distinguished guests, ladies and gentlemen—His Excellency the Governor of Nevada:

Governor, we wish you a very cordial welcome to these chambers. This may be your first visit to the Legislative Halls in our new surroundings, but we certainly hope it will not be your last.

Your Legislators have been working earnestly since the opening of the Session to initiate the tasks that the citizens of this great State have a right to expect from their elected representatives—therefore, we are awaiting with pleasure your address to this assemblage. We welcome you again to these chambers.

In looking ahead to the future, we expect and earnestly pray that the relationship that develops from this evening will grow into a dual partnership in the service of all Nevadans.

Ladies and gentlemen—the Governor of Nevada.

Prayer by the Chaplain, Elder William Garret, Church of Jesus Christ of Latter-Day Saints.

The President of the Senate welcomed the Governor and invited him to deliver his message.

The Governor delivered his message as follows:

MESSAGE TO THE LEGISLATURE OF NEVADA
FIFTY-SIXTH SESSION, 1971

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

The significance of this event cannot fail to leave a lasting imprint upon the hearts and minds of those who participate. I am a proud man, yet I feel humble in the presence of so much history and tradition.

The physical surroundings, of course, are new. I become the first Chief Executive to report to the Legislature in this handsome addition to the Capitol Complex.

It is a high honor. I shall cherish the memory of it.

But traditions are movable riches. They are fashioned not from steel and concrete, but from the fabric of history, woven into a splendid design by the fruits of human endeavor.

We are in the shadow of giants—the men who came before us. If we would successfully carry out our covenant with the people of Nevada, let us resolve to try to emulate the great thoughts and great deeds of those extraordinary figures who stride across the pages of history.

I ask your forebearance. No man who has occupied the Office of Governor for less than three weeks can be expected to know everything there is to know about state government. There is a school of thought, adhered to by Nevada's former
Chief Executives, suggesting that I will know even less about it at the end of four years.

But I am willing to put forth the effort necessary to do the job and do it well. This Administration will not be free of mistakes, but it will be open minded and pledged to a spirit of cooperation.

It is in this spirit that I earnestly solicit the wisdom of your counsel and the keen judgments shaped from your experience.

If I am worthy of your trust and confidence, then our mission of statecraft surely will not fail.

One hundred years ago, in January of 1871, Governor H. G. Blasdel delivered his last State of the State Message before leaving office. That was destined to become a benchmark in history, since the Legislature convened for the first time in the Capitol building.

Governor Blasdel covered a great deal of ground, but the emphasis came in these words:

I cannot forbear to impress upon you the importance of cherishing the public credit, avoiding the accumulation of debt ... instituting retrenchment ... and invoking economy and reform. The expensive administration of the government, coupled with our limited sources of revenue, make the observance of these suggestions an imperative necessity.

I am indebted to Governor Blasdel's memory, because I couldn't have said it better myself.

We are at a point in time when we must face some hard realities concerning the financial condition of our State. The problems are complex, but our available alternatives in meeting those problems are relatively simple.

We may raise taxes to finance new programs and more generously endow our present programs.

Or we may resolve to operate within our existing tax framework, thus requiring a careful system of priorities.

I am committed to the second course of action.

The program I bring before you tonight is designed to meet our most pressing needs while preserving the State's fiscal integrity.

If acted upon favorably, it will respond to those programs most deserving of our attention, including education and youth and conservation and natural resources.

It will also leave us with a reserve of just under $8 million at the end of the biennium—comfortably above the minimum figure that is judged to be safe.

The decisions required to establish priorities were not easily made. A great many painful assessments preceded the final preparation of the budget.

But the man who occupies the Office of Governor is paid to make difficult decisions. The buck stops at his desk.

The proposals I bring before you reflect Nevada's peculiar economic problems which are chiefly the result of the economic slump nationally.

On one hand, we are faced with the mounting needs of a population that continues to grow faster than that of any other state.

But increases in revenues to the State have not kept pace with that growth.

Gaming tax revenue, which increased by 19 percent in each of the two preceding years, dropped sharply last year. It is estimated the increase will average no more than 9 percent at the end of the present fiscal year, and 9.5 percent next year.

Revenues from sales taxes provide another example. They increased by 17.5 percent last year, but the projected increase for the present 12-month period is only 5.5 percent. And the estimate for next year is only slightly better—6.5 percent.

The message is there in black and white.

