

MINUTES OF JOINT MEETING - WAYS AND MEANS COMMITTEE - NEVADA STATE LEGISLATURE

55th SESSION - SENATE FINANCE COMMITTEE - FEBRUARY 13, 1969

The meeting was called to order at 9:07 A.M. in the Ways and Means Room by Chairman R. Young.

Present: R. Young, Howard, Close, Webb, Bowler, F. Young, Jacobsen, *Ashworth, Glaser*

Absent: ~~Ashworth, Glaser~~ *none*

Present for Senate Finance: Lamb, Brown, Gibson, Fransway, Pozzi, Titlow, Slattery

Absent: None

Mr. Clark Russell, Director, Department of Economic Development reviewed the 1969-71 Annual Work Program.

The Program Purpose for Travel/Tourism and Industrial Development is as follows:

1. To plan and conduct a program of information, advertising, and publicity relating to the recreational, scenic, and tourist advantages and attractions of the State at large.
2. To encourage and assist in the coordination of the activities of persons, firms, associations, and governmental agencies engaged in publicizing, developing, and promoting the scenic attractions & tourist advantages of the State; and promoting the diversification and expansion of Nevada's economic base.

Mr. Russell displayed advertisements from newspapers, magazines, etc. from other states showing their tourist advantages and attractions.

Mr. Russell also stated that in 1969 \$31 billion will be spent on domestic vacations and \$90 million will be spent journeying by auto.

There are two important phases of Industrial Development in the State of Nevada.

1. To conduct a program of information, advertising, and publicity relating to advantage of Industry in Nevada.
2. Provide job opportunities, reduction of welfare payment. Raises our per capita income, greater promotion of the effective utilization of Nevada's natural resources.

Guest speakers included Mr. Roy Powers, Co-chairman, Governor's Tourism Advisory Committee, Mr. James Deitch, Governor's Tourism Advisory Committee, Industrial Development Program - Mr. John Dermody, President, Western Industrial Nevada, Mr. Bill Laub, President, Southern Nevada Industrial Foundation, Mr. Gaylord Prather, President, Nevada State Chamber of Commerce, Mr. Preston Hale, President Greater Reno Chamber

Of Commerce, Mr. Jack Oakes, President, Western Nevada Area Development Council, Mr. Frank Bender, Chairman, State Economic Development Advisory Board.

Mr. Powers introduced the members of the Governor's Advisory Committee: Harvey Diederich, Jud Allen, Betty Whiehurst, Clair Christensen, Gen. Edward Nigro, Robert Schmuck, Ken O'Connell, Vern Durkee, Sr., James Smith, Pete Kelley, Thalia Dondero, and James Deitch.

Mr. Powers stated that during the first meeting important guidelines were proposed. Washoe, Douglas, and Clark Counties have a good program, but it's the small counties that need help. Emphasize should be put on the small counties.

Jim Deitch: What we're advocating is a coordinating program of publicity and promotion. I'm here to tell you by way of illustration what we're doing on a local level and we think it can be applied on a State level.

John Dermody: Businessmen have alot to gain from it if we could promote something. What we have to do is look at it this way, if we want Industry we're going to have to go and get people. We're fighting states like Utah, Idaho, Colorado, and Arizoa. If I owned the State of Nevada and wanted to promote it it would take a second to make up my mind this would be the way to do it.

Senator Lamb asked Mr. Dermody to apeak on our taxation basis. He stated that he thought it is great for the promotion of Industry. The fact that property tax is set by constitutional limits.

Senator Lamb: What about the areas beyond the \$5 limit, would this hurt the State of Nevada?

Mr. Dermody: No, state income tax would hurt us. Inheritance tax I don't think would make any difference.

Chairman Young asked how we compare in our power, etc. Mr. Dermody stated that we don't compare well. They can build a lot cheaper in the South. Power rates here are a little high.

Senator Lamb said that advertising is half the answer. He wondered if there had been any moved to try to get a reduction of power rates or offer land.

Mr. Dermody stated that in some states they have given land. When free land is given there is so much draw back. We don't shock them with land prices.

Mr. Laub discussed the Industrial side of the Budget:

- (1) Broaden the economic base of Southern Nevada
  - (2) And at the same time to improve the image of Nevada.
- The competition for plants and for industry are fierce.  
I emphasize the need for meeting this type of competition.