It tells us we must be prudent.

If we are not, we shall answer to our employers—the people of Nevada. That is one quarrel for which I have no appetite.

On the question of taxation, I am vigorously opposed to any increases in the next biennium. I believe we must first determine if the existing tax structure is equitable. You will find in my budget a request for $50,000 to finance a complete study in this area.

I am aware that several other tax evaluations have been carried out in recent years, but they do not provide the hard answers needed as the basis for substantial reform.
I am also requesting $50,000 for a companion evaluation of all aspects of Nevada State Government, to be carried out within the government itself.

Government functions at maximum potential only if it operates from a table of concise objectives. In my judgment, those objectives are presently absent, and we are in peril of drifting far off our desired course as we prepare for the great challenges just ahead.

Good government requires strong, vigorous leadership. Our key to the future lies in knowing where we want to go, and how to get there as quickly and as effectively as possible. That is our responsibility, and there are 300,000 people who expect us to carry it out.

You have my promise: I shall put forth 100 percent effort to accomplish our goals. Every person in this Administration will put forth an equal effort.

We shall try.

And with your help, with the support of all the people of Nevada, and by the grace of God, I honestly believe we shall succeed.

**Education**

**Primary and Secondary**

If Nevadans share a unanimous sentiment, it is that education is the most vital of all our human resource investments. It is therefore the principal area of mutual concern that commands detailed attention.

In the past two weeks I have examined every possible means by which the maximum number of dollars could be directed to education without seriously jeopardizing our capacity to meet other important obligations.

The percentage increase and the dollar increase I am recommending in state support for public education is the greatest sought by any Governor in Nevada history.

I am proposing a total of $97.8 million in state basic support for our schools for the biennium. This is an increase of $23 million—or 30 percent—over the basic support for the current biennium.

In terms of average basic support per pupil, it would mean an increase of 16 percent—from the present $577 to $669.

My recommendation for public school support represents 45 percent of the total proposed budget for the operation of state government.

Not included in that percentage is an additional $4 million that would be made available to the State Board of Education for mandatory distribution to school districts as seed money for special projects, such as hot lunch programs, environmental education and problems related to urban growth. I place special emphasis here on the necessity of a hot lunch program in Clark County. It is still very far away from meeting President Nixon's goal which was to extend the school lunch to every needy child by Thanksgiving of last year.

The total education package I offer tonight contains more dollars than recommended by the State Board of Education, but less than the ambitious figure suggested by the Nevada State Education Association.

I believe it is fully adequate to do the job. It will enable us to move forward in areas where progress is absolutely essential. It will provide necessary increases in teacher salaries. It will finance the steps required to reduce overcrowded classrooms, particularly in grades one through six.

We are talking about millions of dollars here—in fact, $100 million. But in my judgment the most important item in my entire proposal may prove to be one that carries a price tag of thirty thousand dollars.

That is the amount I am recommending for an exhaustive one-year evaluation of every aspect of Nevada primary and secondary education.

The study would be conducted under the direction of Dr. Jack Davis, chief of the Research and Educational Planning Center at the University of Nevada. He would be charged with determining if we are getting the best possible return on our tax dollars in the field of education, and would communicate his findings directly to me.

Frankly, I believe there is room for improvement—substantial improvement.

Few Nevadans can claim expertise on how well we are doing the job of preparing tomorrow's adult citizens. Education is built upon several levels of administration, and it is frequently necessary to climb up and down the ladder to secure the information needed to make value judgments and establish priorities.
The evaluation I propose would accomplish that task while providing two important answers:

First, are enough of our tax dollars getting down to the classroom level—to the pupil and his teacher—where the mission of education is really carried out? Or are they evaporating at a higher level on administrative functions of less critical importance?

Secondly, how can we markedly improve the flow of communication between the various levels of the educational high-rise? Is it really too much to expect administrators, school boards and classroom teachers to try to work as components of a single unit, rather than circling in their own orbits? I think not.

We are aware that local school boards are autonomous political units, not accountable to the State. But there is no reason why they should oppose an evaluation which promises to improve the quality and effectiveness of the educative process.

With respect to individual school districts, I have always strongly endorsed the concept of local control over local education programs. That is why I advocate repeal of the 1.7 to 1.0 salary formula, enacted in 1969, which seriously compromises that control.

But local school administrations must be responsive to the winds of progress, and should be eager partners in any effort to streamline this all-important area of government.

My comments should not be interpreted as a call for a wholesale restructuring of education in Nevada, but rather as an expression of concern and a sincere desire to determine the status of education in Nevada.

My personal opinion is that we need far greater emphasis on the needs of the pupil and his teacher, and less stockpiling at the various administrative levels of the education establishment.

My opinion also is that education, no less than any other government entity, must be prepared to offer persuasive and common-sense justifications for every program requiring legislative funding.

But I am more interested in collective opinions—the conclusions of professional evaluators who could be depended upon to examine the entire system thoroughly and objectively.

You have my promise: If legislative approval for the study is forthcoming, I shall appear here in 1973 with specific suggestions for constructive changes. Meanwhile, I believe my recommendation for school support in the next biennium will meet the needs of administrators, faculties and—above all—our children.

Educational Television

Serious consideration has been given by me to a recommendation for the establishment of an educational television network in Nevada. The idea has merit, particularly since it would tie eastern Nevada communities more closely to the rest of the State, and since the federal government would assume up to 75 percent of the capital construction outlay.

With maximum federal assistance, the State's portion of capital costs would be an estimated $294,668. However, the State would be obligated for the initial operating expenses and would have to guarantee continuing operational support thereafter.

If such guarantee is decided upon, I believe the State should then pass the obligation to the local school districts benefiting from the E-T-V network. If there is acceptance at the local level, then perhaps affirmative action by the Legislature should be considered.

Community Colleges

There is now ample evidence that community colleges in Nevada can serve a very real need for students who for one reason or another cannot participate in the University system. Accordingly, I am recommending continued full support for the Elko Community College, and the legislative action required to open similar schools in Clark County and Western Nevada.

There would seem justification for greater acceleration in this area, but my proposal is for slow and orderly development to avoid any possibility of duplication with our four-year institutions.

The value of community colleges is underscored by statistics related to student
performance at the University level. Between 1964 and 1969 an average of 50 percent of all freshmen at the University's Las Vegas campus failed to enroll for the sophomore curriculum. At the Reno campus, the freshman attrition rate was 40 percent.

Clearly, many of these dropouts might have found greater motivation at a community college, where the emphasis is on vocational-technical programs designed to meet the manpower needs of the State.

**Student Loans**

A legislative appropriation of $80,000 will qualify the State for up to $2.4 million in federal matching funds earmarked for student loans to qualified young Nevadans.

I am recommending $50,000 for the biennium for direct loans to University of Nevada students. This would be matched nine-to-one by federal grants, bringing the total amount available to $450,000.

Equally important is the Guaranteed Student Loan Program, where a $30,000 appropriation would produce about $2 million in federal matching funds. Eligible for assistance under this program would be Nevada residents enrolled at accredited colleges or universities anywhere in the United States.

**ENVIRONMENT**

*Statement of Purpose*

We are custodians of our land more than owners. It is a magnificent land, from its deep desert canyons to high mountain ranges.

It is a land where time waits for man to pass. It has played a powerful role in shaping our heritage.

Our desert ecology is perhaps the most fragile in America. It cannot sustain intense pressures from unlimited population and industrial growth without sustaining long-term or even permanent damage.

It is not enough that we resolve merely to preserve the resources that have survived the march of technology.

We must aggressively seek to restore the quality of our air and water which has been degraded by pollution.

We must chart a workable course to combat the growing peril of solid waste and pesticide pollution.

How well we accomplish these objectives may prove the difference between life and death for those who will come after us.

**Governor's Environmental Council**

Today there are a great many commissions and agencies attempting to provide solutions to environmental problems at every level of government. So many, in fact, that the inevitable has occurred. We can point to several examples of program duplication and lack of communication and cooperation on matters of mutual concern.

I do not believe we are ready for a new state agency in this field. What we do need is a point of central coordination for all federal, state, and local environmental programs, and a vast improvement in the enforcement potential of regulatory agencies.

Therefore, I am establishing by Executive Order a Governor's Environmental Council to meet this genuine need.

Membership on the council will include representatives of state agencies whose programs bear directly on Nevada's environment. They would be backed up by an Advisory Committee composed of knowledgeable individuals from both the public and private sectors.

The goals of the council would be as follows:
- Develop uniform environmental standards in Nevada.
- Coordinate state, federal, and local agency efforts.
- Conduct a thorough evaluation of Nevada's environmental needs and make recommendations based upon the findings.