Preston Hale said if we had faith in this thing it would be worthwhile to the State of Nevada. He has been getting inquiries from people that are interested in Ely, Winnemucca, and Tonapah.

Jack Oakes stated that last summer over 1 million tourists visited the Musuem in Carson City. Do to lack of funds many tourists leave the state without seeing many tourist attractions. The Department of Economic Development needs to be developed and promoted properly. Many of our communities need to diversify their Economics. We need help in properly housing visitors so they get the best view of our communities.

Frank Bender: I have been on the State Department of Economic Development for years. The tourist travel development are two separate types of things that the state needs to attract. The Board in its present state is not able to cope with it. We have been handicapped because we haven't been prepared. I sent a man to New York and Chicago and he contacted 31 firms - out of the 31 only 3 knew Nevada had a free port law. The others were unaware of this. We haven't the money from the State to plant stories in Eastern editions. This is the most important thing that you can do is to get something going.

Senator Brown asked Mr. Bender what the composition of the Advisory Board is.

Mr. Bender stated that it consists of one member from each County.

Senator Lamb said he couldn't agree more with Mr. Powers. Clark Washoe, Douglas do have a great tourism program, it is the small counties that need the help. This is where the beautiful areas are.

Senator Lamb stated that we would like to hear from Mr. Russell after he méets with the Advisory Board.

The meeting adjourned at 10:30 A.M.



## LAS VEGAS CHAMBER OF COMMERCE

2301 East Sahara Avenue / Phone 737-4664 / Las Vegas, Nevada

Ken O'Connell  
Manager

February 12, 1969

The Honorable Emerson Titlow  
Senate Finance Committee  
Nevada State Legislature  
Carson City, Nevada

Dear Senator Titlow:

Regret that a previous commitment in court prevents my presence at the joint meeting of the Senate Finance and the Assembly Ways and Means Committees, scheduled for the morning of Thursday, February 13, in Carson City.

I particularly wanted to be present, since the subject of the joint meeting is the consideration of the 1969-71 biennium budget request for the Nevada Department of Economic Development and Tourism.

Said budget request was featured on the agenda of the February 4 Board meeting of the Greater Las Vegas Chamber of Commerce, and our Directors went on record as favoring the expanded economic development and tourism promotion programs for Nevada.

We were especially pleased to learn of the Department's plans for an expanded tourism program, with a separate division of tourism to be created within its present framework, as well as a Nevada feature news service or bureau, in addition to greater activity in institutional tourism advertising.

We believe it economically sound to reinvest certain monies in this prime industry so that its base can be broadened throughout Nevada. Not only will this enhance general fund revenues, but it will economically benefit the many communities in our State which do not now enjoy the full impact of tourism.

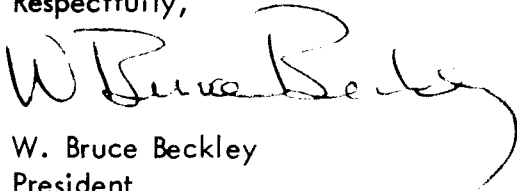
While we realize that many essential and worthwhile demands are placed upon the General Fund, we sincerely believe the time is at hand when Nevada should assign priority consideration toward expansion of its Department of Economic Development and Tourism Promotion, in order that it can compete with other areas outside the realm of our own State.

February 12, 1969

Although I will not be present at the February 13 joint meeting, the Executive Vice President of our Chamber, Ken O'Connell, will be in attendance and available for questioning. Ken is a member of the Governor's Tourism Advisory Committee, as is the Manager of our Chamber's Las Vegas News Bureau, Jim Deitch, who will, likewise, be present at Thursday's meeting.

Your wise consideration of the 1969-71 biennium budget request for the Nevada Department of Economic Development and Tourism Promotion will be appreciated by the Directors of the Greater Las Vegas Chamber of Commerce as well as those who recognize the importance of industrial and tourism activity expansion in behalf of the State of Nevada.

Respectfully,

A handwritten signature in dark ink, appearing to read "W. Bruce Beckley". The signature is fluid and cursive, with a long, sweeping underline that extends to the right.

W. Bruce Beckley  
President

cc: All Members of Senate Finance Committee  
All Members of Assembly Ways and Means Committee