**Legislative Commission Review**

Concurrent to the work on the Governor's Council, I ask that the Legislative Commission be empowered to undertake a thorough review of all state and local regulatory agencies charged with environmental protection.
In my judgment, the need for improvement in the enforcement potential of these agencies is obvious, but we must first clearly establish the scope of their authority. The Commission study, to be presented before the Legislature in 1973, would accomplish that purpose.

Constitutional Amendment

The right to breathe clean air and drink pure water should be guaranteed every citizen—by constitutional amendment, if necessary.

The State of New York recently adopted such an amendment. It sets out a state policy on the environment and directs the Legislature to act upon it.

It is a novel approach, and I commend it to you for study.

Air, Water Pollution

The State Division of Health holds legal responsibility for enforcing regulations against air and water pollution. At present, it lacks the manpower to do an effective job.

Accordingly, I am recommending a substantial budget increase to enable the Bureau of Environmental Health to hire seven new employees who will work in the enforcement area. They will have the vigorous support of this Administration.

But manpower is only part of the answer. Equally compelling is the need for clarification of existing statutes.

This Administration supports amendments to state water pollution control laws to spell out a clear and legally viable definition of water pollution.

And I also advocate replacement of the existing state statute on air pollution control. As presently written, it makes enforcement at the state level difficult if not impossible.

In the same area, I believe an examination should be made of the Air Pollution Control Hearing Board to determine if there is a proper balance of interests among the members.

Water and Sewer Agency

I recommend consideration of a proposal to create a master water and sewer agency for Clark County, with authority over both surface and underground water resources and treatment and re-use of those resources. Favorable action should include a provision assuring local residents a voice in the proceedings of the agency.

State Parks

The Nevada State Park System will undergo the greatest expansion in its history during the next four years.

I am recommending a capital improvement program of $1 million and legislative authorization of $2 million for land acquisition. This will begin the utilization of a $5 million bond issue approved by Nevada voters in the 1970 general election.

Since the Park System provides much-needed services to a rapidly-growing population, the expansion program commands high priority.

CHILDREN

Narcotics, Drug Abuse Prevention

My experience as a juvenile probation and parole officer made me keenly aware that the key to success in the fight against delinquency is emphasis on prevention rather than control. The advocates of control alone, when they fail to recognize the necessity of preventive measures, are pursuing a non-existent ideal.

The hard fact is that no matter how many institutions we erect, no matter how many rehabilitative programs we undertake, delinquency will continue to spread at an alarming rate unless we establish common-sense priorities and act upon them at once.

The alarm rings loudest in the area of narcotics and drug abuse, which has destroyed the physical and mental health of millions of young Americans. Significantly, those chained in the nightmare world of needles, capsules, and pills are by far the worst prospects for rehabilitation among all juvenile offenders.

Compared to states with large urban populations, Nevada has been fortunate. But we cannot be complacent. Juvenile arrests in this area are on the increase. No one can deny the problem is becoming more critical with each passing day.

I am therefore requesting $163,000 to establish a narcotics and drug abuse education program for Nevada teachers assigned to primary and secondary schools.
Participants in the training would attend summer sessions to learn all facets of the problem and methods to best communicate the perils of experimentation to impressionable young students. Emphasis, however, would be on factual material, rather than emotional "scare" tactics which provide no answers to an inquiring mind.

Ideally, this teacher training would prove an effective weapon in efforts to protect our young people against a deadly threat to their physical and emotional well-being. Other steps are planned, including my request for increased staff and operations in the Division of Narcotics and Dangerous Drugs.

But it is my firm conviction that our best hope lies in a program of prevention, beginning at the earliest possible age.

**Aid to Dependent Children**

The abuses in Nevada's welfare program, so widely publicized in recent weeks, are characteristic of a growing nationwide problem. I am among those who believe that unqualified recipients should be immediately terminated. However, we must never forget that welfare is the sole means of support for many other Nevadans who are the victims of circumstances at least temporarily beyond their control.

Where children are involved, we are obligated to make every effort to provide an adequate standard of living. Yet, state support for ADC has increased only slightly since 1959, and Nevada presently trails all but 10 other states in its average monthly grant.

I am therefore recommending an increase from $32 to $37 in the average monthly grant per person, effective April 1st.

**Boulder City Children's Home**

While the number of youngsters who might benefit is increasing rapidly, this facility has reached its maximum occupancy—20 children in two cottages. It is my hope the Legislature will favorably consider the construction of five new cottages to house 50 additional children. This would bring the Boulder City facility to the same capacity as the Children's Home in Carson City. In view of Nevada's continued population growth, it is not surprising that such expansion has become necessary.

**Youth Training Centers**

The occupancy of both the Elko and Caliente facilities has increased to full capacity in the last two years with no increase in professional adult personnel. My budget request calls for necessary staff additions, including four additional parole officers—two for each facility.

While you will find no recommendation for additional dormitories, I strongly support expansion of existing classroom facilities.

**Foster Home Payments**

Probably no amount of money could adequately compensate Nevada's foster home parents who provide a measure of love and personal attention less often found in an institutional environment. Nevertheless, the sharp acceleration in the cost of living has greatly increased the financial burden of these parents. I am proposing that the monthly grant per child be increased from $80 to $100, effective April 1st.

**Conflict of Interest**

The durability and effectiveness of democracy is directly proportionate to the confidence held by the electorate in those designated for the high trust of public office. Let that confidence be shaken and we jeopardize the entire framework of representative government.

It is my conviction that Nevada needs strong conflict-of-interest laws to protect the public as well as honest public officials who may be unfairly suspected of wrongdoing in the absence of clear statutory regulations.

I recommend two laws:

First, an individual who had served in a full-time salaried capacity on a regulatory board or commission would be prohibited, for a minimum period of two years following his termination, from accepting employment with any business, industry or utility over which he had previously exercised regulatory authority.
Second, an individual serving on a licensing board or commission would be prohibited from engaging in business with any licensee during the tenure of his service.

I urge the Legislature to give these proposals full consideration and to examine additional areas where conflict-of-interest laws may be desirable. By so doing, you will enhance the stature of government in the eyes of our citizens.

**Gaming**

After careful deliberation, I have decided not to recommend major new laws affecting Nevada's most important industry. It is my hope the Legislature will leave intact the present statutes which provide for strong control and regulation of licensees, while also giving full consideration to selective proposals for stronger enforcement.

Some changes in the personnel policies of the Gaming Control Board are in order, but these may be carried out by Executive action.

First, we shall begin the process of placing clerical and secretarial employees under the Classified State Service.

Second, we shall professionalize the Control Board by establishing an internal personnel system that will draft complete job descriptions and stipulate specific qualifications for employment.

Third, we shall take the steps necessary to eliminate any pressures on employees of the gaming agency to become involved in political campaigns.

Merit system protection for clerks and secretaries seems a reasonable step, since it will provide them a measure of security and enable them to achieve salary comparability with other state employees performing similar jobs.

Let me emphasize that this action will not extend to board members, administrators, agents, and other employees who are involved, one way or another, in enforcement programs. For obvious reasons, these positions must remain unclassified.

**Consumer Protection**

Nevada today remains one of only a few states without a comprehensive consumer code administered by a state agency.

Model legislation is available. In fact, there are a great many outstanding examples from which to choose.

I ask immediate enactment of this legislation, with administrative responsibility assigned to the State Department of Commerce.

My budget recommendation for that agency contains an additional position which could be utilized, at least in part, for consumer interests.

Beyond that, I am serving notice on the Department of Commerce that it may no longer function solely as a trade association for large business and industry. It must expand its present role to serve both consumer interests and industrial interests with equal emphasis for the common good of all Nevadans.

**Public Employees**

*Amendments to Employee Management Act*

I favor amending the Employee Management Act to provide for binding arbitration as a means to resolve prolonged disputes between public employees and government.

Without it, I believe the day will come when extended negotiations will end in frustration and a "wildcat" walkout on the part of workers. That's the kind of trouble we don't need.

But my support for this amendment has two strong conditions:

First, that the no-strike clause would be retained.

Second, that a compulsory settlement resulting in higher salaries or other benefits would be permitted only within the ceiling of existing revenues.

In other words, I would oppose any amendment that failed to make it clear that settlements could not be awarded if the end result would be municipal bankruptcy or a tax increase.

On balance, I believe the concept of binding arbitration is sound. It would eliminate more problems than it would create. We need only look at the sad experiences of cities in other states to see what can happen when there is no provision for settlement of a prolonged dispute.
Police and Firemen

Because of the hazardous nature of their occupations, I firmly believe police officers and firefighters should be eligible for full retirement benefits after 20 years' service, regardless of age.

I also recommend modification of the retirement provision which grants death or disability benefits only after 10 years of employment. In my judgment, a shorter time period should be substituted.

State Employees

I believe my proposal in this area is the most liberal and comprehensive ever put forth by a Nevada Governor in his legislative message.

There is an excellent reason for the extent of my recommendations. As so often in the past, we have permitted state salaries and benefits to lag behind those of other political subdivisions and private industry in Nevada. Even a casual glance at available statistics makes this point clear.

Chief among my proposals is an immediate 5 percent increase for all classified state employees beyond the $50-a-month increase granted by the Interim Finance Committee last July 1st.

In addition, I am recommending a procedure by which salaries can be increased as much as 5 percent more by January of 1972, with the actual figure dependent upon the rise in the cost of living.

Another important provision calls for increases in the salaries of top unc attaches administrators. This would allow progression by a number of career classified employees who are presently "frozen" by a requirement that their salaries must be 5 percent lower than those of their supervisors.

A number of other recommendations also have merit and are presented with my strong endorsement. Among them:

—A guarantee of time-and-one-half pay, or compensatory time off, for overtime work. This would call for better planning and accounting for time on the part of state administrators and supervisors during regular work hours. I would hope that no state employee will have to sacrifice even one hour of compensatory time earned during fiscal years 1971-72 and 1972-73.

—Full payment by the State of premiums on existing medical insurance as well as on the new $5,000 life insurance policy which I am asking the Legislature to provide for each employee. This joint proposal would be of particular importance to those in lower salary brackets, where the cost of insurance premiums takes a much greater percentage of income than at the higher levels, and to those who do not presently participate because of the cost. The 5 percent pay increase I am recommending would actually be as high as 7 percent for many employees if we include free insurance benefits.

—An increase from 10 to 12 cents per mile for employees required to use their automobiles on state business, and from 5 cents to 6½ cents for employees who elect to use their automobiles even when state vehicles are available.

—Payment of moving expenses for those required by the State to relocate.

—The guarantee of a Friday holiday when the official holiday falls on a Saturday.

—Finally, legislation to create a more realistic in-service training policy.

Human Rights

This I promise: My Administration will be totally committed to vigorous enforcement of laws guaranteeing the equality of all citizens.

In the absence of a State Open Housing Law, I will again confer in the near future with leaders of the Las Vegas community and officials of the federal government concerning widespread charges of discrimination, both direct and indirect, in housing.

If the facts support the charges, I shall immediately ask for appropriate federal action under the provisions of fair housing legislation enacted by Congress.

This is not to suggest I feel similar legislation at the state level is unnecessary. On the contrary, a Nevada Open Housing Law would enable us to deal directly with our own problems. This is a far more desirable solution—and I recommend it.
But my point is that I am prepared to seek enforcement of any law—state or federal—to assure equality of opportunity without regard to race, religion or national origin.

Yet, with the notable exception of housing, existing state laws are adequate to accomplish our objectives. The key here is enforcement, anchored in a closely coordinated effort on the part of all agencies of government.

I am committed, by conscience and conviction, to a course of action assuring uniform application of the law. For I earnestly believe that when one man is deprived of human dignity, we are all lesser men because of it.

THE WORKING MAN

I respectfully urge your careful consideration of several meritorious recommendations by the Nevada State AFL-CIO.

While time will not permit a detailed presentation in this important area, I commend to your attention a proposal to extend unemployment compensation eligibility to the long-term jobless during periods of severe economic stress.

In normal times, Nevada’s maximum eligibility period for unemployment benefits—26 weeks—is both fair and reasonable.

But these are not normal times. Only last week, Nevada’s insured unemployment rate rose to 6.3 percent. Total unemployment, including those not insured, is well above 7 percent.

Nevada is not the only state suffering from the effects of the slumping national economy. But the problem here is growing more serious and demands prompt attention.

The legislation I advocate would provide up to 13 weeks of additional eligibility beyond the present maximum. It would not be a permanent program, but would be triggered whenever the insured unemployment rate became 20 percent higher in a three-month period than during comparable periods in the previous two years.

The cost of the program would be shared by the State and the federal government. I am advised by the Employment Security Department that it would not necessarily require increases in employer contributions to the benefit trust fund.

The question here is not “if” but “when.” Effective January 1st of next year, all states will be required by the federal government to implement this program. However, the Department of Labor has made provision for states to adopt it sooner if desired. A number of states, including California, have done so.

I believe Nevada’s present economic situation justifies immediate action on the proposal. It carries my strong recommendation.

Among other suggestions, it is my hope the Legislature will again consider the establishment of an Industrial Insurance Act to provide sickness disability benefits to workers presently not covered. As you know, this plan would require the State to provide only administrative machinery. Funding would be maintained by contributions from the workers enrolled in this plan.

This Administration will be sympathetic to all reasonable proposals to benefit the Nevada worker. Members of the Labor-Management Advisory Committee will meet this Friday to discuss a wide range of programs. If further major recommendations come out of that meeting, I shall bring them before the Legislature promptly.

OLDER NEVADANS

Division of Aging Services

If society may be measured by its compassion toward youth, it must also be judged by the degree of understanding and respect it reserves for its elders.

I am recommending the creation of a Division of Aging Services within the Department of Health, Welfare, and Rehabilitation as the first step toward a coordinated effort to serve the interests of older Nevadans.

It represents a modest beginning. Eventually, with the addition of federal moneys under the Older Americans Act, it is hoped this agency will catalogue the skills of every senior citizen seeking some type of productive activity.

It will then be a matter of matching the individual to the job—whether full-time or part-time; volunteer or paid.
At a time when medical science is prolonging human life, a great many alert and healthy men and women are forced out of productive roles because of arbitrary age discrimination. We owe them the opportunity to remain contributing members of society.

Recreation Opportunities
At present, Nevadans 65 years of age and older with 20 years' residency are eligible to receive hunting tags without cost after paying a license fee of $2 which also covers fishing.

Because Nevada has become the retirement home for thousands of new citizens, I propose that the residency requirement be lowered to five years.

I also propose that the licensing fee for senior citizens be eliminated entirely. Since only about 3,400 of these special licenses were sold in the last fiscal year, the loss of revenue would be minimal. Meanwhile, the savings to those living on fixed retirement incomes would be significant.

Bus Fares
Several cities—most notably those with subsidized public transportation—permit older citizens to ride commercial carriers at a reduced rate.

I am asking legislative consideration to determine if the Public Service Commission should be granted authority to allow the same benefits for older Nevadans.

Health

Mental Health
Nevada is among many states which face increasingly severe demands in mental health care. Until such time as medical science is more effectively able to diagnose and treat disorders of the mind, we must continue to provide a necessary level of care for those afflicted.

My recommendation for additional staff at the Southern Nevada Comprehensive Mental Health Center will permit full utilization of the facility, providing not only in-patient care but a means to contribute substantially to the community's total mental health program.

In addition, I am proposing staff increases at the mental retardation centers in Las Vegas and Sparks, where the beneficial effects of educative therapy have been amply demonstrated.

The Legislature in 1969 provided the support necessary for a network of community training centers for the retarded throughout Nevada. These facilities, operated by local associations in cooperation with parents, have accomplished a great deal. I am therefore recommending refunding at the same level for the next biennium. Some further assistance may be provided if federal funds, already authorized, are forthcoming.

With respect to another program, I make brief reference here to the outstanding work of the Washoe County Advisory Board of Mental Health and Mental Retardation. Here is an excellent example of how a local agency—utilizing existing community resources—can effectively serve the needs of people at the grassroots level.

Sparks Hospital
The State Hospital at Sparks is one of the oldest government facilities in use and is in need of substantial renovation. My budget contains a recommendation for $1.2 million in capital improvements to accomplish this purpose.

Birth Certificate
Section 20 of the birth certificate issued by the Division of Vital Statistics requires that the notation "illegitimate" be made for a child born out of wedlock.

Whatever the original justification for this practice, it is no longer valid. The machinery of bureaucracy cannot be insensitive to human dignity. I urge appropriate action.

Highway Safety
My Inaugural Address made reference to the mounting death toll on the highways of Nevada. This is a serious issue that everyone talks about, but effective solutions are elusive.

We have a moral responsibility to engage the problem. This Administration will meet that responsibility.
Legislation enacted in 1969 provided for increases in Highway Patrol personnel. However, it restricted the additions to five per year.

I strongly recommend the removal of this ceiling in view of the Highway Patrol's desperate shortage of manpower. This action would require no new expenditures; it could be financed by the recent $1 increase in the motor vehicle registration fee.

Also, I offer my support for a motorcycle helmet law making such protection mandatory for both riders and passengers.

RESOLUTIONS

18-Year-Old Vote

The resolution proposing a constitutional amendment to allow the 18-year-old vote will again be considered by the Legislature, and I am among those advocating the action necessary to place the question on the ballot.

If the resolution is adopted for a second time, I would support a proposal by which a vote on reducing the age limits would be conducted simultaneous to the municipal elections scheduled in June of this year. If the change is approved, this would make it possible for those 18 to 21 years of age to vote in 1972, at the same time they will receive the franchise in federal elections.

Nevada Industrial Commission

Two years ago a resolution was introduced directing the Legislative Commission to undertake an in-depth study of the Nevada Industrial Commission. The imperative need for such a study is even more obvious today, and I am hopeful a new resolution will receive favorable consideration.

Sufficient evidence has been presented to question whether the NIC is functioning at maximum potential in discharging its responsibilities to the employers and workers of Nevada. Among items of particular concern are the sharp drop in the NIC's reserve fund, substantial paper losses in investments and considerable increases in both administrative costs and employer premiums.

The Legislative Commission is ideally qualified to make a thorough examination of these problems and suggest positive steps for improvement. I am particularly concerned about the adequacy of awards for injured workmen. I also believe detailed attention should be focused on investment policies, rate structures and administrative procedures.

Revenue Sharing, Welfare

I am proposing a resolution to be directed to Nevada's congressional delegation urging action on revenue-sharing legislation proposed by the President.

It is painfully obvious that a formula for revenue-sharing must be adopted in the immediate future if we are to avoid a disastrous financial crisis in state and local government across America. Next year may be too late for many political subdivisions.

We all know the problem. Federal revenues—based predominately on income taxes—increase much more rapidly than economic growth, while state and local revenues—based heavily on sales and property taxes—do not match economic growth.

The result is that nearly 70 cents of every tax dollar collected goes to the federal government.

Nevada's position is not as critical as states with large urban populations. But we face a very serious problem indeed.

One suggestion is that the federal government, instead of sharing revenues outright, should agree to assume the total costs—but not the administration—of state and local welfare programs. The idea is intriguing. This is an area where expenditures have skyrocketed. In Nevada, for example, the annual state and local welfare obligation is approaching $25 million.

There is another factor to consider. With increasing regularity, the federal bureaucracy and the federal courts are establishing new regulations and laws concerning welfare eligibility. The burden of implementing these new standards on the state level, in terms of money and manpower, has become enormous.

Since the federal establishment is largely responsible for the tangled maze of welfare regulations in America today, it would seem only fair to give the Washington experts a chance to straighten things out.
Whether this is the best answer is open to question. But the federal government must provide some form of tangible assistance if other units of American Government are to survive.

**Description of Program**

My address this evening has been necessarily long because I felt obligated to carefully examine those objectives which will command the highest priority in this Administration.

I do not care for labels, and I would reject descriptions of my program that rely upon words such as liberal or conservative.

In my judgment, it is a responsible program, reflecting both the reality of our financial condition and the need for affirmative action in specific areas of Government.

If you agree, and if the citizens of Nevada agree, then I have accomplished my purpose here tonight.

Thank you.

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

Seconded by Assemblyman Hafen.

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 Swobe moved that the Joint Session be dissolved.

Seconded by Assemblyman Swallow.

Motion carried.

Joint Session dissolved at 8:35 p.m.

**Assembly in Session**

At 8:41 p.m.

Mr. Speaker presiding.

Quorum present.

**Unfinished Business**

There being no objections, the Speaker and Chief Clerk signed Senate Bill No. 1; Assembly Resolution No. 1.

**Guests Extended Privilege of Assembly Floor**

On request of Mrs. Brookman, the privilege of the floor of the Assembly Chamber for this day was extended to Mrs. Didi Carson and Mr. David Ward.

On request of Mr. Lingenfelter, the privilege of the floor of the Assembly Chamber for this day was extended to Mr. Donald Wright.

On request of Mr. Fry, the privilege of the floor of the Assembly Chamber for this day was extended to Miss Patty Espinoza.

On request of Miss Hawkins, the privilege of the floor of the Assembly Chamber on January 18 was extended to Mrs. L. O. Hawkins, Mr. Gordon L. Hawkins, Mrs. Ralston W. Hawkins, Mr. John Ward, Mr. and